

## Corporate Securities Law

June 12, 2015

### CCGG Issues 2014 Annual Report

The Canadian Coalition for Good Governance (CCGG) has released its 2014 annual report setting out its governance priorities and projects for 2015/16. The priorities identified by the CCGG include:

- *Proxy access* - encouraging issuers to voluntarily adopt the CCGG's policy set out in its recent paper on *Shareholder Involvement in the Director Nomination Process: Enhanced Engagement and Proxy Access*, which includes the establishment of "proxy access" rights for shareholders and is described in more detail in our May 29, 2015 Update, *CCGG Proposes Enhanced Proxy Access Rules*.
- *Universal proxy* - publishing a "Universal Proxy Policy" that will propose legislative amendments providing for the use of a "universal proxy" in contested director elections, allowing shareholders to vote for any combination of management and dissident nominees on one ballot, and encouraging issuers to use a universal proxy in contested elections.
- *Say-on-pay* - continuing to encourage issuers to adopt the CCGG's recommended form of say-on-pay shareholder advisory resolution and to recommend to regulators and lawmakers that all Canadian public companies be legally required to conduct annual say-on-pay shareholder advisory votes.

- *Proxy voting system reform* - urging the Ontario Securities Commission to take a leadership role in reforming the proxy voting system to address issues such as over-voting, empty-voting and inaccuracies in vote tabulation.
- *Majority voting* - continuing to seek amendments to Canadian corporate legislation to establish majority voting as a legal requirement and urging the TSX Venture Exchange to adopt majority voting as a listing requirement for its listed issuers. Majority voting is already a listing requirement of the Toronto Stock Exchange.
- *Governance of Canadian REITs and other public income trusts* - publishing model declaration of trust provisions, reflecting the CCGG's belief that investor rights in public income trusts should be standardized and should mirror, to the extent legally possible, the rights available to shareholders in corporations governed by the *Canada Business Corporations Act*. At its annual public meeting, the CCGG indicated that it plans to release its model provisions in September 2015.

The CCGG, which represents institutional investors that together manage approximately \$3 trillion in assets, and is an influential voice in governance debates in Canada, also disclosed that it intends to continue to engage directly with boards on governance matters.

For further information or to discuss the potential implications of the CCGG's 2015/16 priorities, agenda and projects, contact any member of our Corporate Securities Group.