

CCGG POLICY

2011 BOARD ENGAGEMENT STRATEGY

November 2010

Canadian Coalition for
GOOD GOVERNANCE
THE VOICE OF THE SHAREHOLDER

CCGG, on behalf of its members, will be meeting with the Chair of the Board and other directors of a number of public Canadian companies again in 2011.

PURPOSE

The meetings are intended to be a discussion between the board of directors (as elected representatives of the owners) and shareholders of the company in order to:

1. Establish a relationship with, and create a forum for discussion between, the board of the company and its shareholders to discuss governance issues and policies
2. Discuss the approach to executive compensation of the company relative to CCGG's *2009 Executive Compensation Principles, 2010 Building High Performance Boards* and related policies (available at www.ccg.ca)
3. Discuss any recommended governance practices not being followed at the company
4. Discuss the board's risk oversight process, including the monitoring of key risk areas, risk disclosure and links between risk management and executive compensation, and
5. Provide CCGG members with information which will assist them in making investment decisions and in voting at the company's next annual meeting.

ENGAGEMENT LIST

In 2010-11, CCGG intends to meet with approximately 45-50 companies. CCGG considered a range of factors in developing a list of engagement candidates, including:

- Industry sector
- Market capitalization
- Governance record, and
- Level of ownership by CCGG members.

PROCESS

CCGG will send a written request to the company for a meeting with the Chair of the Board, the Chair of the Compensation Committee and other directors, at the discretion of the Company's Chair.

Ideally, the meeting will be held in person at the head office of the company, but may be held at other locations or by conference call if required. The meeting will be attended by one or more members of CCGG and a senior representative of CCGG staff.

CCGG BOARD OF DIRECTORS

CHAIR

David Denison
CPP Investment Board

VICE CHAIR

Barbara Palk
TD Asset Management

DIRECTORS

Bill Chinery
BlackRock

Dan Chornous
RBC Asset Management

Emilian Groch
Alberta Teachers' Retirement Fund

Stephen A. Jarislowsky
Jarislowsky Fraser

Wayne Kozun
Ontario Teachers' Pension Plan

Larry Lunn
Connor, Clark and Lunn

Donald F. Reed
Franklin Templeton Investments Corp.

Kim Shannon
Sionna Investment Managers

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CCGG will conduct detailed research and solicit input from its members in advance of the meeting to ensure that all important issues are addressed at one time. Once a date has been set for the meeting, attendees finalized, and detailed research completed, a letter setting out the attendees and identifying the agenda of matters to be discussed will be sent to the company Chair. CCGG welcomes additional agenda items requested by the board.

Following each company meeting, CCGG staff will prepare a written summary of the meeting for its members. The meeting summaries will not be made public, but will be provided to the company's board for its internal use. Generally, the board will have an opportunity to comment on a draft report before it is made available to CCGG members. CCGG asks that these meeting summaries not be made public by the company or widely circulated within the company. CCGG may also provide directors with a summary of industry themes identified by CCGG from its engagement meetings in the company's industry.

CCGG will prepare and publish a report annually summarizing best corporate governance and executive compensation practices identified from its engagement meetings and encouraging all companies to adopt these leading practices.

Issuers are invited to contact Stephen Griggs, Executive Director at 416 868 3585 and sgriggs@ccgg.ca or Tony D'Onofrio, Director of Issuer Research at 416 363 8253 and tdonofrio@ccgg.ca with questions or comments.