

The background of the entire page is an abstract, dynamic pattern of flowing, wavy lines in various shades of orange, red, and brown. The lines create a sense of movement and depth, resembling liquid or smoke in motion.

SpencerStuart

2018 Canada
Spencer Stuart
Board Index

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At Spencer Stuart, we know how much leadership matters. We are trusted by organizations around the world to help them make the senior-level leadership decisions that have a lasting impact on their enterprises. Through our executive search, board and leadership advisory services, we help build and enhance high-performing teams for select clients ranging from major multinationals to emerging companies to nonprofit institutions.

Privately held since 1956, we focus on delivering knowledge, insight and results through the collaborative efforts of a team of experts — now spanning 56 offices, 30 countries and more than 50 practice specialties. Boards and leaders consistently turn to Spencer Stuart to help address their evolving leadership needs in areas such as senior-level executive search, board recruitment, board effectiveness, succession planning, in-depth senior management assessment and many other facets of organizational effectiveness. In 1978, Spencer Stuart became the first global executive search firm to enter the Canadian market, helping clients across the country achieve outstanding leadership solutions for their organizations from our offices in Toronto, Montréal, and Calgary.

For more than 30 years, our Board Practice has helped boards around the world identify and recruit independent directors, providing advice to board chairs, CEOs and nominating committees on important governance issues. We serve a range of organizations across geographies and scale, from leading multinationals to smaller organizations. In the past year alone, we conducted more than 600 director searches worldwide, and in North America one-third of those assignments were for companies with revenues under \$1 billion.

Our global team of board experts works together to ensure that our clients have unrivaled access to the best existing and potential director talent, and regularly assists boards in increasing the diversity of their composition. We have helped place women in more than 1,800 board director roles and recruited more than 600 diversity executives around the world. In Canada, about half of our board placements in the past three years have been women.

In addition to our work with clients, Spencer Stuart has long played an active role in corporate governance by exploring — both on our own and with other prestigious institutions — key concerns of boards and innovative solutions to the challenges facing them. Publishing

the Canada Spencer Stuart Board Index (CSSBI), now in its 23rd edition, is just one of our many ongoing efforts:

- » Participation in the Federal Government of Canada's 25-member Advisory Panel to promote the appointment of women on public and private corporate boards.
- » Spencer Stuart co-founded the National Awards in Governance with the Conference Board of Canada, celebrating innovations and best practices in governance in the private, public and nonprofit sectors.
- » We are gold sponsors of the Institute of Corporate Directors (ICD), and our consultants are frequent speakers at their events and seminars throughout the year across Canada.
- » In partnership with the ICD, we prepare *Directors on the Move™*, a regular feature of the ICD's newsletter, *Director*, providing a sampling of new board director appointments across Canada.

Each year, we sponsor and participate in several acclaimed director education programs, including:

- » Next Gen Board Leaders (NGBL), an initiative designed to foster a community of current and aspiring directors to spark discussion around the challenges, opportunities and contributions of a younger generation in today's boardrooms.
- » The Global Institutes, sponsored by the WomenCorporateDirectors (WCD) Foundation.
- » The Corporate Governance Conference at Northwestern University's Kellogg School of Management.
- » The New Directors Program, a unique two-year development program designed to provide first-time, non-executive directors with an exclusive forum for peer dialogue on key issues and "unwritten rules" of corporate boards, produced in partnership with the Boston Consulting Group, Frederick W. Cook & Co., Davis Polk, Lazard and PricewaterhouseCoopers.

The *CSSBI* provides insights into the governance trends and practices of 100 publicly traded Canadian companies with annual revenues exceeding \$1 billion (hereafter referred to as the *CSSBI 100*).

METHODOLOGICAL NOTES

Selection of The *CSSBI 100* Index of Companies

The *FP 500: Canada's Largest Corporations by Revenue, June 2018*, was used to create the *CSSBI 100* index of companies. Each of the 100 companies selected had revenues that exceeded C\$1 billion, were listed on the Toronto Stock Exchange, and each met a 25% threshold for resident Canadian board members as of the date of the company's Management Information Circular.

Primary Data Sources

- » Management Information Circulars ("Information Circulars"), Annual Information Forms and Annual Financial Statements of *CSSBI 100* companies, filed with SEDAR (www.sedar.com) between December 2017 and September 2018.
- » Spencer Stuart's proprietary U.S. board database for our comparison between *CSSBI 100* and U.S. S&P 500 companies.

Comparisons between Larger and Smaller *CSSBI 100* Companies

To make appropriate comparisons, we grouped the *CSSBI 100* companies into two categories based on revenue: the 55 companies with revenue exceeding C\$5 billion (referred to as the "larger *CSSBI 100*") and the 45 companies with revenues between \$1 billion and \$5 billion (referred to as the "smaller *CSSBI 100*").

Board Compensation

Our analyses of board compensation included the value of equity remuneration (e.g., common shares, deferred and restricted stock units — DSUs and RSUs, respectively — and stock options). Where the equivalent values of equity were not disclosed by the companies, we valued the equity using the appropriate market prices for the dates on which the shares were granted. The breakdown of cash and equity, as presented in our various compensation analyses, were estimated based on the proportion of each type issued by the *CSSBI 100* companies to remunerate their non-executive directors.

Board compensation disclosed and paid to directors in U.S. currency, which applied to 20 *CSSBI 100* companies in 2018, was converted to Canadian dollars using Bank of Canada exchange rates for the applicable time periods. All figures appear in Canadian dollars, except where noted.

North American Comparison

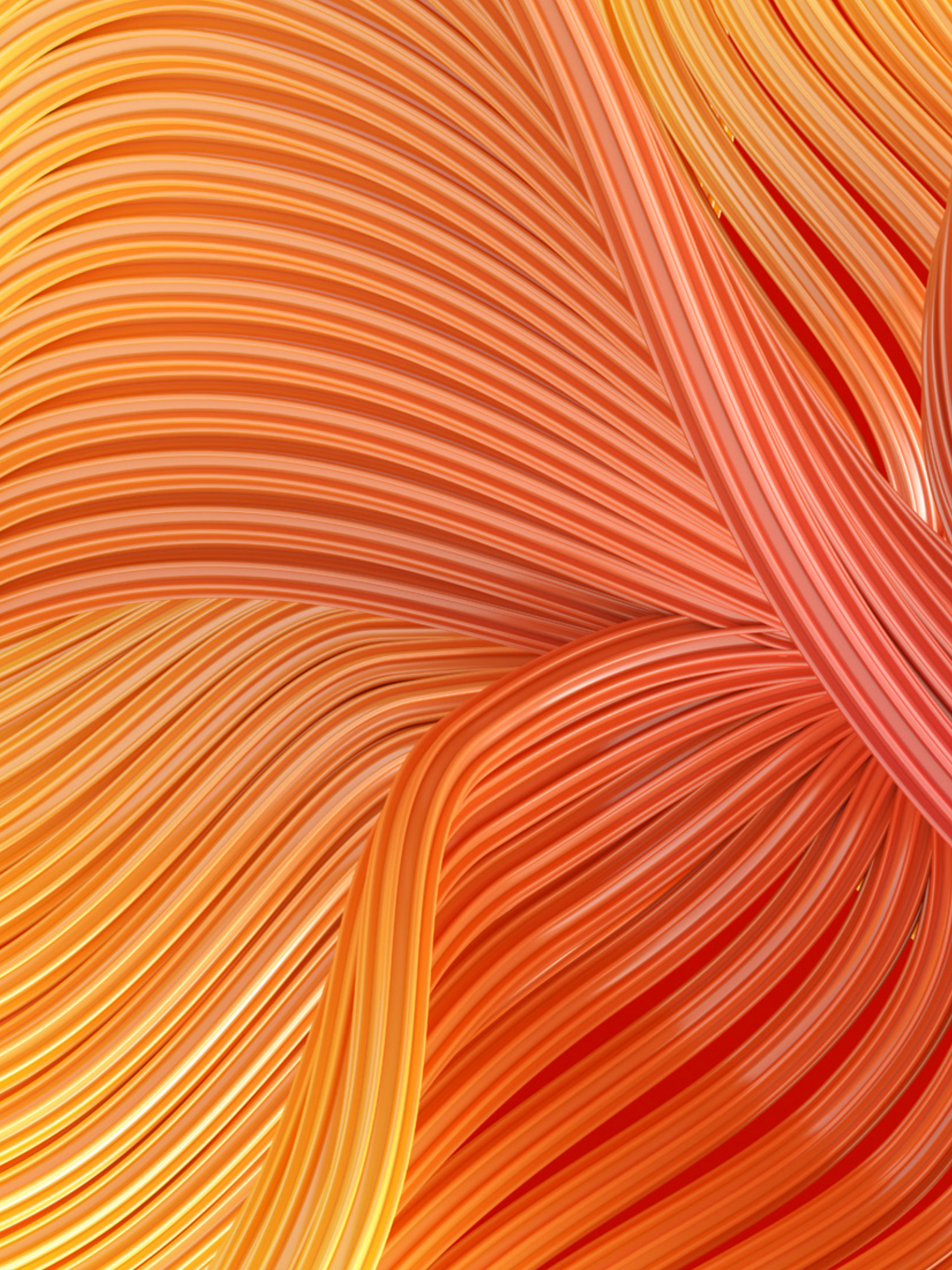
The 2018 *CSSBI* also includes selected board comparisons with comparably sized U.S. S&P 500 listed companies. All of the comparable *CSSBI 100* and U.S. companies were within the same revenue range: \$1 billion to \$58.3 billion (in nominal amounts). We also grouped the *CSSBI 100* and the comparable U.S. companies into two revenue categories: the boards of companies with revenues between \$1 billion and \$5 billion (referred to as the “smaller” companies) and the group with revenues greater than \$5 billion and less than or equal to \$58.3 billion (referred to as the “larger” companies). All values in the comparison appear in local currency.

Editor’s Note

Care was taken to ensure that reported trends accounted for year-over-year changes in the composition of the boards of *CSSBI 100* companies and those of the U.S. comparables.

While Spencer Stuart makes all reasonable and good-faith efforts to verify and reference the sources of the information contained in the *CSSBI*, we do not and cannot guarantee, represent, or warrant that the information provided is complete, accurate, or error-free.

The information and opinions contained in the *CSSBI* have been compiled or arrived at from third-party sources we believe to be reliable, but are made available without warranty, whether expressed or implied, of any kind. Spencer Stuart shall have no liability of any type whatsoever to any individual or entity on account of any incompleteness or inaccuracies in the information used and incorporated into the *CSSBI*. As part of our verification process, we contacted the Corporate Secretary of each *CSSBI 100* company to confirm and update their company’s board information.



Spencer Stuart Perspective for 2018

For almost twenty-five years, Spencer Stuart has been studying corporate governance at a range of Canada's largest publicly traded companies, highlighting best practices and trends in board composition, compensation and processes. Through our annual review of new director appointments and board chair transitions, we provide a deeper analysis of turnover and the backgrounds of incoming board members. Boards are in continual renewal, and this theme is reflected in the key findings of our 23rd annual *CSSBI*. Understanding board culture, as we emphasize in our work with boards, is an integral part of the renewal process.

BOARDS IN RENEWAL

Significant board turnover: In the past six years, *CSSBI 100* boards welcomed 560 new non-executive directors, or an average of roughly one new director per board annually. The aggregate numbers mask the fact that during this time period many of these boards (on average 25% each year) appointed two or more directors each year as part of ongoing renewal activities. Our deeper look at tenures shows that *CSSBI 100* boards effectively turned over by more than half in the past five years. In an environment of relatively constant board size, 52% of non-executive directors serving in 2018 had five or less years of tenure.

Balancing industry experience with other perspectives: Non-executive director appointments by *CSSBI 100* companies have been roughly balanced between industry experts (i.e. executives with experience in the company's industry or an allied sector) and those from other industries. While adding different perspectives is always important, the real focus for *CSSBI 100* boards has been on increasing the depth of relevant industry experience. Each *CSSBI 100* board had roughly four to five industry experts in 2018 (which is close to half the average *CSSBI* board size). This stands in contrast to the time when these boards had substantially less relevant industry expertise, relying more on "generalists" and functional experts (the 2011 *Canadian Spencer Stuart Board Index* features this analysis).

More women at the board table: In the past six years, appointments of women to boards averaged close to 40% (as a percentage of all director appointments) and were nearly even with men in some of

560

non-executive directors
were appointed in
the past six years

52%

of non-executive directors
serving in 2018 had five or
less years of tenure

42%

increase in total board
directorships held
by women over 2013

these years. Gone are the days of the “all-male” board, as *CSSBI 100* boards have been appointing more women as part of their planned renewal efforts. A growing proportion of *CSSBI* boards have three or more women directors and higher board gender diversity targets (see pages 22 and 60). Overall, 27% of total *CSSBI 100* board directorships were held by women in 2018, an increase of 42% over 2013.

Despite the progress, Canada ranks in the middle of the pack internationally in overall board gender diversity, ahead of the U.S. (24%), about even with the U.K. (28%), but well behind the leader, Norway (46%). To become world leaders, Canadian companies, among other efforts, will need to add to the pool of potential board candidates by developing more women in C-level executive roles. For Spencer Stuart’s ranking see: <https://www.spencerstuart.com/research-and-insight/boards-around-the-world>.

29%

of all directorships were held
by international directors

Canadian boards becoming more international: International recruits (i.e. non-residents of Canada) comprised 42% of all incoming board members in 2018. This matched the previous high in 2014 and was the third consecutive annual increase in the number of international candidates joining *CSSBI 100* boards. In 2018, close to one-third (29%) of all *CSSBI 100* directorships were held by international directors, a significant 38% increase over 2011. Indeed, boards in Canada have been succeeding in “cross-border” recruitment, addressing the recognized limits of the Canadian market and talent pool, while adding the required experience, relevant market knowledge, and notably more diversity (e.g. 31% of the women recruited in 2018 were non-residents) from other markets.

In our experience, cultivating a two-way attraction is critical when recruiting a potential board member from outside Canada. American and other foreign directors are often intrigued by the possibility of joining a Canadian board and become more interested once they understand why they would be a close fit, even with Canada’s relatively lower board compensation (see page 68). When evaluating prospects from other markets, assessing for fit is all-the-more important, as is obtaining confidential references from trusted market sources “on the ground.” Also important is the agility of the board’s process, lest candidates lose interest or accept another offer amid a competitive market for prospective board members, and the board’s on-boarding to effectively acclimate the international director to a Canadian board.

Boards continued to seek “next-gen” directors: The boards of Canada’s largest companies continued their openness to “next-gen” board members – prospects with the needed industry and/or functional experience, but without prior public-company board experience. In 2018, close to one-third (28%) of all non-executive directors appointed to the boards of *CSSBI 100* companies lacked prior board experience with a public company (see page 23). Those meeting the criteria included C-level executives with varying degrees of prior interactions with boards and less seasoned, yet very accomplished, individuals possessing cutting-edge (e.g. digital and technology) knowledge. The latter competencies should feature prominently in ongoing board renewal efforts in Canada as companies in most industries continue to transform along digital and technological lines. Effective on-boarding and mentorship by the board chair and other seasoned directors will continue to play a role in their development.

28%

of incoming directors
joined their first public-
company board

Changing board chairs: Change has been substantial and continued in this critical board leadership role. In the last six years, close to two-thirds (64) of *CSSBI 100* boards selected a new board chair, or about 10 each year on average. A strong majority (83%) of the successors were existing board members (most often former committee chairs), a clear sign that the boards of Canada’s largest companies emphasize company knowledge and board continuity.

A great board chair is a competitive advantage. Having an ongoing succession framework (something akin to CEO succession) for this role is a must. The role is unique and the “table stakes” are higher in terms of leadership competencies, personal characteristics and soft skills compared to other directors. If a board fails to select the right board chair, it can put the performance of the board and quite possibly the company at risk. Many boards now identify board chair competencies as part of overall board succession planning, including it in their composite skills matrix. Prospects are now often recruited for their added board chair potential, a “nice to have” in addition to the core functional and/or industry requirements. While extenuating circumstances may require a board to look externally for a new board chair, in general, there should be at least one potential internal board chair successor. The absence of a suitable board chair successor, much like the absence of a developed internal CEO successor, can be viewed as a shortcoming in planning.

64

boards selected a new board
chair in past six years

In our experience, there are some best practices that can enhance the transparency (given the sensitivities involved at the board level) and effectiveness of the process to result in a truly first-class board chair. Models used in CEO and top management succession

planning, and in selecting new board members, can be deployed to select a board chair. Board chair succession planning should be:

- » Made an explicit and core aspect of board succession planning within the overall governance practices of the company.
- » Initiated well in advance by the incumbent board chair.
- » Led by a committee/sub-committee (a select number of longer tenured directors who are not in the running) on a continuous and confidential basis.
- » Framed against a role definition and consistent set of selection criteria.
- » Centered ideally around a small number of prospects already serving on the board; and, synchronized with CEO succession such that both processes are sufficiently far apart.

IN A NEW ERA FOR BOARDS, CULTURE IS KEY

A healthy board culture is increasingly recognized as an important element of board performance and renewal efforts. Boards, based on our findings, are adding new experiences and perspectives to enhance board deliberations and improve outcomes. But greater diversity also increases the opportunities for misunderstanding among directors with different points of view and backgrounds. Unlike other areas of board governance — composition, risk, succession and strategic planning or financial reporting, for example — board culture is less clearly defined and understood.

For boards striving to be more dynamic, performance-oriented and shareholder focused, getting culture right is key. Spencer Stuart has developed a model for diagnosing and understanding board culture, drawing on extensive research showing that there are two dimensions of culture: attitudes towards people (individual versus collective) and change (flexible versus stable). In practice, we observe a wide-range of working styles and dynamics in the boardroom, yet in our experience, board cultures tend to be more heavily weighted in one of four main culture styles:

- » **Inquisitive:** These boards value the exchange of ideas and the exploration of alternatives.
- » **Decisive:** These boards are focused on measurable results, driving a focused agenda and outcome-oriented decisions.

- » **Collaborative:** These boards value consensus and having a greater purpose.
- » **Disciplined:** These boards emphasize consistency and managing risks and prioritize planning and adherence to protocols.

Because board culture is an important driver of board performance, a natural time to assess board culture and how it supports strategy is during the board's annual self-assessment. Using an agreed-upon framework and vocabulary like the one Spencer Stuart has developed, boards can diagnose their current board culture and agree on a target culture. A board may want to evolve its culture if it is under-performing, when there is a new CEO, or its own composition is changing, or when the business strategy is changing. For example, in a crisis or turnaround situation, a board may want to be more decisive and results-driven. At a strategic inflection point — when the organization needs to figure out new markets, new products, where to invest in acquisitions or innovation — a board may need to be more inquisitive and flexible.

Boards consider a variety of factors when recruiting a new director. When they want to evolve board culture, boards can consider an additional lens: how a director would help shift dynamics in the boardroom toward the desired culture. For example, a board that wants to become more decisive and results-driven may want the next director to have a no-nonsense, by-the-numbers style, perhaps a CFO profile. A board wanting to become more adaptive and inquisitive may look to add an entrepreneur or an innovator.

See Spencer Stuart, Point of View, 2018 (<https://www.spencerstuart.com/research-and-insight/point-of-view-2018>) for additional commentary on board culture, board performance and details on Spencer Stuart's *Culture Alignment Framework*.

High performance boards share some common attributes. Achieving “next level” performance will rest increasingly on a board's ability to gain a solid understanding of its cultural workings (and dysfunctions), being prepared to have candid discussions about collective performance and individual contributions. These endeavors, along with forward-looking board succession planning, will help deliver an effectively woven mix of experience and personalities to the table.

Board Composition

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Board Composition

NON-EXECUTIVE DIRECTOR APPOINTMENTS IN FOCUS

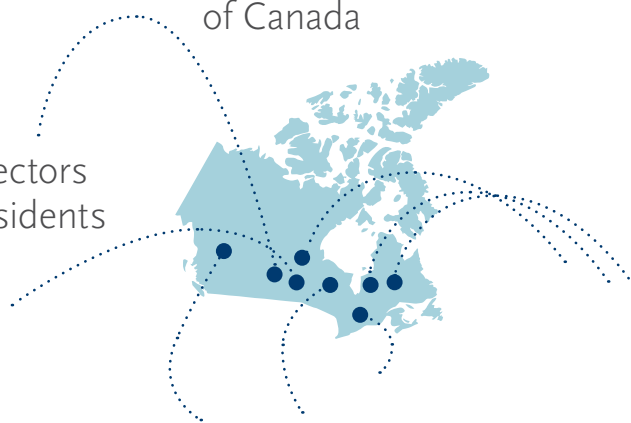
Spencer Stuart presents its annual review of the backgrounds of non-executive directors appointed to the boards of *CSSBI 100* companies. This review highlights trends in the executive and functional experience of non-executive directors being appointed, in addition to tracking the nationality of board members and board gender diversity.

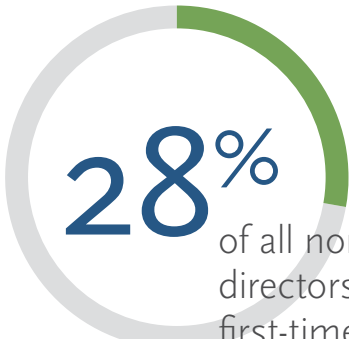
2018 Snapshot

98 
non-executive
directors appointed

30% 
of all non-executive
directors appointed were
women, close to 1/3
were non-residents
of Canada

42%
of all non-executive directors
appointed were non-residents
of Canada



28% 
of all non-executive
directors appointed were
first-time public
company directors

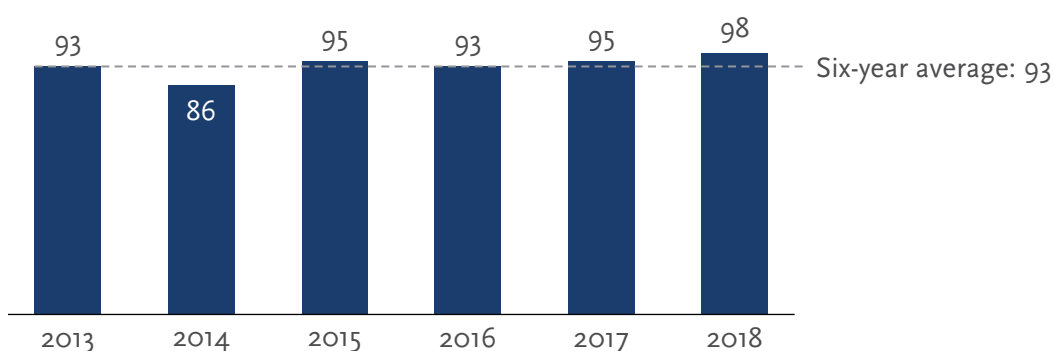
12 Board chair
transitions
was consistent
with 2017

NON-EXECUTIVE DIRECTOR APPOINTMENTS AND TRENDS

Slightly higher director turnover in 2018

- » In 2018, 98 non-executive directors were appointed by the boards of *CSSBI 100* companies (from September 1, 2017 to August 31, 2018). This total, which was slightly above average, can be attributed to the complete turnover of one *CSSBI 100* board.
- » The number of new director appointments has been steady in recent years, amounting to an average of roughly one new director per *CSSBI 100* board annually.

Total Annual Appointments of Non-executive Directors to the Boards of *CSSBI 100* Companies (2013–2018)



Backgrounds of Non-executive Directors Appointed to the Boards of *CSSBI 100* Companies (2013–2018)*

	2013	2014	2015	2016	2017	2018	2018 by gender	
							Men	Women
Same or Allied Industry Experience	66%	44%	41%	49%	54%	55%	76%	24%
CEO Experience	49%	35%	55%	44%	35%	33%	94%	6%
Women	28%	43%	45%	41%	40%	30%	N/A	N/A
Financial Backgrounds	40%	40%	36%	40%	36%	35%	76%	24%
International non-residents of Canada	34%	42%	31%	37%	39%	42%	78%	22%
First-time Directors of a Publicly Traded Company	27%	36%	39%	34%	33%	28%	52%	48%
Active C-level Executives (excluding CEOs)	27%	30%	23%	23%	17%	23%	61%	39%

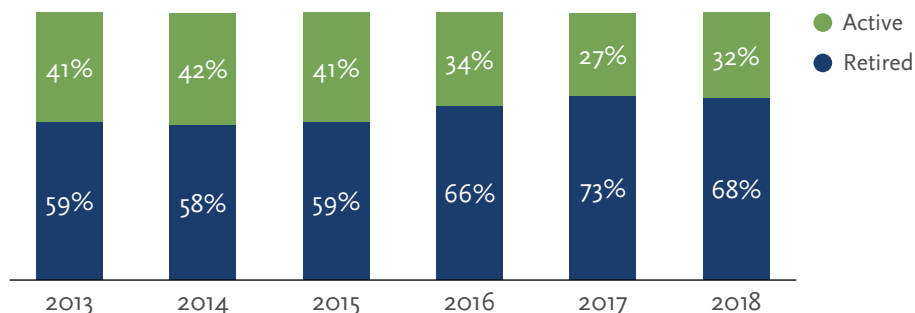
*Percentages do not total 100; several directors qualified in more than one category.

Increase in the proportion of active executives appointed to *CSSBI 100* boards

- » Active executives comprised 32% of incoming non-executive directors, representing the first increase after it declined in 2016 and 2017, and potentially a return to earlier levels.
- » The shortage of active executives for board roles has likely been a key contributing factor to the relatively lower appointment rate in recent years.

Appointments of Non-executive Directors: Active Compared to Retired Executives

(as a % of all non-executive directors appointed to *CSSBI 100* boards, 2013-2018)





















Evidence of renewal as more boards appointed multiple directors in 2018

- » Fifty-six different *CSSBI 100* companies appointed non-executive directors in 2018. Half of these boards appointed two or more directors, an indication of ongoing renewal at several large Canadian publicly traded companies.
- » The totals for multiple non-executive director appointments in 2018 were the highest in six years as several boards continued to replace retiring directors, mostly as part of planned board succession and renewal initiatives.

CSSBI 100 Companies that Appointed Multiple, Non-executive Directors in a Single Year

(2013-2018)

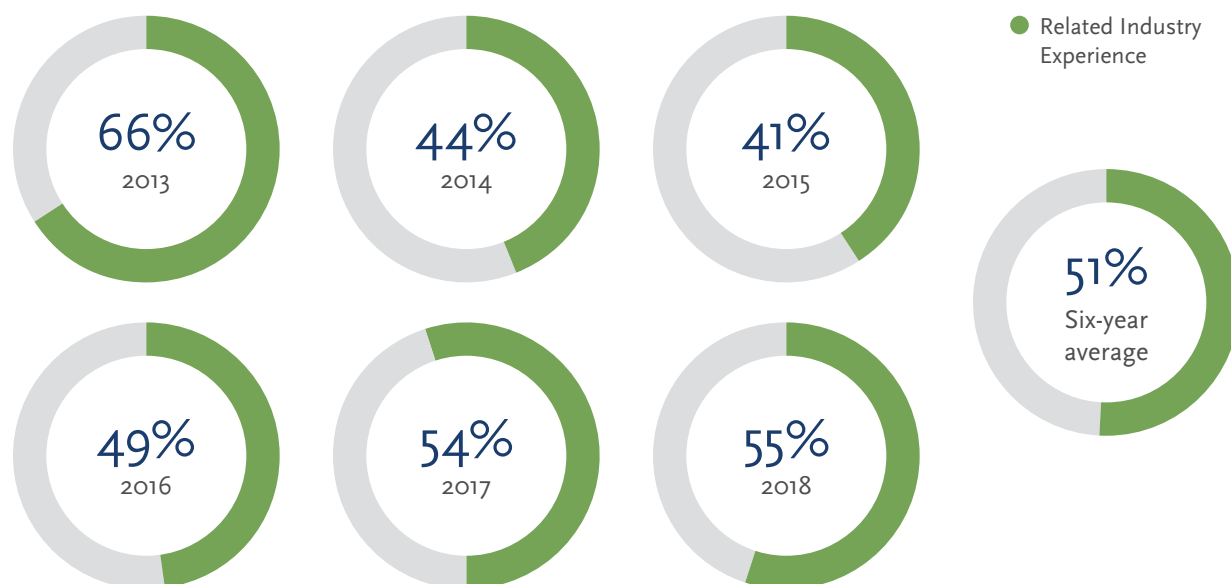
	2 appointed	3 appointed	4 or more appointed	Total
2013	 13	 5	 4	22
2014	 13	 8	 2	23
2015	 19	 6	 1	26
2016	 18	 5	 2	25
2017	 16	 6	 2	24
2018	 23	 2	 3	28

APPOINTMENTS OF NON-EXECUTIVE DIRECTORS WITH RELATED INDUSTRY EXPERIENCE

Achieving a diversity of experience and perspectives in new director recruitment

- » Adding related industry experience and perspectives from other industries have been priorities in the director succession and renewal activities of boards across the *CSSBI 100*.
- » In the last six years, on average, non-executive director appointments were equally divided between individuals with related industry experience (i.e. experience in the same industry or allied sector) and those from different industries.

Appointments of Non-executive Directors with Related Industry Experience to the Boards of *CSSBI 100* Companies (as a % of all non-executive directors appointed, 2013-2018)

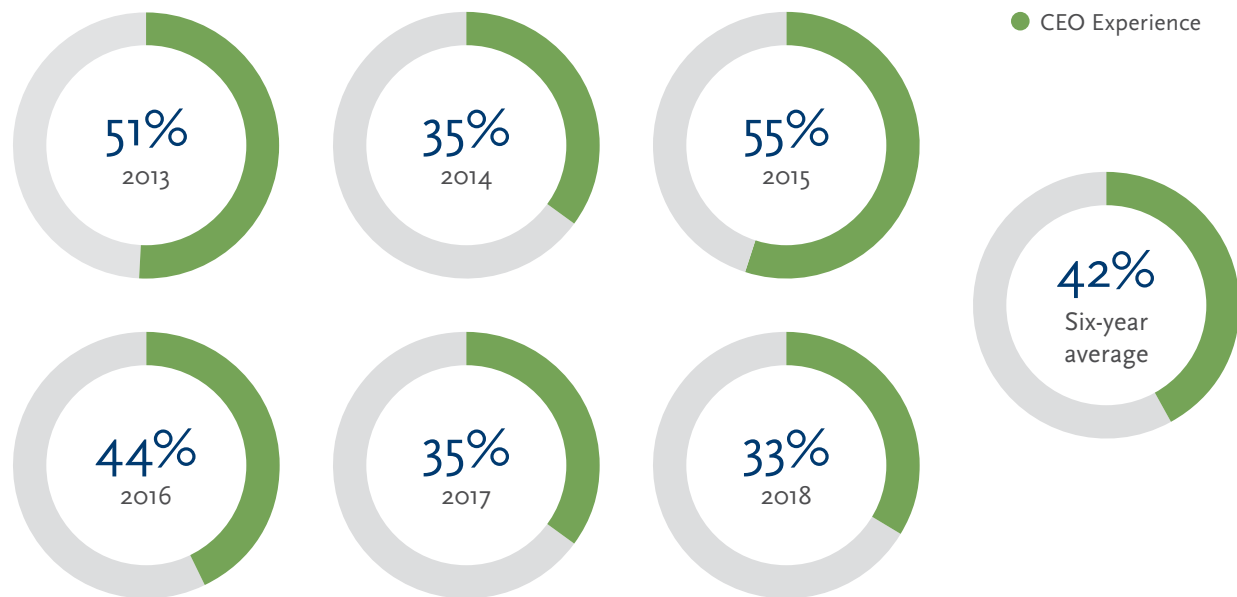


APPOINTMENTS OF NON-EXECUTIVE DIRECTORS WITH CEO EXPERIENCE

Fewer directors with CEO experience appointed in 2018; continued openness to non-CEO profiles

- » In 2018, 33% of all non-executive directors appointed to the boards of *CSSBI 100* companies had CEO experience. This was the lowest level in the past six years for the CEO category.
- » The limited supply of available prospects with CEO experience and the greater openness of boards to other backgrounds helps to explain the decline.

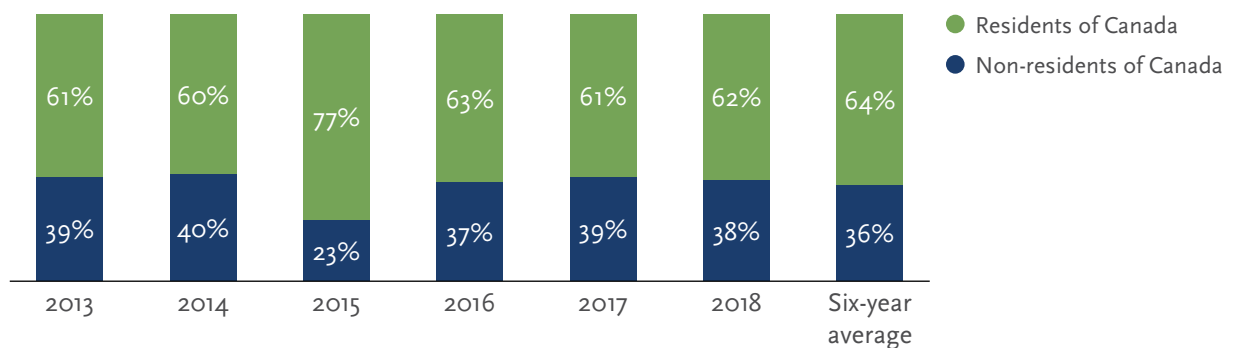
Appointments of Non-executive Directors with CEO Experience to the Boards of *CSSBI 100* Companies
(as a % of all non-executive directors appointed, 2013-2018)



CEO specifications often filled by non-residents

- » Many boards of *CSSBI 100* companies have turned to other markets (mainly the U.S.) to find the desired CEO-level experience for their boards.
- » Over the last six years, on average, close to 40% of non-executive directors appointed with CEO experience were recruits from outside Canada; the proportion has remained relatively stable over the years.

Appointments of Non-executive Directors with CEO Experience to the Boards of *CSSBI 100* Companies
(non-residents compared to residents, as a % of all non-executive directors with CEO backgrounds, 2013-2018)

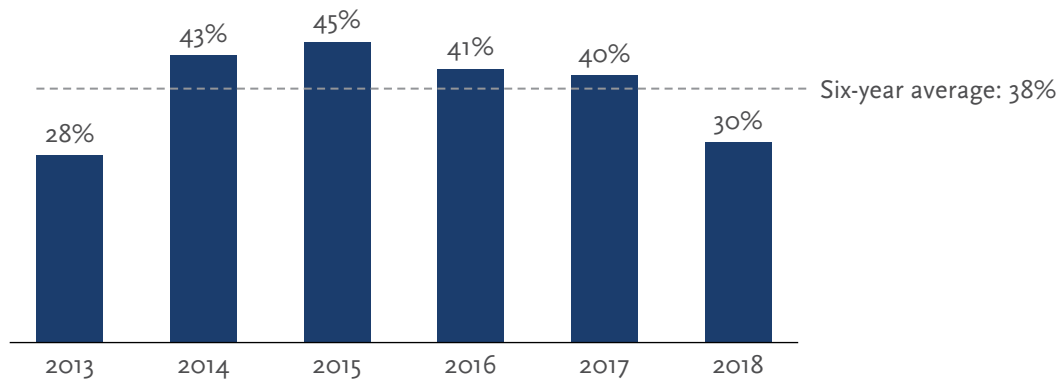


WOMEN BOARD DIRECTOR APPOINTMENTS AND REPRESENTATION

Women director appointments declined in 2018; number of *CSSBI 100* boards with minimum gender diversity targets increased

- » In 2018, 30% of all non-executive directors appointed to the boards of *CSSBI 100* companies were women, a noticeable decline compared to the number of women appointed in 2014 to 2017.
- » Despite the year-to-year appointment figures, many boards of *CSSBI 100* companies have made a planned and sustained effort to identify and recruit more women. Additionally, an increasing proportion of *CSSBI 100* boards (50% in 2018 compared to 41% in 2017) have established minimum targets for the proportion of women on their boards. The targets, when disclosed, ranged from 20% to 40% of either the full board or all independent board members.

Appointments of Non-executive Women Directors to the Boards of *CSSBI 100* Companies
(as a % of all non-executive directors appointed, 2013-2018)

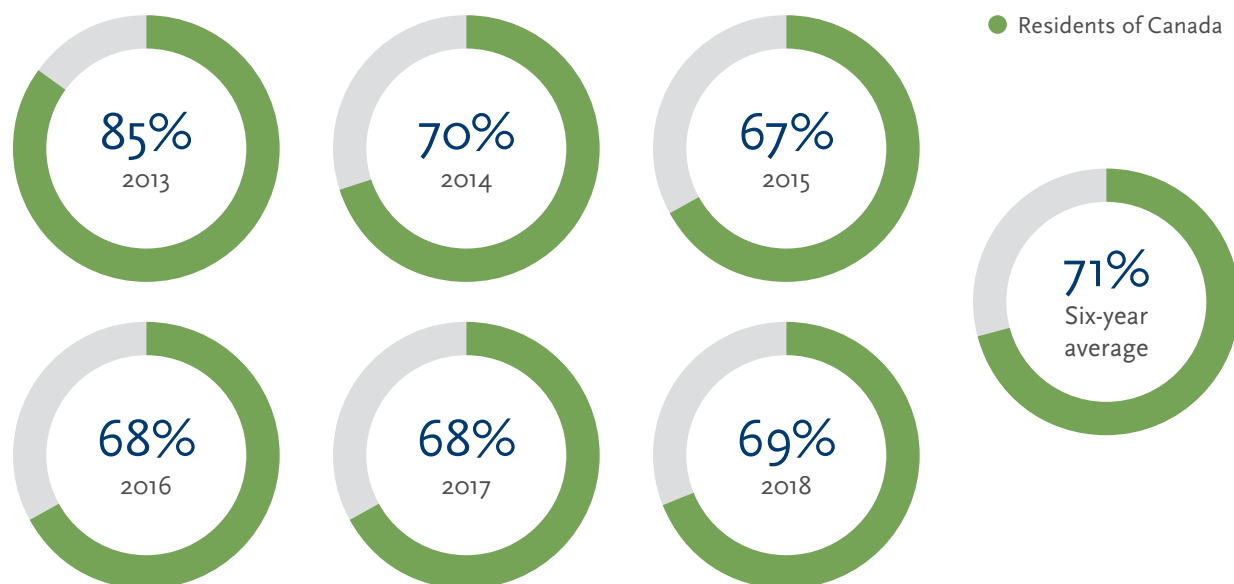


Canadian boards still recruiting many women from outside of Canada

- » In 2018, almost one-third (31%) of the women appointed to the boards of *CSSBI 100* companies were non-residents of Canada.
- » The number of “imports” (representing a fairly consistent and sizable proportion in recent years) suggests that the supply of women in Canada is not meeting demand for many board director specifications.

Women Recruited to the Boards of CSSBI 100 Companies

(residents of Canada compared to non-residents appointed, 2013-2018)



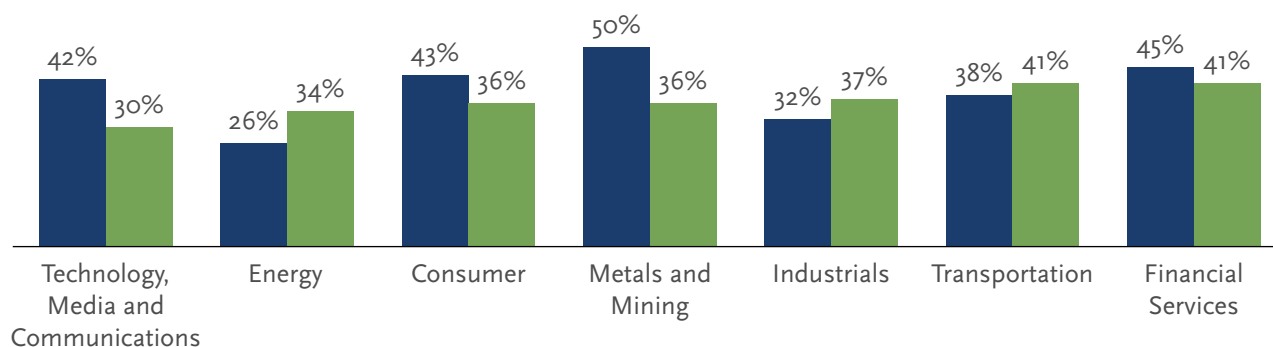
Financial services and transportation companies led in the appointment of women directors

- » The boards of CSSBI 100 companies in the financial services and transportation industries appointed proportionally the most women in the last three years. Women comprised 41% of board appointments at companies in these industries.
- » Appointments of women board members were comparably lower in most industries in the last three years than in the prior three-year period.

Appointments of Women Non-executive Directors by Industry

(2013-2015 compared to 2016-2018)

● 2013-2015 ● 2016-2018



New women directors continued to be younger than their male peers

- » In 2018, women appointed to the boards of *CSSBI 100* companies were three years younger, on average, than incoming male board members. The age gap has not closed in recent years.

Average Ages of Incoming Non-executive Directors to the Boards of *CSSBI 100* Companies

(women compared to men, 2013-2018)

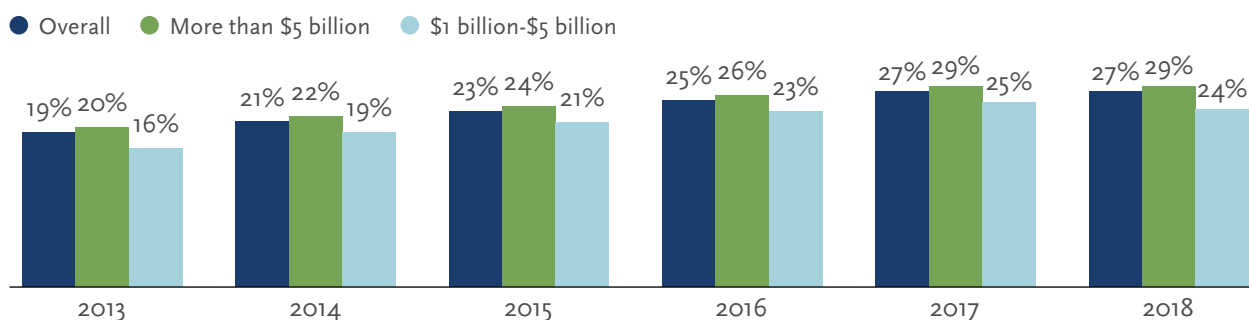
	2013	2014	2015	2016	2017	2018	Average
Men	60	59	58	58	58	59	59
Women	54	56	56	55	55	56	55

Overall rate of women on boards was level with 2017, but 42% higher than five years ago

- » In 2018, 27% of all *CSSBI 100* board directorships were held by women, the same as in 2017. On average, this translated to three women board members (per board) across the *CSSBI 100*.
- » The boards of the larger *CSSBI 100* companies continued to have slightly more women board members than those of the set of smaller companies.
- » Despite the pause year-to-year, the overall proportion of women board directors in 2018 was significantly (42%) higher than in 2013.

Percentage of all *CSSBI 100* Board Directorships Held by Women

(2013-2018)

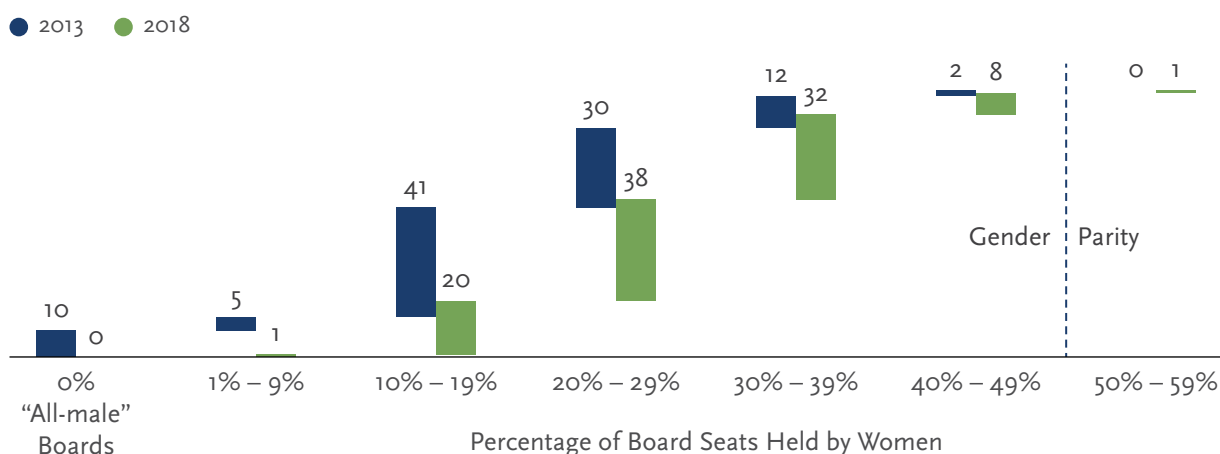


More gender balanced boards in 2018

- » Compared to 2013, there was an almost threefold increase in the number of *CSSBI 100* boards where women held at least 30% of the board seats (14 in 2013 compared to 41 in 2018).
- » In 2018, 13% of the boards of *CSSBI 100* companies had only one woman board member (a decline of 13 compared to 2013) and there was not a single “all-male” board in the Index.
- » Notably, one *CSSBI 100* board had an equal number of men and women in 2018, and another eight boards were close to having at least half of their board seats held by women.

CSSBI 100 Boards Grouped by Percentage of Women Directors on Board

(number of boards in each percentage interval, 2013 compared to 2018)



Women held more board leadership roles in 2018

- » In 2018, there were more than double the number of women serving in the various board leadership roles (board chair, vice-chair, committee chair or lead director) compared to 2012, and over one-half more than in 2015.
- » Compared to 2015, there were almost double the number of women serving in the highest board leadership positions (Board Chair, Vice-Chair, Lead Director).
- » There were more than double the number of women chairing human resources and compensation committees and double the number chairing audit committees compared to 2012. Increases for governance and nominations committees were almost the same.
- » Women held 23% of all board leadership roles on *CSSBI 100* boards in 2018, four percentage points below their overall rate of representation (27%) on these boards.

Board Leadership Roles Held by Women on the Boards of CSSBI 100 Companies*

(2012, 2015, 2018)

	2012	2015	2018
Board Chairs/ Vice-Chairs/ Lead Directors	10	8	14
Audit Committee Chairs	13	20	28
Governance and Nominating Committee Chairs	12	14	24
Human Resources and Compensation Committee Chairs	10	16	25
Environment, Health and Safety Committee Chairs	5	5	10
Other Committee Chair Roles	0	7	10
Totals	50	70	111

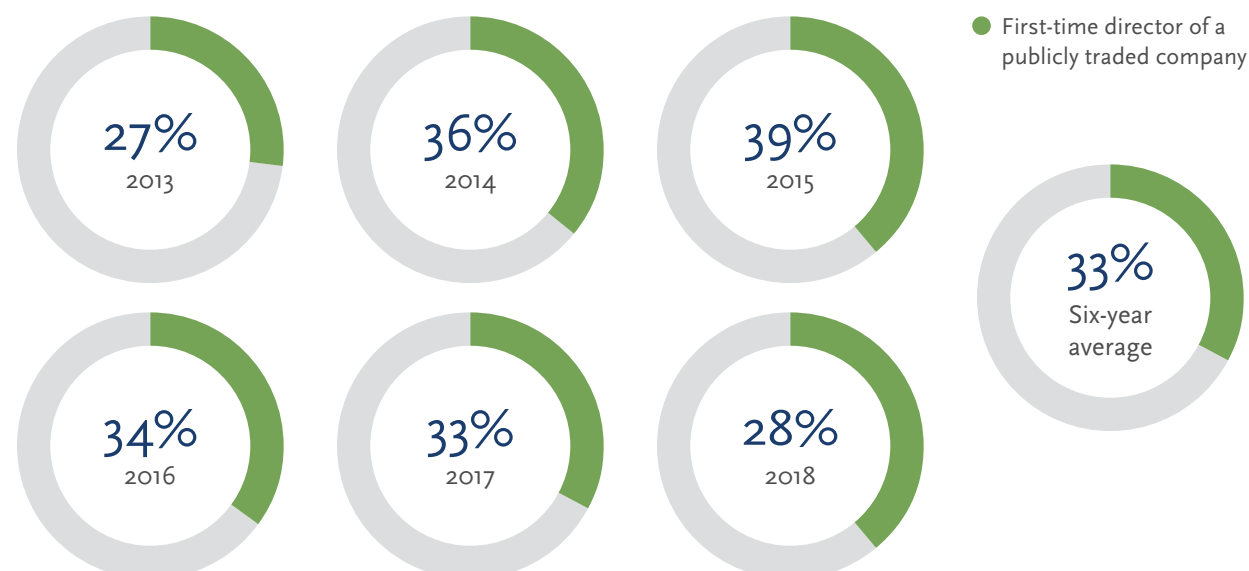
*Directors who chaired committees with dual functions (e.g. Compensation, Governance and Nominating) were counted as chairing two separate committees.

APPOINTMENTS OF FIRST-TIME DIRECTORS TO THE BOARDS OF PUBLICLY TRADED COMPANIES

Prior public-company board experience not always mandatory

- » In 2018, there continued to be openness to board prospects with relevant functional and industry experience (e.g. functional or digital sector experience), but without prior public-company board experience. Effective onboarding and mentorship by the board chair and other seasoned directors will continue to play a role in their development.
- » In 2018, close to one-third (28%) of all non-executive directors appointed to the boards of CSSBI 100 companies lacked prior board experience with a publicly traded company. The proportion was just under the six-year average for the appointments of “first-timers.”

Appointments of First-time Directors of Publicly Traded Companies to the Boards of CSSBI 100 companies (as a % of all non-executive directors appointed, 2013-2018)

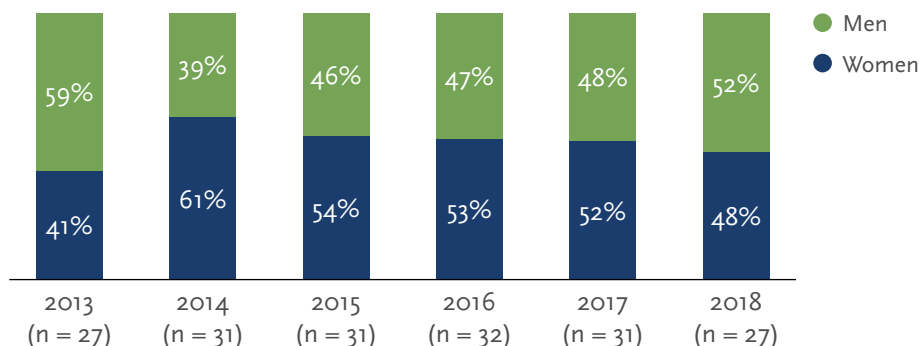


First-time board members divided almost equally between men and women

- » In 2018, the number of first-time directors was almost equally divided between men and women.
- » Historically, men comprised a larger proportion, but the gap has narrowed in recent years with the increase in the appointments of women to the boards of *CSSBI 100* companies.

Appointments of Non-executive Directors to the Boards of *CSSBI 100* companies

(men compared to women, as a % of all first-time, public-company directors, 2013-2018)

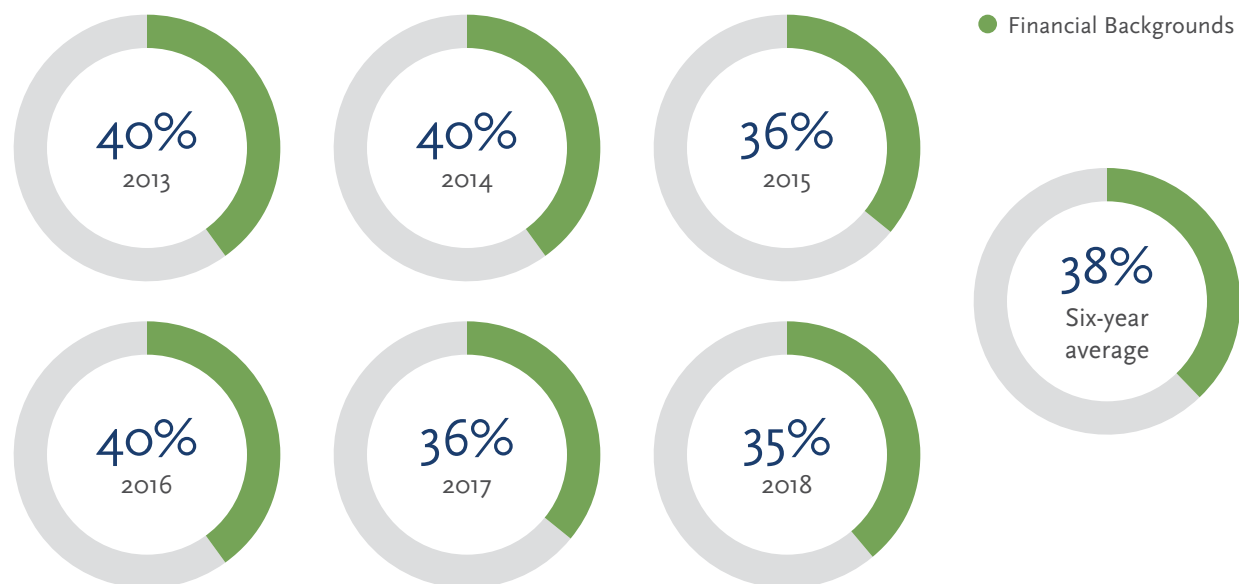


APPOINTMENTS OF NON-EXECUTIVE DIRECTORS WITH FINANCIAL BACKGROUNDS

Appointments of board members with financial backgrounds were almost unchanged

- » Non-executive directors with financial backgrounds have consistently represented a large proportion of annual director appointments, given the financial skills required by the boards of *CSSBI 100* companies to deal with challenging markets and to meet stringent financial oversight requirements. Audit committee leadership succession also underlies the relatively high and consistent number of appointments in this category.
- » In 2018, 35% of all incoming non-executive directors had financial backgrounds, slightly less than in 2017.
- » Chief Financial Officers (mostly retired) comprised almost one-third (32%) of all non-executive directors with financial backgrounds, well under the number from 2017.
- » Appointments of audit firm partners (all retired) showed a marked increase over 2017.

Appointments of Non-executive Directors with Financial Backgrounds to the Boards of CSSBI 100 Companies (as a % of all non-executive directors appointed, 2013-2018)



Appointments of Non-executive Directors with Financial Backgrounds (by type) to the Boards of CSSBI 100 Companies (2013-2018)*

	2013	2014	2015	2016	2017	2018	2018 by gender	
							Men	Women
Other Financial Experts	19%	18%	18%	16%	24%	56%	68%	32%
Chief Financial Officers	49%	26%	44%	49%	59%	32%	91%	9%
Banking Backgrounds	24%	38%	18%	24%	12%	9%	100%	0%
Audit Firm Partners	11%	9%	9%	3%	0%	9%	67%	33%
Investment Professionals	8%	15%	12%	3%	9%	0%	N/A	N/A

*Percentages do not total 100; several directors qualified in more than one category.

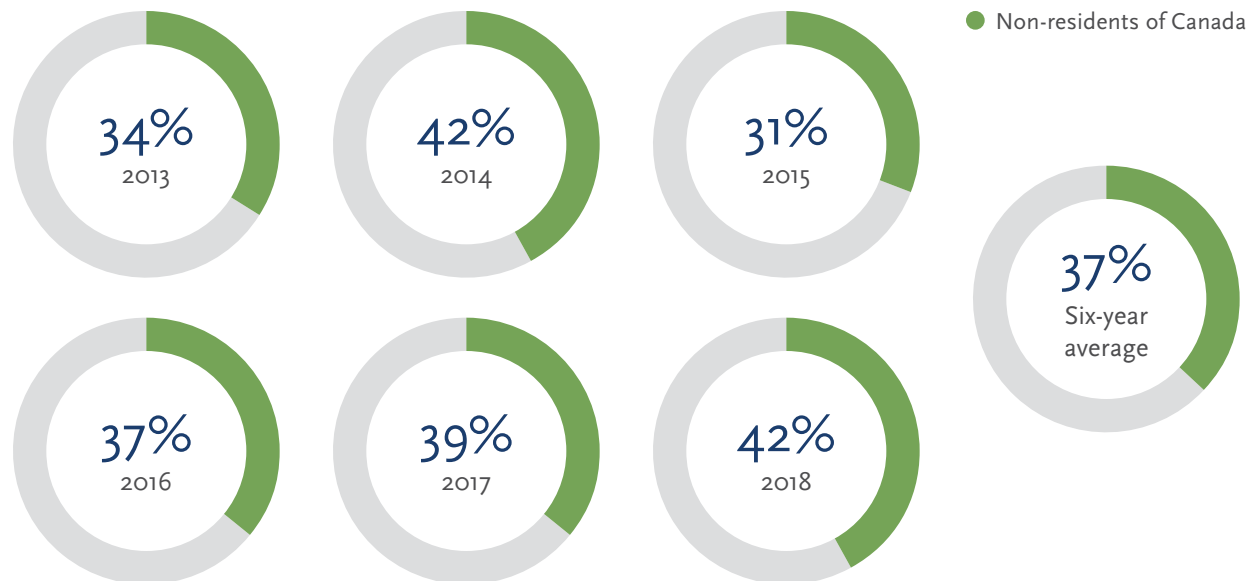
APPOINTMENTS OF NON-EXECUTIVE DIRECTORS RECRUITED FROM OUTSIDE CANADA

Increasing numbers of international directors on boards in Canada

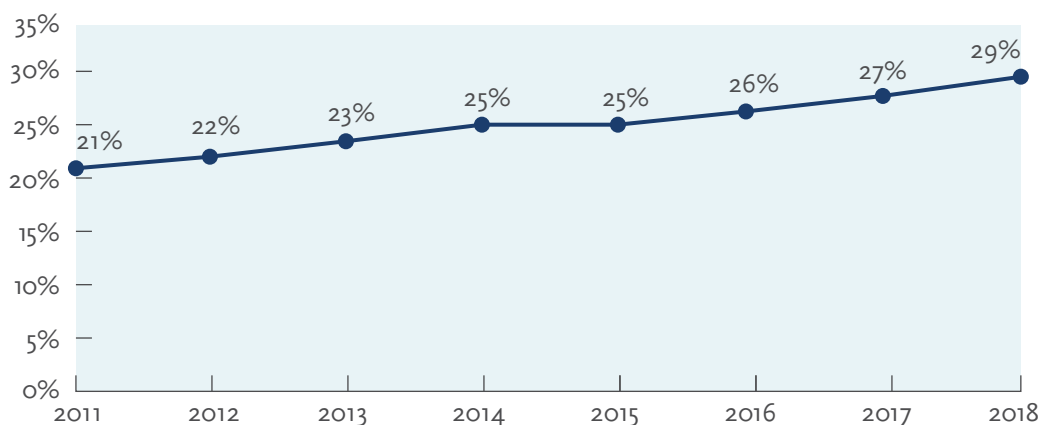
- » CSSBI 100 boards have been fulfilling many of their functional and sectoral requirements (e.g. CEO experience, women) by recruiting board members from outside Canada. The vast majority of these board members were recruited from the U.S., given the market's importance, proximity and the depth of its prospect pool.

- » In 2018, 42% (or close to one-in-two) of all non-executive directors appointed to *CSSBI 100* boards were from outside Canada. The total represented the third consecutive annual increase in the number of imported board members.
- » In 2018, almost one-third (29%) of all *CSSBI 100* directorships were held by non-residents of Canada, an increase of 38% over 2011.

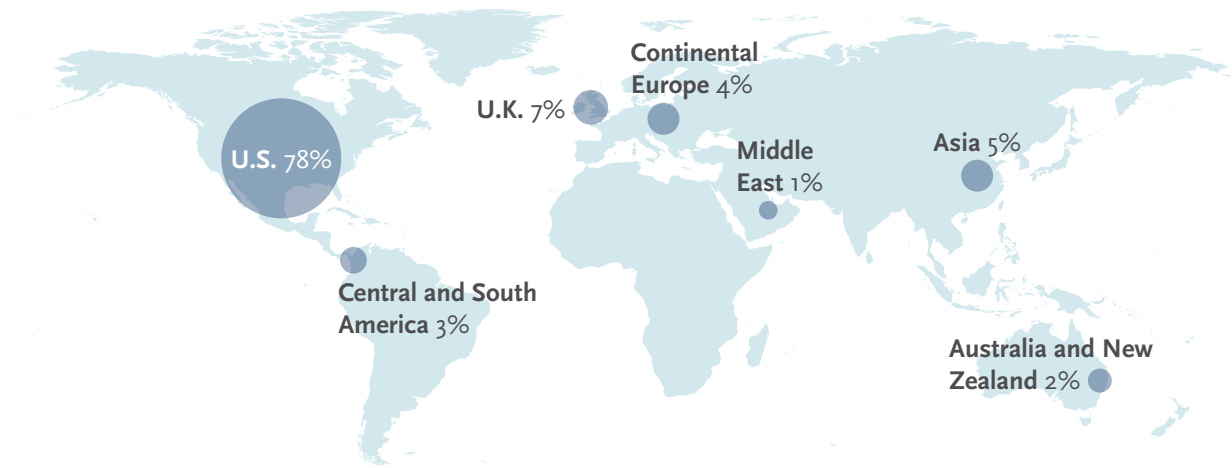
Appointments of Non-executive Directors from Outside Canada to the Boards of *CSSBI 100* Companies
(as a % of all non-executive directors appointed annually, 2013-2018)



% of Total *CSSBI 100* Board Directorships Held by Non-residents of Canada
(2011-2018)



Directors from Abroad in 2018

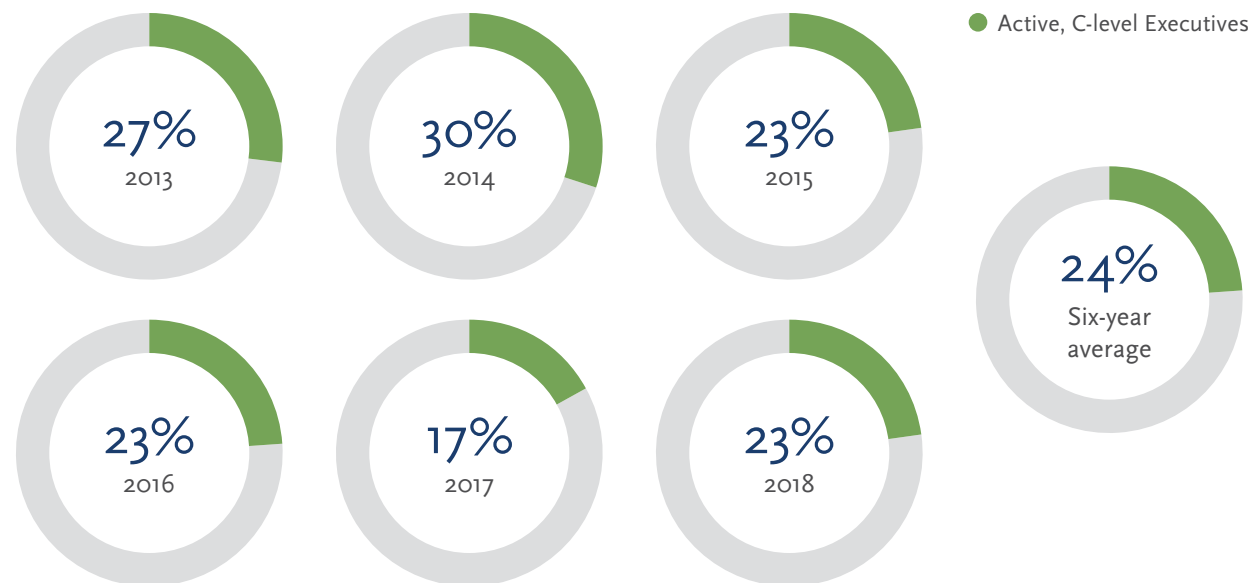


APPOINTMENTS OF ACTIVE, C-LEVEL (NON-CEO) EXECUTIVES

Limited supply of active C-level executives for board roles

- » Boards are often interested in this next-generation pool of directors, but not all of them are qualified and/or able to take on public-company boards, making this a variable pool from which to recruit.
- » In 2018, 23% of the non-executive directors appointed to the boards of *CSSBI 100* companies were active C-level (non-CEO) executives, slightly higher than in 2017, and about level with the six-year average.

Appointments of Active, C-level (Non-CEO) Executives to the Boards of *CSSBI 100* Companies (as a % of all non-executive directors appointed, 2013-2018)

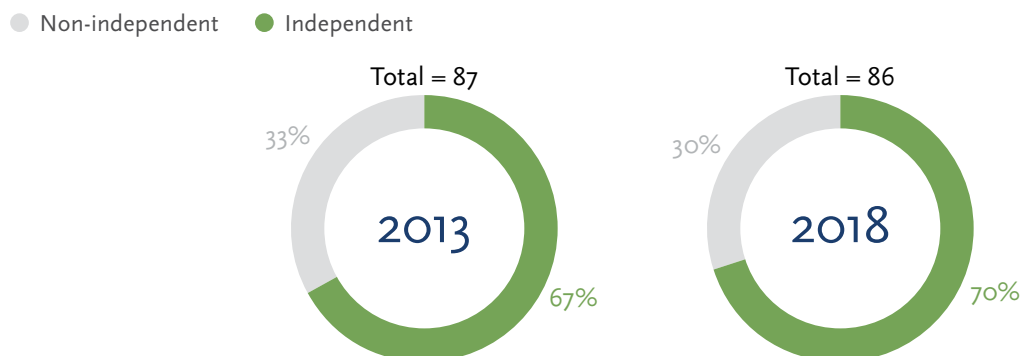


SEPARATE BOARD CHAIR AND CEO ROLES

Many board chairs were non-independent

- » A significant majority (86) of *CSSBI 100* companies separated the roles of board chair and CEO in 2018.
- » While the vast majority of *CSSBI 100* companies followed the practice, a large number (30%) of the separate board chairs were non-independent in 2018, slightly less than in 2013.

Separate Board Chair and CEO Roles at *CSSBI 100* companies (2013 compared to 2018)

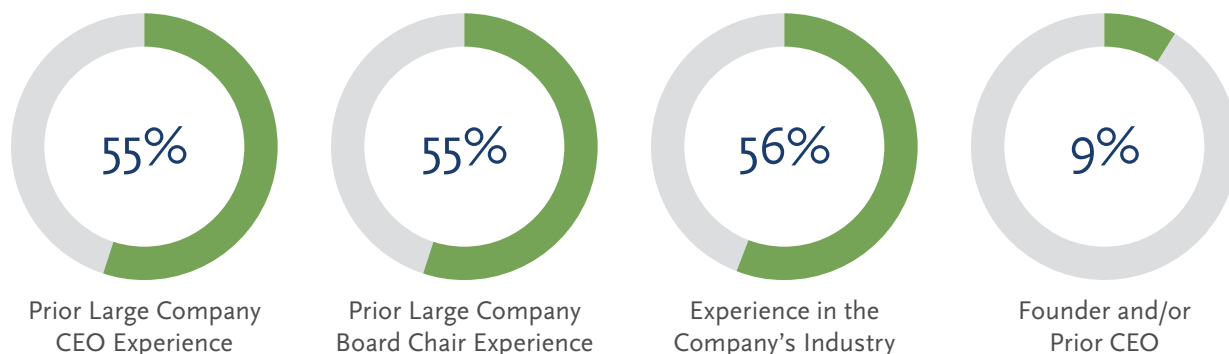


BACKGROUNDS OF BOARD CHAIRS

Significant company leadership and governance experience in the Chair

- » Consistent with our past findings, a large number (over half) of the board chairs (excluding those also serving as CEO) of *CSSBI 100* companies had both large company CEO and board chair experience in their careers, along with executive experience in a related industry.
- » Interestingly, nine percent of the board chairs were the company's founder and/or former CEO, a large decline from 19% in 2011 when we first completed this analysis.
- » The vast majority (87%) of the board chairs in 2018 were residents of Canada.

Backgrounds of the (Non-CEO) Board Chairs of *CSSBI 100* Companies in 2018*



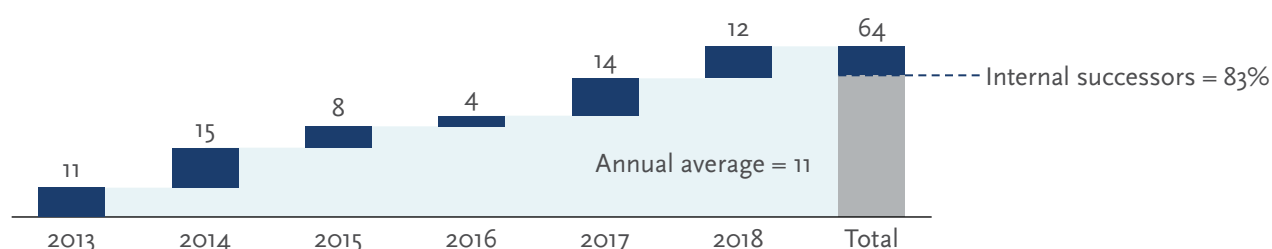
*Percentages do not total 100; several board chairs qualified in more than one category.

BOARD CHAIR TRANSITIONS

Board Chair transitions were slightly lower in 2018; most were internal successors

- » In 2018, the number of board chair transitions on the boards of *CSSBI 100* companies was two less than in 2017. The number of transitions (12) was almost the same as the six-year average. The majority (9 of 12) of the new board chairs were internal successors.
- » In the last six years, close to two-thirds (64) of *CSSBI 100* boards selected a new board chair, representing a substantial level of change in this critical board leadership role. The majority (83%) of the successors were existing board members, a clear sign that the boards of Canada's largest companies emphasize company knowledge and board continuity.
- » Internal board chair successors had a median of 9 years of tenure before assuming the role. Almost all (8 out of 9) of the internal board chair successors previously held a committee chair role immediately preceding the transition.

Number of Board Chair Transitions on the Boards of *CSSBI 100* Companies
(2013-2018)



AGE AND TENURE OF NON-EXECUTIVE DIRECTORS AND BOARD CHAIRS

Slight changes in the past six years

- » On average, non-executive directors of the boards of *CSSBI 100* companies were the same age in 2018 as in 2013. Average tenure was one year less in the same years of comparison.
- » On average, board chairs of *CSSBI 100* companies were the same age in 2018 as they were in 2013, but their average tenure (10 years in 2018) had increased compared to 2013.

Average Ages and Tenures for Non-executive Directors and Board Chairs of *CSSBI 100* Companies
(2013 compared to 2018)

	2013		2018	
	Age	Tenure	Age	Tenure
<i>CSSBI 100</i> Non-executive Directors	62	9 years	62	8 years
<i>CSSBI 100</i> Board Chairs	66	6 years	66	10 years

BOARD AND COMMITTEE INDEPENDENCE

Board independence has peaked

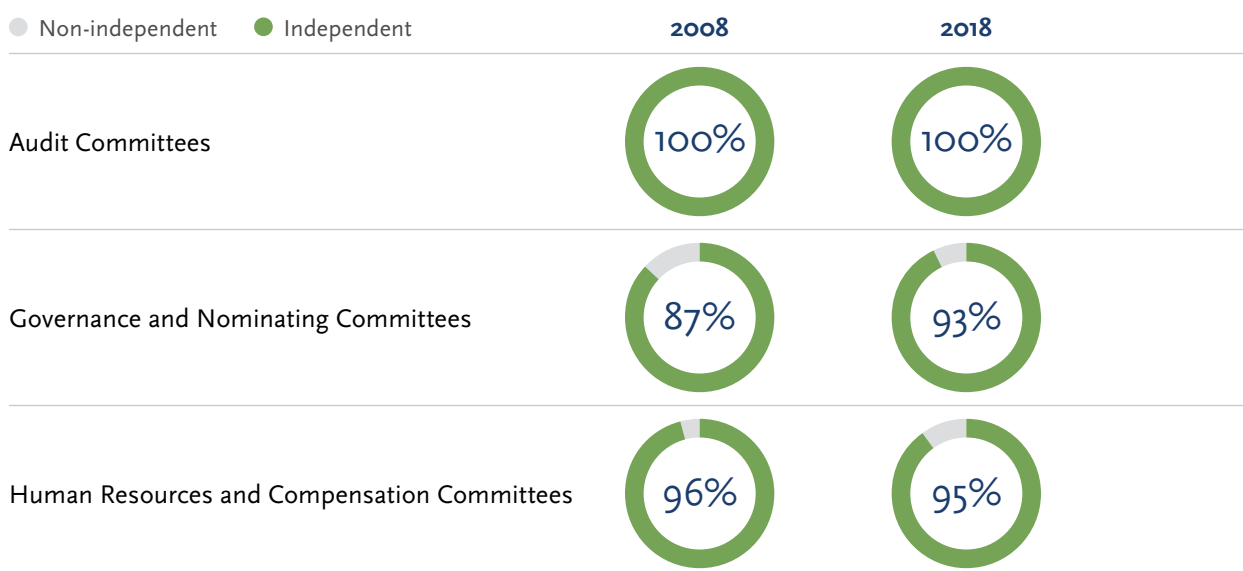
- » A significant majority (81%) of *CSSBI 100* board members were independent in 2018, as defined by the Canadian Securities Administrators (CSA). The proportion of independent directors on the boards of *CSSBI 100* companies has remained much the same for the past six years.
- » Boards of *CSSBI 100* companies had an average of two non-independent directors, the majority of whom were from management ranks, typically the CEO and one other senior management executive. Other non-independent directors included relatives of controlling shareholders at closely held companies, former company executives and company advisers.

Core committees were almost fully independent in 2018

- » Over the past decade, the core committees of the boards of *CSSBI 100* companies (audit; governance and nominating; human resources and compensation) have become almost fully independent.
- » The move toward the full independence of human resources and compensation committees has reflected the market's focus on executive pay and the expectations for boards to undertake an independent process.
- » Similarly, the need for governance and nominating committees to lead independent processes (e.g. board succession and evaluation) is reflected in the large majority that were fully independent in 2018.
- » Audit committees became completely independent by 2006, following the initiation of tougher audit committee guidelines and rules.

Committee Independence: Boards of *CSSBI 100* Companies (2008 compared to 2018)

● Non-independent ● Independent



Board Compensation

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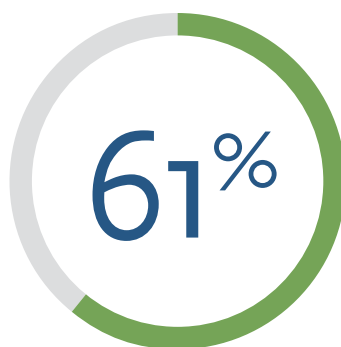
Board Compensation

Spencer Stuart presents its annual review and analysis of the board compensation practices of *CSSBI 100* companies, providing benchmarks and trends for non-executive director and chair remuneration. Where applicable, compensation practices and benchmarks are also provided for board and committee meetings, committee memberships, and for related travel.

2018 Snapshot

Total non-executive director compensation

\$198,000 (median, including equity)



of *CSSBI 100* companies used a simplified flat-fee model - a single annual retainer, without per-meeting fees - to remunerate non-executive directors

Median total non-executive director compensation was highest in the financial services industry and was

8.6% above the median total for the *CSSBI 100* overall

Total board chair compensation

\$400,000 (median, including equity)

NON-EXECUTIVE DIRECTOR COMPENSATION IN 2018: BENCHMARKS AND PRACTICES

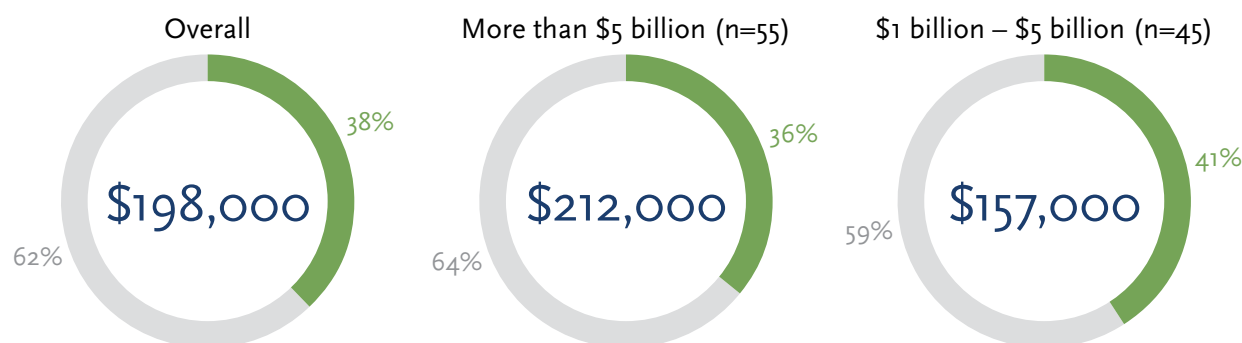
- » **Benchmarking Non-executive Director Compensation:** Generally, the boards of *CSSBI 100* companies review the compensation paid to non-executive directors every one to two years. In 2018, almost every *CSSBI 100* company (97) disclosed the peer-groups used to help develop and set compensation levels for their non-executive directors (almost half of these companies used the same peer-group that was used to set executive compensation).
- » **Currency of Remuneration:** While the majority (60) of *CSSBI 100* companies paid their non-executive directors in Canadian dollars, a sizable number (20) paid in U.S. currency. “Nominal” compensation (e.g. paying U.S. resident directors the same applicable amounts of compensation as residents of Canada, except in U.S. denominated currency) was used by 20 *CSSBI 100* companies in 2018.

Components of Non-executive Director Compensation in 2018

	Annual Non-executive Director Retainer (including Equity)	Committee Member Retainer	Board Meeting Fee	Committee Meeting Fee
Median	\$187,500	\$5,000	\$1,500 per meeting	\$1,500 per meeting
Percentage of companies which pay fee/retainer	N/A	57%	38%	39%

Median Total Director Compensation Paid by *CSSBI 100* Companies in 2018*

● Equity ● Cash



*Median total compensation was calculated by factoring all the applicable components of non-executive director compensation, and the proportion of each, paid by *CSSBI 100* companies as disclosed by each company.

Range of Total Non-executive Compensation at *CSSBI 100* Companies in 2018*

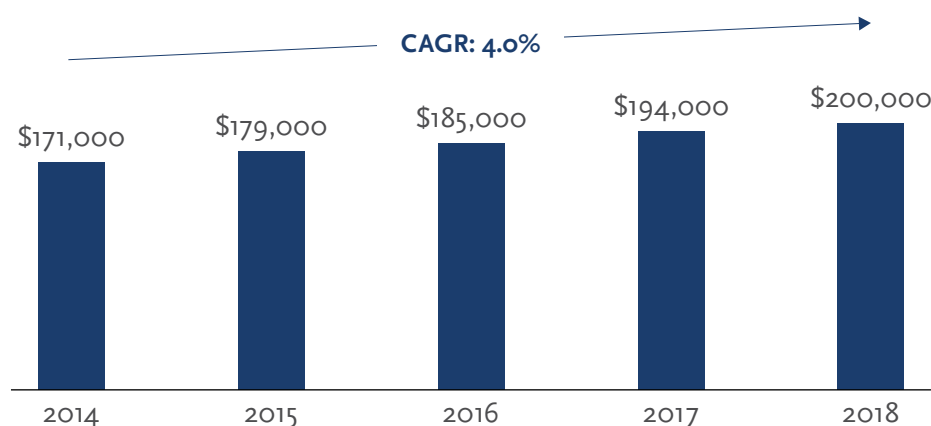
1st percentile	25th percentile	50th percentile	75th percentile	99th percentile
\$64,000	\$140,000	\$198,000	\$228,000	\$463,000

*Median total compensation was calculated by factoring all the applicable components of non-executive director compensation, and the proportion of each, paid by *CSSBI 100* companies as disclosed by each company.

GROWTH TRENDS IN NON-EXECUTIVE DIRECTOR COMPENSATION

Low, single-digit growth in 2018

- » In 2018, median total non-executive director compensation (including equity), for the constant set of 88 *CSSBI 100* companies, increased by 3.1% over 2017. The increase was 0.9 percentage points below the compound annual growth rate for the past five years.
- » In 2018, 27 *CSSBI 100* companies increased their non-executive director retainers by an average of \$17,500, balanced almost equally between cash and equity.
- » Cash and equity portions of the compensation mix were unchanged in 2018.

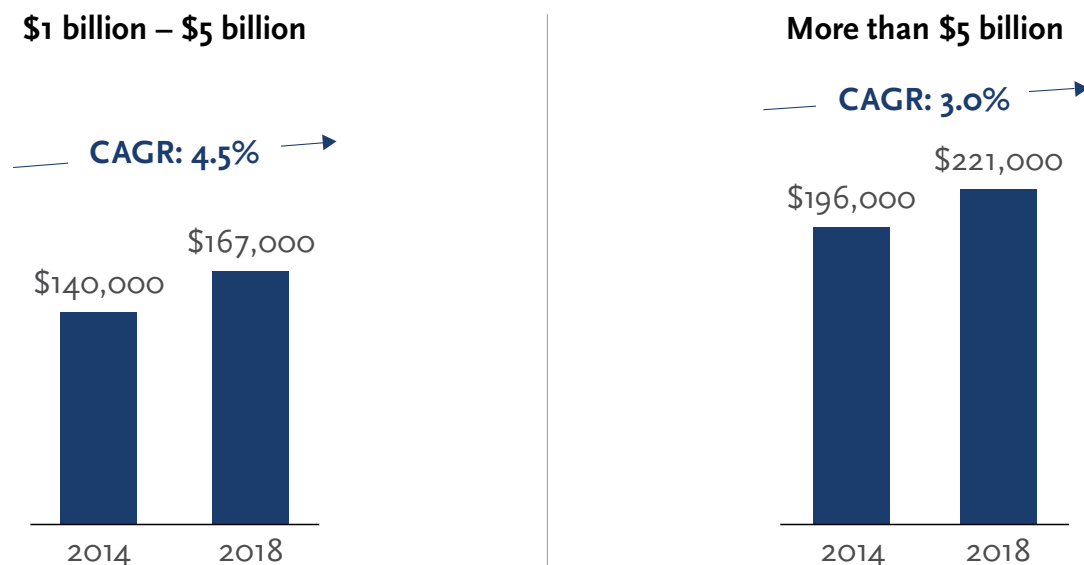
Median Total Non-executive Director Compensation for the Constant Set of 88 *CSSBI* Companies (2014-2018)*

*Based on nominal Canadian and U.S. dollar amounts. Compensation paid in U.S. currency (where applicable) was not converted into Canadian dollars to remove the effect of fluctuating exchange rates over the period analyzed.

Gap in compensation between larger and smaller companies narrowed slightly

- » Since 2014, in the constant set of 88 *CSSBI 100* companies, median total non-executive director compensation growth for smaller companies has been relatively higher (4.5% compared to 3.0% for the larger set of *CSSBI* companies, as measured by the compound annual growth rate). This has led to a slight narrowing in the gap in compensation between the larger and smaller sets of companies.

Median Total Non-executive Director Compensation for the Constant Set of 88 *CSSBI* Companies (smaller compared to larger companies, 2014-2018)*



*Based on nominal Canadian and U.S. dollar amounts. Compensation paid in U.S. currency (where applicable) was not converted into Canadian dollars to remove the effect of fluctuating exchange rates over the period analyzed.

TOTAL NON-EXECUTIVE DIRECTOR COMPENSATION BY INDUSTRY

Compensation was unchanged in many industries; financial services paid the most

- » In 2018, for the second consecutive year, median total non-executive director compensation was highest in the financial services industry.
- » Compensation increases over 2017 (by industry) ranged from a high of 10.8% in the energy sector to a low of 4.1% in the metals and mining sector; totals were unchanged in several industries (consumer, transportation, industrials, technology, communications and media).

Median Total Non-executive Director Compensation by Industry in 2018

(for the constant set of 97 CSSBI companies between 2017 and 2018)

Industry	Median Total Compensation (2018)	% Change from 2017	% of Total Compensation (2018)	
			Cash	Equity
Financial Services	\$215,000	+9.0%	34%	66%
Metals and Mining	\$213,000	+4.1%	47%	53%
Technology, Communications and Media	\$200,000	Unchanged	29%	71%
Energy	\$210,000	+10.8%	44%	56%
Transportation	\$161,000	Unchanged	32%	68%
Industrials	\$158,000	Unchanged	51%	49%
Consumer	\$155,000	Unchanged	26%	74%

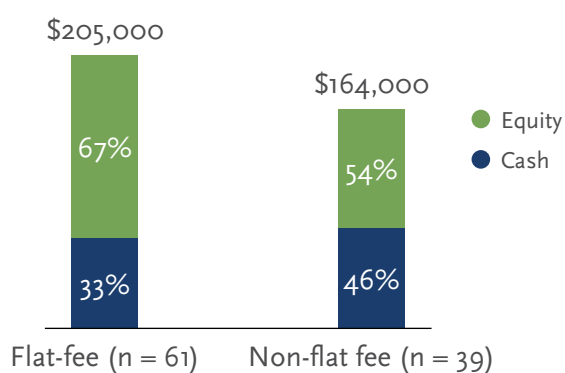
FLAT-FEE COMPENSATION FOR NON-EXECUTIVE DIRECTORS

Companies continued to adopt a flat-fee compensation model

- » There has been a growing trend toward “flat-fee” compensation (i.e. a single annual board member retainer without additional per-meeting fees) among CSSBI 100 companies.
- » In 2018, 61% of CSSBI 100 companies used this flat-fee model, a notable increase of seven companies over 2017 and 30 over 2014.
- » Median total compensation for the flat-fee group was \$41,000 more than the non-flat group (i.e. the decreasing proportion of CSSBI 100 companies that continued to remunerate their board members with an annual director retainer plus per-meeting fees).

Median Total Non-executive Director Compensation Paid by CSSBI 100 Companies in 2018

(flat-fee compared to non-flat-fee compensation)

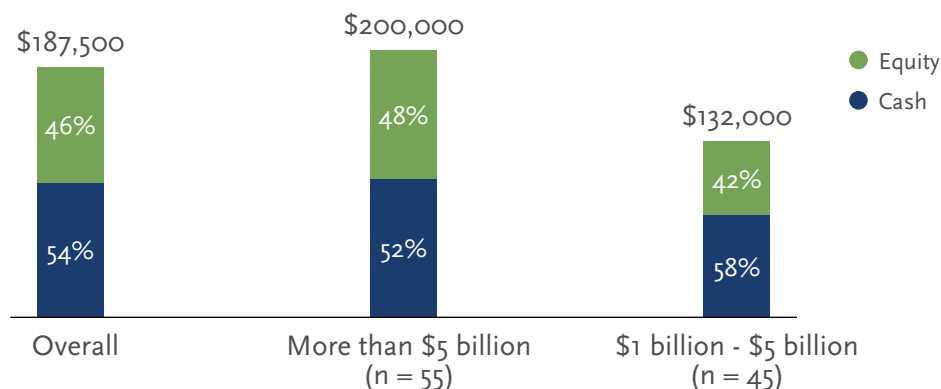


ANNUAL NON-EXECUTIVE DIRECTOR RETAINERS

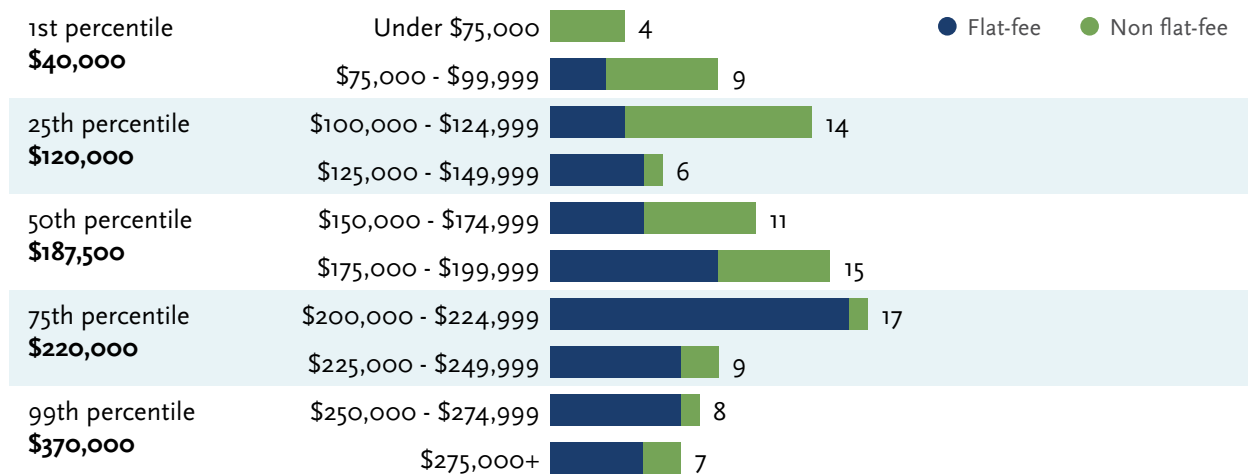
Larger companies paid higher retainers and more in equity

- » In 2018, the median non-executive director retainer of the larger *CSSBI 100* companies was \$68,000 higher than that of the group of smaller companies.
- » On average, the larger *CSSBI 100* companies required that their non-executive directors accept a comparatively higher portion of risk-based, equity compensation when compared to the set of smaller companies.

Median Non-executive Director Retainers Paid by *CSSBI 100* Companies in 2018



Distribution of Non-executive Director Retainers (including Equity) Paid by *CSSBI 100* Companies in 2018



EQUITY COMPENSATION PRACTICES FOR NON-EXECUTIVE DIRECTORS

Retainers were generally divided evenly between cash and equity

- » The vast majority of *CSSBI 100* companies required directors to take a portion of their compensation in company shares. These equity portions ranged from a low of 10% to a high of 85% (applied to one company).
- » It was a common requirement for non-executive directors to accept a higher portion of their compensation in equity if they had not met their Company's minimum share ownership requirement. Such a policy applied at 38 *CSSBI 100* companies (14 of which required that the entire director retainer had to be taken in equity until the minimum shareholding requirements were met).
- » Since 2017, share options have not been used by any *CSSBI 100* companies as a form of non-executive director compensation.

Equity in lieu of cash compensation

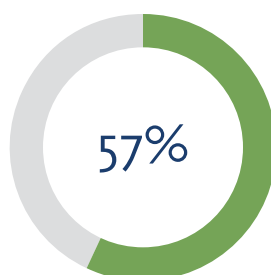
- » Almost every *CSSBI 100* board (94%) gave their non-executive directors the option to receive equity in exchange for their cash compensation; more than half (57%) of these board members exercised the option.

AT A GLANCE

Equity Compensation Practices For Non-executive Directors of *CSSBI 100* Companies

- 86** *CSSBI 100* companies required their non-executive directors to receive some form of equity (typically common shares and/or DSUs/RSUs) as part of their annual compensation.
- 72** granted equity based on a pre-set fraction of the retainer value.
- 14** granted equity at market value (e.g. 2,000 common shares issued on a particular day).
- 0** granted share options.
- 94** permitted non-executive directors to elect equity in lieu of cash compensation.

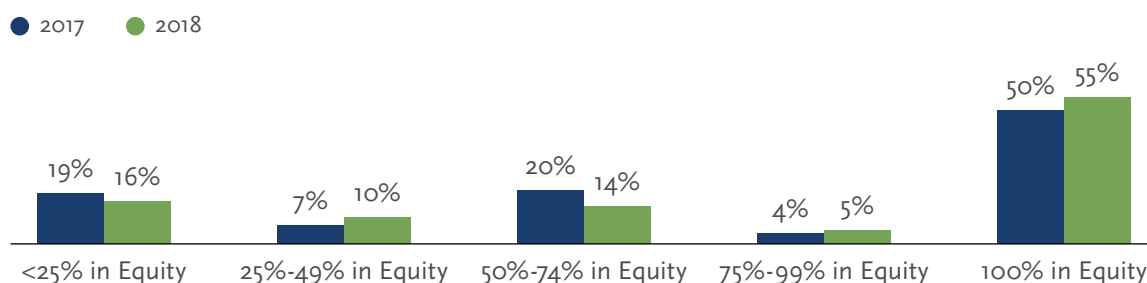
Non-executive Directors who Chose to Receive Equity instead of Cash*



Many directors fully compensated in equity

- » When given the choice to receive equity, just over one-half (55%) of *CSSBI 100* non-executive directors chose to receive all of their retainer in company shares.

Percentage of Cash Compensation Received in Equity by Non-executive Directors of *CSSBI 100* Companies*

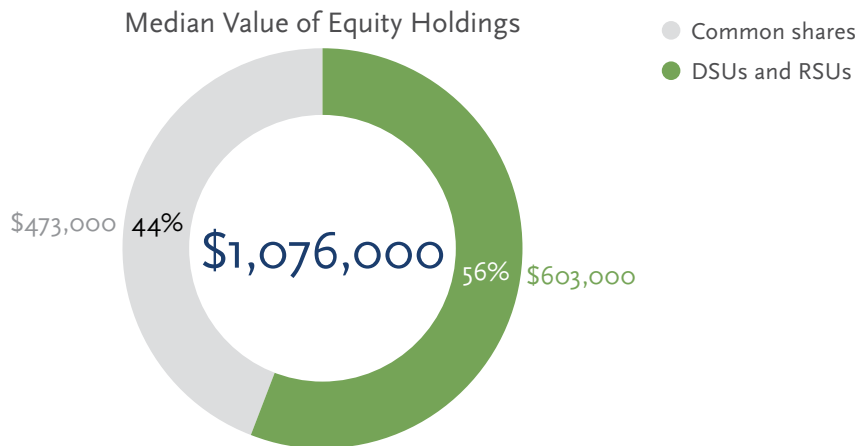
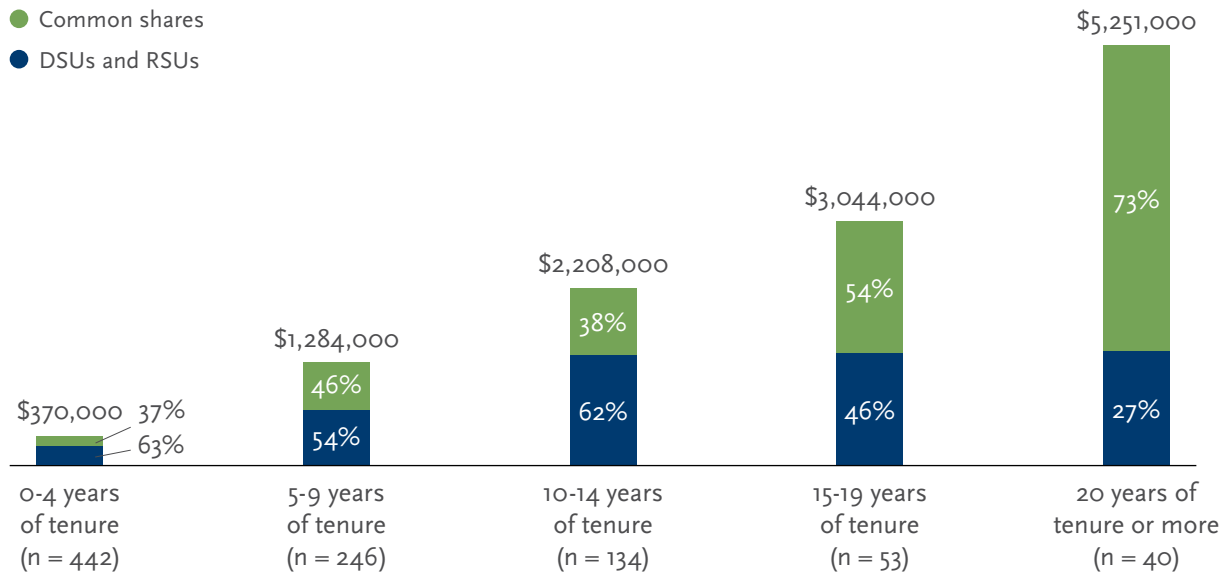


*Applicable to the directors of the 94 *CSSBI 100* Companies that offered equity in exchange for cash compensation.

VALUE OF NON-EXECUTIVE DIRECTOR SHAREHOLDINGS

Board members have significant “skin in the game”

- » The median value of total equity held by non-executive *CSSBI 100* directors was close to \$1 million, weighted more heavily in DSUs than common shares.

Equity Holdings of Non-executive Directors of *CSSBI 100* Companies*Median Value of Equity Holdings of Non-executive Directors of *CSSBI 100* Companies
(equity holdings by tenure in 2018)*

*Based on nominal values disclosed in the Information Circulars of *CSSBI 100* companies, dated between December 2017 and September 2018.

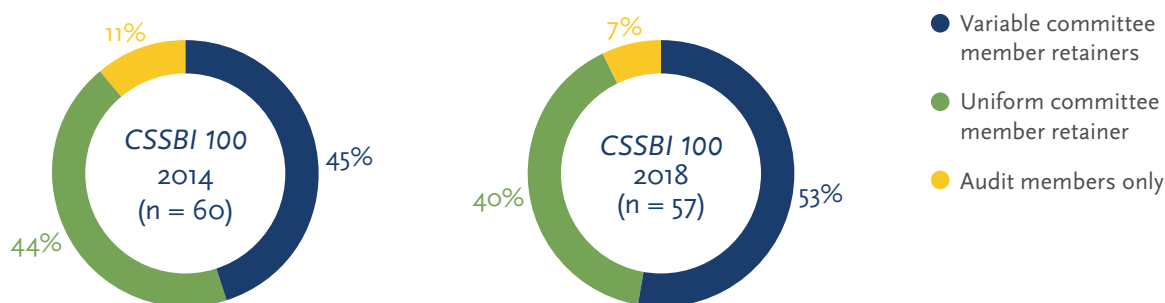
COMMITTEE MEMBER RETAINERS

Audit committee retainers were usually higher

- » In 2018, a little over half (57%) of *CSSBI 100* companies paid additional retainers for service on committees, three less than in 2014. Compared to 2014, median committee member retainers for the three core board committees (audit, corporate governance and nominating, human resources and compensation) were \$1,000 to \$2,500 higher.

- » Just over half of these companies (30) paid a variable committee retainer (i.e. different amount to different committees). All but one of these companies paid their audit committee members the highest (78% more on average). Interestingly, for almost half (14 of 30) of the companies that used a variable model, only audit committee members were paid with a higher retainer and the members of the other committees were given identical amounts. Twenty-three companies used a uniform retainer model (i.e. same amount for all committees).
- » A small number (4 of 57, or 7%) paid a committee member retainer exclusively to their audit committee members; this continued to be an uncommon practice amongst *CSSBI 100* companies.

Committee Member Compensation Practices of *CSSBI 100* Companies (2014 compared to 2018)



Committee Member Retainers at *CSSBI 100* Companies (2014 compared to 2018)

	2014		2018	
	Median	Range	Median	Range
Audit Committees	\$5,000	\$1,000 - \$25,000	\$7,500	\$1,085 - \$55,000
Governance and Nominating Committees	\$4,000	\$1,050 - \$25,000	\$5,000	\$1,085 - \$55,000
Human Resources and Compensation Committees	\$4,000	\$1,050 - \$25,000	\$5,000	\$1,500 - \$55,000

BOARD AND COMMITTEE MEETING FEES

Additional per-meeting fees continued to be eliminated in favour of flat-fee remuneration

- » Increasing numbers of *CSSBI 100* companies have been adopting flat-fee remuneration practices that are inclusive of fees for meetings and simpler to administer.
- » In 2018, 39% of *CSSBI 100* companies paid additional per-meeting fees to their non-executive directors, considerably less than the proportion that did in 2014. Adoption has been higher amongst larger *CSSBI 100* companies.

Board and Committee Meeting Fees Paid By *CSSBI 100* Companies (2014 compared to 2018)

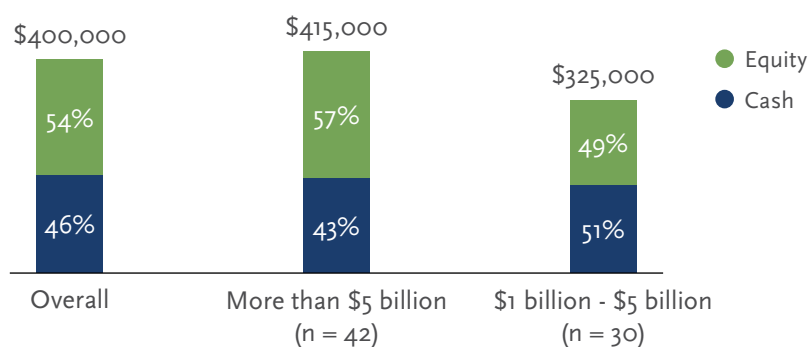
	Board Meetings				Committee Meetings			
	Median Board Meeting Fees		% of Companies Paying This Type		Median Committee Meeting Fees		% of Companies Paying This Type	
	2014	2018	2014	2018	2014	2018	2014	2018
Overall	\$1,500	\$1,500	67%	38%	\$1,500	\$1,500	69%	39%
More than \$5 billion	\$1,500	\$1,750	61%	29%	\$1,500	\$1,750	65%	31%
\$1 billion - \$5 billion	\$1,500	\$1,500	73%	49%	\$1,500	\$1,500	73%	49%

BOARD CHAIR COMPENSATION

Board chair compensation significantly higher at larger companies

- » Median total board chair compensation was \$400,000 in 2018 (for the 72 *CSSBI 100* companies that provided remuneration for serving in the role). Over one-half (54%) of the total compensation was paid in the form of risk-based, equity compensation.
- » In 2018, median total board chair compensation was substantially (\$90,000) higher at the larger *CSSBI 100* companies. The portion paid in the form of equity was also relatively higher at the larger *CSSBI 100* companies.

Median Total *CSSBI 100* Board Chair Compensation in 2018



All-inclusive compensation was the norm for board chairs

- » In 2018, the vast majority (86% or 62 of 72) of the board chairs of the *CSSBI 100* were paid using an all-inclusive model (either a single board chair retainer or a combination of the standard annual director retainer plus an additional retainer for serving as board chair, without additional committee retainers and per-meeting fees). A small minority were still remunerated with a mix of retainers (including applicable committee member retainers) plus additional per-meeting compensation.

AT A GLANCE

CSSBI 100 Board Chair Compensation Practices in 2018

- 72** board chairs were compensated for serving in the role on the board.
- 62** received a flat, all-inclusive fee for their services as board chair (either in the form of a single dedicated board chair retainer or a combination of the annual board director retainer and an additional retainer for serving in the board chair role).
- 10** received a mix of fees (e.g. committee member retainers and per-meeting fees), in addition to the specified and applicable board chair and director retainers.
- 52** board chairs received a larger equity grant (on average, close to double) than the non-executive directors of the board.
- 12** companies did not require their board chairs to receive at least a portion of their compensation in equity.

Compensation Practices for CSSBI 100 Board Chairs in 2018

- All-inclusive Compensation Model (n = 62)
- Mixed Compensation Model (n = 10)

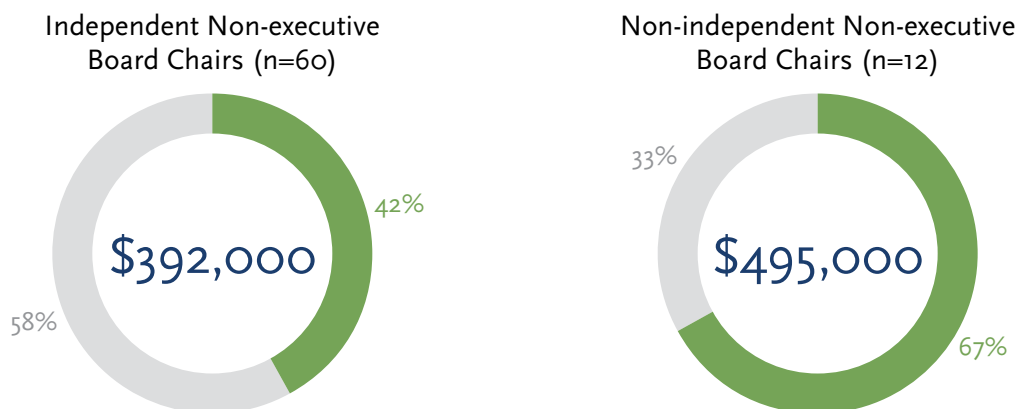


Independent board chairs were paid much less than non-independents

- » Median total board chair compensation for independent, non-executive board chairs of CSSBI 100 companies was significantly (\$103,000) less than the comparable amount for the non-independent group.
- » Total compensation for the independent board chairs was also weighted more heavily in equity, 58% compared to 33% for the non-independent group.

Median Total Board Chair Compensation: Independent Compared to Non-independent Board Chairs of CSSBI 100 Companies in 2018

● Equity ● Cash

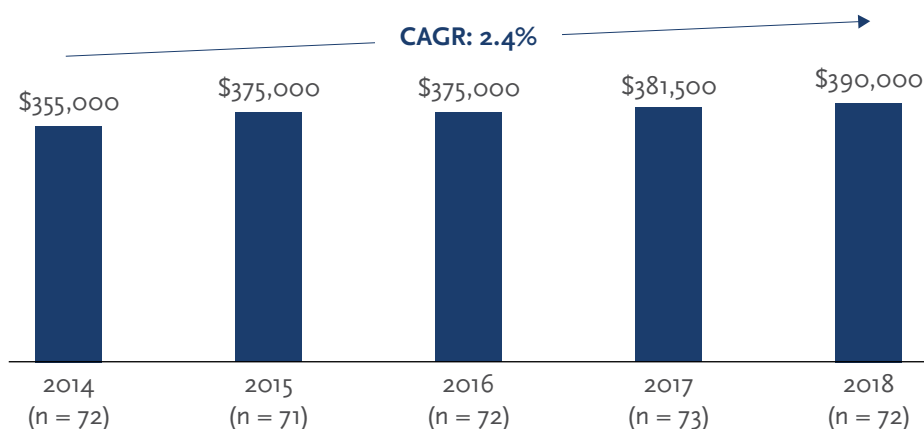


GROWTH TRENDS IN BOARD CHAIR COMPENSATION

Marginal increase in board chair compensation in 2018

- » In 2018, median total board chair compensation was \$390,000,* a 2.2% increase over 2017. The increase was slightly (0.2%) below the compound annual growth rate since 2014.
- » Board chair compensation increased at 18 CSSBI 100 companies in 2018; the average increase was \$36,000.

Median Total Board Chair Compensation Paid by CSSBI 100 Companies (2014-2018)*



*Based on nominal Canadian and U.S. dollar amounts. Compensation paid in U.S. currency (where applicable) was not converted into Canadian dollars to remove the effect of fluctuating exchange rates over the period analyzed.

LEAD DIRECTOR COMPENSATION

Modest change in the amounts paid to lead directors

- » Thirty-three *CSSBI 100* companies had a lead director in 2018. All but one of them received additional compensation (additional retainer or larger equity grant) for serving in the role.
- » The median additional amount paid to lead directors in 2018 (\$40,000) was \$8,500 higher than in 2014.

Lead Director Retainers Paid by Boards of *CSSBI 100* Companies

(2014 compared to 2018)

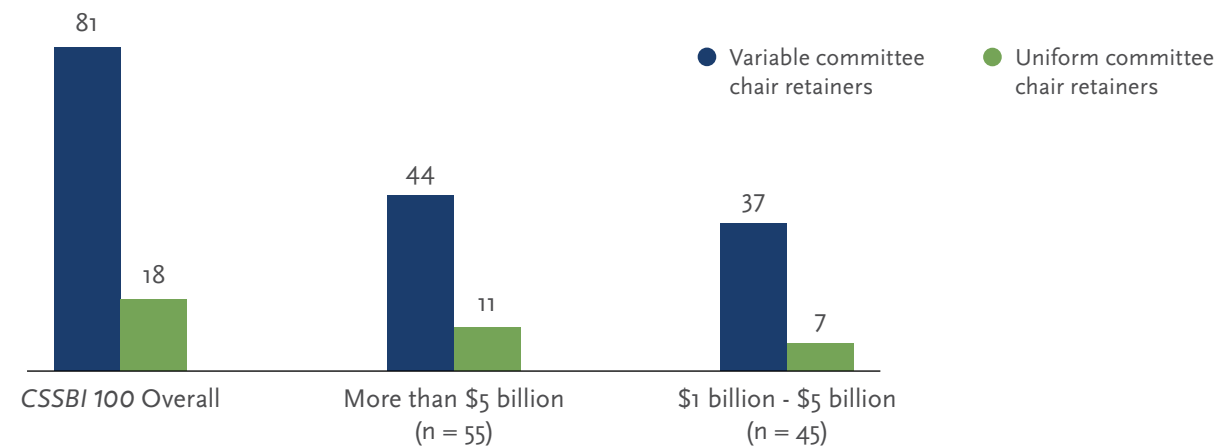
	Median	Range
2014 (n = 36)	\$31,500	\$8,000 - \$150,000
2018 (n = 32)	\$40,000	\$10,000 - \$150,000

COMMITTEE CHAIR COMPENSATION

Variable committee chair retainers were most common

- » All but one *CSSBI 100* company paid a committee chair retainer. The vast majority (81) of *CSSBI 100* companies used variable retainers to remunerate their committee chairs, rather than a uniform retainer paid to all.

Committee Chair Compensation Practices at *CSSBI 100* Companies in 2018



Committee Chair Retainers at *CSSBI 100* Companies in 2018

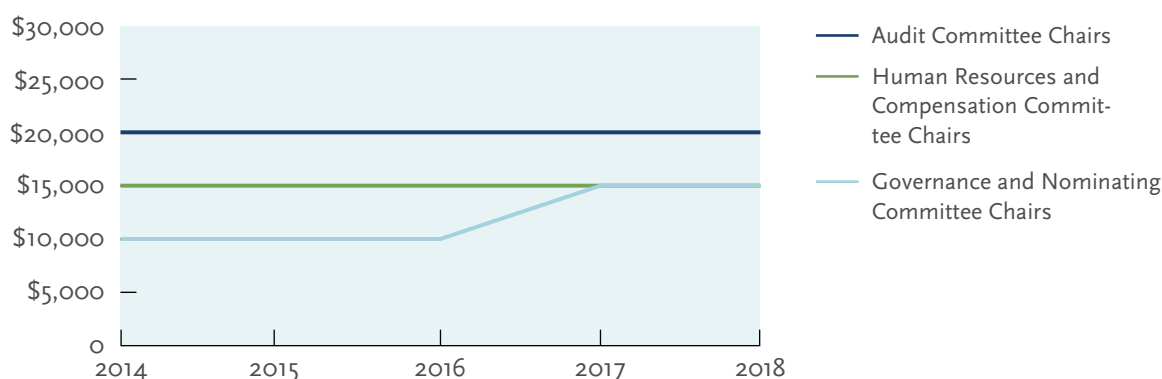
	<i>CSSBI 100</i> Overall		More than \$5 billion (n = 55)		\$1 billion - \$5 billion (n = 45)	
	Median	Range	Median	Range	Median	Range
Audit Committees	\$20,000	\$2,710 - \$75,000	\$25,000	\$2,710 - \$75,000	\$20,000	\$10,000 - \$50,000
Governance and Nominating Committees	\$15,000	\$2,710 - \$65,000	\$15,000	\$2,710 - \$65,000	\$10,000	\$5,000 - \$35,000
Human Resources and Compensation Committees	\$15,000	\$2,710 - \$75,000	\$20,000	\$2,710 - \$75,000	\$15,000	\$5,000 - \$25,000

Audit committee chair retainers continued to be the highest

- » The median audit committee chair retainer continued to be the highest (\$5,000 more than the chair retainers for both the human resources and compensation and the governance and nominating committees).
- » Median committee chair retainers have been generally flat since 2014, with the exception of governance and nominating chair retainers which increased between 2016 and 2017.

Median Committee Chair Retainers Paid by *CSSBI 100* Companies

(2014-2018)

**COMPENSATION FOR SPECIAL BOARD WORK AND TRAVEL**

- » **Special Meetings and Committees:** *CSSBI 100* companies typically used the regular applicable board meeting fee (either the rate for in-person or telephonic attendance) for special or ad-hoc meetings. At the *CSSBI 100* companies that did not pay additional per-meeting fees, directors were often compensated when the number of special meetings exceeded a certain amount. Based on disclosure of 32 *CSSBI 100* companies, compensation for special committees consisted of additional meeting fees (typically the standard board or committee meeting fee) or a lump-sum. Additional special committee chair and member retainers were also paid by some companies.
- » **Travel Allowances:** Based on disclosure, 33 *CSSBI 100* companies provided a travel allowance (i.e. additional compensation) to those non-executive directors traveling over specified distances. Allowances were paid either on a per-meeting (or per diem) basis (\$500 to \$4,000) or as an annual lump sum (\$10,000 to \$20,000) depending on the distances involved.

Board Organization, Processes and Policies

49	Board Size
50	Board Committees
52	Board and Committee Meetings
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54	Board and Non-executive Director Performance Evaluations
55	Continuing Education for Non-executive Directors
56	Share Ownership Requirements for Non-executive Directors
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Board Organization, Processes and Policies

Spencer Stuart presents its annual review of the organization, processes and selected policies of the boards of *CSSBI 100* companies. This section highlights practices and trends in such areas as board size, board meetings (frequency and director attendance), board and director performance evaluations, share ownership guidelines, policies for non-executive director retirement and board gender diversity.

2018 Snapshot



11 board members

the average size of the boards of *CSSBI 100* companies has not changed in many years.



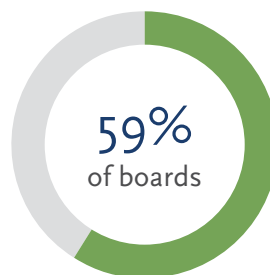
4 standing committees

the average number on the boards of *CSSBI 100* companies

Boards of *CSSBI 100* companies held **one fewer meeting**, on average compared to 2014



assess their board members, peer reviews were the most common method used



had mandatory retirement ages and/or term limits for board members, **an increase of three boards** compared to 2014

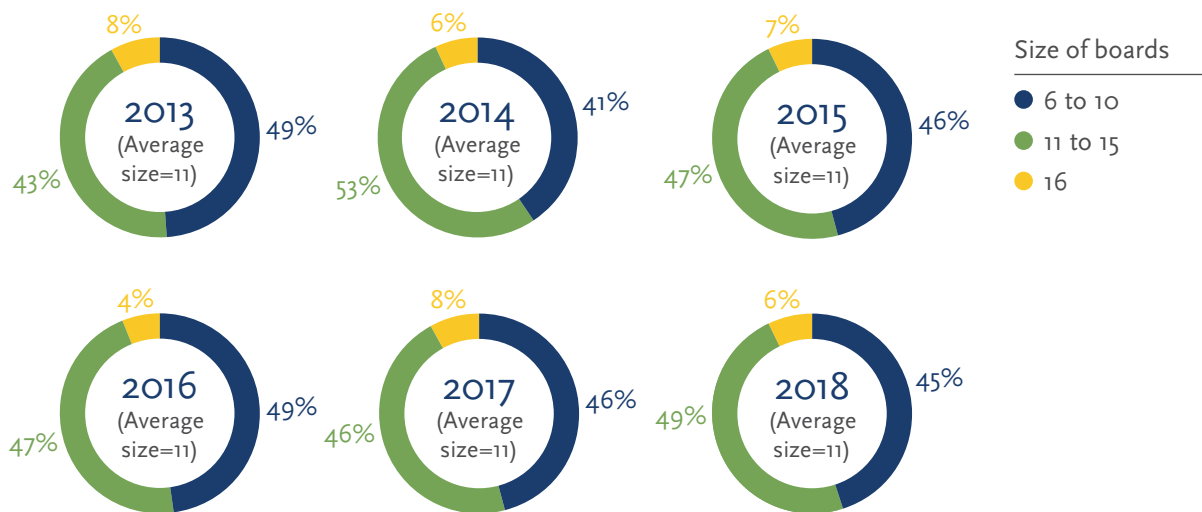
BOARD SIZE

Small fluctuations in the size of some boards; overall average unchanged

- » The average size of the boards of *CSSBI 100* companies (11 in 2018) has not changed in the past six years.
- » The distribution of board sizes among *CSSBI 100* companies has remained stable over the period as well. The small fluctuations that did occur were the result of board renewal initiatives and the “right-sizing” that resulted from those efforts.

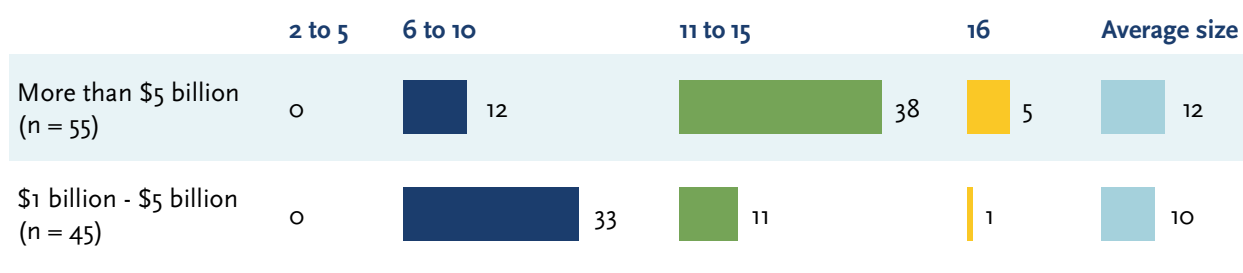
Size of the Boards of *CSSBI 100* Companies

(2013-2018)



Larger companies had bigger boards

- » In 2018, the boards of the larger *CSSBI 100* companies had, on average, two more board members than the boards of the smaller companies. Most (73%) of the boards of the smaller *CSSBI 100* companies ranged from six to 10 board members, whereas most (69%) of the boards of the larger companies had 11 to 15 board members.
- » Five of the six boards with 16 members (the largest boards in the *CSSBI 100* Index) were those of larger *CSSBI 100* companies.

Board Size Comparison: Larger Versus Smaller *CSSBI 100* Companies in 2018

BOARD COMMITTEES

Boards of smaller companies had fewer committees

- » In 2018, the boards of *CSSBI 100* companies had an average of four standing committees per board, the same as in 2014.
- » Operating with two or three committees was far more prevalent in the set of smaller *CSSBI 100* companies: 51% compared to 29% of the boards of the larger *CSSBI 100* companies.
- » However, compared to 2014, there was a notable increase in the number of boards of the smaller *CSSBI 100* companies that operated with four committees.

Number of Standing Committees on the Boards of *CSSBI 100* Companies

(2014 compared to 2018)

Committees	2014			2018		
	Overall	More than \$5 billion	\$1 billion-\$5 billion	Overall	More than \$5 billion	\$1 billion-\$5 billion
2	8%	8%	8%	12%	11%	13%
3	32%	14%	49%	27%	18%	38%
4	39%	47%	31%	48%	55%	40%
5	18%	25%	12%	11%	12%	9%
6	0%	2%	0%	0%	0%	0%
7 or 8	3%	6%	0%	2%	4%	0%
Average	4	4	3	4	4	3

Sizable number of combined Governance and HRC committees; number of standing risk committees increased

- » In 2018, close to 20% (18) of the boards of *CSSBI 100* companies had a single, integrated governance, nominations and human resources and compensation committee, an increase of three compared to 2015.
- » Additionally, there has been a small increase in the number of boards with standing risk committees (19 in 2018 compared to 14 in 2015). Most of the boards with risk committees in 2018 (11 of 19) were those of companies regulated by the Office of the Superintendent of Financial Institutions (OSFI).
- » On the other boards, risk management oversight was handled by the audit committee or, in a few cases, by the conduct, governance and/or social responsibility committees.
- » The number of *CSSBI 100* boards with standing executive committees (2% in 2017) has dropped consistently in recent years.

Types of Standing Committees on the Boards of *CSSBI 100* Companies (2012, 2015, 2018)

Committee	2012	2015	2018
Audit	100%	100%	100%
Governance and Nominating*	84%	84%	81%
Human Resources and Compensation (HRC)	85%	85%	82%
Governance, Nominating and Human Resources and Compensation (Integrated)	15%	15%	18%
Environment, Health and Safety	40%	39%	31%
Pension and Investment	17%	13%	10%
Risk	9%	14%	19%
Finance	13%	9%	7%
Executive	14%	6%	2%
Conduct Review	8%	5%	1%
Social Responsibility and Public Policy	5%	4%	6%
Strategy and Planning	5%	1%	4%
Reserves and Sustainability	8%	8%	7%

*One company had a combined audit and corporate governance committee.

BOARD AND COMMITTEE MEETINGS

Boards scheduled fewer meetings

- » Overall, boards of *CSSBI 100* companies held an average of eight scheduled meetings in 2017 (the most current year for disclosure), one less meeting compared to 2014.
- » The number of boards of the larger *CSSBI 100* companies that met six or seven times increased from 28% in 2014 to 35% in 2017, while the number that held 14 to 16 meetings dropped from 12% in 2014 to 7% in 2017.
- » In 2017, the number of scheduled board meetings held by *CSSBI 100* companies ranged from a low of four to a high of 16.

Number of Scheduled Board Meetings Held by *CSSBI 100* Companies

(2014 compared to 2017)

	2014			2017		
Scheduled Board Meetings	Overall	More than \$5 billion	\$1 billion-\$5 billion	Overall	More than \$5 billion	\$1 billion-\$5 billion
2 to 5	13%	18%	8%	16%	16%	16%
6 or 7	32%	28%	36%	33%	35%	31%
8 or 9	27%	26%	28%	31%	31%	31%
10 to 13	17%	16%	18%	14%	11%	18%
14 to 16	11%	12%	10%	6%	7%	4%
Average Number of Scheduled Meetings	9	9	9	8	8	8

Larger companies scheduled more HRCC meetings

- » In the past, the boards of the larger *CSSBI 100* companies scheduled more committee meetings on average; in 2017, the average was the same for both sets.
- » Boards of the larger *CSSBI 100* companies still held one more human resources and compensation committee meeting. This is attributed to the added work that comes with larger enterprises.

Average Number of Scheduled Meetings Held by the Core Committees of the Boards of
CSSBI 100 Companies
 (2014 compared to 2017)

Committees	2014			2017		
	Overall	More than \$5 billion	\$1 billion- \$5 billion	Overall	More than \$5 billion	\$1 billion- \$5 billion
Audit	6	6	5	5	5	5
Governance and Nominating	5	5	4	4	4	4
Human Resources and Compensation	5	6	5	6	6	5
Average Number of Scheduled Meetings	5	6	5	5	5	5

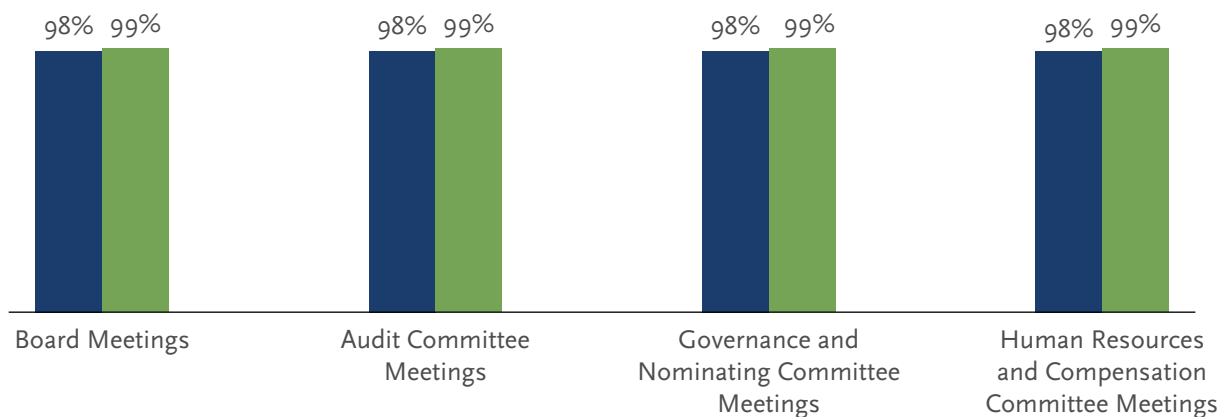
ATTENDANCE AT BOARD AND COMMITTEE MEETINGS

Attendance at board and committee meetings continued to be almost perfect

- » Average individual attendance (either in person or via teleconference) at scheduled *CSSBI 100* board and committee meetings in 2017 was just about perfect, as it has been in recent years.

Average Attendance for Scheduled *CSSBI 100* Board and Committee Meetings
 (2014 compared to 2017)

● 2014 ● 2017

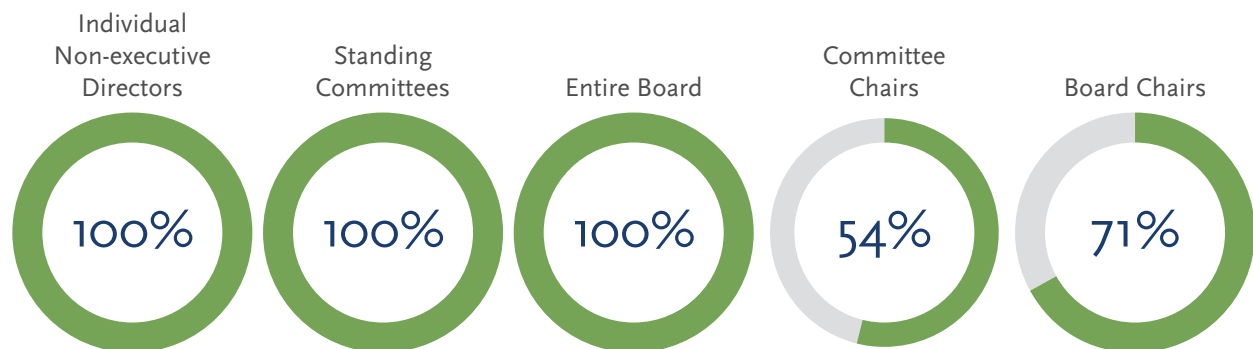


BOARD AND NON-EXECUTIVE DIRECTOR PERFORMANCE EVALUATIONS

Performance evaluations well established, often facilitated by external advisors

- » Every *CSSBI 100* company disclosed that they evaluated the performance of their individual non-executive directors, committees and the board overall. Nearly all of these evaluations were conducted annually.
- » Just over 20% (21) of *CSSBI 100* boards disclosed having third-party advisors/consultants to assist and/or lead the assessments of the board and non-executive directors. Compared to prior years, the disclosure of this practice is relatively new; the practice points to challenges some boards experience in conducting assessments that are both effective and objective.
- » More than half (54%) of the boards of *CSSBI 100* companies disclosed that they had a formal evaluation process for their committee chairs, distinct from the individual non-executive director evaluation.
- » Close to three-quarters (71%) of *CSSBI 100* companies disclosed that they had a formal evaluation process (led most often by the governance and nominating committee) for the board chair, the same total as in 2017.

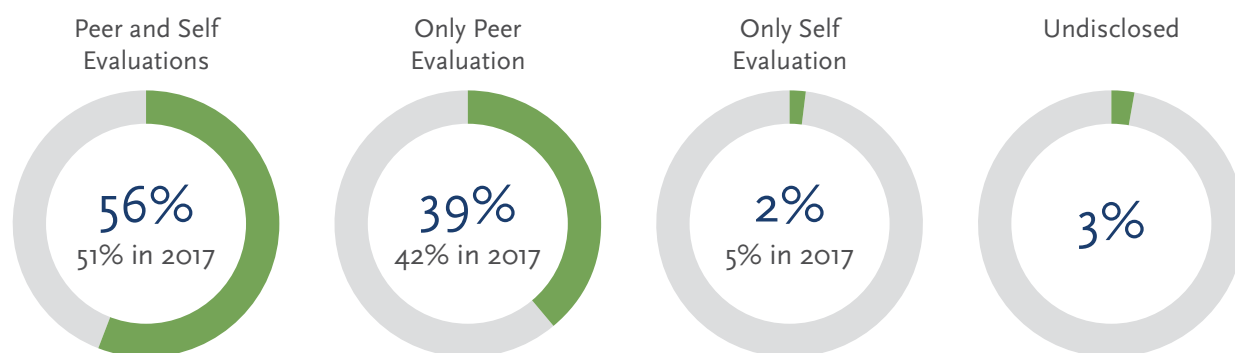
Performance Evaluations on the Boards of *CSSBI 100* Companies



Peer reviews were widely used to evaluate non-executive directors

- » Over half (56) of *CSSBI 100* boards used combined peer and self-evaluations to review director performance. A significant number of boards (39) used peer evaluation exclusively; only two boards relied solely upon a self-evaluation method.
- » Additionally, close to two-thirds (62%) of all individual director evaluations involved a one-on-one review with the board chair.

Performance Evaluation Methods used by the Boards of *CSSBI 100* Companies in 2018

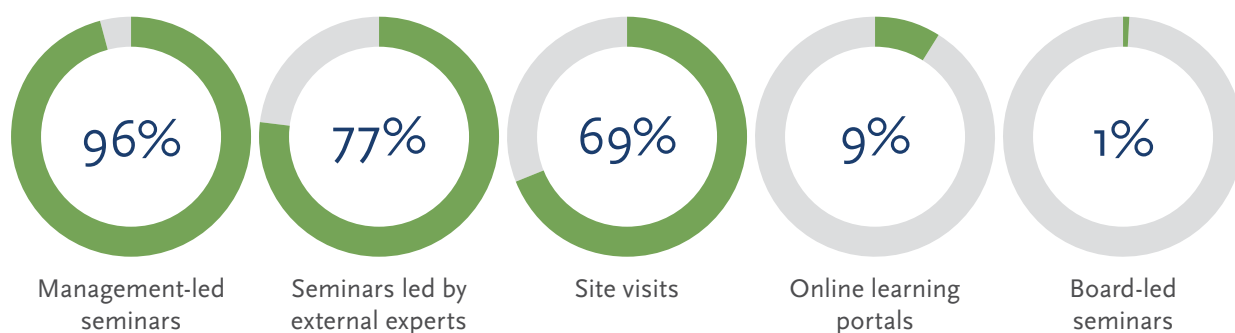


CONTINUING EDUCATION FOR NON-EXECUTIVE DIRECTORS

Boards continued to build director knowledge to enhance capabilities

- » Every *CSSBI 100* company disclosed that they provided some form of continuing education to their non-executive directors. Based on disclosure, the boards of these companies relied on senior management and external experts to support the ongoing development of their non-executive directors.
- » Over two-thirds (69%) of the boards of *CSSBI 100* companies reported having site visits as part of ongoing director education.

Continuing Education for Non-executive Directors of *CSSBI 100* Boards*

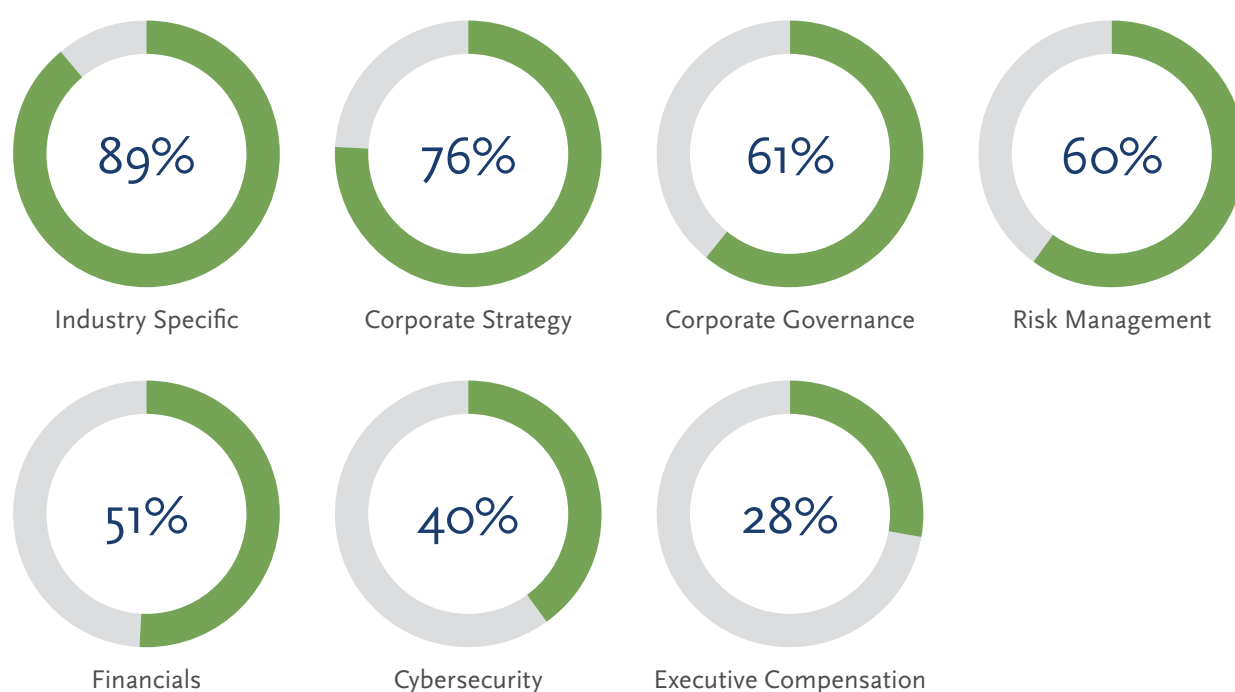


*Information regarding continuing education generally applied to sessions held in 2017.

Cybersecurity was part of the core curriculum for many board members

- » In 2018, the vast majority (97) of *CSSBI 100* companies disclosed the specifics of their continuing education programmes for board members, including who led the seminars (e.g. management, external experts), the topics that were covered, who attended, as well as the dates and times of the sessions.
- » Industry-specific sessions were held by most *CSSBI 100* boards, and modules in corporate governance, strategy, financials, risk management and executive compensation were frequently delivered.
- » There was an increase in the number of *CSSBI 100* boards that delivered sessions on cybersecurity (40% compared to 34% reported in 2017); these should increase as companies attempt to address cyber threats that are growing in complexity.

Continuing Education Curriculum for the Boards of *CSSBI 100* Companies*



*Information regarding continuing education generally applied to sessions held in 2017.

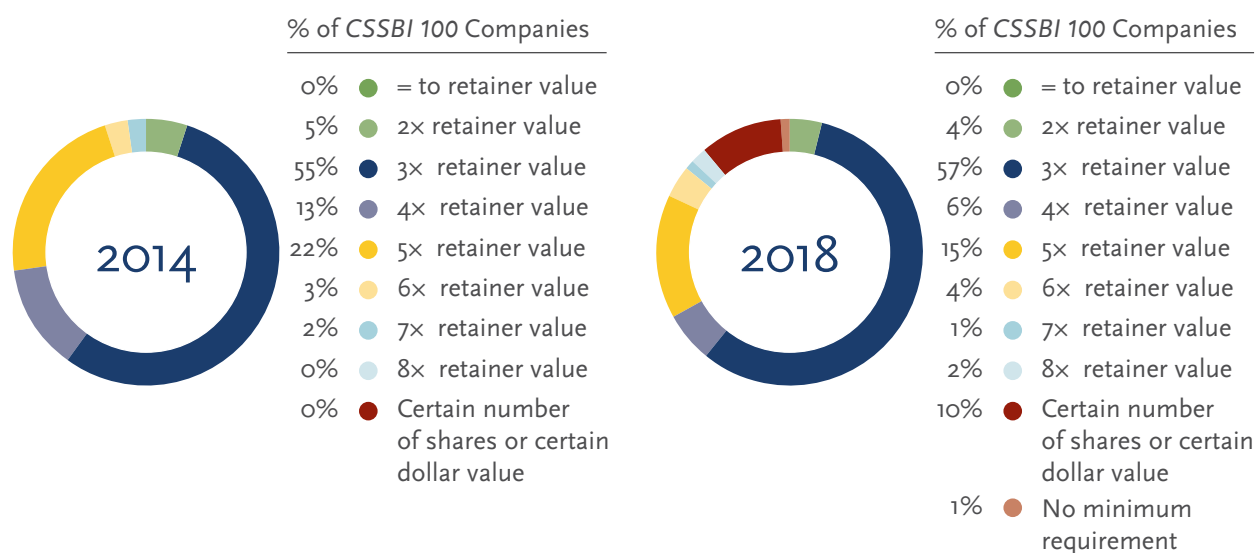
SHARE OWNERSHIP REQUIREMENTS FOR NON-EXECUTIVE DIRECTORS

Minimum share ownership almost universal

- » To promote shareholder alignment, almost every (99%) *CSSBI 100* board had a minimum share ownership requirement for their non-executive directors.
- » Each *CSSBI 100* board specified the type (e.g. common shares, DSUs/RSUs), the amount a director must hold (most commonly three times the retainer value), and the time to reach the goal (most commonly five years).

- » For the majority of *CSSBI 100* boards (89%), the minimum value of shares was a multiple based on the annual director retainer including the equity portion.
- » On average, 76% of each company's independent, non-executive directors met the applicable requirement (as disclosed in each company's Information Circular).

Minimum Share Ownership Requirements for Non-executive Directors of *CSSBI 100* Companies (2014 compared to 2018)*



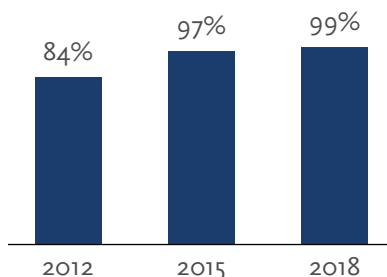
*As of the date of *CSSBI 100* Information Circulars, filed between December 2017 and September 2018.

MAJORITY VOTING FOR NON-EXECUTIVE DIRECTORS

Majority voting almost fully adopted

- » As of 2018, almost every *CSSBI 100* board (99%) had voluntarily adopted majority voting procedures for the election of their non-executive directors.
- » The number of boards using majority votes has increased considerably since 2012.

Number of Boards of *CSSBI 100* Companies with Majority Voting Procedures (2012, 2015 and 2018)



RESTRICTIONS ON INTERLOCKING DIRECTORSHIPS

Boards mindful of interlocks

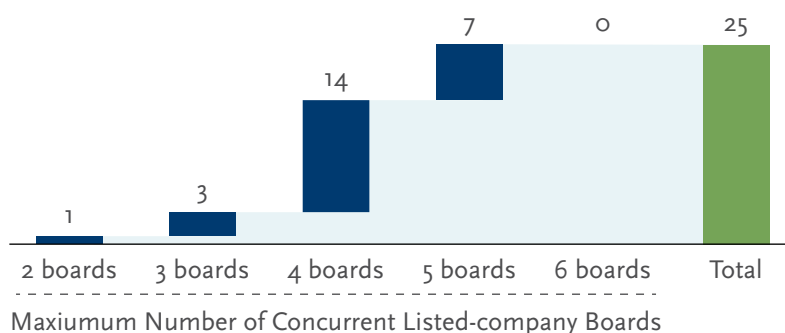
- » The vast majority (86%) of boards of *CSSBI 100* companies disclosed their policies on interlocking directorships in 2018 (i.e. when two or more board members serve together on the board of another public company).
- » There were some *CSSBI 100* boards that defined distinct limits regarding interlocks, which took several forms (e.g. limits on the number of interlocks per director, limits restricting the number of directors per interlock, limits on the total number of interlocks on a given board).

LIMITS ON THE NUMBER OF LISTED-COMPANY DIRECTORSHIPS

Formal and informal limits keep overboarding in check

- » In 2018, 25% of the boards of *CSSBI 100* companies set formal limits on the number of concurrent, listed-company boards upon which their non-executive directors could serve. Most were set at a maximum of four concurrent boards.
- » Informal limits (e.g. no more than four listed-company boards) often applied in cases where formal ones did not, reflecting the desire by most boards for engaged directors with the appropriate time to dedicate to the role.
- » Board members, in some *CSSBI 100* companies, needed to seek prior approval from the board chair before accepting additional board mandates.

Number of *CSSBI 100* Companies that Formally Limit Listed-Company Directorships for Board Directors

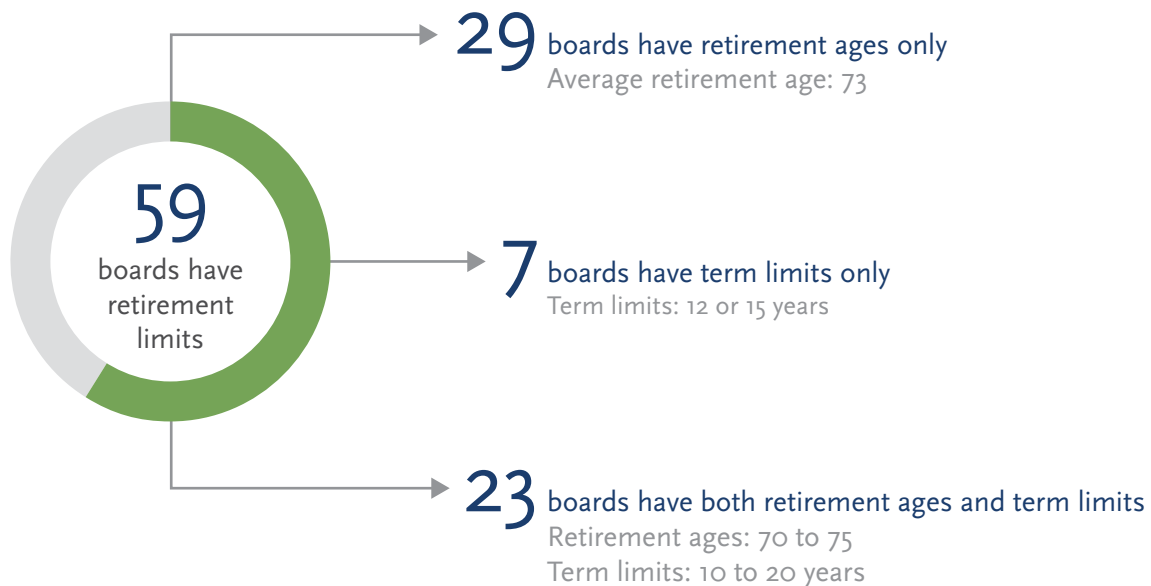


RETIREMENT POLICIES FOR NON-EXECUTIVE DIRECTORS

Retirement for non-executive directors often not fixed; term limits were less prevalent

- » Close to 60% (59) of the boards of *CSSBI 100* companies disclosed having a mandatory retirement age and/or term limit in place for their non-executive directors in 2018. The number of boards with mandatory limits in 2018 was slightly higher than in 2014. The average mandatory retirement age (for those companies that used them) was 73, one year higher than in 2014.
- » Just under half (29) of the boards of *CSSBI 100* companies with mandatory retirement for their directors used a retirement age exclusively; 23 additional boards used age and term limits together (e.g. the first of reaching 72 years of age or 15 years of service) to determine when a non-executive director would need to stand down.
- » Seven other boards used term limits exclusively, set at either 12 or 15 years of continuous service. The majority of these boards disclosed that they made case-by-case extensions of a term for individuals who reached their limit.
- » Forty-one *CSSBI 100* boards disclosed that they did not have a mandatory retirement age and/or term limit in effect. In recent years, a few *CSSBI 100* boards opted to remove their mandatory retirement age and/or term limit, instead relying on the board's director evaluation process to determine the timing of individual retirements.

Retirement Policies for Non-executive Directors of *CSSBI 100* Companies (2018)

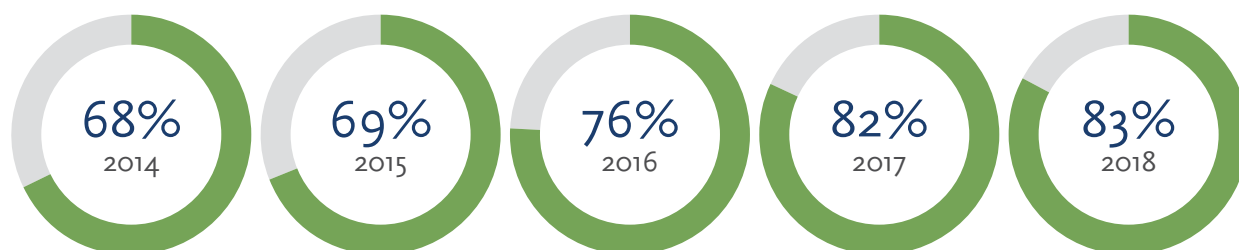


SHAREHOLDER ADVISORY VOTES ON EXECUTIVE COMPENSATION

“Say on pay” votes occurred at most companies

- » As of September 2018, 83% of the boards of *CSSBI 100* companies had voluntarily agreed to stage an advisory (non-binding) shareholder vote on their company’s plan for executive compensation.
- » The number of boards following the practice has increased annually since 2014.

“Say on Pay” Votes Held by the Boards of *CSSBI 100* Companies
(2014-2018)

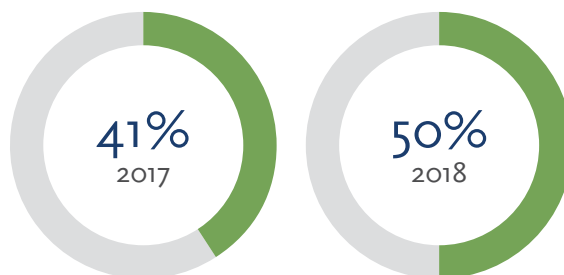


BOARD GENDER DIVERSITY POLICIES AND TARGETS

More boards adopted a gender diversity target

- » In 2018, half of *CSSBI 100* companies had established a minimum target for the number of women who should be on their board, an increase of nine compared to the prior year.
- » The targets, when disclosed, ranged from 20% to 40% of either the full board or all independent board members. Of note, almost half of these companies (60%) had either achieved or surpassed their minimum target as of September, 2018.

CSSBI 100 Boards with Minimum Board Gender Diversity Targets
(2017 compared to 2018)



North American Board Comparison

63	Board Size
63	Board Committees
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North American Board Comparison

CANADIAN AND U.S. BOARD COMPARISON

Spencer Stuart presents its annual review of selected governance practices and benchmarks for comparable sets of Canadian and U.S. S&P 500 listed companies. This review highlights differences and similarities across a range of board practices such as board size, committees, performance assessments and board compensation.

2018 Snapshot

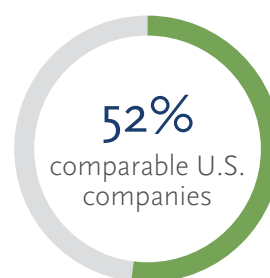
11 board members 
The average for CSSBI 100 and comparable U.S. companies



The average number held by the boards of CSSBI 100 and comparable U.S. companies



**Separate Board Chair
and CEO roles**



**Women
board director
representation**
CSSBI 100 **27%**
Comparable U.S.
companies **24%**

**Median total
non-executive director
compensation**
CSSBI 100 **C\$198,000**
Comparable U.S. companies **U.S.\$282,000**

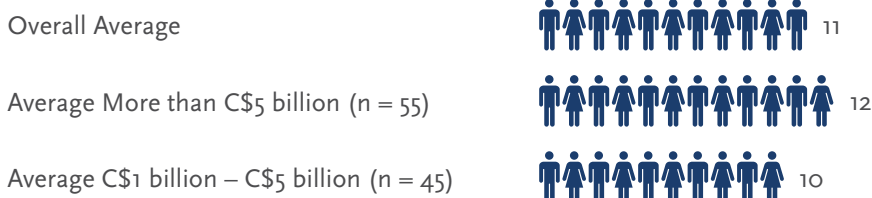
BOARD SIZE

Canadian and U.S. boards were roughly the same size

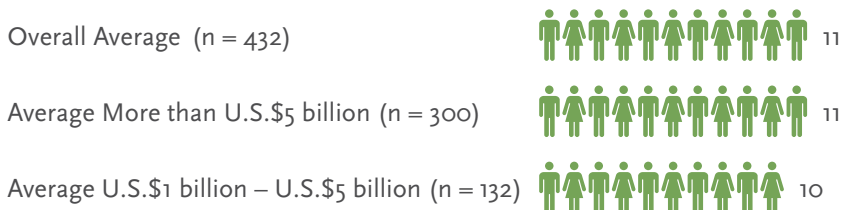
- » On average, there was little difference in the size of the boards of *CSSBI 100* companies and the comparable U.S. companies in 2018.
- » The boards of the larger *CSSBI 100* companies were the largest of any segment, with an average of 12 board members. They were comparably bigger (by one member) than the boards of the set of larger U.S. companies.

Average Board Sizes: 2018 Canada-U.S. Comparison

CSSBI 100



Comparable U.S.



BOARD COMMITTEES

Four standing committees per board was common in Canada and the U.S.

- » In 2018, a greater percentage of the boards in the U.S. had five or more standing committees: 32% compared to 13% among the *CSSBI 100*. Interestingly, 12 *CSSBI 100* boards operated with two committees, while the practice was rare in the U.S.

Board Standing Committees: 2018 Canada-U.S. Comparison

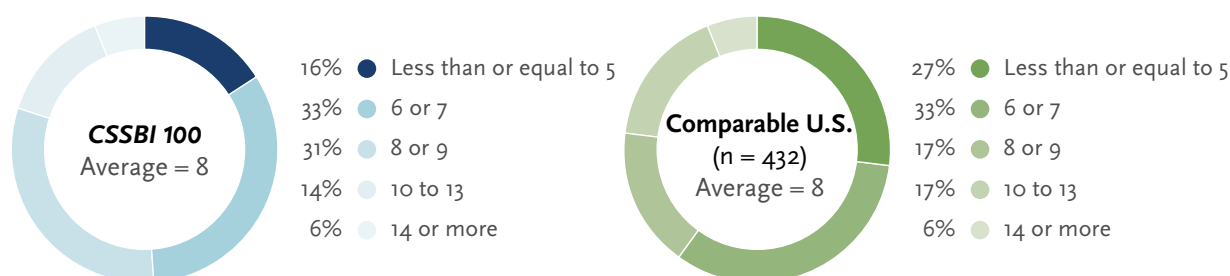


BOARD AND COMMITTEE MEETINGS

Some variations in the number of board meetings held by Canadian and U.S. boards

- » On average, the boards of *CSSBI 100* companies held the same number of scheduled meetings per year as those of the comparable U.S. companies.
- » At the highest end of the range, 6% of *CSSBI 100* and comparable U.S. companies held 14 or more meetings; and, at the lowest end, a larger proportion (27%) of the boards of comparable U.S. companies held five or fewer meetings compared to only 16% of *CSSBI 100* boards.

Number of Scheduled Board Meetings: Canada-U.S. Comparison*



*Scheduled board and committee meeting information applied to meetings held in 2017.

More audit and governance committee meetings in the U.S.

- » Overall, the boards of the comparable U.S. companies held an average of one additional committee meeting in 2017 (the most current year of disclosure for both sets of companies). The biggest difference was in the average number of audit committee meetings held in each country (three more, on average, in the U.S.).
- » The boards of comparable U.S. companies have faced more regulatory and shareholder scrutiny over company financials, requiring more attention at the committee level.

Average Number of Scheduled Committee Meetings in 2017: Canada-U.S. Comparison

	CSSBI 100	Comparable U.S. (n = 432)
Audit Committee Meetings	5	8
Governance and Nominating Committee Meetings	4	5
Human Resources and Compensation Committee Meetings	6	6
Average	5	6

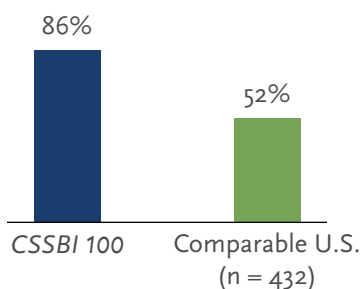
SEPARATE BOARD CHAIR AND CEO ROLES

Slow adoption of separate board chair and CEO roles in U.S.

- » A significant majority (86%) of *CSSBI 100* companies separated the board chair and CEO roles in 2018, compared to only 52% of the comparable U.S. companies.

- » The number of comparable U.S. companies with separate board chair and CEO roles has continued to increase, albeit at a slow pace, since 2012, when 42% of companies had adopted the practice.
- » While the vast majority of *CSSBI 100* companies separated the board chair and CEO roles in 2018, many (30% or 26 of 86) of the separate board chairs were non-independent. In the U.S., a larger proportion (61% or 137 of 226) of separate board chairs were non-independent in 2018. As with the non-independent board chairs of the *CSSBI 100*, most held prior executive roles with their companies.

Separate Board Chair and CEO Roles: 2018 Canada-U.S. Comparison

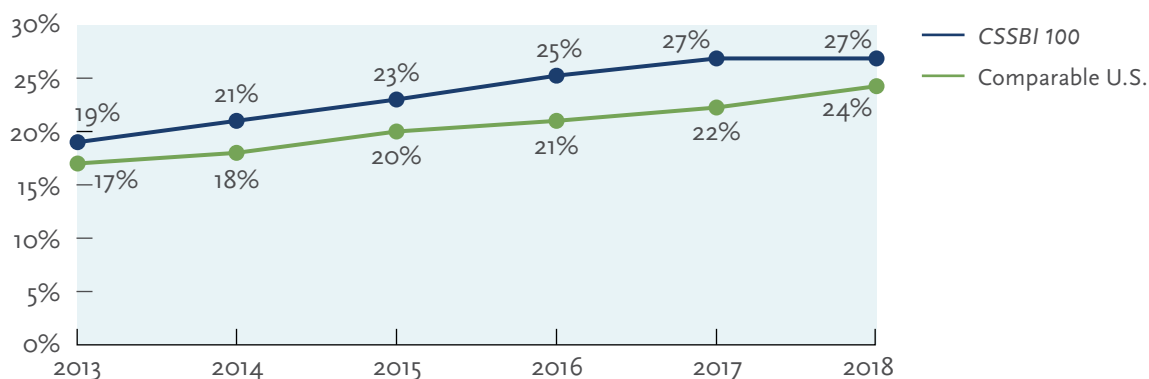


WOMEN BOARD DIRECTOR REPRESENTATION

Canada still led the U.S. in women board representation

- » In 2018, women held 27% of all board seats on *CSSBI 100* boards, three percentage points higher than women on the boards of the comparable U.S. companies.
- » Women board director representation has edged up in both countries, but the rate of increase has been relatively higher in Canada since 2012, when the proportion of women directors was equal (at 17%) in both countries.

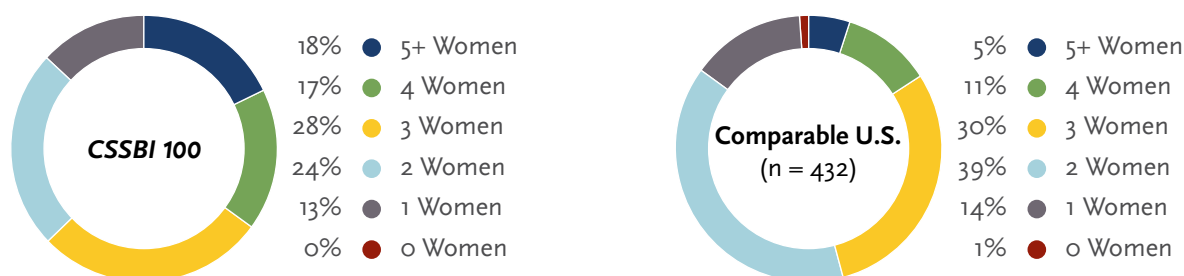
Women as a Percentage of All Board Members: Canada-U.S. Comparison (2013-2018)



More Canadian boards had three or more women directors

- » In 2018, close to two-thirds (63%) of the boards of *CSSBI 100* boards had three or more women directors, compared to 46% for the set of comparable U.S. companies.
- » In 2018, a similar proportion of boards in both Canada and the U.S. had less than two women directors (13% of *CSSBI 100* boards compared to 15% of the boards of comparable U.S. companies).
- » In 2018, one board of the *CSSBI 100* achieved gender parity in total board seats, compared to 10 among the comparable U.S. companies.

Women Board Member Representation: 2018 Canada-U.S. Comparison

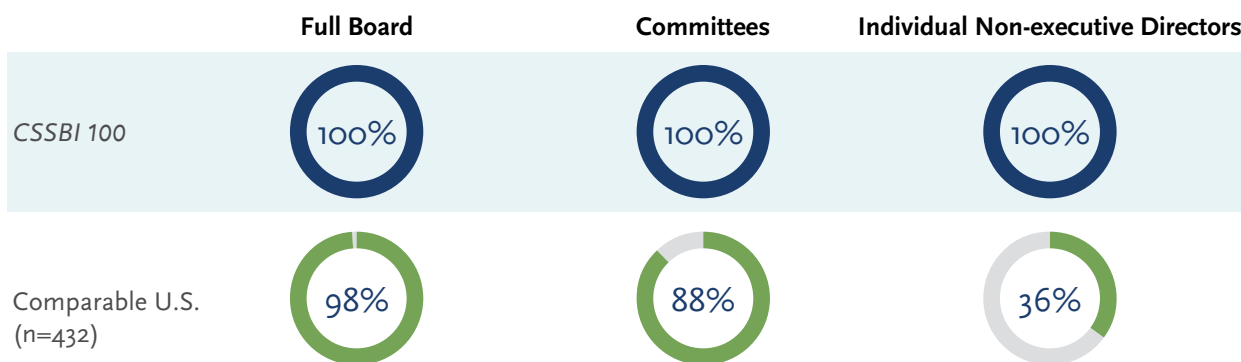


PERFORMANCE EVALUATIONS FOR BOARDS, COMMITTEES AND NON-EXECUTIVE DIRECTORS

Individual board director evaluations were far more prevalent in Canada

- » While full board and committee evaluations were widely embraced by *CSSBI 100* and comparable U.S. boards, the practice of evaluating individual, non-executive directors varied greatly between the two sets. The practice was fully adopted by the *CSSBI 100*, but just over one-third (36%) did among the comparable U.S. companies.

Board, Committee and Non-executive Director Evaluations: 2018 Canada-U.S. Comparison



RETIREMENT POLICIES FOR NON-EXECUTIVE DIRECTORS

Age often drove board turnover in both countries

- » Just under 60% (59) of boards of *CSSBI 100* companies had mandatory retirement ages and/or term limits in effect in 2018, compared to almost three-quarters (71%) of the boards of the comparable U.S. companies.
- » Of those boards that put formal service limits on their non-executive directors, the majority used a mandatory retirement age. Term limits were less common in both markets.

Non-executive Director Retirement Ages and Term Limits: 2018 Canada-U.S. Comparison

	% of Boards with Mandatory Retirement for Non-executive Directors	Retirement Age Only		Term Limits Only		Combined Age and Term Limits		
		Number of Boards	Average Retirement Age	Number of Boards	Years of Continuous Service	Number of Boards	Retirement Ages	Term Limits
<i>CSSBI 100</i>	59%	29	73	7	12 or 15 years	23	70 to 75 years	10 to 20 years of continuous service
Comparable U.S. (n = 432)	71%	286	73	5	9 to 15 years	15	70 to 76 years	10 to 20 years of continuous service

AGE AND TENURE OF NON-EXECUTIVE DIRECTORS

Small differences in age and tenure between comparable Canadian and U.S. boards

- » In 2018, average age and tenure of non-executive directors was almost the same for both the *CSSBI 100* and the set of comparable U.S. companies.
- » The distribution of average age (by board) across the *CSSBI 100* and the comparable U.S. companies was quite similar. In both sets, a large proportion of companies had an average director age between 60 and 66 years of age (inclusive): 69% in the *CSSBI 100* and 67% in the comparable U.S. companies.
- » Average director tenures on the boards of comparable U.S. companies were densely clustered around the average of eight years; over one-third (35%) of the U.S. companies had an average director tenure between seven and nine years (inclusive). In contrast, just over one-fifth (21%) of *CSSBI 100* companies were within the same interval.

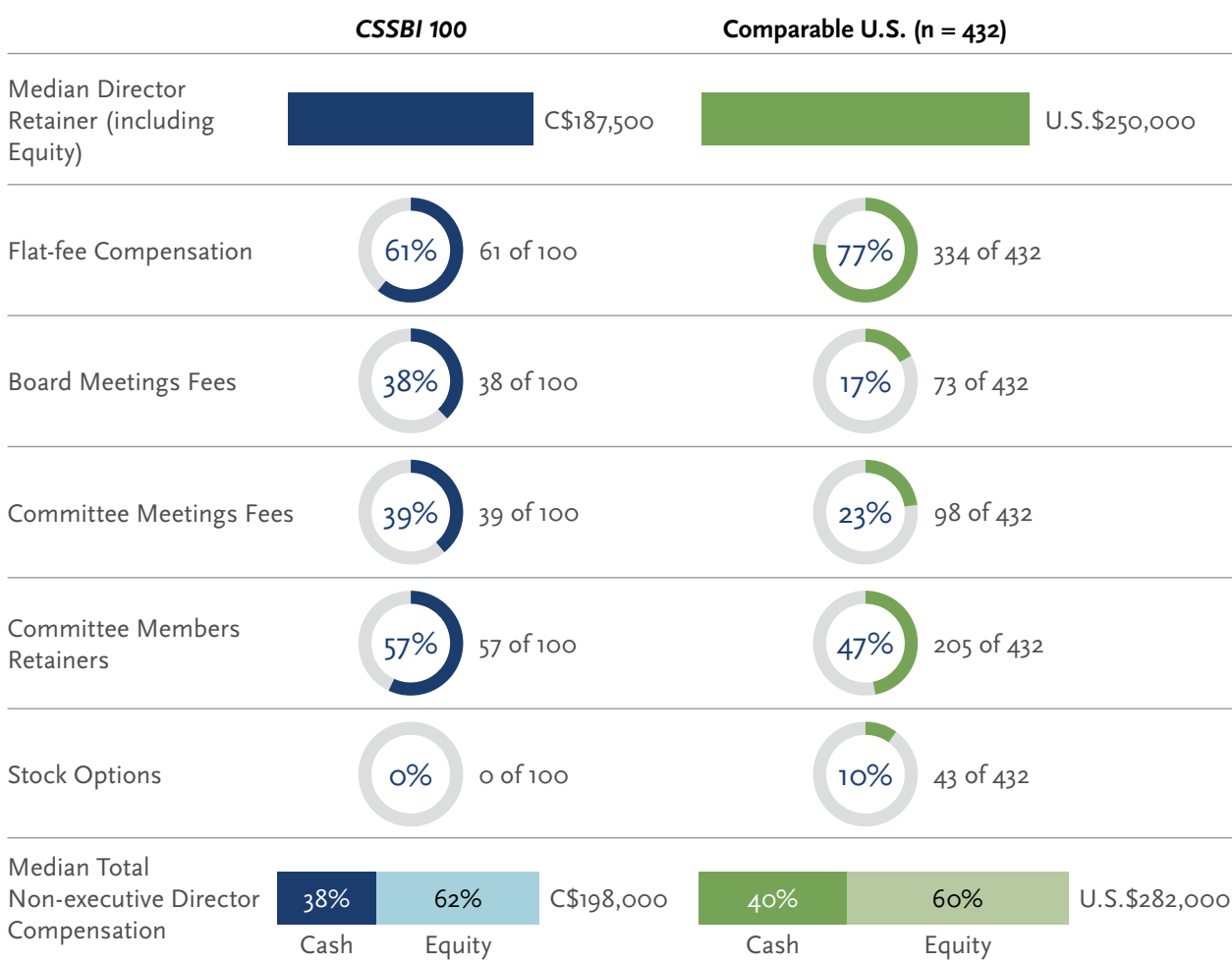
Non-executive Director Age and Tenure: 2018 Canada-U.S. Comparison

	Average Age	Average Tenure
<i>CSSBI 100</i>	62	8 years
Comparable U.S. (n = 432)	63	8 years

BOARD COMPENSATION IN CANADA AND THE U.S.: BENCHMARKS AND PRACTICES

- » Equity compensation, used by the vast majority of *CSSBI 100* and comparable U.S. companies, comprised a similar portion of the total compensation mix for directors in the U.S. (60% for the comparable U.S. companies versus 62% for the *CSSBI 100*).
- » Flat-fee compensation (i.e. a board member retainer without additional per-meeting fees) for non-executive directors was far more prevalent among the comparable U.S. companies (77% overall compared to 61% in the *CSSBI 100*), although this pay practice has been increasing in prevalence in the *CSSBI 100*.
- » Committee member retainers were more common in Canada; they were paid by 57% of *CSSBI 100* companies and by 47% of the set of comparable U.S. companies.
- » Stock options continued to be used as a form of non-executive director compensation in the U.S., where 10% of the comparable companies still issued them. In contrast, the practice has fallen completely out of use in the *CSSBI 100*.

Non-executive Director Compensation: 2018 Canada-U.S. Comparison

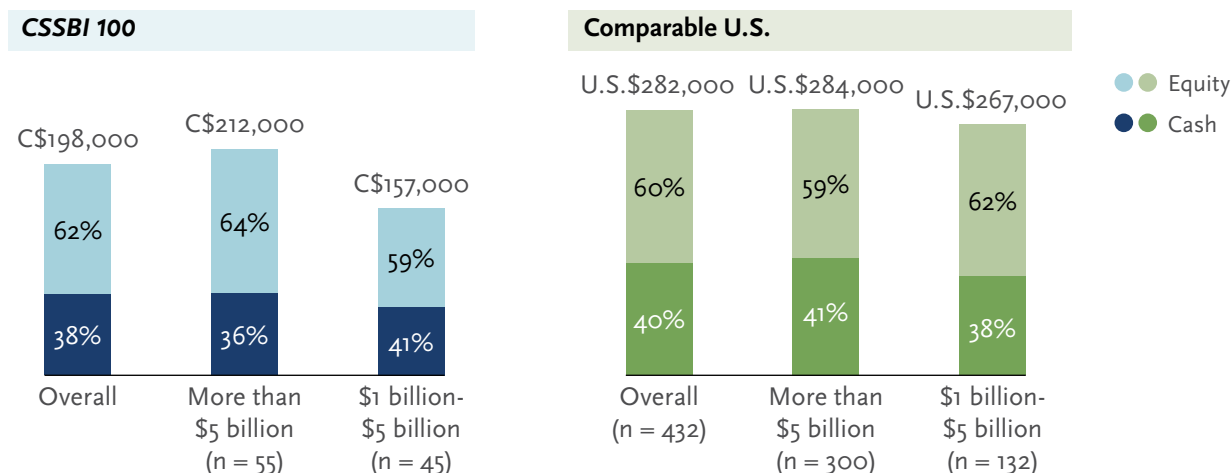


TOTAL NON-EXECUTIVE DIRECTOR COMPENSATION

Company size a bigger factor in Canadian board compensation

- » In 2018, the difference between median total director compensation at the larger and smaller *CSSBI 100* companies (C\$55,000) was more than triple (in nominal terms) the gap in the U.S. amongst the groups of comparable companies.

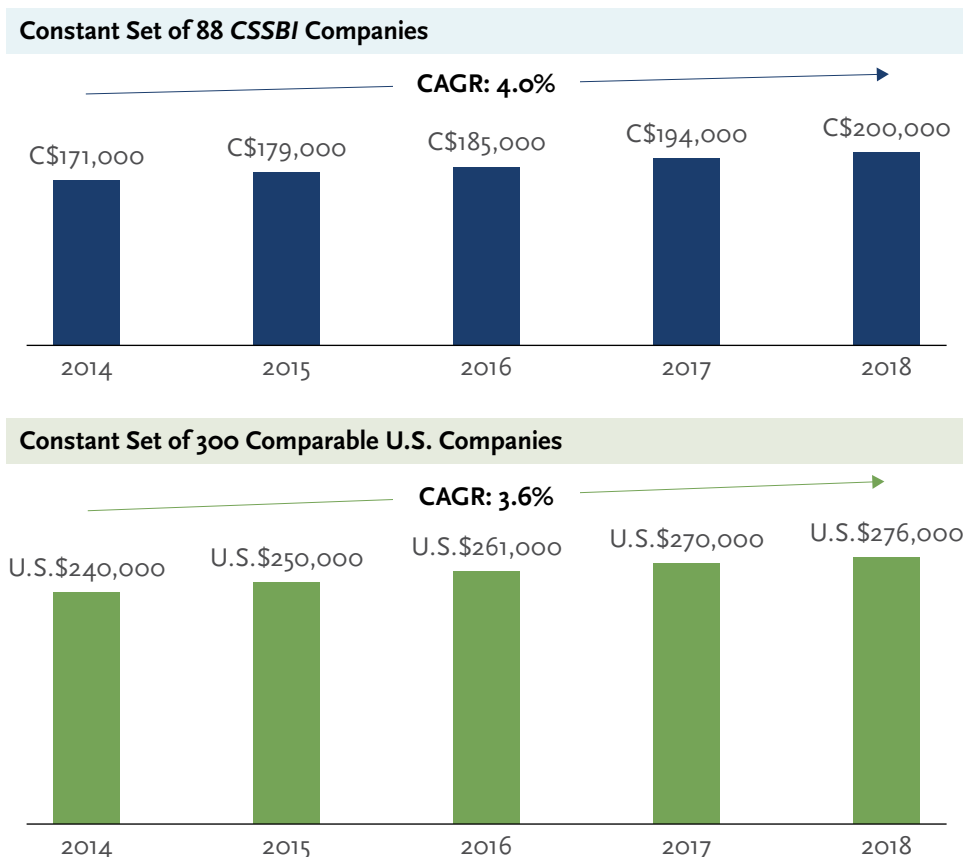
Median Total Non-executive Director Compensation: 2018 Canada-U.S. Comparison



Non-executive director compensation in Canada has kept pace

- » As boards of *CSSBI 100* companies continue to enter the U.S. market (and others) to recruit and attract non-executive directors, the competitiveness of their board remuneration will come increasingly into focus.
- » Foreign prospects are often intrigued by the possibility of joining the board of a blue-chip Canadian company, irrespective of the compensation; nevertheless, many *CSSBI 100* boards have taken steps to make their compensation more competitive.
- » Since 2012, median total non-executive director compensation growth has followed a similar line in Canada and the U.S., although it has been slightly (0.4 percent) higher in Canada as measured by the compound annual growth rate.

Median Total Non-executive Director Compensation (including equity): Canada-U.S. Comparison (2014-2018)

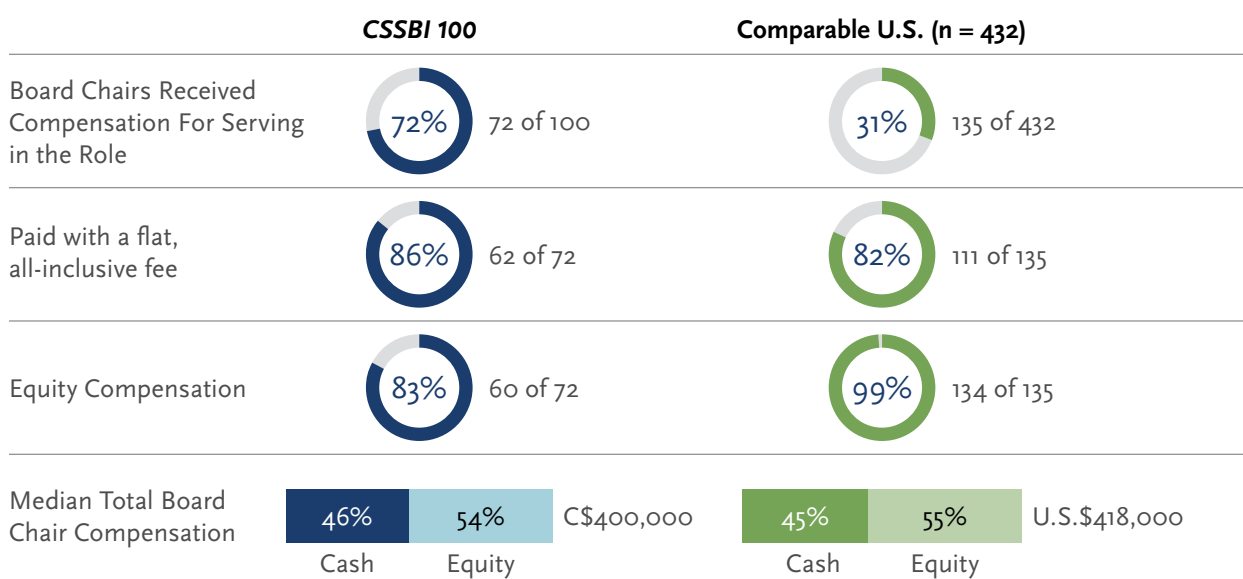


BOARD CHAIR COMPENSATION

Similar pay levels for board chairs in Canada and the U.S.

- » In 2018, there was a relatively small difference (\$18,000, nominally) between board chair compensation in *CSSBI 100* companies and the comparable U.S. companies. This contrasts with the much larger pay gap that existed between non-executive directors in the two comparable sets.
- » The board chair compensation mix was similar between the *CSSBI 100* and the set of comparable U.S. companies.
- » Flat, all-inclusive compensation was the most common way to remunerate board chairs in both the *CSSBI 100* and the comparable set of U.S. companies.

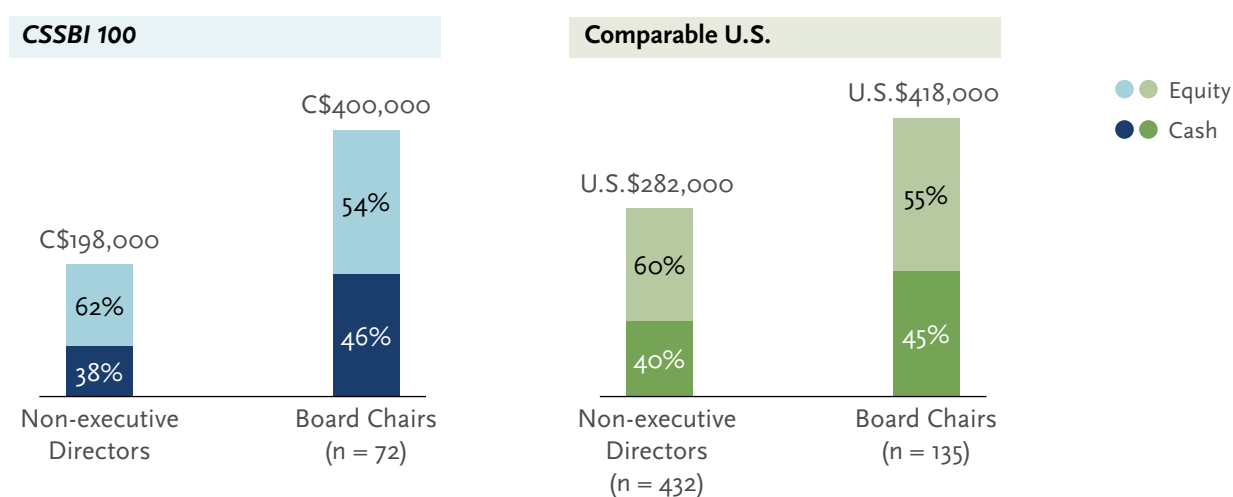
Board Chair Compensation Practices: 2018 Canada-U.S. Comparison



Bigger gap between board chair and non-executive director compensation in Canada

- » Median total compensation for board chairs of *CSSBI 100* companies was more than double that of non-executive directors, in contrast to the U.S., where board chairs were paid approximately 50% more than the non-executive directors.

Median Total Compensation for Non-executive Directors and Board Chairs: 2018 Canada-U.S. Comparison



LEAD DIRECTOR COMPENSATION

Lead directors in Canada were usually paid extra, but many in the U.S. were not

- » Among the boards of *CSSBI 100* companies, almost every lead director received extra compensation for serving in the role.
- » In the U.S., where 80% of the boards of comparable companies had a lead director in 2018, close to one-third (29%) did not receive additional compensation for serving in the role. This is noteworthy given the extra responsibilities for the lead director when the board chair and CEO roles are not separated.
- » The amounts of additional compensation, when provided, were slightly higher in Canada than in the U.S. (in nominal terms).

Lead Director Compensation Practices and Benchmarks: 2018 Canada-U.S. Comparison

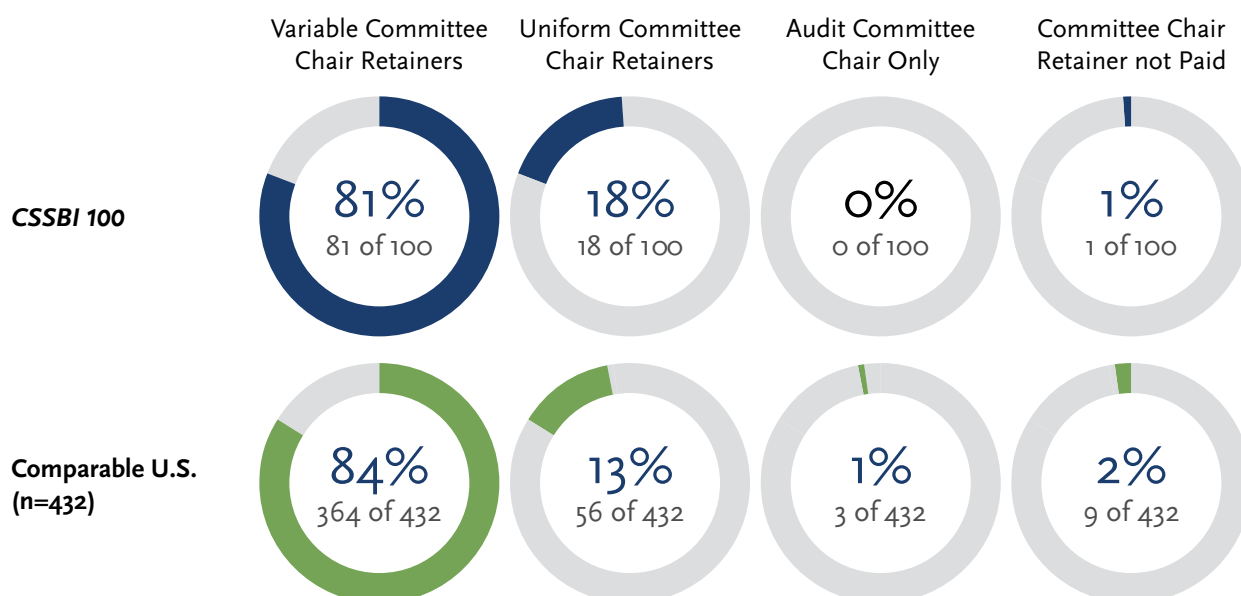
	Companies with a Lead Director	Additional Compensation Provided	Median Additional Compensation	Range of Additional Compensation
<i>CSSBI 100</i>	33	97%	C\$40,000	C\$10,000 - \$150,000
Comparable U.S. (n = 432)	344	71%	U.S.\$30,000	U.S.\$6,000 - \$200,000

COMMITTEE CHAIR COMPENSATION

Variable committee chair retainers were common in both Canada and the U.S.; audit chairs were often paid the most

- » In 2018, it was a common practice for the *CSSBI 100* and comparable U.S. companies to pay variable committee chair retainers, rather than a uniform amount to all. Both practices were used in similar proportion among the *CSSBI 100* and the comparable U.S. companies.
- » It was a common practice in both markets to pay a relatively higher retainer exclusively to audit chairs, while paying a uniform retainer to all other committee chairs.
- » Median committee chair retainers tended to be higher in the U.S. for two committees (\$5,000 more for audit and human resources and compensation committees), but were same for governance and nominating committees, in nominal terms.

Committee Chair Compensation Practices: 2018 Canada-U.S. Comparison



Committee Chair Retainers: 2018 Canada-U.S. Comparison

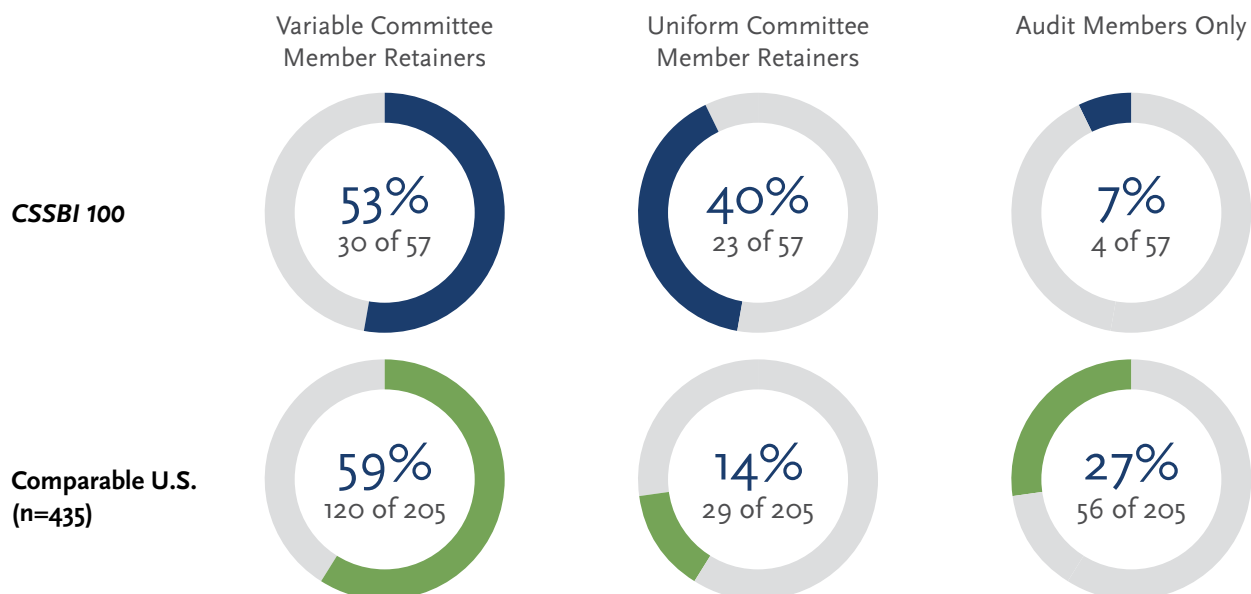
	CSSBI 100 Overall		Comparable U.S. (n = 432)	
	Median	Range	Median	Range
Audit Committees	C\$20,000	C\$2,710 - \$75,000	U.S.\$25,000	U.S.\$5,000 - \$75,000
Governance and Nominating Committees	C\$15,000	C\$2,710 - \$65,000	U.S.\$15,000	U.S.\$5,000 - \$40,000
Human Resources and Compensation Committees	C\$15,000	C\$2,710 - \$75,000	U.S.\$20,000	U.S.\$5,000 - \$50,000

COMMITTEE MEMBER COMPENSATION

Additional committee member retainers were more common in Canada

- » Fifty-seven percent of *CSSBI 100* companies paid additional retainers for service on committees, compared to 47% of the comparable U.S. companies. Overall, the amounts paid in the U.S. were approximately double those paid by *CSSBI 100* companies (in nominal terms).
- » A significant proportion (40%) of *CSSBI 100* companies paid uniform committee retainers, while only 14% of comparable U.S. companies followed the practice.
- » Where committee member retainers were variable (in both Canada and the U.S.), audit committee members tended to receive the highest amount.
- » Interestingly, committee retainers in the U.S. were often paid only to members of the audit committee.

Committee Member Compensation Practices: 2018 Canada-U.S. Comparison



Committee Member Retainers: 2018 Canada-U.S. Comparison

	CSSBI 100 Overall		Comparable U.S. (n = 432)	
	Median	Range	Median	Range
Audit Committees	C\$7,500	C\$1,085 - \$55,000	U.S.\$12,500	U.S.\$2,000 - \$45,000
Governance and Nominating Committees	C\$5,000	C\$1,085 - \$55,000	U.S.\$10,000	U.S.\$2,500 - \$30,000
Human Resources and Compensation Committees	C\$5,000	C\$1,500 - \$55,000	U.S.\$10,000	U.S.\$3,000 - \$40,000

Comparative Board Data

2018 *CSSBI 100* Companies

Comparative Board Data

BOARD CHAIRS AND LEAD DIRECTORS		NUMBER OF DIRECTORS		AGE, TENURE AND SERVICE LIMITS		MEETINGS AND COMMITTEES		BOARD COMPENSATION							
SEPARATE CHAIR AND CEO	LEAD DIRECTOR	TOTAL	RESIDENT IN CANADA	NUMBER NOT INDEPENDENT	MANDATORY RETIREMENT AGE AND/OR TERM LIMITS (a)	AVERAGE DIRECTOR TENURE (YEARS)	AVERAGE AGE OF DIRECTORS (YEARS)	BOARD MEETINGS PER YEAR (b)	NUMBER OF STANDING COMMITTEES	BOARD CHAIR RETAINER \$ (c,d)	DIRECTOR RETAINER \$ (d)	BOARD MEETING FEE \$ (e)	COMMITTEE CHAIR COMPENSATION \$ (f)	COMMITTEE MEETING FEE \$ (e)	COMMITTEE MEMBER \$ RETAINER \$

2018 CSSBI 100 COMPANIES

Aecon Group Inc.	Yes	No	9	1	2	2	75/15 years	8.5	67	9	4	250,000	175,000	1,500	12,500	1,500	4,000
Agnico Eagle Mines Limited	Yes	No	10	1	2	3	No	11.1	65	8	4	U.S. 225,000+	U.S. 100,000+	N/A	U.S. 15,000	N/A	N/A
Aimia Inc.	Yes	No	9	2	4	1	75	4.1	59	14	3	361,000	100,000	1,500	12,000	1,500	3,000
Air Canada	Yes	No	11	1	3	3	75	5.1	61	9	4	395,000	175,000	N/A	10,000	N/A	5,000
Algonquin Power & Utilities Corp.	Yes	No	9	2	4	3	71	5.8	61	16	4	U.S. 220,000	U.S. 120,000	U.S. 1,500	U.S. 7,500	U.S. 1,500	N/A
Alimentation Couche-Tard Inc.	Yes	Yes	11	5	1	3	No	16.6	63	9	2	N/A	100,000	2,000	25,000	2,000	5,000
ATCO Ltd.	No	Yes	10	4	4	3	70	6.9	67	8	2	N/A	165,000	2,000	25,000	1,500	5,000
Bank of Montreal	Yes	No	15	1	6	5	70/15 years	7.7	61	10	4	400,000 ²	215,000	N/A	25,000	N/A	15,000 ¹
Bank of Nova Scotia, The	Yes	No	15	2	6	5	12 years	4.8	59	9	4	450,000	225,000	N/A	35,000	N/A	N/A
Barrick Gold Corporation	Yes	Yes	14	1	10	3	No	6.6	63	5	5	N/A	U.S. 200,000	N/A	U.S. 15,000	N/A	U.S. 3,000
BCE Inc.	Yes	No	14	2	1	4	12 years	5.3	64	6	4	425,000	200,000 ³	N/A	25,000	N/A	N/A
BlackBerry Limited	No	Yes	8	1	5	2	No	5.4	66	5	2	N/A	270,000	N/A	20,000	N/A	N/A
Bombardier Inc.	Yes	Yes	14	5	7	4	72	10.8	63	15	4	U.S. 500,000	U.S. 150,000	N/A	U.S. 10,000	N/A	U.S. 5,000
Brookfield Asset Management Inc.	Yes	No	16	6	8	4	No	9.1	65	9	4	U.S. 500,000	U.S. 200,000	N/A	U.S. 15,000	N/A	U.S. 10,000
BRP Inc.	Yes	No	13	7	6	2	No	9.3	58	7	3	N/A	U.S. 150,000	N/A	U.S. 15,000	N/A	U.S. 10,000
CAE Inc.	Yes	No	10	1	3	2	72/12 years	4.7	60	6	3	310,000	167,000	N/A	20,000	N/A	10,000
Cameco Corporation	Yes	No	10	1	1	3	72/15 years	6.9	63	8	5	375,000	200,000	N/A	11,000	N/A	5,000
Canadian Imperial Bank of Commerce	Yes	No	16	1	5	7	75/15 years	7.7	61	8	4	425,000	215,000	N/A	50,000	N/A	15,000 ¹
Canadian National Railway Company	Yes	No	13	1	5	5	75/14 years	11.1	63	9	8	U.S. 550,000	U.S. 235,000	N/A	U.S. 65,000	N/A	U.S. 55,000
Canadian Natural Resources Limited	Yes	Yes	11	3	3	2	75	11.7	65	6	5	N/A	45,000+	1,500	10,000	1,500	5,000
Canadian Pacific Railway Limited	Yes	No	9	1	4	4	No	3.3	61	7	4	U.S. 395,000	U.S. 200,000	N/A	U.S. 30,000	N/A	N/A
Canadian Tire Corporation, Limited	Yes	No	16	4	2	3	No	9.3	N/A	10	4	500,000	155,000	2,000	11,000	2,000	5,000
Canfor Corporation	Yes	No	11	2	1	1	No	10.0	66	4	5	240,000	90,000	2,000	5,000	2,000	5,000
Cascades Inc.	Yes	Yes	12	4	0	4	72/20 years	12.5	61	11	4	N/A	80,000	N/A	25,000	N/A	18,500
CCL Industries Inc.	Yes	Yes	10	4	3	3	75	10.2	60	8	4	N/A	62,500+	2,000	10,000	2,000	N/A
Celestica Inc.	Yes	No	9	2	3	2	75	7.1	64	9	3	U.S. 360,000	U.S. 235,000	N/A	U.S. 15,000	N/A	N/A
Cenovus Energy Inc.	Yes	No	12	1	4	2	No	4.2	65	16	5	330,000	190,000	N/A	12,500	N/A	N/A
CGI Group Inc.	Yes	Yes	14	5	4	4	No	12.5	64	7	3	N/A	210,000	N/A	20,000	N/A	20,000 ¹
Cineplex Inc.	Yes	No	10	1	1	3	75	6.9	62	6	2	175,000	100,000	N/A	15,000	N/A	N/A
Cogeco Inc.	Yes	Yes	6	1	0	1	No	13.8	63	9	4	137,500	120,000	N/A	7,000	N/A	N/A
Constellation Software Inc.	No	Yes	10	4	2	1	No	4.8	52	7	2	N/A	U.S. 60,000	N/A	N/A	N/A	U.S. 20,000
Dollarama Inc.	Yes	No	9	2	4	2	No	7.5	58	6	3	N/A	125,000	1,500	8,500	1,500	3,000

¹Board information does not reflect changes made by the boards of individual CSSBI 100 companies after August 31, 2018. All amounts are in Canadian dollars unless otherwise indicated.

	BOARD CHAIRS AND LEAD DIRECTORS		NUMBER OF DIRECTORS		AGE, TENURE AND SERVICE LIMITS				MEETINGS AND COMMITTEES			BOARD COMPENSATION					
	SEPARATE CHAIR AND CEO	LEAD DIRECTOR	TOTAL	RESIDENT IN CANADA	NUMBER NOT IN CANADA	NUMBER OF WOMEN	MANDATORY RETIREMENT AGE AND/OR TERM LIMITS (a)	AVERAGE DIRECTOR TENURE (YEARS)	AVERAGE AGE OF DIRECTORS (YEARS)	BOARD MEETINGS PER YEAR (b)	NUMBER OF STANDING COMMITTEES	BOARD CHAIR RETAINER \$ (c,d)	DIRECTOR RETAINER \$ (d)	BOARD MEETING FEE \$ (e)	COMMITTEE CHAIR COMPENSATION \$ (f)	COMMITTEE MEETING FEE \$ (e)	COMMITTEE MEMBER RETAINER \$
Dorel Industries Inc.	No	Yes	10	4	0	2	No	17.3	66	9	3	N/A	110,000	1,500	10,000	1,500	3,000
Element Fleet Management Corp.	Yes	No	9	1	4	1	No	1.6	60	10	3	412,000	132,000	N/A	35,000	N/A	20,000
Emera Incorporated	Yes	No	12	2	3	4	No	6.8	64	7	4	400,000	190,000	1,750	10,000	1,750	3,000
Empire Company Limited	Yes	No	14	1	2	5	72	9.8	61	7	4	400,000	100,000	2,000	15,000	2,000	4,000
Enbridge Inc.	Yes	No	12	2	6	3	73/15 years	5.5	66	9	5	495,000	235,000	N/A	10,000	N/A	N/A
Encana Corporation	Yes	No	10	1	5	2	No	6.4	65	5	5	400,000	225,000	N/A	10,000	N/A	N/A
Fairfax Financial Holdings Limited	No	Yes	11	3	2	3	No	7.0	63	6	3	N/A	125,000	N/A	5,000	N/A	N/A
Finning International Inc.	Yes	No	12	1	6	4	72	5.9	64	7	4	350,000	200,000	N/A	15,000	N/A	N/A
First Quantum Minerals Ltd.	No	Yes	8	2	6	1	No	9.3	63	6	4	N/A	U.S. 165,000	N/A	U.S. 10,000	N/A	U.S. 5,000
Fortis Inc.	Yes	No	12	2	6	5	72/12 years	3.1	61	10	3	405,000	195,000	1,500	15,000	1,500	N/A
George Weston Limited	No	Yes	11	2	3	4	75	6.2	60	6	4	N/A	175,000	N/A	15,000	N/A	7,500
Gibson Energy Inc.	Yes	No	7	1	2	1	No	4.2	61	5	3	225,000	150,000	N/A	5,000	N/A	N/A
Gildan Activewear Inc.	Yes	No	12	1	5	3	72/15 years	4.5	62	7	3	U.S. 325,000	U.S. 180,000	U.S. 1,500	U.S. 10,000	U.S. 1,500	N/A
Goldcorp Inc.	Yes	Yes	9	2	1	2	No	7.0	64	5	4	1,158,986	250,000	1,500	10,000	1,500	N/A
Hudson's Bay Company	Yes	Yes	13	6	9	3	No	5.5	58	5	3	N/A	220,000	N/A	20,000	N/A	5,000
Husky Energy Inc.	Yes	No	16	7	10	2	No	14.1	71	4	4	120,000	120,000	N/A	10,000	N/A	5,000
Hydro One Limited	Yes	No	10	10	0	4	75/12 years	0.0	62	4	4	330,000	185,000	N/A	20,000	N/A	N/A
Imperial Oil Limited	No	No	8	2	2	3	72	8.3	64	7	5	N/A	110,000+	N/A	10,000	N/A	N/A
Industrial Alliance Insurance and Financial Services Inc.	Yes	No	13	1	2	5	70	4.8	58	9	4	220,000	70,000	1,500	15,000	1,500	10,000
Intact Financial Corporation	Yes	No	12	1	4	4	12 years	8.3	63	10	4	400,000	200,000	N/A	25,000	N/A	9,000
Interfor Corporation	Yes	No	9	1	3	2	75/10 years	9.5	67	4	4	250,000	125,000	N/A	10,000	N/A	N/A
Just Energy Group Inc.	Yes	Yes	10	4	6	2	75/15 years	6.7	59	9	5	N/A	125,000	N/A	5,000	N/A	N/A
Kinross Gold Corporation	Yes	No	9	1	2	3	73/10 years	9.3	62	7	4	480,000	240,000	N/A	30,000	N/A	15,000
Laurentian Bank of Canada	Yes	No	11	1	0	5	No	5.7	62	12	3	235,000	95,000	N/A	20,000	N/A	7,500
Linamar Corporation	Yes	No	6	3	0	1	70	23.6	71	5	2	N/A	40,000	1,630	2,710	1,630	1,085
Magna International Inc.	Yes	No	11	2	6	3	No	4.9	63	8	3	U.S. 500,000	U.S. 150,000	U.S. 2,000	U.S. 25,000	U.S. 2,000	U.S. 25,000
Manulife Financial Corporation	Yes	No	15	1	6	6	12 years	7.4	64	9	4	U.S. 400,000	U.S. 150,000	U.S. 2,000	U.S. 25,000	U.S. 1,500	U.S. 5,000
Maple Leaf Foods Inc.	Yes	No	10	2	1	3	75/15 years	3.4	60	11	4	350,000	175,000	N/A	15,000	N/A	2,000
Martinrea International Inc.	Yes	Yes	9	2	4	1	No	7.4	64	6	3	N/A	200,000	N/A	15,000	N/A	4,000
Methanex Corporation	Yes	No	12	1	7	4	No	8.4	64	6	5	400,000	220,000	N/A	10,000	N/A	10,000

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Comparative Board Data

	BOARD CHAIRS AND LEAD DIRECTORS		NUMBER OF DIRECTORS				AGE, TENURE AND SERVICE LIMITS			MEETINGS AND COMMITTEES			BOARD COMPENSATION				
	SEPARATE CHAIR AND CEO	LEAD DIRECTOR	TOTAL	RESIDENT IN CANADA	NUMBER NOT IN CANADA	NUMBER OF WOMEN	MANDATORY RETIREMENT AGE AND/OR TERM LIMITS (a)	AVERAGE DIRECTOR TENURE (YEARS)	AVERAGE AGE OF DIRECTORS (YEARS)	BOARD MEETINGS PER YEAR (b)	NUMBER OF STANDING COMMITTEES	BOARD CHAIR RETAINER \$ (c,d)	DIRECTOR RETAINER \$ (d)	BOARD MEETING FEE \$ (e)	COMMITTEE CHAIR COMPENSATION \$ (f)	COMMITTEE MEETING FEE \$ (e)	COMMITTEE MEMBER RETAINER \$
Metro Inc.	Yes	No	14	3	1	5	72/15 years	6.8	61	7	3	250,000	85,000	1,750	7,500	1,750	2,500
National Bank of Canada	Yes	No	14	1	0	5	12 years	4.5	59	15	4	350,000	125,000	N/A	20,000	N/A	15,000 ¹
New Flyer Industries Inc.	Yes	No	9	1	4	2	75/15 years	8.0	65	7	2	U.S. 300,000	U.S. 180,000	N/A	U.S. 15,000	N/A	N/A
Nutrien Ltd.	Yes	Yes	16	2	4	5	72	0.0	60	6	4	N/A	U.S. 240,000	N/A	U.S. 15,000	N/A	U.S. 10,000
Onex Corporation	No	Yes	12	3	3	3	No	13.7	68	5	2	N/A	U.S. 240,000	N/A	U.S. 15,000	U.S. 2,000	U.S. 4,500
Open Text Corporation	Yes	No	11	2	4	3	No	9.8	60	7	3	U.S. 495,000	U.S. 285,000	N/A	U.S. 6,000	N/A	U.S. 8,000
Parkland Fuel Corporation	Yes	No	9	2	0	2	75	7.5	62	7	3	250,000	120,000	1,500	15,000	1,500	N/A
Pembina Pipeline Corporation	Yes	No	12	1	2	3	72	5.8	61	13	4	360,000	190,000	N/A	17,500	N/A	12,500
Power Corporation of Canada	No	Yes	12	3	2	2	No	9.0	64	6	4	N/A	125,000	2,000	15,000	2,000	5,000
Quebecor Inc.	Yes	Yes	9	3	0	3	No	4.8	64	9	2	390,000	90,000	20,000 ⁴	26,000	20,000 ⁴	15,000
Resolute Forest Products Inc.	Yes	Yes	8	2	3	1	No	6.3	65	8	4	U.S. 300,000	U.S. 150,000	N/A	U.S. 15,000	N/A	N/A
RioCan Real Estate Investment Trust	Yes	No	9	2	1	2	75/15 years	9.5	65	7	4	375,000	160,000	1,500	10,000	1,500	N/A
Rogers Communications Inc.	Yes	Yes	15	7	1	5	No	14.2	61	8	7	N/avail	160,000	1,500	15,000	1,500	5,000
Royal Bank of Canada	Yes	No	13	1	5	5	70/15 years	6.8	61	7	4	525,000	250,000	N/A	50,000	N/A	N/A
Russel Metals Inc.	Yes	No	10	2	3	3	No	7.7	65	4	4	247,000	112,000	2,000	8,000	2,000	4,000
Saputo Inc.	No	Yes	10	2	0	5	No	5.0	57	8	2	N/A	240,000 ⁵	N/A	N/A ⁶	N/A	N/A
Shaw Communications Inc.	Yes	Yes	16	3	4	4	No	14.5	67	9	4	N/A	65,000+	1,500	15,000	1,500	6,000
SNC-Lavalin Group Inc.	Yes	No	11	1	3	3	15 years	2.6	60	10	4	400,000	180,000	2,250	12,000	2,250	N/A
Stantec Inc.	Yes	No	9	2	4	3	72/15 years	7.1	66	6	2	195,000+	120,000+	N/A	18,000	N/A	N/A
Sun Life Financial Inc.	Yes	No	11	1	4	4	12 years	4.3	61	15	4	405,000	210,000	N/A	40,000	N/A	10,000
Suncor Energy Inc.	Yes	No	11	1	4	4	72	6.6	62	8	4	458,214	217,500	N/A	10,000	N/A	5,000
Superior Plus Corp.	Yes	No	9	1	2	2	72	7.1	61	8	4	290,000	120,000	1,500	10,000	1,500	5,000
Teck Resources Limited	Yes	No	15	3	4	4	No	10.5	62	11	5	680,000	215,000	N/A	8,000	N/A	6,000
TELUS Corporation	Yes	No	13	1	0	3	15 years	4.8	64	6	4	500,000	220,000	N/A	15,000	N/A	N/A
TFI International Inc.	No	Yes	10	2	5	2	80	7.8	66	5	3	N/A	100,000	1,500	12,000	1,500	5,000
Thomson Reuters Corporation	Yes	Yes	11	5	6	2	No	10.3	63	9	3	U.S. 600,000	U.S. 200,000	N/A	U.S. 50,000	N/A	N/A
Toromont Industries Ltd.	Yes	No	8	1	0	2	72	15.1	67	9	3	325,000	120,500	2,000	10,000	2,000	5,000
Toronto Dominion Bank, The	Yes	No	14	1	5	5	75/10 years	6.9	63	9	4	425,000	215,000	N/A	50,000	N/A	15,000 ¹
TransAlta Corporation	Yes	No	10	1	5	4	75	6.1	64	5	3	330,000	160,000	N/A	15,000	N/A	N/A
Transat A.T. Inc.	No	Yes	11	1	0	4	75	7.0	64	12	4	N/A	65,000	1,500	10,000	1,500	3,000

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	BOARD CHAIRS AND LEAD DIRECTORS		NUMBER OF DIRECTORS				AGE, TENURE AND SERVICE LIMITS			MEETINGS AND COMMITTEES			BOARD COMPENSATION					
	SEPARATE CHAIR AND CEO	LEAD DIRECTOR	TOTAL	RESIDENT IN CANADA	NUMBER NOT IN CANADA	NUMBER OF WOMEN	MANDATORY RETIREMENT AGE AND/OR TERM LIMITS (a)	AVERAGE DIRECTOR TENURE (YEARS)	AVERAGE AGE OF DIRECTORS (YEARS)	BOARD MEETINGS PER YEAR (b)	NUMBER OF STANDING COMMITTEES	BOARD CHAIR RETAINER \$ (c,d)	DIRECTOR RETAINER \$ (d)	BOARD MEETING FEE \$ (e)	COMMITTEE CHAIR COMPENSATION \$ (f)	COMMITTEE MEETING FEE \$ (e)	COMMITTEE MEMBER RETAINER \$	
TransCanada Corporation	Yes	No	12	1	6	3	70	5.7	61	6	4	491,000	235,000	N/A	12,000	N/A	N/A	
Transcontinental Inc.	Yes	Yes	13	5	0	5	No	9.7	57	7	3	691,500	70,000	1,500	10,000	1,500	5,000	
Uni-Select Inc.	Yes	No	10	2	4	1	72/15 years	2.9	60	12	3	225,000	80,000	1,750	10,000	1,750	N/A	
Wajax Corporation	Yes	No	8	1	1	1	70	11.3	63	5	3	225,000	90,000	1,500	10,000	1,500	N/A	
West Fraser Timber Co. Ltd.	Yes	Yes	10	2	2	2	No	8.3	62	6	4	450,000	155,000	N/A	5,000	N/A	N/A	
WestJet Airlines Ltd.	Yes	No	12	2	1	2	No	9.2	65	11	4	200,000	115,000	N/A	8,000	N/A	6,000	
WSP Global Inc.	Yes	No	8	2	2	3	No	4.6	61	10	2	336,245	170,000	N/A	20,000	N/A	5,000	
Yamana Gold Inc.	No	Yes	11	1	4	4	75	6.7	62	13	4	N/A	U.S. 175,000	U.S. 2,000	U.S. 12,500	U.S. 1,750	N/A	

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FOOTNOTES FOR COLUMN HEADINGS

N/A: not applicable

N/avail: not available

- Mandatory director retirement ages and/or service limits (in years) as disclosed by each company. See company disclosure for further detail on exceptions and exemptions related to age and term limits.
- Total number of regularly scheduled board meetings, including those held by teleconference, as disclosed in each company's Management Information Circular.
- Figures include dedicated board chair retainers and regular director retainers. See company disclosure for further detail on remuneration policies for directors not resident in Canada.
- Figures include compensation in equity, except where noted with "+", which indicates that additional share units were granted. See company disclosure for further detail.
- Paid for regularly scheduled board and committee meetings. Many companies provided fees for extra travel, time or services undertaken by directors. These amounts are not reflected here.
- Includes the lowest committee chair retainer and committee member retainer, based on eligibility.

NOTES FOR COMPARATIVE BOARD DATA

- Paid for each committee membership in excess of one.
- The Chairman of the Board received an additional annual retainer fee of US\$135,000 in DSUs pursuant to a plan offered to directors of BMO Financial Corp., for service on BMO Financial Corp., a subsidiary of Bank of Montreal.
- A retainer of \$205,000 is paid to directors serving on more than one committee.
- Lump sum for all meetings of the Board of QI and QMI and their committees.
- A retainer of \$260,000 is paid to board members who sit on a committee (excluding chairmen of committees).
- The annual retainer for the Chairman of the Audit Committee is \$315,000.

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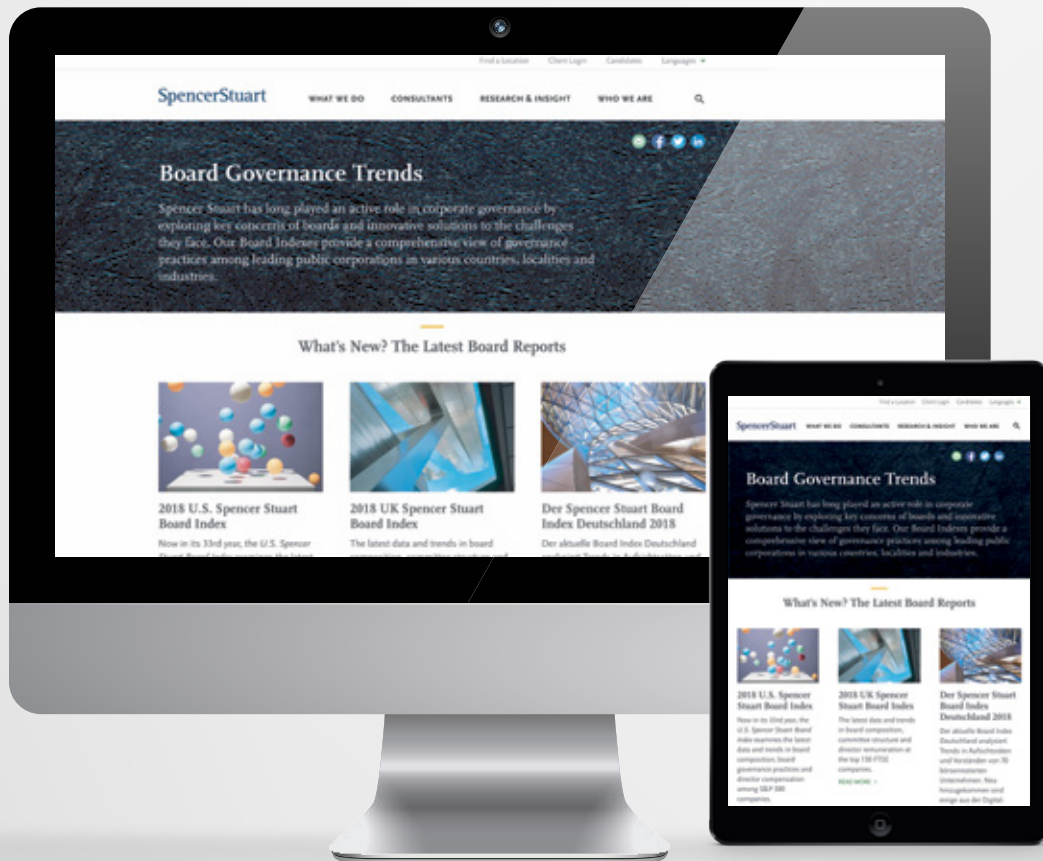
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