

For Immediate Release**February 22, 2024****Canadian securities regulators provide updated guidance on virtual shareholder meetings**

Toronto – The Canadian Securities Administrators (CSA) are providing reporting issuers updated guidance on virtual shareholder meetings following [initial guidance](#) provided in February 2022.

The conduct of shareholder meetings is primarily governed by corporate law and a reporting issuer's organizing documents. Following the COVID-19 pandemic, certain corporate statutes in Canada have been amended to expressly permit virtual shareholder meetings and include requirements reporting issuers must meet when conducting virtual meetings.

The CSA notes that some stakeholders have continued to raise concerns based on their experience participating in virtual-only shareholder meetings. They have expressed that virtual-only meetings present challenges for shareholders wishing to exercise their rights and express themselves to management, as well as difficulties accessing and participating in the virtual meetings.

One of the objectives of applicable securities law disclosure requirements is to provide shareholders with the information they need in order to understand a reporting issuer's affairs and exercise their rights as shareholders at shareholder meetings. Therefore, the CSA is providing the following updated guidance to assist reporting issuers in fulfilling their obligations under securities legislation and to encourage the adoption of practices that facilitate shareholder participation.

Disclosure to shareholders on how to access and participate at virtual meetings

In order for reporting issuers to fulfill their obligations under securities legislation, it is important that reporting issuers provide clear and comprehensive disclosure in management information circulars and associated proxy-related materials with respect to the logistics for accessing, participating and voting at a virtual meeting.

In proxy-related materials, reporting issuers can do this by providing plain language explanations of how both registered and beneficial shareholders can participate in a meeting, including information on:

- the registration, authentication and voting process for both registered and beneficial shareholders, and how shareholders can obtain assistance in the event of difficulties during the registration, authentication and voting process; and
- how shareholder participation at the virtual meeting will be accommodated and managed during the meeting, including:
 - information on the procedures to allow shareholders to send or ask questions, in advance of and/or during the meeting
 - how shareholder questions will be addressed during the meeting, or after if there is insufficient time to address all questions at the meeting

- instructions for voting at the meeting.

Facilitating shareholder participation at virtual meetings

For many investors, and in particular retail investors, the annual meeting has traditionally represented the only opportunity for meaningful engagement with management. The ability to attend and participate in a shareholder meeting should not require anything more than a basic level of technological proficiency. The CSA is encouraging reporting issuers to provide for an ease, level and quality of shareholder participation at a virtual meeting that is comparable to that which a shareholder could reasonably expect if they were attending an in-person meeting.

Reporting issuers can facilitate shareholder participation at virtual shareholder meetings by:

- simplifying registration and authentication procedures
- providing shareholders with opportunities to make motions or raise points of order
- ensuring shareholders have the ability to raise questions and provide direct feedback to management in any question-and-answer segment of the meeting
- indicating where shareholder proposals will be presented and voted on at the meeting, coordinating with proponents of those proposals in advance of the meeting, and ensuring proponents are given a reasonable opportunity to speak to the proposal and respond to any questions that arise from the proposal
- ensuring any virtual platform used by an issuer has functionality permitting shareholder participation to the fullest extent possible; and
- ensuring the Chair is experienced and knowledgeable in the technological platform being used for the virtual meeting.

The CSA encourages reporting issuers to review their governing corporate legislation and organizing documents when contemplating the format and conduct of their shareholder meetings. It is also recommended that reporting issuers consult and follow accepted best practices relating to the conduct of virtual shareholder meetings, including considering holding hybrid meetings to allow both in-person and virtual participation.

CSA Staff will continue to monitor the practice of virtual shareholder meetings, including reviewing disclosure in proxy-related materials during the upcoming proxy season. Further guidance and updates may be issued, as required.

The CSA, the council of the securities regulators of Canada’s provinces and territories, co-ordinates and harmonizes regulation for the Canadian capital markets.

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For investor inquiries, please contact [your local securities regulator](#).