

Hansell McLaughlin Weekly Proxy Notes

Hansell McLaughlin Weekly Proxy Notes provide you with a look into our governance findings for the 2026 proxy season for TSX listed issuers and governance developments that have occurred during the week. To receive our future notes on the 2026 proxy season [subscribe here](#).

Continued Low Support for Enhouse's Say-on-Pay Resolution

Enhouse Systems Ltd.'s (TSX: ENGH) say-on-pay resolution passed at its March 12, 2026 shareholders' meeting, but received only 52.25% support. It seems likely that much of that support came from Chairman and CEO, Stephen Sadler, who controls 11.6% of the vote and the Lead Director and Compensation Committee Chair, Pierre Lassonde, who controls 10.33% of the vote.

This is not the first time Enhouse has struggled to secure shareholder support for its say-on-pay resolution. The say-on-pay resolution failed in 2022, with just 36.49% of votes cast in favour. Over the past five years, Enhouse has consistently received less than 80% support for its say-on-pay resolutions. Proxy advisory firms ISS and Glass Lewis consider support below 80% to be a concern and generally expect issuers to respond by engaging with shareholders and addressing executive compensation related concerns.

Although Enhouse did not disclose specific shareholder concerns, several of its executive compensation practices could attract scrutiny from proxy advisory firms. Among other things, these include:

- a single-trigger change of control provision for the CEO, despite both ISS and Glass Lewis advocating for double trigger arrangements;
- absence of executive share ownership requirements; and
- lack of disclosure regarding performance conditions attached to long-term incentive awards.

Additionally, Enhouse's share price has declined significantly over the past five years, while both the TSX Composite Index and the TSX Composite IT Index have increased significantly.

2026 Proxy Season To Date (TSX Listed Issuers)



Shareholder Proposals

113 submitted

90 proceeding to a vote

0 successful



1 failed director election



0 failed say on pay vote



In the News

Below, we discuss news releases related to governance issues at issuers listed on the TSX since our last weekly proxy note.

May 7, 2026, Sherritt International Corp. (TSX: S), "[Sherritt suspending operations in Cuba, three directors resign, after U.S. expands sanctions](#)" - *The Globe and Mail*

Sherritt International Corp. (TSX: S) announced the immediate resignation of three directors, including board chair, Brian Imrie and two recently appointed directors, Richard Moat and Brett Richards. All three directors joined the board in 2025. Imrie was appointed to the Board in November 2025 and was immediately appointed chair of the board. Moat joined the board in April 2025, while Richards was appointed in December 2025 pursuant to a collaboration agreement with Pala Assets Holdings Limited, under which Pala agreed to withdraw its requisition for a special shareholders' meeting, among other things.

Sherritt also announced that it has suspended direct participation in its joint-venture activities in Cuba following a May 1, 2026, U.S. Executive Order expanding sanctions on Cuba's mining sector. The company further noted that it is repatriating expatriate employees from Cuba.

May 1, 2026, European Residential Real Estate Investment Trust (TSX: ERE.UN), "[European Residential Real Estate Investment Trust Announces Completion of Going-Private Transaction with Canadian Apartment Properties Real Estate Investment Trust](#)" - *The Globe and Mail*

European Residential REIT (TSX: ERE.UN) and Canadian Apartment Properties REIT (TSX: CAR.UN) announced the completion of their plan of arrangement, under which an affiliate of Canadian Apartment Properties REIT acquired all European Residential REIT units not already owned by Canadian Apartment Properties REIT and its affiliates for \$1.19 per unit.

European Residential REIT's units have been delisted from the TSX. Prior to closing, Canadian Apartment Properties REIT held approximately 65% of European Residential REIT's outstanding units.

May 1, 2026, K-Bro Linen Inc. (TSX: KBL), "[K-Bro Announces 2026 Annual General Meeting and Retirement of Board Chair](#)" - *Newswire*

K-Bro Linen Inc. (TSX: KBL) announced that its board chair, Michael Percy, will retire at the company's shareholders' meeting scheduled for June 3, 2026. Percy has served on the K-Bro Board for 11 years, having been first appointed in 2015.

Following the meeting, the Board will elect a new Chair from among its members.

Our governance expertise is complemented by a sophisticated data analytics practice which brings you these weekly proxy notes. We analyze the governance practices of all TSX listed issuers. The data is gathered from publicly available information and is managed internally to ensure that the information is standardized, comparable and reliable. [Click here](#) to learn more about our practice areas.