



SpencerStuart

# Canadian Spencer Stuart Board Index 2017

Board Trends and Practices of  
Leading Canadian Companies

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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 and provided advice to 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 1,600 board director roles and recruited roughly 600 minority directors around the world. In Canada, close to 50% 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 Canadian Spencer Stuart Board Index (*CSSBI*), now in its 22nd 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:

- » The New York Stock Exchange (NYSE) Annual Boardroom Summit & Peer Exchange hosted by NYSE Governance Services.
- » The Global Board Leaders’ Summit hosted by the National Association of Corporate Directors.
- » 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., Gibson Dunn, Lazard and PricewaterhouseCoopers.

The *CSSBI*, now in its 22<sup>nd</sup> year, 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 2017*, 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](http://www.sedar.com)) between December 2016 and September 2017;
- » 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 50 companies with revenue exceeding C\$5 billion (referred to as the “larger *CSSBI 100*”) and the 50 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 respective 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 2017, was converted to Canadian dollars at a rate of 1.32, the Bank of Canada's average monthly closing rate from June 2016 to May 2017. All figures appear in Canadian dollars, except where noted.

#### **NORTH AMERICAN COMPARISONS**

The 2017 *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 \$53.3 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 \$53.3 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. The analyses reported in the *CSSBI* are, as a result, more current than those based only on publicly available disclosures.

# 2017 Canadian CEO Census: A Snapshot of the CEOs of Canada's Largest Companies

The 22<sup>nd</sup> annual *Canadian Spencer Stuart Board Index* presents research from Spencer Stuart's 2017 Canadian CEO study, in which we focused on the CEOs of the *CSSBI 100*, a representative sample of large Canadian publicly traded companies with revenue exceeding \$1 billion. We examined selected characteristics of sitting CEOs as of November 1, 2017 (including age, tenure, functional route to the role and more), and analyzed every CEO transition between 2007 and 2017 (a total of 126) to highlight trends and best practices in CEO succession and selection.

Comparing our new findings with Spencer Stuart's 2006 Canadian CEO analysis,<sup>1</sup> we find the answers to several questions, including: Are CEOs getting younger? Have there been shifts in the functional backgrounds of CEOs? Has CEO turnover been increasing? Are boards selecting more internal CEO successors, or has there been a trend toward more external recruitment, and under what circumstances? These findings have also been framed against CEO trends in the U.S., based on Spencer Stuart's research of S&P 500 companies.<sup>2</sup>

## ***Are CEOs getting younger?***

In recent years, the boards of several large Canadian companies chose CEO successors in their mid-forties. This might give the impression that CEOs are getting younger at Canada's largest companies. Our research, however, suggests otherwise: The average age of sitting CEOs rose from 55 in 2006 to 57 in 2017. Additionally, the average age of incoming CEOs has exhibited an upward trend in recent years, rising from 51 between 2012 and 2014 to 53 between 2015 and 2017.

<sup>1</sup> See "Route to the Top: A Statistical Snapshot of CEOs of Leading Canadian Companies," *2006 Canadian Spencer Stuart Board Index*.

<sup>2</sup> Forthcoming Spencer Stuart, *CEO Transition Study of S&P 500 Companies*.

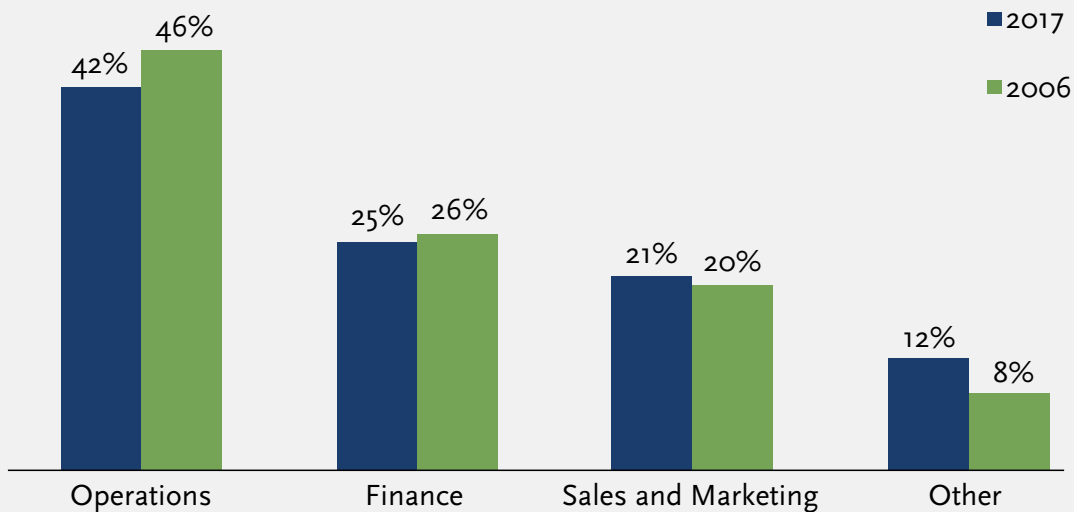


Boards of companies with a growing technology/digital focus, especially those that are consumer-facing (such as communications, financial services and retail), may find that younger candidates have the ideal mix of digital know-how and familiarity with a wider demographic. Boards should keep in mind, however, that these candidates could be less tested and/or developed in their overall leadership capabilities than more-seasoned candidates.

### ***Operations and finance backgrounds still widely preferred***

The vast majority (88%) of the CEOs we analyzed had a core background in one of three functional areas: operations, finance, or sales and marketing. The most common background was operations (42%), followed by finance (25%) then sales and marketing (21%). The proportion of each of these functional routes to the role of CEO was largely similar to our findings in 2006.

**Functional Route of CEOs of CSSBI 100 Companies**  
(2017 compared to 2006)



The ever-increasing complexity of leadership within large organizations predisposes boards toward those CEO candidates with broad multidisciplinary backgrounds, or whose range of responsibilities spreads across the breadth of the enterprise (as is typically the case with finance or operations). Candidates from narrower and more discrete functions, such as marketing, sales, IT, HR or legal, were understandably in less demand. Closer analysis revealed that CEOs of CSSBI 100 companies with sales and marketing backgrounds were more concentrated in consumer-facing industries, while CEOs with operations and finance backgrounds were represented across the spectrum.

## ***CEO imports growing***

The international market has become a more substantial source of CEO talent for large Canadian companies. Over the period of our analysis, there was a marked upward trend in cross-border CEO selections in the *CSSBI 100*: their proportion increased from 21% between 2007 and 2011 to almost one-third (32%) over the last five years. This increase is not surprising given the growing level of integration within North American economies in many sectors, as well as the paucity of competitors in many sectors within the Canadian marketplace.

While the boards of *CSSBI 100* companies are finding the relevant industry experience and desired hard skills by looking beyond Canada, assessing an international executive for culture fit presents a different challenge. Culture assessment tools, such as Spencer Stuart's *Culture Alignment Framework*,<sup>TM</sup> are playing an increasingly important role in CEO succession, helping boards and search committees evaluate the degree to which potential CEO candidates (both internal and external) are likely to fit with, adapt to and appropriately shape the organization's culture.

## ***Status quo for women in CEO Roles in Canada***

In Spencer Stuart's 2006 Canadian CEO study, we found that 2% of CEO roles were held by women. At the time, given the number of women in C-level roles at many companies, we speculated about possible growth in the number of women CEOs at large Canadian publicly traded companies. Our recent findings, however, show that little has changed — only 4% of CEO roles were held by women at *CSSBI 100* companies in 2017. That increase may seem notable, but women in the U.S. held 5.6% of CEO roles at S&P 500 companies.<sup>3</sup> Also, in recent years, several women were selected to be CEOs at several large, high profile U.S. companies. This progress has not been matched in Canada.

Clearly, there is an opportunity for boards of large Canadian companies to develop more women in CEO-track roles. The recent and sustained progress made by boards in recruiting more women board members (see pages 21 to 25) might be a portent of change, and an indication that the next generation of CEOs could include more women.

## ***Internal CEO successors declined in Canada***

Internal CEO successors comprised the majority (66%) of those selected for the position between 2007 and 2017. However, and somewhat surprisingly, the share of internals was down 14 percentage points from our 2006 Canadian CEO study, in which 80% of CEO successors were

<sup>3</sup> [www.catalyst.org/knowledge/women-CEOs-sp-500](http://www.catalyst.org/knowledge/women-CEOs-sp-500)

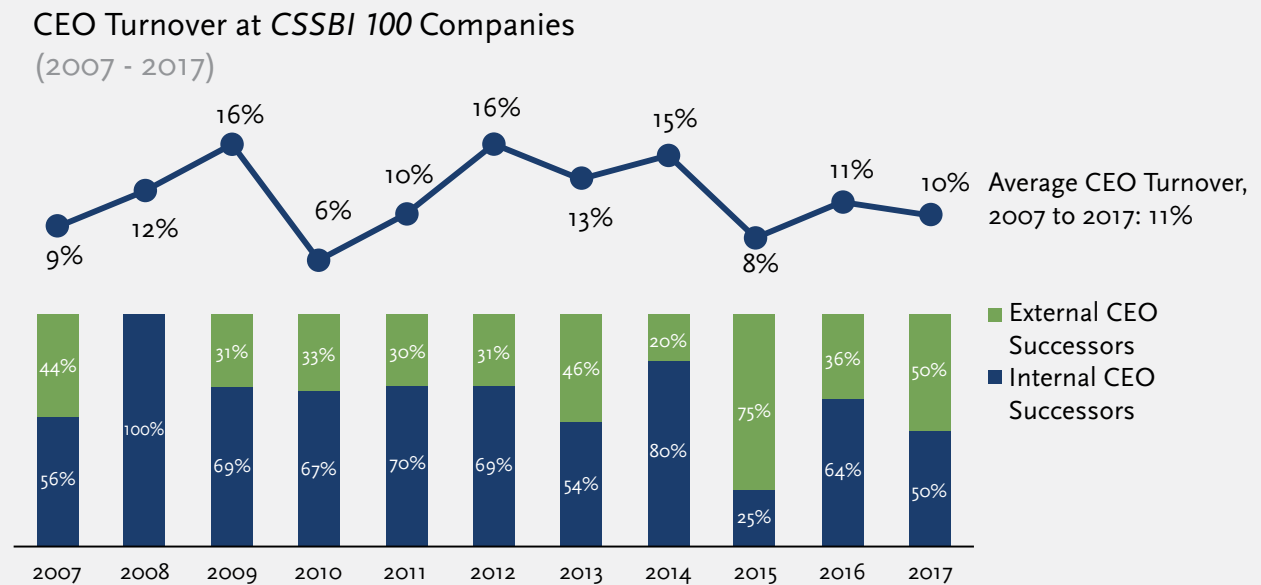
internal candidates. Though there was some fluctuation on a year-to-year basis, the overall share of internal CEO successors has not been growing. By contrast, U.S. companies saw a clear trend toward more internal CEO successors: Over a similar timeframe, internal CEO successors at S&P 500 companies increased from 59% to 88%.

Which begs the question: What creates this difference? It may be that there are different dynamics in Canada that make internal succession more challenging than in the U.S. For starters, Canadian companies are, for the most part, significantly smaller in structure than U.S. firms. Some Canadian companies simply may not have the scale to develop and prepare multiple internal successors to the CEO. The major exception may be Canada’s large financial institutions, which have a scale similar to comparable industry leaders south of the border. Over the past decade, all successor CEOs at Canada’s largest financial institutions were insiders.

Over the last decade, boards working on CEO succession plans have increasingly assessed internal executives and compared them to top external talent. This external benchmarking has exposed boards and CEO succession committees to a broader talent pool; in some cases, this has led to the selection of an external successor.

### Is CEO turnover increasing?

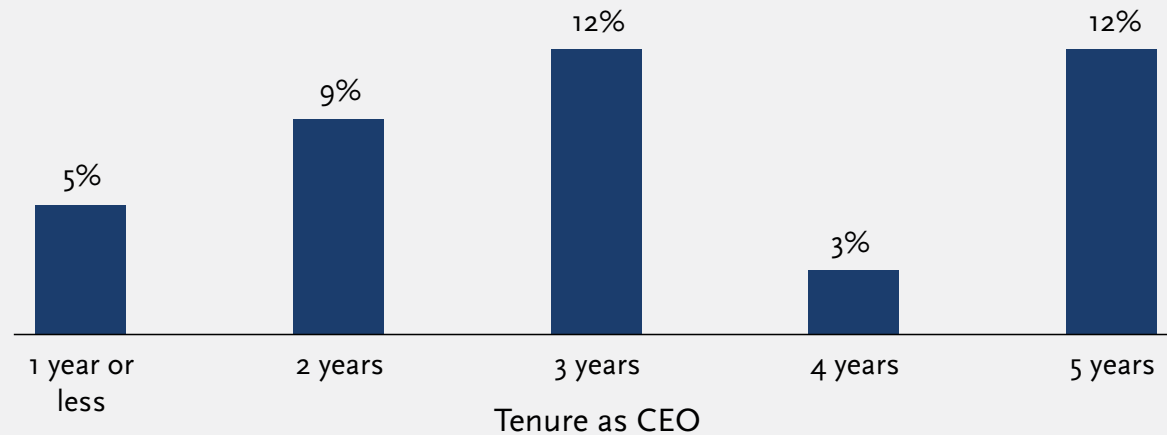
Though year-to-year turnover numbers have fluctuated, CEO turnover at large Canadian companies has exhibited no discernable trend, averaging about 11% per year between 2007 and 2017. This was consistent with our past Canadian CEO study and was similar to Spencer Stuart’s findings in the U.S., which showed an annual CEO turnover rate of 10.2% for CEOs at S&P 500 companies over a similar timeframe.



## CEO tenures often short

Between 2007 and 2017, outgoing CEOs (excluding departing company founders) spent an average of seven years in the role. While this average figure may be helpful to boards as a general timeline for CEO succession planning, the reality is that CEOs often depart much earlier: 41% of outgoing CEOs spent five or less years in the role. This is a reminder to boards and committees that effective CEO succession planning is an ongoing process, adapted to meet multiple contingencies and aligned with the forward-looking requirements of the business.

### Outgoing CEOs with Five or Less Years of Tenure at *CSSBI 100* Companies (as a % of outgoing CEOs, excluding founders, 2007 - 2017, n=110)



## CEO selection in healthy versus challenged companies

Company circumstances surrounding a CEO transition impact a board’s ultimate CEO selection. Based on extensive research, including analyst and market coverage, as well as our direct knowledge, we categorized each company as being “challenged” or “healthy.” Challenged companies were experiencing significant declines in performance (e.g. share price) and had a negative outlook in the marketplace in the year preceding their CEO transition. CEO transitions in these companies tended to be forced. Healthy companies, by contrast, were characterized as having strong fundamentals (e.g. financial performance and share price). CEO transitions in these companies typically followed a planned or natural process.

When the company was in a healthy position, its board was far more likely to choose an internal candidate than an external one. In CEO transitions at healthy *CSSBI 100* companies between 2007 and 2017, a significant majority (79%) of CEO selections were internal. This was close to the

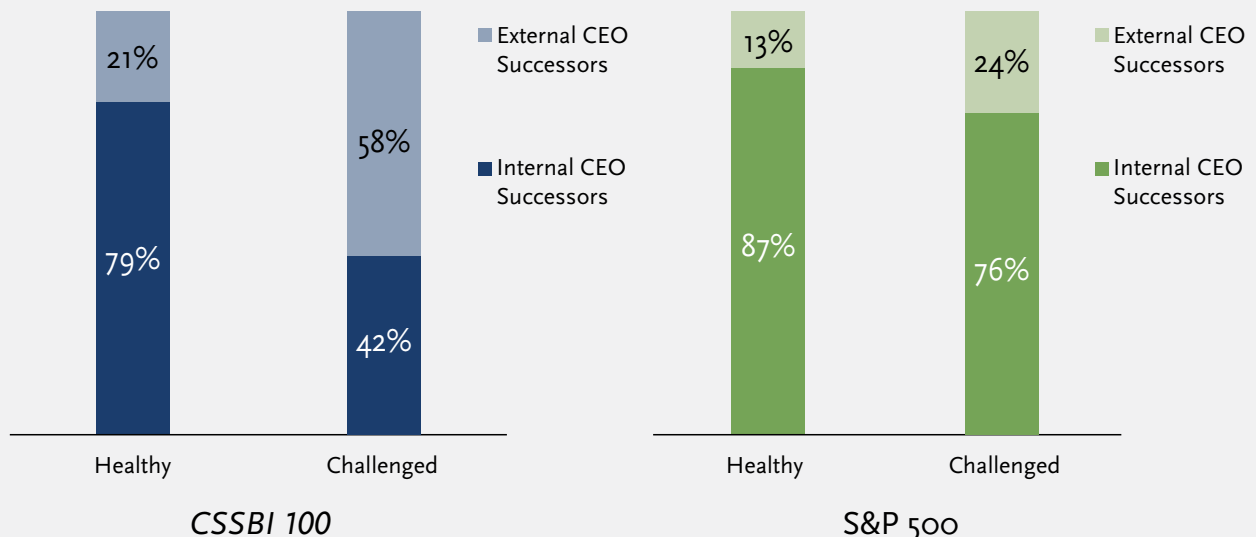
pattern in the U.S., where 87% of selections in healthy S&P 500 companies over a similar period were internal.

However, when *CSSBI 100* companies were in a challenged situation, their boards chose an external CEO successor in more than half of transitions (58%). This is not surprising given that insiders are more likely to be perceived (in the company and in the market) as being part of the regime that led to the company’s decline. Externals, by contrast, are seen as change agents, being less encumbered to effect a turnaround.

Boards of S&P 500 companies in a challenged state also selected a higher percentage of external successors than did those of healthy companies. The distinction, though, is not so pronounced as in Canada. As noted above, boards of the challenged *CSSBI 100* companies went outside 58% of the time when selecting a new CEO, while S&P 500 boards in comparable situations only went outside 24% of the time. One explanation for the difference between Canada and the U.S. might again be that the U.S. companies are larger and have more viable internal options to consider even when facing a turnaround. Another possible explanation is that boards in the U.S. believe that an internal CEO successor is less risky, even when the company is in a challenged situation.

It is also interesting to speculate if perhaps the Canadian practice of splitting the Chair and CEO roles might be one reason for the lower prevalence of insiders appointed at challenged companies in Canada. It could be that Canadian boards with senior, experienced and separate Chairs are more prone to look outside the organization. This might be an avenue for future research.

### CEO Selection in Healthy vs. Challenged Companies



## ***Turnaround experts always in demand***

In challenged situations, boards are, not surprisingly, seeking proven skillsets, including prior CEO and/or turnaround experience. In challenged situations between 2007 and 2017, candidates with prior public company CEO experience were chosen 41% of the time. Many of these candidates also had prior turnaround experience in their career. In a number of these cases, existing board members with prior CEO experience were seen to be the best solution, after the boards considered their prior executive experience, in-depth company knowledge and cultural fit.

A similar proportion (39%) of those chosen to lead a challenged company were, just prior to being appointed, chief operating officers (COOs) or divisional presidents, and many had turnaround experience of large, multi-billion dollar business units within large enterprises. Other C-level functional leaders were chosen in a smaller number (20%) of challenged company situations; interestingly, former CFOs comprised just over half of these.

## ***CEO succession planning a continual and evolving process***

In our work with boards and CEO search committees, we have observed that CEO succession planning has become more proactive, professionalized and embedded into ongoing board processes. Practices and processes are more sophisticated, and boards are embracing their oversight of the overall CEO succession planning in the company. In our experience, these are proven, successful practices, and ways to approach this critical responsibility:

1. ***Start early and embrace CEO succession planning with the right balance and regularity.*** Some boards can be reluctant to broach the topic of succession, particularly with a strong, established CEO or when a transition seems distant. One approach that can be helpful in desensitizing the issue is to start early — years before a transition is on the horizon. Develop a regular cadence around C-suite succession planning, and encourage the CEO and CHRO to be partners in the process. One of the best ways to achieve this balance is to begin CEO succession planning when a new CEO takes the helm and set expectations about the CEO's role in the process immediately.

2. **Ensure that succession planning is rooted in the future strategy and needs of the business.** When the succession strategy relies too heavily on status quo assumptions or does not look far enough out, it reduces the chances that the process will produce internal candidates with the right skills for future business. Wise boards agree on strategic issues upfront, since these decisions will influence the type of future leader the company will need, and push themselves to go beyond generalities. They identify the very specific effect the next CEO needs to have on the business and define the skills, competencies and cultural requirements needed to accomplish those results.
3. **Do not underestimate cultural fit.** Boards are increasingly recognizing the importance of culture alignment in CEO selection. Boards will want to consider whether the culture of the company needs to shift or change, and how aligned individual candidates are with the desired company culture. One way to do this is to spend time with the candidates in different settings.
4. **Thoughtfully and effectively assess internal candidates.** Directors often tell us that they lack the insight to thoroughly assess potential successors or to understand whether a candidate will be ready in a specific timeframe. By definition, internal candidates are almost certainly not proven CEOs, so how can boards gain better insights into candidates' abilities to succeed in a role that is dramatically different in scope and complexity? Boards tend to see succession candidates through a very narrow window of observation and judge potential based on past performance, both of which can cause bias (positive and negative) when considering successors. Having an assessment process that is fact-based, rigorous and forward-looking will give boards the insights they need to understand the capabilities of their company's rising executives, helping to make the discerning judgments about their readiness for the top role.
5. **Incorporate external benchmarking.** Even companies that are strong producers of internal talent sometimes lose a sense of how their talent compares to the best-in-class talent externally, or they overlook how the world has shifted around them. Taking a look at external talent (through research, informal or formal introductions, or as part of an executive search) can provide additional insight when assessing the readiness of potential internal successors. Ideally, benchmarking should happen in tandem with internal assessment, so that the results

of the internal assessments and external benchmarking can be compared simultaneously. This process is critical to giving the board a good sense of the relative strength of internal candidates, as measured against outside leaders who have proven themselves as skilled in the operational areas that will be critical for the company's future and have demonstrated the values and behaviors that align with the organization's culture.

- 6. *Assure the development of a robust succession pipeline.*** When boards do not set expectations with the CEO and CHRO that succession planning and talent development are ongoing and shared responsibilities, they can lack confidence in their succession pipeline. This requires boards to take responsibility for ensuring that the right processes for talent management are in place and that they have the appropriate knowledge of potential leadership. Directors should get to know the senior leadership through presentations in the boardroom and regular meetings outside of it. Boards should plan on a "deep-dive" talent review at least once annually, which includes having the CEO and CHRO lead a discussion about forward-looking leadership requirements against which talent can be evaluated. By being involved on an ongoing basis, the board can observe patterns of performance and develop a more nuanced point of view on executives' strengths and weaknesses.

Explore Spencer Stuart's insights on CEO succession planning and learn more about our range of leading-edge succession, assessment and recruitment solutions at: [www.spencerstuart.com/what-we-do/our-capabilities/ceo-succession-planning](http://www.spencerstuart.com/what-we-do/our-capabilities/ceo-succession-planning).



# Board Composition, *CSSBI 100*

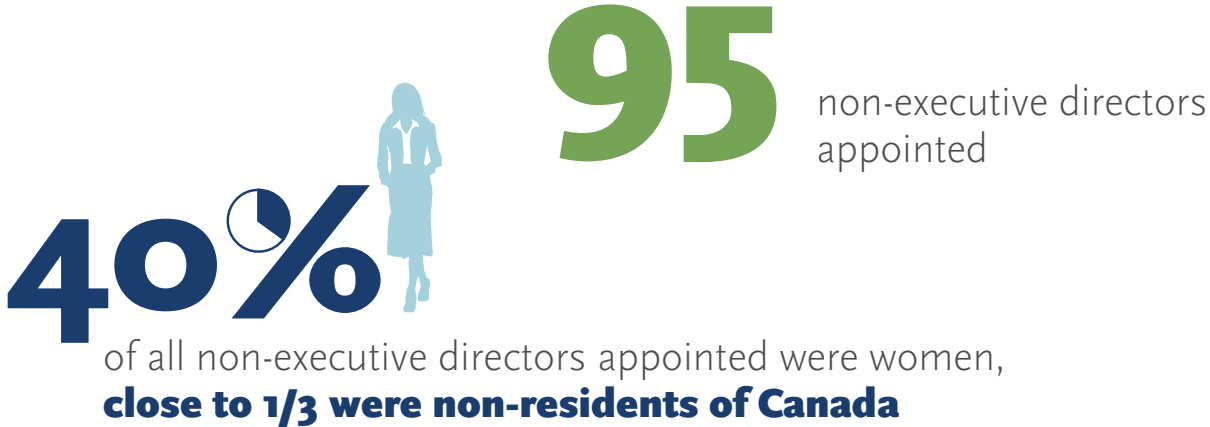
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# Board Composition

## 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 appointed in 2017, in addition to tracking the nationality of board members and the progress being made on board gender diversity.

### 2017 SNAPSHOT

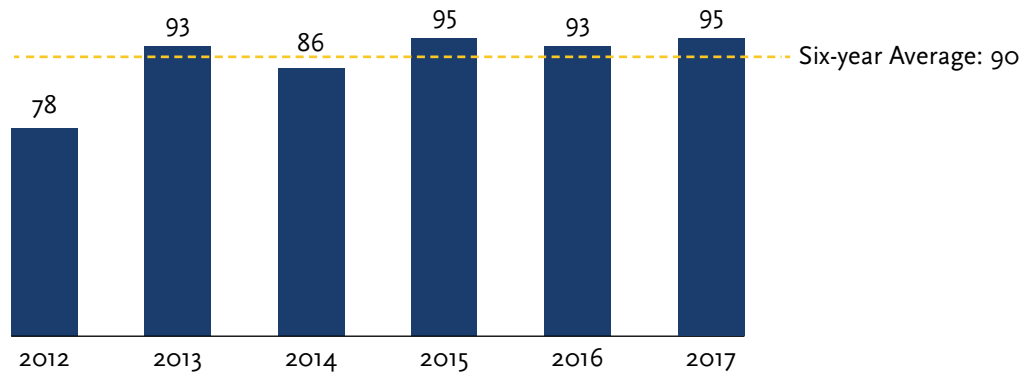


## Non-executive Director Appointments and Trends

### Director turnover in 2017 matched a six-year high

- >> In 2017, 95 non-executive directors were appointed by the boards of *CSSBI 100* companies (from September 1, 2016 to August 31, 2017). This total matched 2015 as the highest in the last six years.
- >> The number of appointments have been steady in recent years, with the exception of 2012, when they were well below average.

Total Annual Appointments of Non-executive Directors to the Boards of *CSSBI 100* Companies (2012–2017)



Backgrounds of Non-executive Directors Appointed to the Boards of *CSSBI 100* Companies (2012-2017)\*

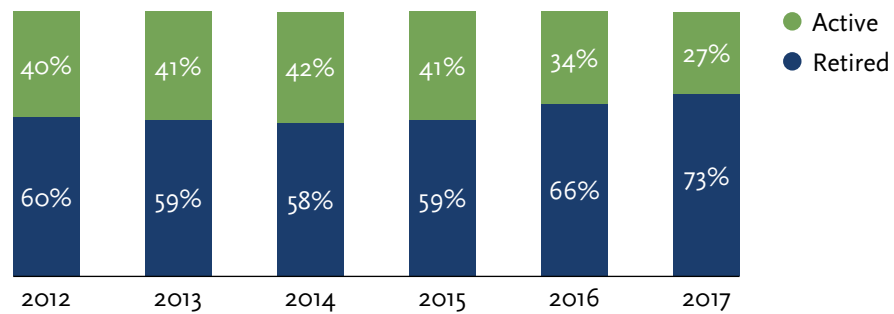
|   | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2017 by gender |       |
|---|------|------|------|------|------|------|----------------|-------|
|   |      |      |      |      |      |      | Men            | Women |
| Same or Allied Industry Experience                | 45%  | 66%  | 44%  | 41%  | 49%  | 54%  | 59%            | 41%   |
| CEO Experience                                    | 44%  | 49%  | 35%  | 55%  | 44%  | 35%  | 79%            | 21%   |
| Women   | 33%  | 28%  | 43%  | 45%  | 41%  | 40%  | N/A            | N/A   |
| Financial Backgrounds                             | 40%  | 40%  | 40%  | 36%  | 40%  | 36%  | 68%            | 32%   |
| International (not resident in Canada)            | 24%  | 34%  | 42%  | 31%  | 37%  | 39%  | 68%            | 32%   |
| First-time Directors of a Publicly Traded Company | 31%  | 27%  | 36%  | 39%  | 34%  | 33%  | 48%            | 52%   |
| Active C-level Executives (excluding CEOs)        | 13%  | 27%  | 30%  | 23%  | 23%  | 17%  | 44%            | 56%   |

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

### Appointments of retired executives increased again in 2017

- » For the third consecutive year, there was an increase in the proportion of retired executives appointed by the boards of *CSSBI 100* companies. Retired executives comprised 73% of all incoming non-executive directors in 2017, the highest level in the past six years and 13 percentage points more than 2012.
- » A shortage of active executives for board roles is one of the contributing factors in the decrease.

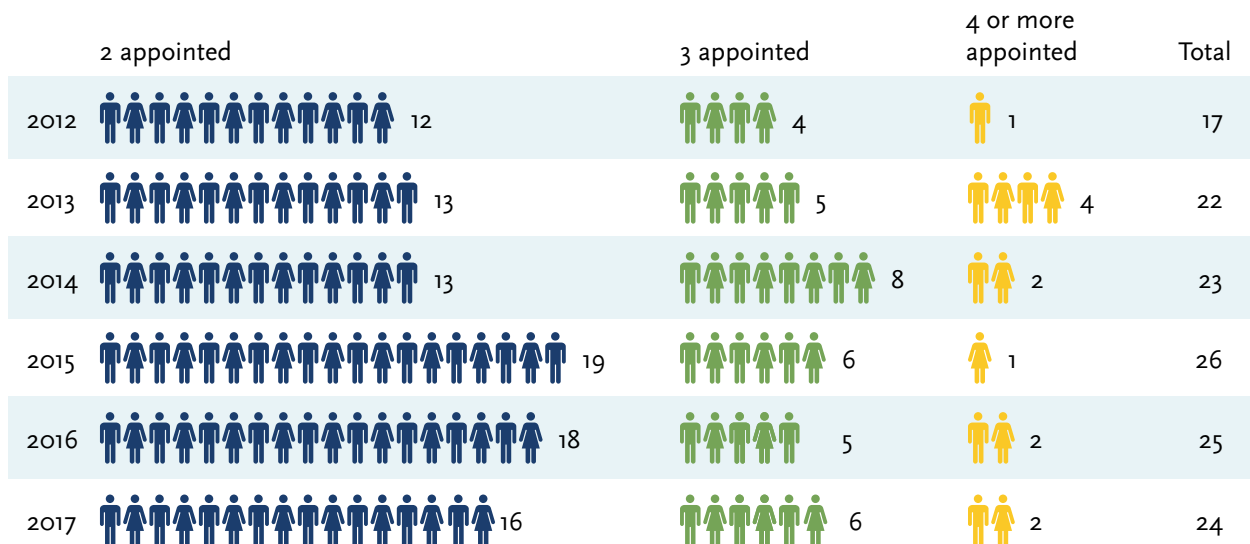
Appointments of Non-executive Directors: Active Compared to Retired Executives  
(as a % of all non-executive directors appointed to *CSSBI 100* Boards, 2012-2017)



### Evidence of board renewal; significant number of boards appointed multiple directors in 2017

- » Sixty-one different *CSSBI 100* companies appointed non-executive directors in 2017. Nearly 40% (or 24 of 61) of these boards appointed two or more directors, which is an indication of ongoing renewal on many boards.
- » The totals for multiple non-executive director appointments in 2017 were largely consistent with those of recent 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  
(2012-2017)

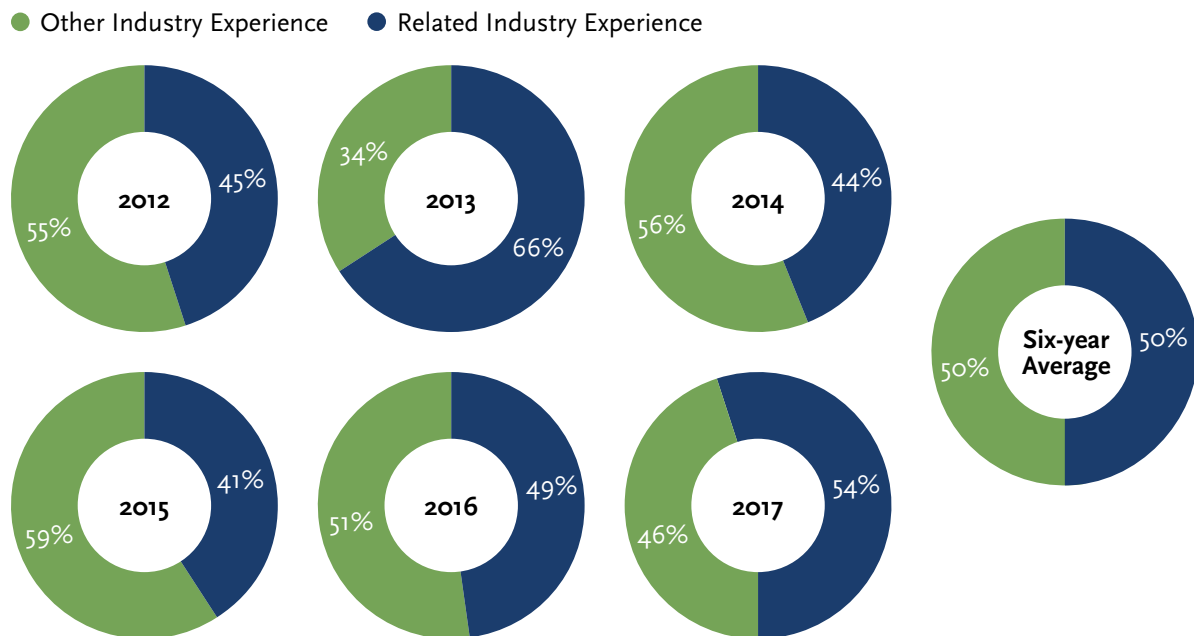


## Appointments of Non-executive Directors with Related Industry Experience

### Achieving a balance of perspectives has been a priority in new director recruitment

- » Adding related industry strength and knowledge from other industries have been priorities in the director succession and renewal activities of boards across the *CSSBI 100*. This approach has given boards a diversity of perspectives.
- » 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, 2012-2017)

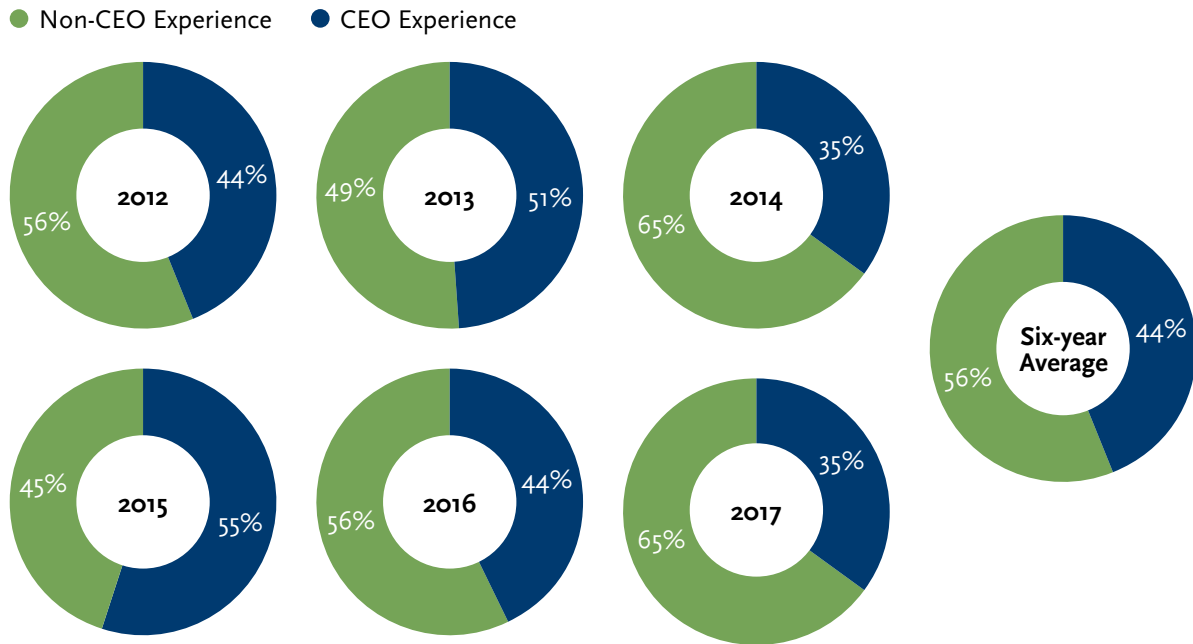


## Appointments of Non-executive Directors with CEO Experience

### Fewer directors with CEO experience appointed in 2017

- » In 2017, 35% of all non-executive directors appointed to the boards of *CSSBI 100* companies had CEO experience, matching a six-year low for this category.
- » The limited supply of available directors with CEO experience and greater openness by boards to other backgrounds helps to explain the decline.

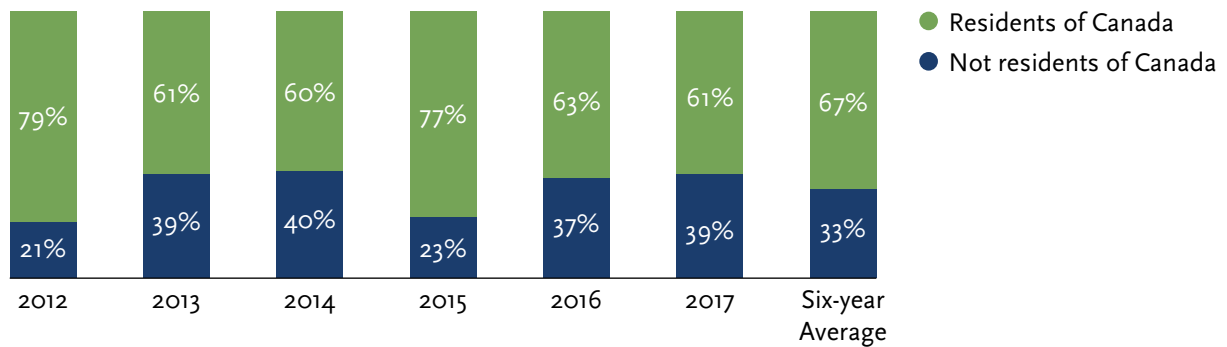
Appointments of Non-executive Directors with CEO Experience to the Boards of *CSSBI 100* Companies (as a % of all non-executive directors appointed, 2012-2017)



**CEO experience often imported**

- » Many boards of *CSSBI 100* companies have turned to other markets (mainly the U.S.) to find the desired CEO-level experience.
- » Over the last six years, on average, one-third of non-executive directors appointed with CEO experience were recruits from outside Canada; the proportion in 2017 (39%) was slightly higher than in 2016.

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, 2012-2017)



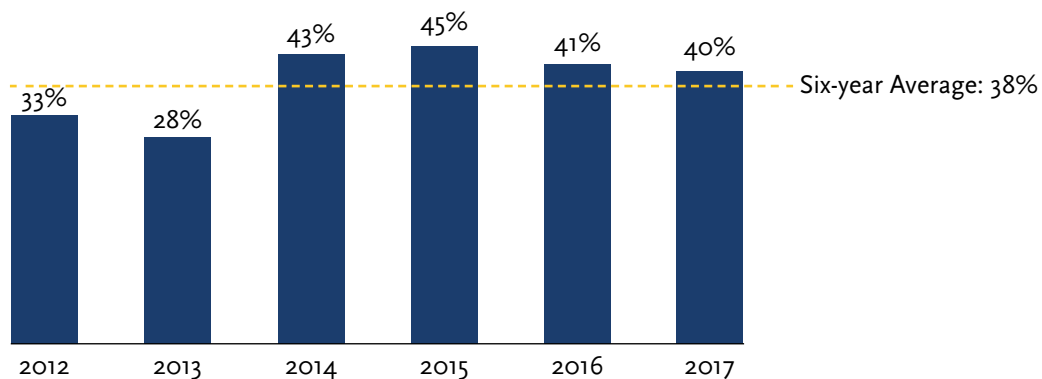
## Women Board Director Appointments and Representation

### Women appointments remained at historically high levels in 2017; more boards established higher targets for women board members

- >> In 2017, 40% of all non-executive directors appointed to the boards of *CSSBI 100* companies were women, almost the same as in 2016, and consistent with the levels seen in recent years.
- >> The recent appointment figures reflect the planned and sustained effort made by many boards of *CSSBI 100* companies to identify and recruit more women board members. In fact, an increasing proportion of *CSSBI 100* boards (41% in 2017 compared to 33% in 2016) 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.

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### Appointments of Non-executive Women Directors to the Boards of *CSSBI 100* Companies (as a % of all non-executive directors appointed, 2012-2017)

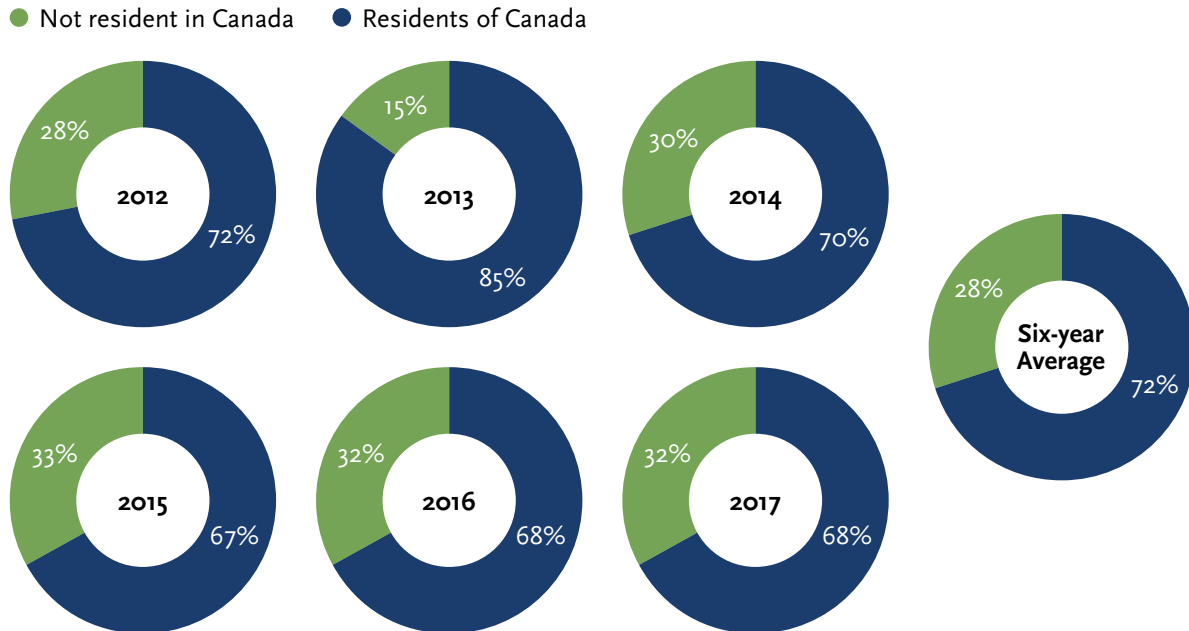


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### Sizable portion of women directors were still being recruited from outside Canada

- >> In 2017, almost one-third (32%) 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 qualified women directors, for some sectors and functional areas in Canada, is not meeting demand.

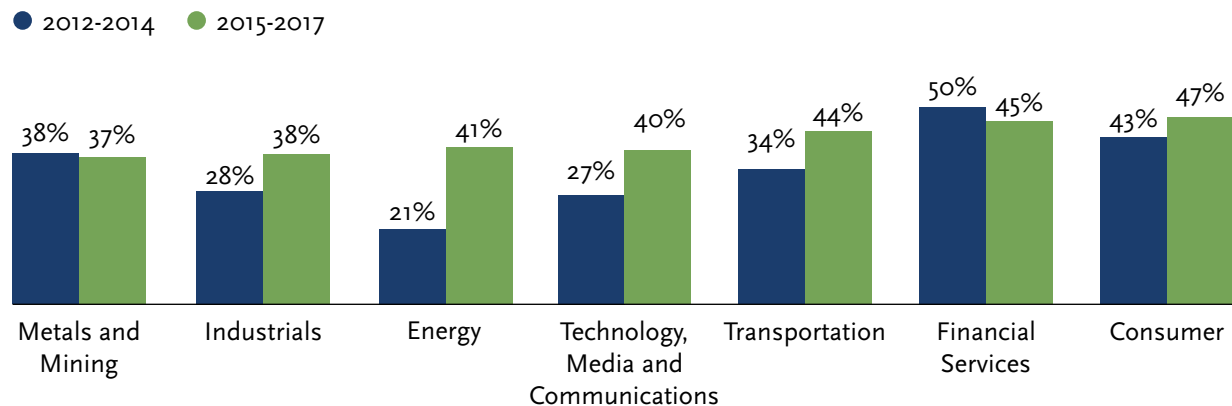
Women Recruited to the Boards of *CSSBI 100* Companies  
(residents of Canada compared to non-residents appointed, 2012-2017)



**Consumer companies appointed the most women to their boards; notable progress made in other industries**

- » The boards of *CSSBI 100* companies in the consumer industry (e.g., retail services, packaged goods) appointed the highest proportion of women board members in the last three years. Close to half (47%) of all appointments made by boards of companies in these industries were women.
- » Appointments of women board members were comparably higher in most industries in the last three years than in the prior three year period. Gender parity (in appointments) was almost achieved in multiple industries.

Appointments of Women Non-executive Directors by Industry  
(2012-2014 compared to 2015-2017)





## New women board members continued to be younger than their male peers

- » In 2017, 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.

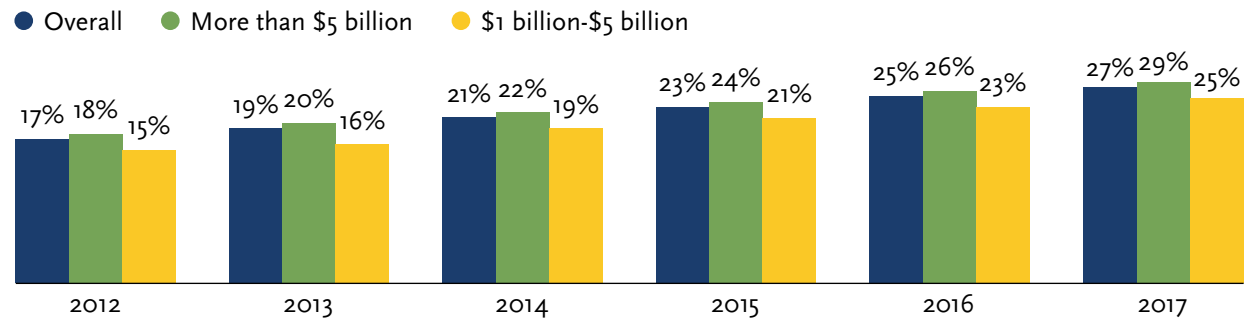
Average Ages of Incoming Non-executive Directors to the Boards of *CSSBI 100* Companies  
(women compared to men, 2012-2017)

|       | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | Average |
|-------|------|------|------|------|------|------|---------|
| Men   | 58   | 60   | 59   | 58   | 58   | 58   | 59      |
| Women | 55   | 54   | 56   | 56   | 55   | 55   | 55      |

## Overall representation of women board members continued an upward trend

- » In 2017, 27% of all *CSSBI 100* board directorships were held by women, two percentage points higher than 2016. 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.
- » The overall proportion of women board directors in 2017 was almost 60% higher than in 2012.

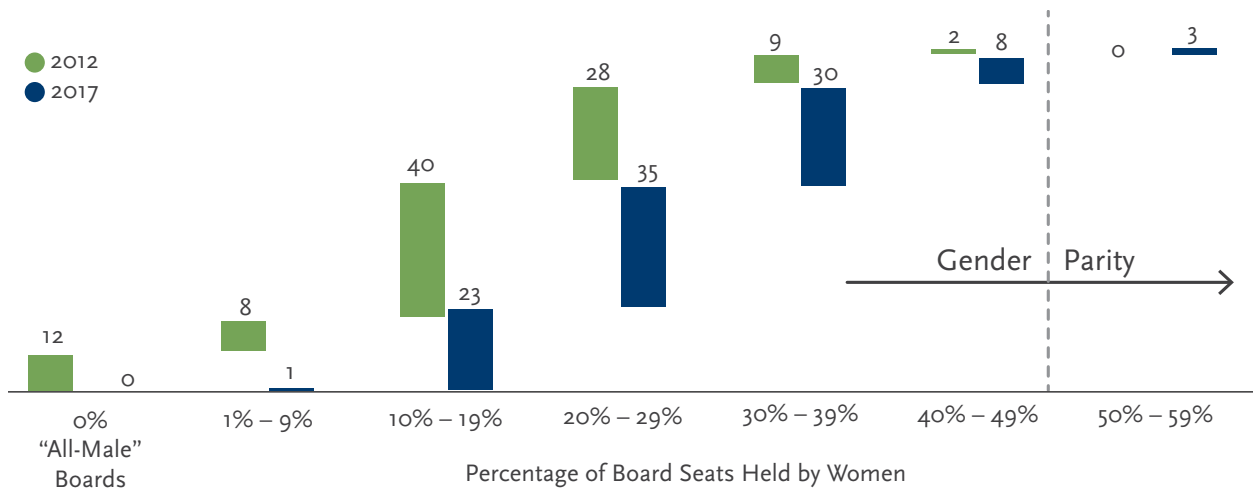
Percentage of all *CSSBI 100* Board Directorships Held by Women  
(2012-2017)



### CSSBI 100 boards becoming more gender balanced

- » Compared to 2012, there was an almost fourfold increase in the number of CSSBI 100 boards where women held at least 30% of the board seats (11 in 2012 compared to 41 in 2017).
- » In 2017, 13% of the boards of CSSBI 100 companies had only one woman board member (a decline of 13 compared to 2012) and "all-male" boards had totally disappeared for the first time in the publication history of the CSSBI.
- » Notably, three boards of CSSBI 100 companies had achieved gender parity in 2017, and another eight boards were close to having at least 50% 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, 2012 compared to 2017)



### More women held leadership roles on CSSBI 100 boards in 2017

- » In 2017, there were more than double the number of women serving in board leadership roles (board chair, vice-chair, committee chair, or lead director) compared to 2011, and just over one-third more than 2014.
- » Compared to 2011, there were more than twice the number of women chairing human resources and compensation committees and double the number chairing audit committees. Increases for governance and nominations committees were almost the same. There were also a few notable selections of women to board chair roles in recent years.
- » Interestingly, while women held 27% of all CSSBI 100 board directorships, their share of all board leadership roles (board chairs and committee chairs) was only 22%.

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

(2011, 2014, 2017)

|   | 2011      | 2014      | 2017      |
|---|-----------|-----------|-----------|
| Board Chairs/ Vice-Chairs/ Lead Directors         | 9         | 8         | 8         |
| Audit Committee Chairs                            | 10        | 21        | 20        |
| Governance and Nominating Committee Chairs        | 12        | 14        | 20        |
| Human Resources and Compensation Committee Chairs | 9         | 14        | 25        |
| Environment, Health and Safety Committee Chairs   | 5         | 4         | 9         |
| Other Committee Chair Roles                       | 0         | 10        | 13        |
| <b>Totals</b>                                     | <b>45</b> | <b>71</b> | <b>95</b> |

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

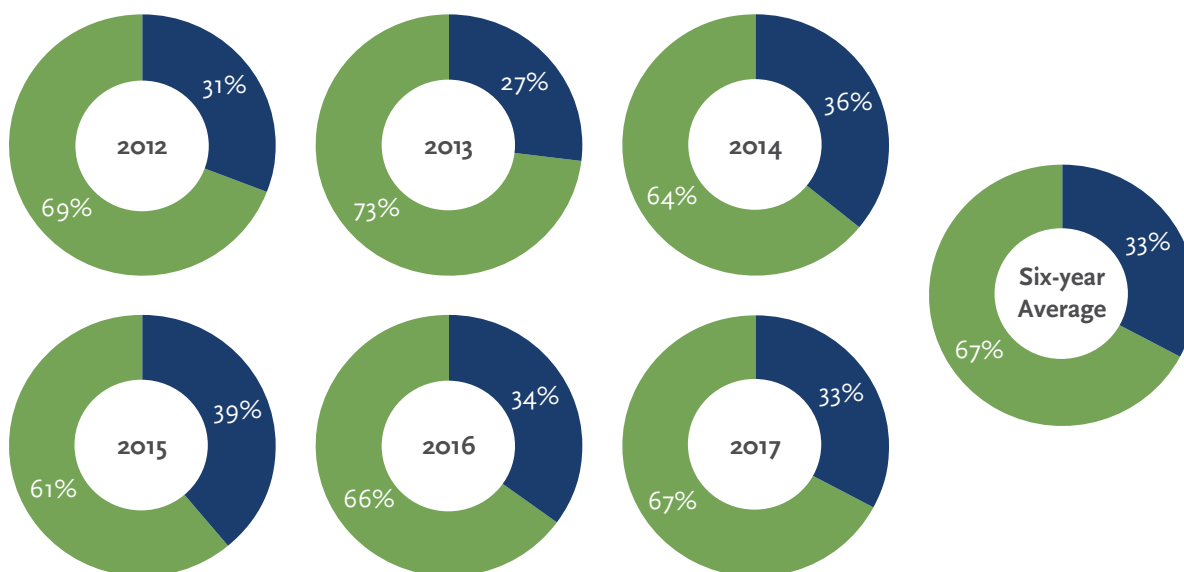
## Appointments of First-time Directors to the Boards of Publicly Traded Companies

### First-timers need apply; not all boards insist on prior public company board experience

- » In 2017, one-third 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 roughly the same as in 2016 and matched the running six-year average for "first-timers."
- » There was continued openness to board prospects with relevant functional and industry experience (e.g. digital sector experience), but without prior board experience. Effective on-boarding, appropriate director education and mentorship by the board chair and other seasoned directors, will continue to be necessary in the development of the first-time director.

## Appointments of First-time Directors of Publicly Traded Companies to the Boards of CSSBI 100 companies (as a % of all non-executive directors appointed, 2012-2017)

● Prior Board Experience with a Publicly Traded Company ● First-time Director of a Publicly Traded Company

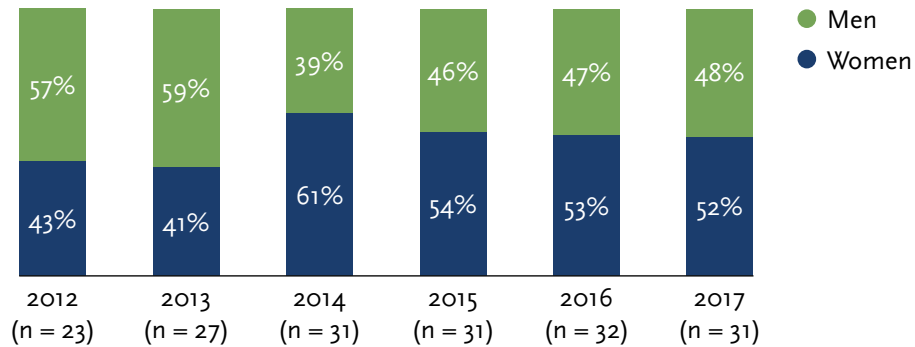


### First-time directorships divided almost equally between men and women

- » In 2017, the number of first-time directors was almost equally divided between men and women.
- » Historically, men comprised a larger proportion of "first-timers," but this has been leveled in recent years with the sustained increase in the appointments of women.

### 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, 2012-2017)

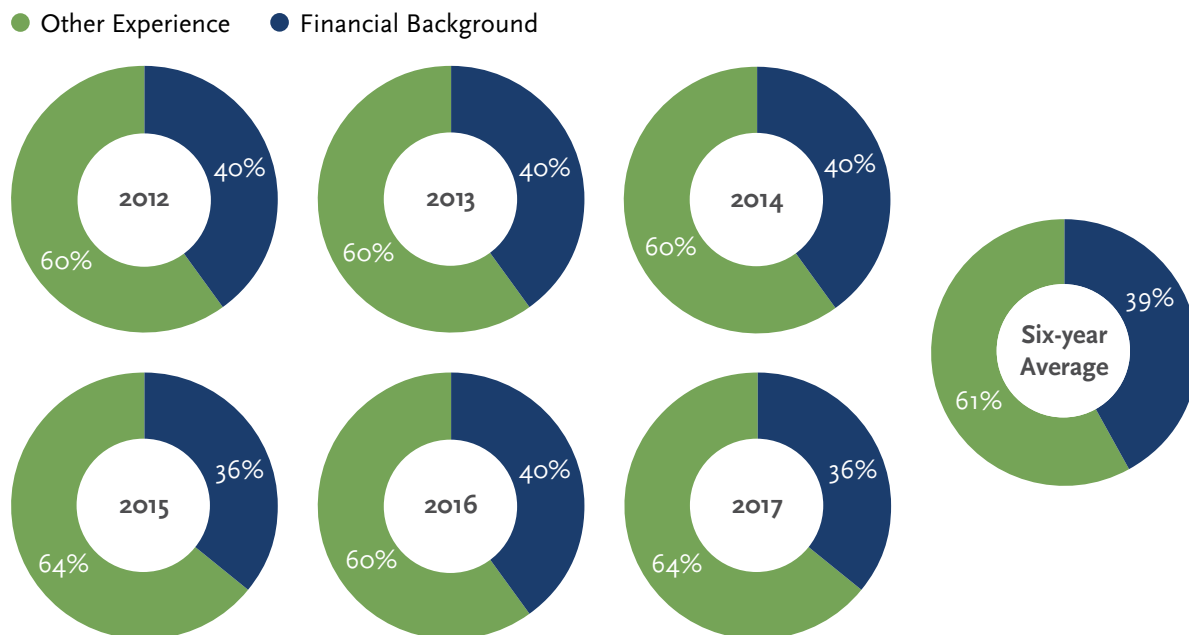


### Appointments of Non-executive Directors with Financial Backgrounds

#### Appointments of board members with financial backgrounds were down slightly in 2017

- » 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 2017, 36% of all incoming non-executive directors had financial backgrounds, slightly less than in 2016.
- » Chief Financial Officers (mostly retired) comprised almost 60% of all non-executive directors with financial backgrounds appointed in 2017, matching the previous high in 2013.
- » Not a single audit firm partner (typically retired) was appointed in 2017, continuing a steady decline in the category since 2012.

Appointments of Non-executive Directors with Financial Backgrounds to the Boards of CSSBI 100 Companies (as a % of all non-executive directors appointed, 2012-2017)



Appointments of Non-executive Directors with Financial Backgrounds to the Boards of CSSBI 100 Companies (by type of financial background, 2012-2017)\*

|                          | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2017 by gender |       |
|--------------------------|------|------|------|------|------|------|----------------|-------|
|                          |      |      |      |      |      |      | Men            | Women |
| Chief Financial Officers | 39%  | 49%  | 26%  | 44%  | 49%  | 59%  | 70%            | 30%   |
| Other Financial Experts  | 23%  | 19%  | 18%  | 18%  | 16%  | 24%  | 63%            | 37%   |
| Banking Backgrounds      | 26%  | 24%  | 38%  | 18%  | 24%  | 12%  | 75%            | 25%   |
| Investment Professionals | 42%  | 8%   | 15%  | 12%  | 3%   | 9%   | 67%            | 33%   |
| Audit Firm Partners      | 26%  | 11%  | 9%   | 9%   | 3%   | 0%   | N/A            | N/A   |

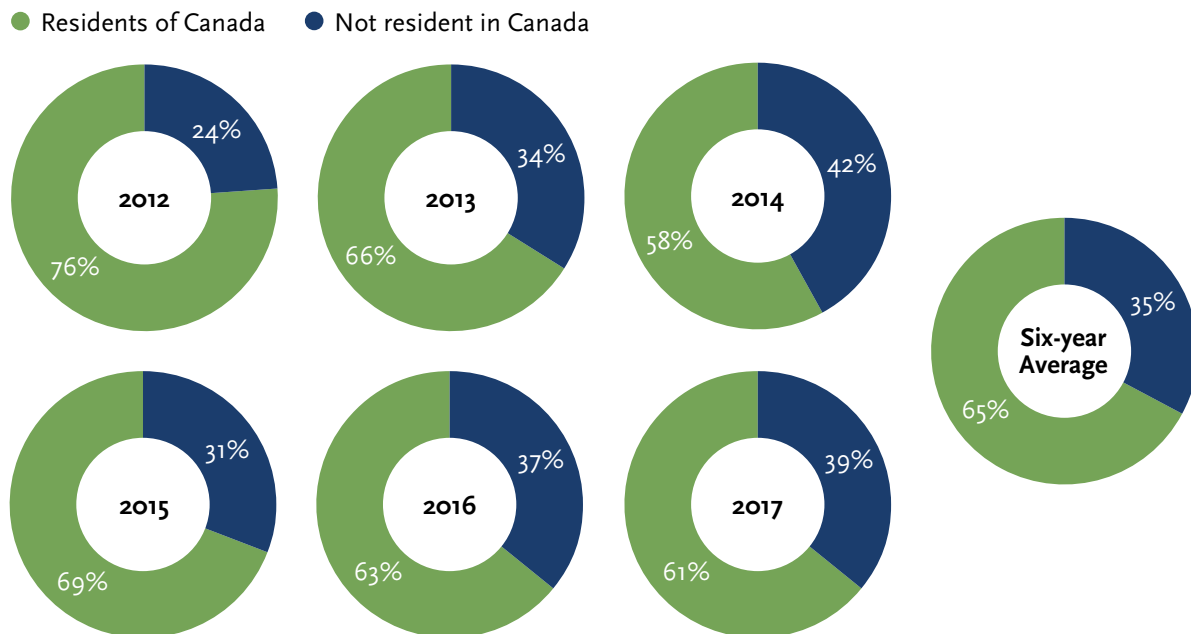
\* Percentages do not total 100; several directors qualified in more than one category.

## Appointments of Non-executive Directors Recruited from Outside Canada

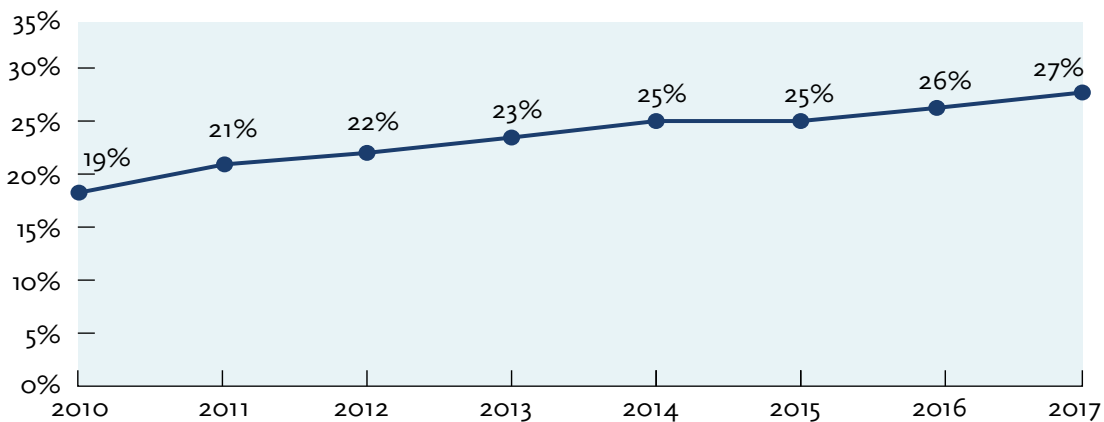
### Overall proportion of international directors has increased

- » In 2017, appointments of non-executive directors from outside Canada represented 39% of all incoming directors, similar to the number in 2016, and slightly above the six-year average.
- » *CSSBI 100* boards have been fulfilling many of their requirements (e.g., CEO experience) 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 2017, almost one-third (27%) of all *CSSBI 100* directorships were held by non-residents of Canada, an increase of 42% over 2010.

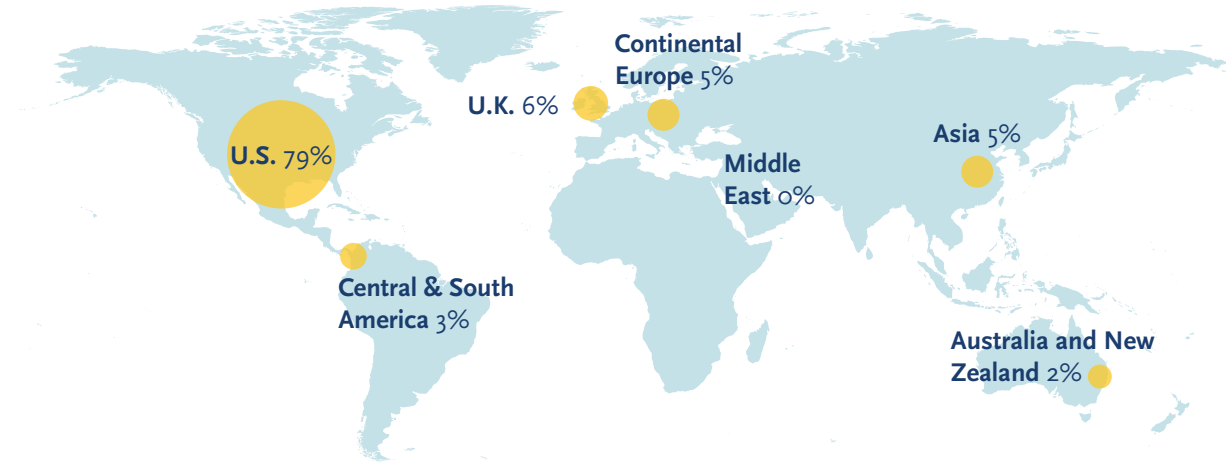
### Appointments of Non-executive Directors from Outside Canada to the Boards of *CSSBI 100* Companies (as a % of all non-executive directors appointed annually, 2012-2017)



### % of Total *CSSBI 100* Board Directorships Held by Directors Not Resident in Canada (2010 - 2017)



Residence of *CSSBI 100* International Directors in 2017

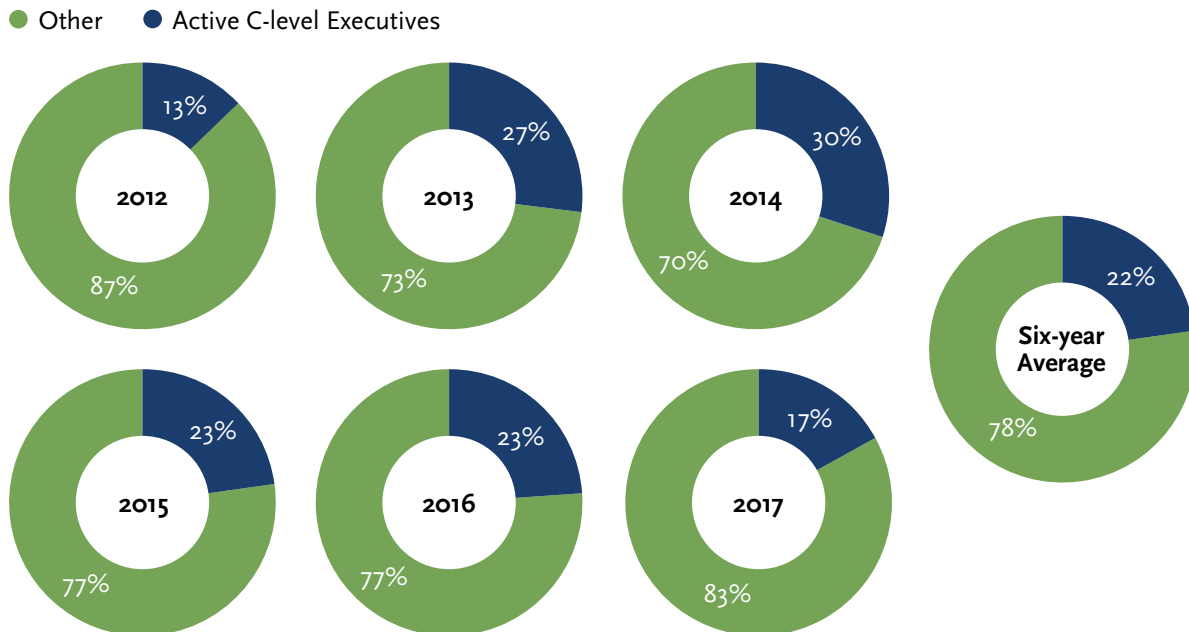


Appointments of Active, C-level (non-CEO) Executives

Supply has been variable for active C-level executives for board roles

- » In 2017, 17% of the non-executive directors appointed to the boards of *CSSBI 100* companies were active C-level (non-CEO) executives, the lowest total since 2012.
- » 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.

Appointments of Active, C-level (Non-CEO) Executives to the Boards of *CSSBI 100* Companies  
(as a % of all non-executive directors appointed, 2012-2017)



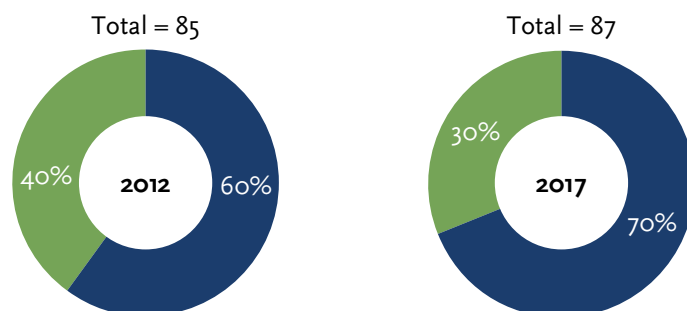
## Separate Board Chair and CEO Roles

### Many board chairs were non-independent, even when board chair and CEO roles were separated

- » A significant majority (87) of *CSSBI 100* companies separated the roles of board chair and CEO in 2017.
- » While the vast majority of *CSSBI 100* companies followed the practice, a large number (30%) of the separate board chairs were not independent in 2017, proportionally less than in 2012.

### Separate Board Chair and CEO Roles at *CSSBI 100* companies (2012 compared to 2017)

● Non-independent ● Independent

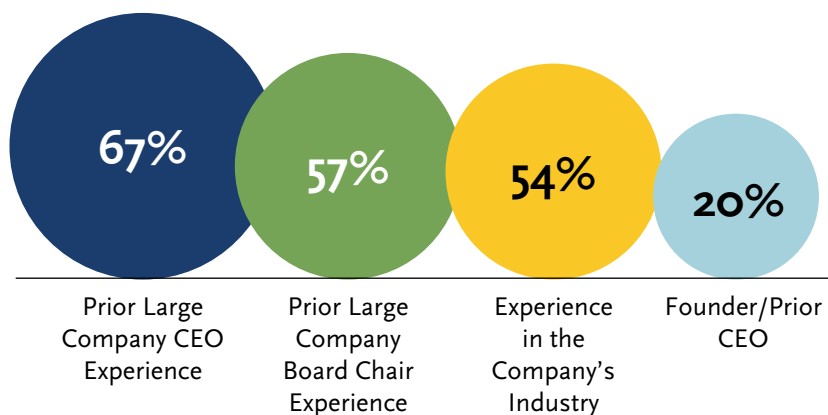


## Backgrounds of Board Chairs

### Prior large company CEO and chair experience was common for a *CSSBI 100* board chair

- » Most 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. Additionally, just over half (54%) of the board chairs of *CSSBI 100* companies had related industry experience in their backgrounds.
- » Twenty per cent of the board chairs were the company's founder or former CEO.
- » The vast majority (82%) of the board chairs in 2017 were residents of Canada.

### Backgrounds of the (Non-CEO) Board Chairs of *CSSBI 100* Companies in 2017\*



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

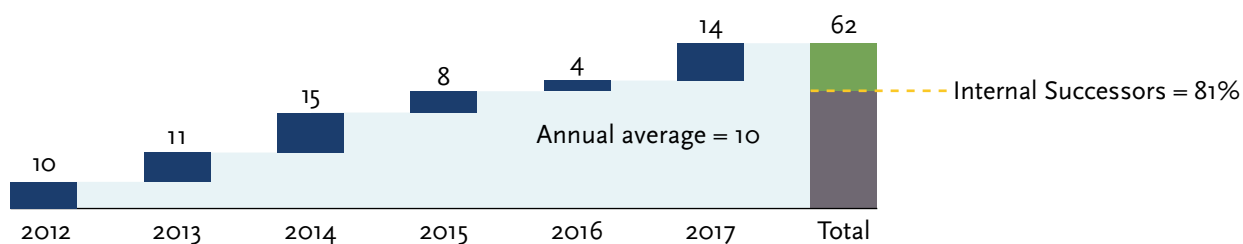


## Board Chair Transitions

### Changing chairs; transitions of board chairs were higher in 2017

- » In 2017, there was a large increase in the number of board chair transitions on the boards of *CSSBI 100* companies compared to the last two years. The number of transitions (14) was almost four times higher than in 2016, and almost matched the recent, annual high mark of 15 in 2014. Nearly all (12 of 14) of the new board chairs were internal successors.
- » In the last six years, close to two-thirds (62) of *CSSBI 100* boards selected a new board chair, representing a substantial level of change in this critical board leadership role. The majority (81%) of the successors were existing board members, a clear sign that the boards of Canada's largest companies generally emphasize company knowledge and board continuity.
- » Internal board chair successors had an average of 7 years of tenure before assuming the role. One-third 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 (2012-2017)



## 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 slightly (one year) older in 2017 compared to 2012. Average tenure was one year less in the same years of comparison.
- » On average, board chairs of *CSSBI 100* companies were slightly older in 2017 (66 in 2017 compared to 65 in 2012), and their average tenure (11 years in 2017) was slightly less than 2012.

Average Ages and Tenures for Non-executive Directors and Board Chairs of *CSSBI 100* Companies (2012 compared to 2017)

|  | 2012 |          | 2017 |          |
|--|------|----------|------|----------|
|  | Age  | Tenure   | Age  | Tenure   |
| <i>CSSBI 100</i> Non-executive Directors | 62   | 9 years  | 63   | 8 years  |
| <i>CSSBI 100</i> Board Chairs            | 65   | 12 years | 66   | 11 years |

## Board and Committee Independence

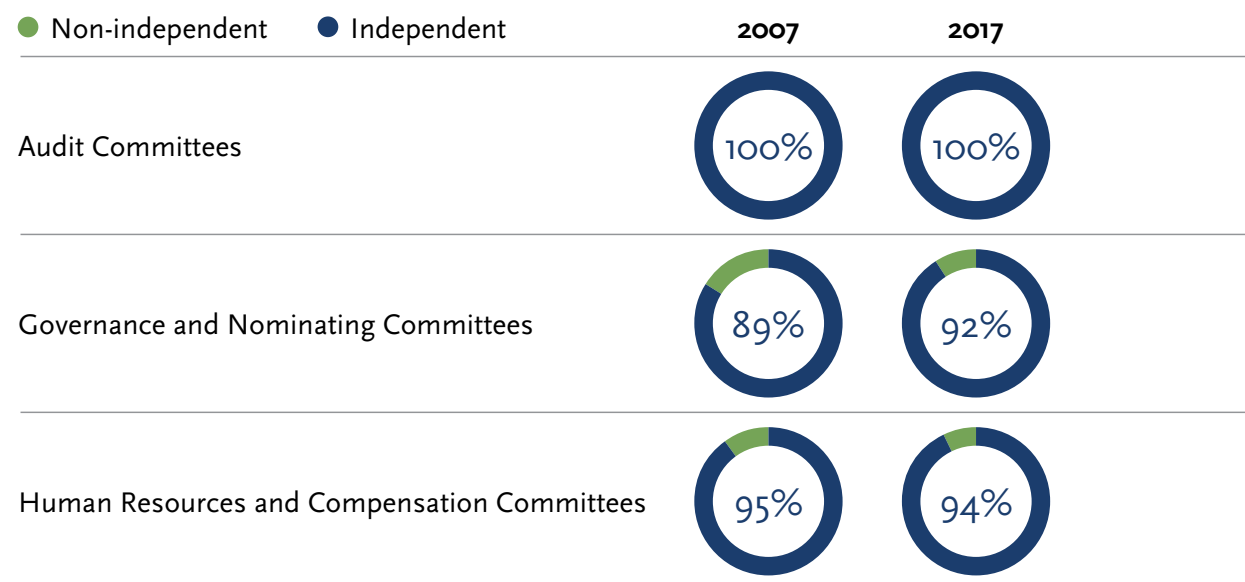
### Board independence has peaked

- » A significant majority (81%) of *CSSBI 100* board members were independent in 2017, 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 executive from senior management. 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 2017

- » 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 need 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 2017.
- » Audit committees became completely independent by 2006, following the initiation of tougher audit committee guidelines and rules.

Committee Independence: Boards of *CSSBI 100* Companies  
(2007 compared to 2017)



# Board Compensation, *CSSBI 100*

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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.

## 2017 SNAPSHOT

Median total non-executive director compensation  
(including equity)


**\$188,000** **a 2.2% increase over 2016**



**54%** of *CSSBI 100* companies used a simplified **flat-fee** model (i.e., 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

**\$395,000**



**14%** above the median total for the *CSSBI 100* overall

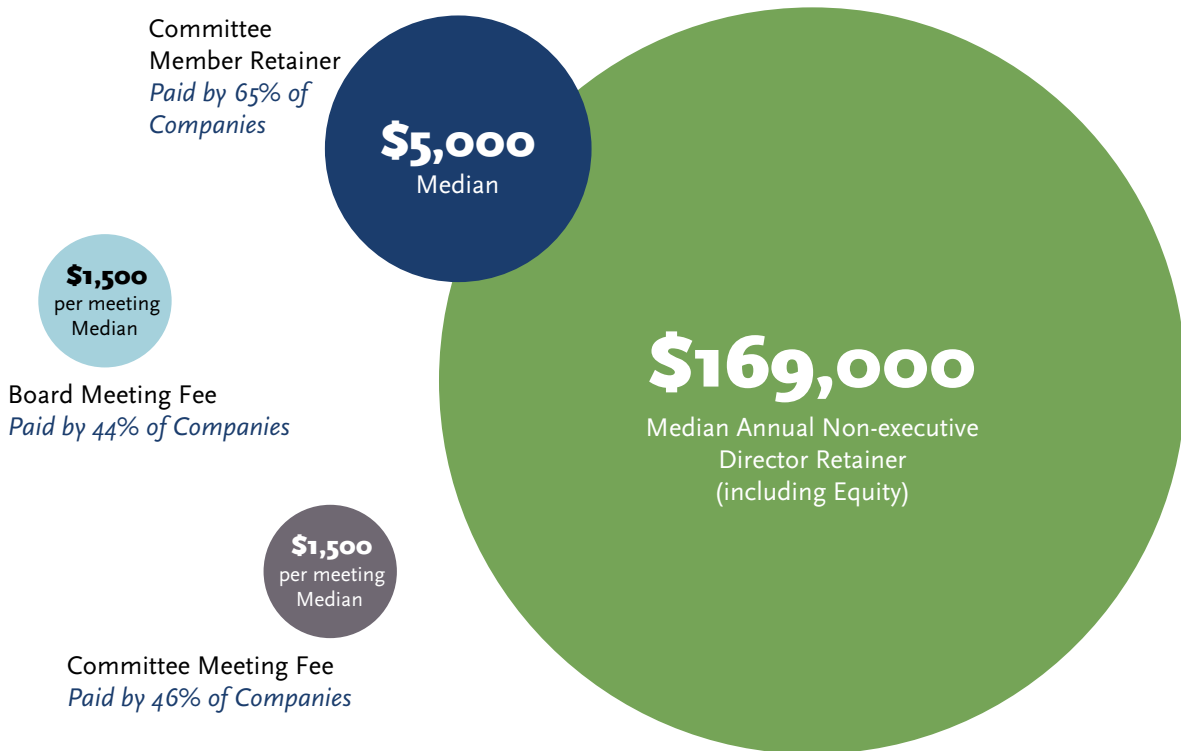
Median total board chair compensation  
(including equity)

## Non-executive Director Compensation in 2017: Benchmarks and Practices

- » **Reviewing and Updating 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 2017, 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 (61) of *CSSBI 100* companies paid their non-executive directors in Canadian dollars, a sizable number (20) paid in U.S. dollars. The remaining 19 companies paid residents of Canada in Canadian dollars and foreign board members in the currency of their domicile (usually U.S. dollars).
- » **Travel Allowances and Reimbursements:** Almost three-quarters (72) of *CSSBI 100* companies disclosed the details regarding allowances and reimbursements for travel to meetings. Thirty-three of these companies provided a travel allowance to those non-executive directors traveling over a specified distance. These 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). Separately, non-executive directors of *CSSBI 100* companies were typically reimbursed for travel and related expenses incurred while performing their duties.

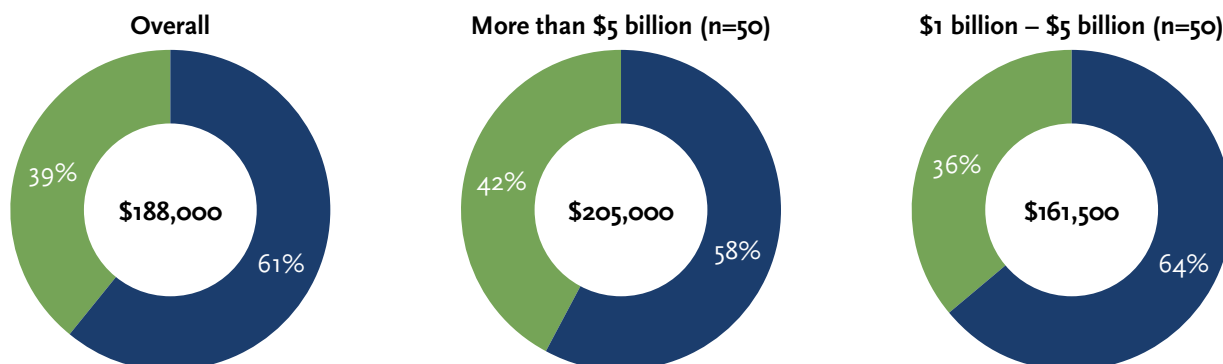
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### Non-executive Director Compensation in 2017: Benchmarks and Practices

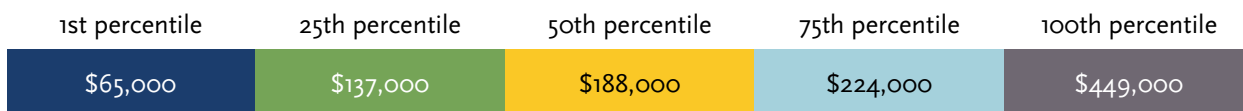


Median Total Director Compensation Paid by *CSSBI 100* Companies in 2017\*

● Equity ● Cash



Range of Total Non-executive Compensation at *CSSBI 100* Companies in 2017\*



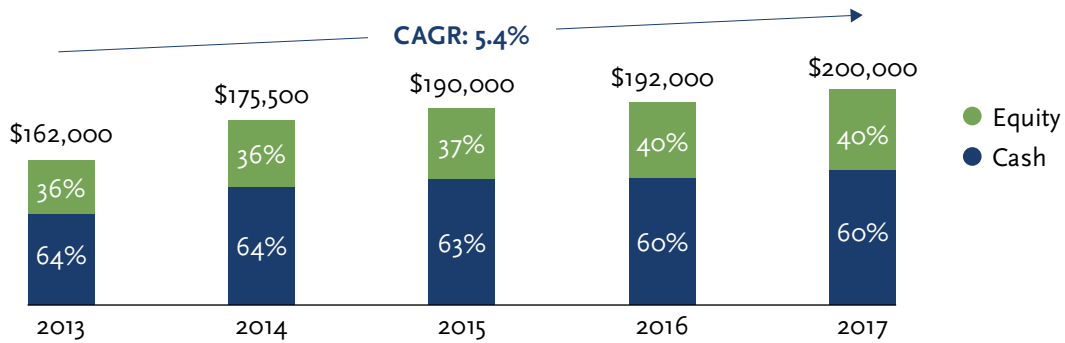
\*Median total compensation was calculated by factoring all the applicable components of non-executive director compensation, and the proportion of each paid by *CSSBI 100* companies in 2017.

## Growth Trends in Non-executive Director Compensation

### Modest, single digit growth in 2017

- » In 2017, median total non-executive director compensation (including equity), for the constant set of 86 *CSSBI 100* companies, increased by 4.2% over 2016. The increase was 1.2 percentage points below the compound annual growth rate over the past five years.
- » In 2017, 29 *CSSBI 100* companies increased their non-executive director retainers by an average of \$8,000, with cash comprising close to two-thirds (61%) of the increase.
- » Cash and equity portions of the compensation mix were unchanged in 2017, but the cash portion was slightly (four percentage points) higher than it was in 2013.

Median Total Non-executive Director Compensation for the Constant Set of 86 CSSBI Companies (2013-2017)\*



\* 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.

Larger companies still paid their directors more, but the gap has narrowed

- >> Since 2013, in the constant set of 86 CSSBI 100 companies, median total non-executive director compensation growth among smaller companies has outpaced their larger peers by a factor of almost 2.5 (7.0% compared to 2.9%, as measured by the compound annual growth rate).
- >> This has led to a 29% reduction in the compensation gap between the sets of larger and smaller CSSBI 100 companies.

Median Total Non-executive Director Compensation for the Constant Set of 86 CSSBI Companies (smaller compared to larger companies, 2013-2017)\*

- Equity
- Cash



\* 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

### Board member compensation was highest in the financial services industry

- » In 2017, median total non-executive director compensation was highest in the financial services industry, displacing metals and mining, which had previously paid the most.
- » Compensation increases over 2016 (by industry) ranged from a high of 8.9% in financial services to a low of 1.2% in the industrials sector; totals were unchanged in several industries (consumer; metals and mining; technology, communications and media).

### Median Total Non-executive Director Compensation by Industry in 2017

(for the constant set of 97 *CSSBI* companies between 2016 and 2017)

| Industry                             | Median Total Compensation (2017) | % Change from 2016 | % of Total Compensation (2017) |        |
|--------------------------------------|----------------------------------|--------------------|--------------------------------|--------|
|                                      |                                  |                    | Cash                           | Equity |
| Financial Services                   | \$215,000                        | +8.9%              | 60%                            | 40%    |
| Metals and Mining                    | \$204,500                        | No Change          | 61%                            | 39%    |
| Technology, Communications and Media | \$202,500                        | No Change          | 57%                            | 43%    |
| Energy                               | \$199,000                        | +4.8%              | 59%                            | 41%    |
| Transportation                       | \$190,000                        | +6.6%              | 57%                            | 43%    |
| Industrials                          | \$159,000                        | +1.2%              | 60%                            | 40%    |
| Consumer                             | \$155,000                        | No Change          | 68%                            | 32%    |

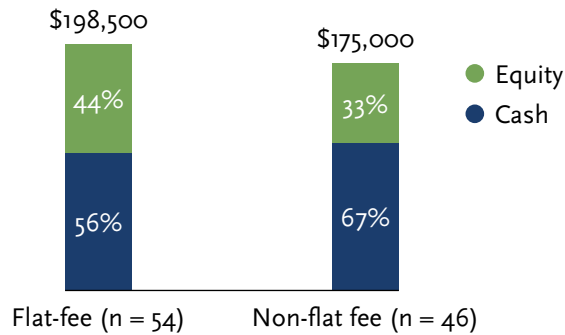
## Flat-fee Compensation for Non-executive Directors

### Companies continued to switch to a simpler, flat-fee model

- » There has been a growing trend toward “flat-fee” compensation (i.e., companies paying a single annual board member retainer and eliminating per-meeting fees) among *CSSBI 100* companies.
- » In 2017, over half (54) of the *CSSBI 100* companies used this flat-fee model, an increase of four companies over 2016 and 28 over 2013.
- » Median total compensation for the flat-fee group was \$23,500 more than the non-flat group (i.e., the decreasing proportion of *CSSBI 100* companies that remunerated their board members with a base annual director retainer, plus per-meeting fees).
- » We expect the “flat-fee” group to increase in size as a number of other companies disclosed their intention to switch to a flat-fee compensation model for fiscal 2018.



Median Total Non-executive Director Compensation Paid by *CSSBI 100* Companies in 2017  
(flat-fee compared to non-flat-fee compensation)

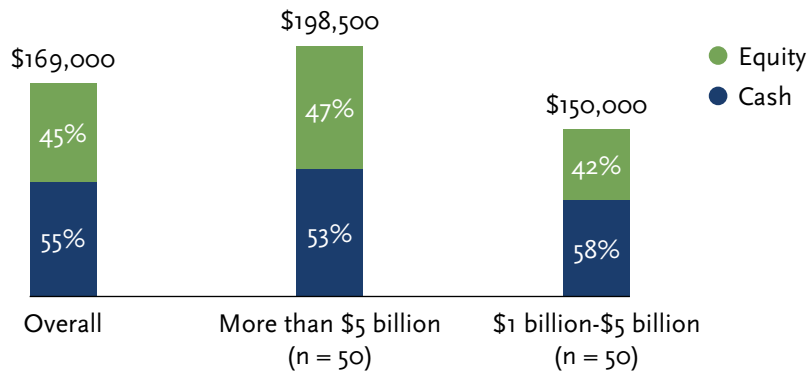


### Annual Non-executive Director Retainers

**Large gap in retainers between large and small *CSSBI 100*; larger companies paid more in equity**

- >> In 2017, the median non-executive director retainer of the larger *CSSBI 100* companies was almost \$50,000 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 2017



Distribution of Non-executive Director Retainers (including Equity) Paid by CSSBI 100 Companies in 2017

|                               |                       | Flat-fee | Non flat-fee |
|-------------------------------|-----------------------|----------|--------------|
| 1st percentile<br>\$40,000    | Under \$75,000        | 7        | 0            |
|                               | \$75,000 - \$99,999   | 8        | 0            |
| 25th percentile<br>\$120,000  | \$100,000 - \$124,999 | 13       | 0            |
|                               | \$125,000 - \$149,999 | 7        | 0            |
| 50th percentile<br>\$169,000  | \$150,000 - \$174,999 | 17       | 0            |
|                               | \$175,000 - \$199,999 | 15       | 0            |
| 75th percentile<br>\$210,000  | \$200,000 - \$224,999 | 14       | 0            |
|                               | \$225,000 - \$249,999 | 6        | 0            |
| 100th percentile<br>\$416,000 | \$250,000 - \$274,999 | 6        | 0            |
|                               | \$275,000+            | 7        | 0            |

### Equity Compensation Practices for Non-executive Directors

**Few non-executive director retainers were weighted heavily in equity**

- >> The vast majority of CSSBI 100 companies required directors to take a portion of their compensation in company shares. These equity portions varied greatly from a low of 10% to a high of 85%.
- >> It was common for non-executive directors to have 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).
- >> For the first time in the publication of the CSSBI, share options were not used by any CSSBI 100 companies as a form of non-executive compensation in 2017.

AT A GLANCE

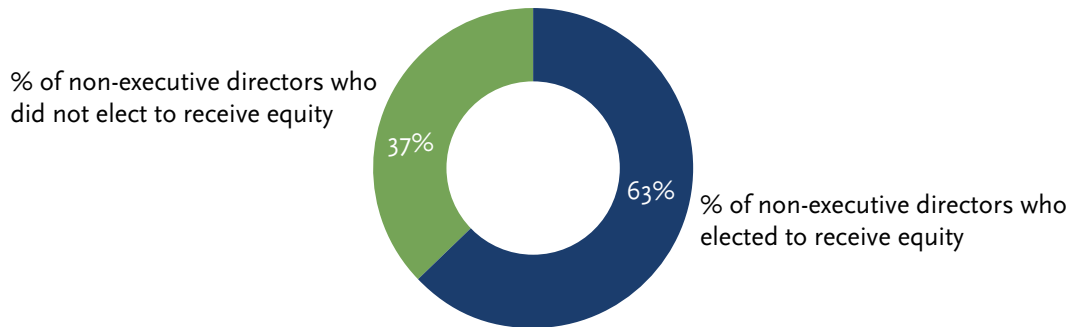
**Equity Compensation Practices For Non-executive Directors of CSSBI 100 Companies**

- 85** 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.
- 68** granted equity based on a preset fraction of the retainer value.
- 17** 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.

## A preference for equity

- >> Equity compensation allows board members to effectively meet their minimum shareholder requirement and align with shareholders.
- >> Almost every *CSSBI 100* board (94%) gave their non-executive directors the option to receive equity in exchange for their cash compensation; close to two-thirds (63%) of these board members exercised the option.

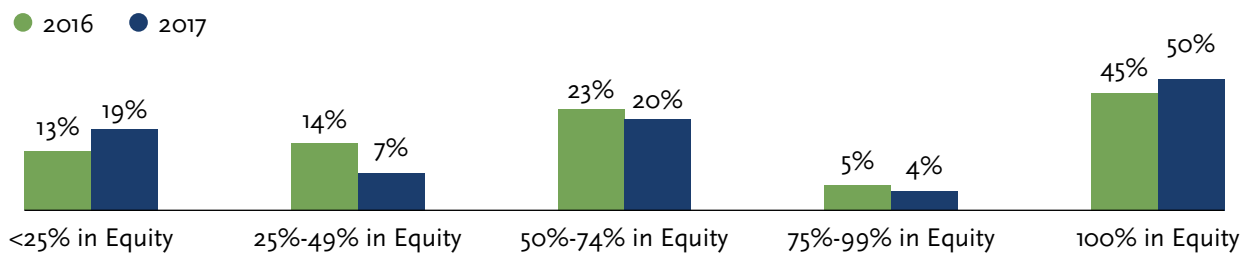
### Non-executive Directors who Chose to Receive Equity instead of Cash\*



## Many board members took all of their compensation in equity

- >> When given the choice to receive equity, a large portion (50%) of *CSSBI 100* non-executive directors chose to receive all of their retainer in it.

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



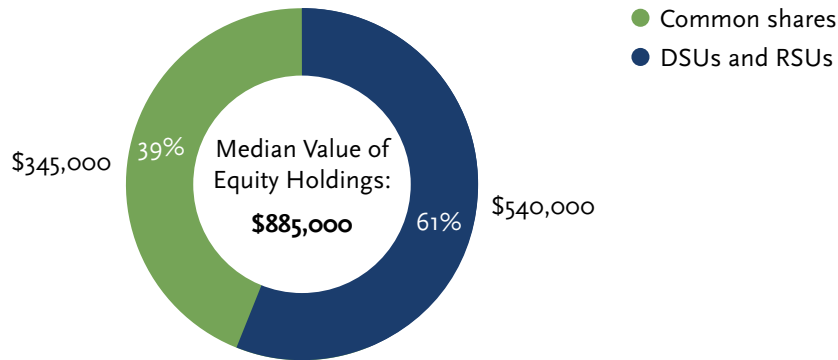
\* Applicable to the directors of the 94 *CSSBI 100* Companies that offered equity in exchange for cash compensation.

## Value of Non-executive Director Shareholdings

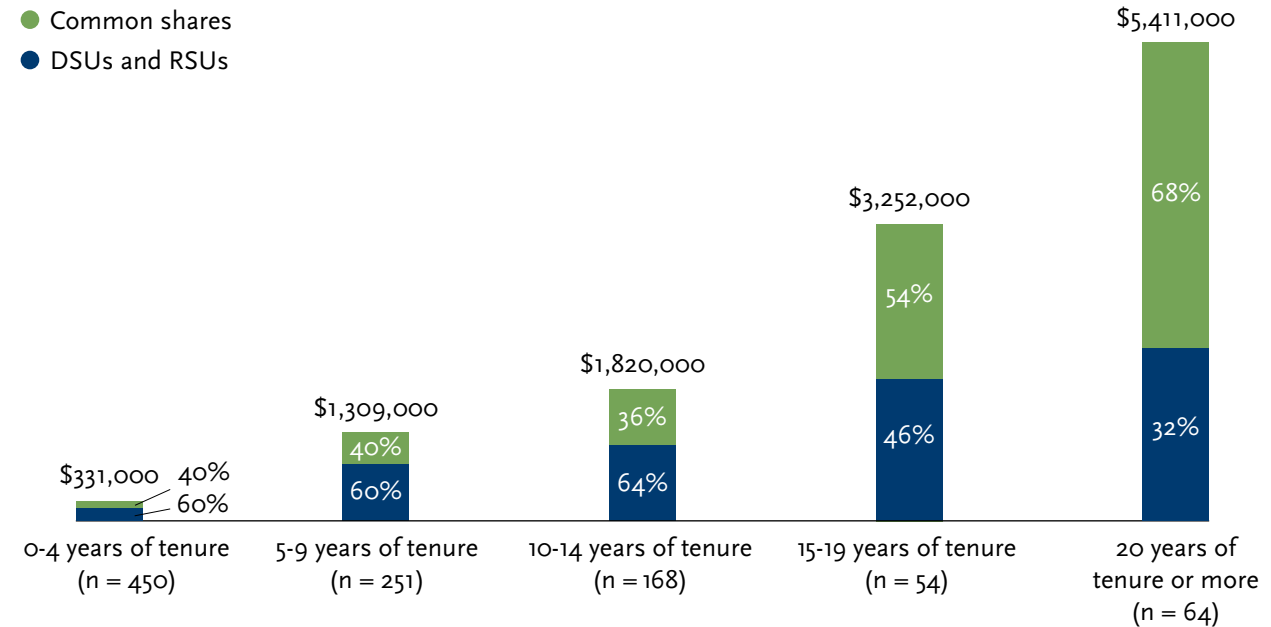
### Board members of *CSSBI 100* companies were aligned as long-term shareholders

>> The median value of total equity held by non-executive *CSSBI 100* directors was close to \$900,000, 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 2017)\*



\* Based on nominal values disclosed in the Information Circulars of *CSSBI 100* companies, dated between December 2016 and September 2017.

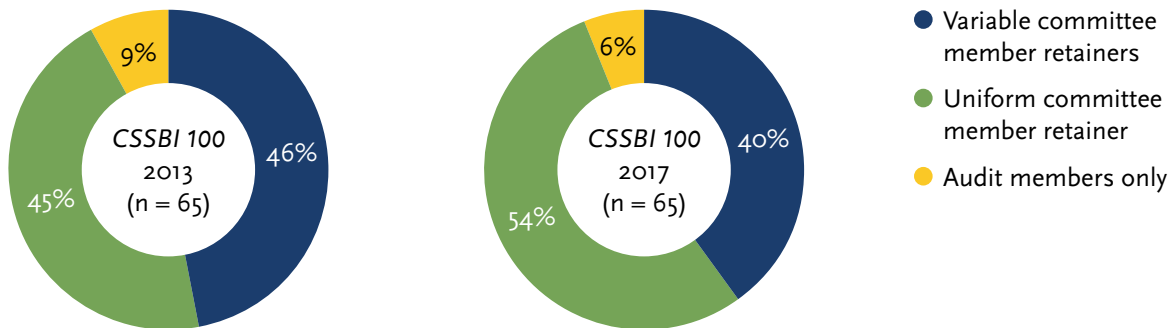
## Committee Member Retainers

### Retainers for audit committee members were often higher

- » In 2017, 65% of *CSSBI 100* companies paid additional retainers for service on committees, roughly the same number as in 2013. Compared to 2013, median committee member retainers for the three core board committees (audit; corporate governance and nominating; human resources and compensation) were \$1,000 higher.
- » Just over half of these companies (35) paid a uniform retainer (i.e., same amount) to all committee members. Twenty-six companies paid a variable committee member retainer (i.e., different amounts for different committees); all but one company paid their audit committee members the highest amount (audit committee members were paid 74% more on average). Interestingly, for half of the companies that paid variable retainers (13 of 26), only audit committee members received a different and higher retainer; members of other committees were paid identical amounts. Consistently higher remuneration for audit committee members is evidence of the more demanding nature of audit committee work.
- » A small number (4 of 65, or 6%) 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

(2013 compared to 2017)



### Committee Member Retainers at *CSSBI 100* Companies

(2013 compared to 2017)

|   | 2013    |                    | 2017    |                    |
|---|---------|--------------------|---------|--------------------|
|   | Median  | Range              | Median  | Range              |
| Audit Committees                            | \$5,000 | \$1,000 - \$25,000 | \$6,000 | \$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 fees for meetings continued to be eliminated

- » In 2017, 46% of *CSSBI 100* companies paid their non-executive directors additional per-meeting fees, considerably less than the proportion (74%) that did in 2013.
- » Increasing numbers of *CSSBI 100* companies have been adopting flat-fee remuneration practices for their non-executive directors. The trend explains the sharp decline in the number of *CSSBI 100* companies paying additional per-meeting fees.

### Board and Committee Meeting Fees Paid By *CSSBI 100* Companies

(2013 compared to 2017)

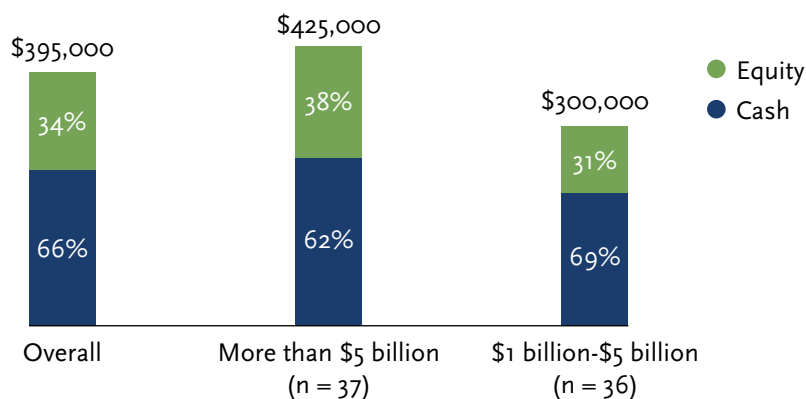
|                           | Board Meetings            |         |                                 |      | Committee Meetings            |         |                                 |      |
|---------------------------|---------------------------|---------|---------------------------------|------|-------------------------------|---------|---------------------------------|------|
|                           | Median Board Meeting Fees |         | % of Companies Paying This Type |      | Median Committee Meeting Fees |         | % of Companies Paying This Type |      |
|                           | 2013                      | 2017    | 2013                            | 2017 | 2013                          | 2017    | 2013                            | 2017 |
| Overall                   | \$1,500                   | \$1,500 | 73%                             | 44%  | \$1,500                       | \$1,500 | 74%                             | 46%  |
| More than \$5 billion     | \$1,500                   | \$1,500 | 63%                             | 36%  | \$1,500                       | \$1,500 | 67%                             | 40%  |
| \$1 billion - \$5 billion | \$1,500                   | \$1,500 | 80%                             | 52%  | \$1,500                       | \$1,500 | 80%                             | 52%  |

## Board Chair Compensation

### Board chairs of the larger companies were paid substantially more than their peers at smaller companies

- » Median total board chair compensation was \$395,000 in 2017 (for the 73 *CSSBI 100* companies that provided remuneration for serving in the role). Just over a third (34%) of the total compensation was paid in the form of risk-based, equity compensation.
- » In 2017, median total board chair compensation was substantially (\$125,000) 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 2017

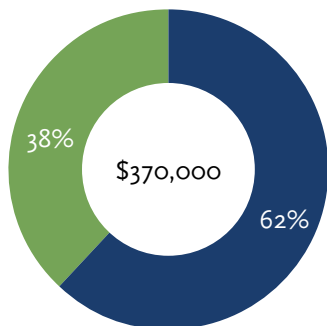




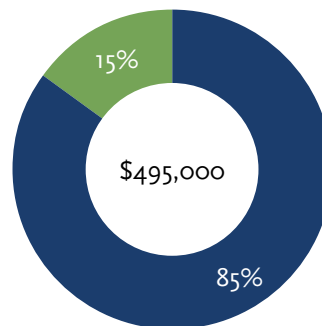
Median Total Board Chair Compensation: Independent Compared to Non-independent Board Chairs of CSSBI 100 Companies in 2017

● Equity ● Cash

Independent Non-executive Board Chairs (n=62)



Non-independent Non-executive Board Chairs (n=11)



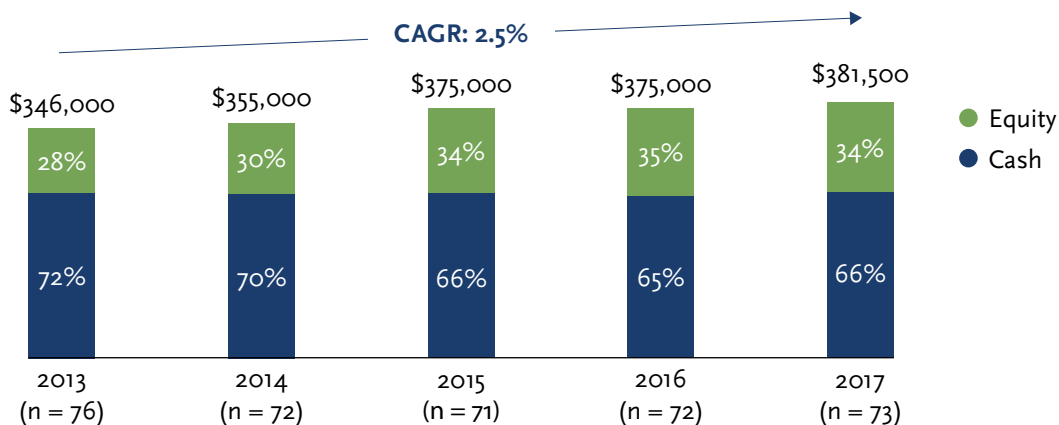
Growth Trends in Board Chair Compensation

Small up-tick in board chair compensation in 2017

- >> In 2017, median total board chair compensation was \$381,500,\* a 1.7% increase over 2016. The increase was slightly (0.8%) below the compound annual growth rate since 2013.
- >> Board chair compensation increased at 16 CSSBI 100 companies in 2017; the average increase was \$34,500.

Median Total Board Chair Compensation Paid by CSSBI 100 Companies

(2013-2017)\*



\* 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

### Little change in the amounts paid to lead directors

- >> Thirty-one *CSSBI 100* companies had a lead director in 2017. 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 2017 (\$35,000) was \$5,000 higher than in 2013.

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

(2013 compared to 2017)

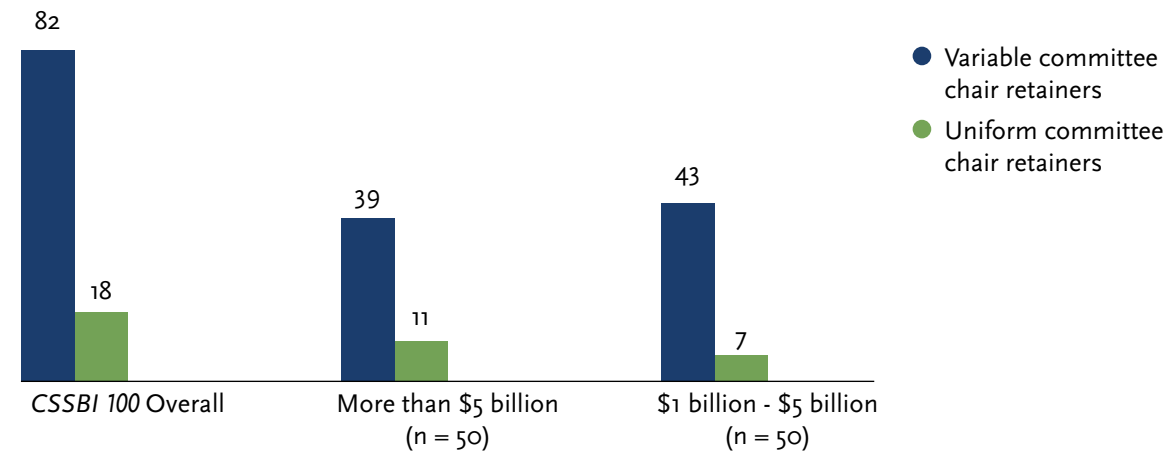
|               | Median   | Range                |
|---------------|----------|----------------------|
| 2013 (n = 36) | \$30,000 | \$8,000 - \$200,000  |
| 2017 (n = 31) | \$35,000 | \$10,000 - \$150,000 |

## Committee Chair Compensation

### Variable committee chair retainers were used by the majority

- >> Every *CSSBI 100* company paid a committee chair retainer. The vast majority (82) of *CSSBI 100* companies used variable retainers to remunerate their committee chairs, rather than a uniform retainer to all.

### Committee Chair Compensation Practices at *CSSBI 100* Companies in 2017



Committee Chair Retainers at *CSSBI 100* Companies in 2017

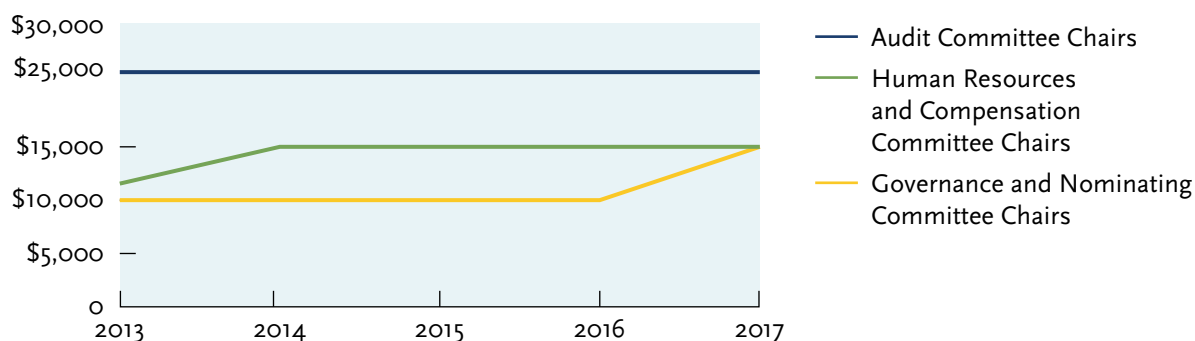
|   | <i>CSSBI 100</i> Overall |                    | More than \$5 billion<br>(n = 50) |                    | \$1 billion - \$5 billion<br>(n = 50) |                     |
|---|--------------------------|--------------------|-----------------------------------|--------------------|---------------------------------------|---------------------|
|   | Median                   | Range              | Median                            | Range              | Median                                | Range               |
| Audit Committees                            | \$20,000                 | \$2,710 - \$75,000 | \$25,000                          | \$2,710 - \$75,000 | \$20,000                              | \$10,000 - \$70,000 |
| 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  |

**Up-tick in governance committee chair retainers, others flat**

- » Committee chair retainers were generally flat year-to-year, with the exception of those for governance and nominating committees, which increased by \$5,000 from 2016 to 2017.
- » 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 Paid by *CSSBI 100* Companies

(2013-2017)

**Compensation for Special Meetings and Committees****Board members received additional compensation for *ad hoc* work**

- » It was common for the boards of *CSSBI 100* companies to call special, or *ad hoc*, meetings; the regular board meeting fee (either the rate for in-person or telephonic attendance) was typically paid for such 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.
- » In 2017, special, or *ad hoc*, committees were established by the boards of several *CSSBI 100* companies to address unique issues facing the board and company (e.g., a CEO search, a significant transaction). These committees were composed of independent board members, who usually received additional compensation for their services.
- » Based on the disclosures of thirty-seven *CSSBI 100* companies, special committee members generally received additional meeting fees (typically the standard board or committee meeting fee) or a lump-sum payment for their services on these special committees. Additional special committee chair and member retainers were also paid in some instances.

# Board Organization, Processes and Policies, *CSSBI 100* Companies

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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, number of board meetings and director attendance, board performance evaluations, share ownership guidelines, policies for non-executive director retirement and board gender diversity.

## 2017 SNAPSHOT



### 11 board members

the average size of the boards of *CSSBI 100* companies has not changed in the past six years

### 4 standing committees

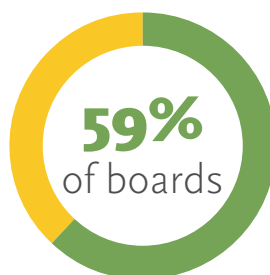


the average number on the boards of *CSSBI 100* companies

Boards of *CSSBI 100* companies held **one fewer meeting**, on average, compared to 2013



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



had mandatory retirement ages and/or term limits for board members, **an increase of four boards** compared to 2013.

## Board Size

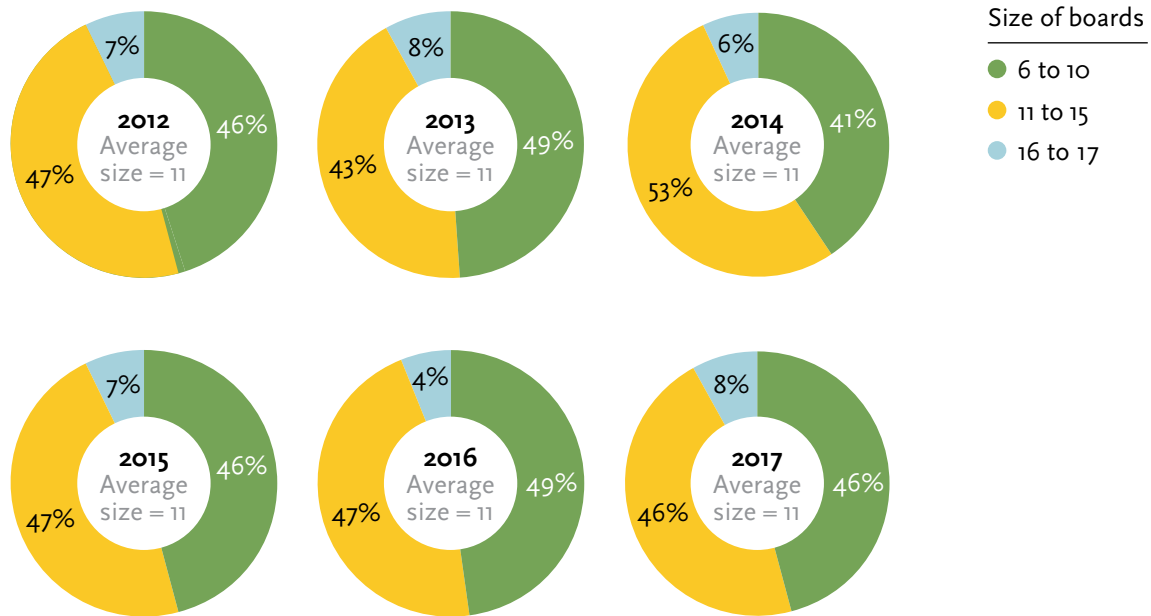
### Small fluctuations in the size of some boards; overall average unchanged

- >> The average size of the boards of *CSSBI 100* companies (11 in 2017) has not changed in the past six years.
- >> The distribution of board sizes among *CSSBI 100* companies has remained stable over the period. The small fluctuations were the natural result of board renewal and the "right-sizing" that emerged from those efforts.

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### Size of the Boards of *CSSBI 100* Companies

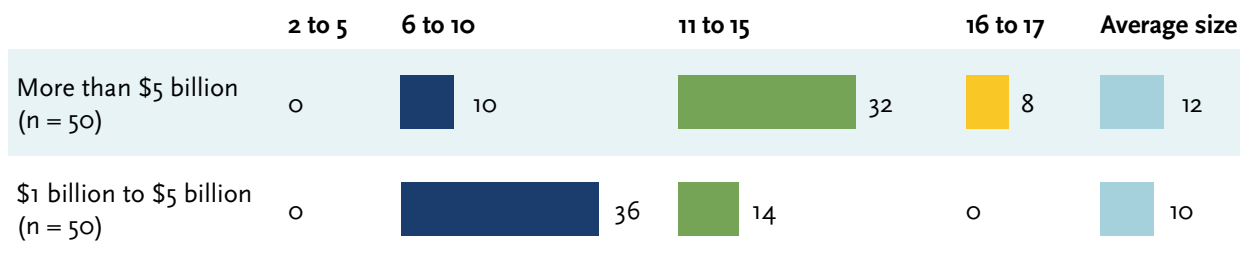
(2012-2017)



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### The bigger the company, the bigger the board

- >> In 2017, the boards of the larger *CSSBI 100* companies had, on average, two more board members than the boards of the smaller companies. Most (72%) of the boards of the smaller *CSSBI 100* companies ranged from six to 10 board members, whereas most (64%) of the boards of the larger companies had 11 to 15 board members.
- >> All eight of the boards with 16 to 17 members (the largest boards in the range) were those of larger *CSSBI 100* companies.

Board Size Comparison: Larger Versus Smaller *CSSBI 100* Companies in 2017

## Board Committees

## Boards of smaller companies had fewer committees

- >> In 2017, the boards of *CSSBI 100* companies had an average of four standing committees per board, the same as in 2013.
- >> Operating with three committees was far more prevalent in the set of smaller *CSSBI 100* companies: 36% compared to 16% of the boards of the larger *CSSBI 100* companies.
- >> However, compared to 2013, 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

(2013 compared to 2017)

| Committees | 2013    |                       |                         | 2017    |                       |                         |
|------------|---------|-----------------------|-------------------------|---------|-----------------------|-------------------------|
|            | Overall | More than \$5 billion | \$1 billion-\$5 billion | Overall | More than \$5 billion | \$1 billion-\$5 billion |
| 2          | 7%      | 8%                    | 6%                      | 11%     | 10%                   | 12%                     |
| 3          | 30%     | 25%                   | 35%                     | 26%     | 16%                   | 36%                     |
| 4          | 41%     | 49%                   | 33%                     | 50%     | 58%                   | 42%                     |
| 5          | 17%     | 16%                   | 18%                     | 11%     | 12%                   | 10%                     |
| 6          | 3%      | 2%                    | 4%                      | 0%      | 0%                    | 0%                      |
| 7 or 8     | 2%      | 0%                    | 4%                      | 2%      | 4%                    | 0%                      |
| Average    | 4       | 4                     | 4                       | 4       | 4                     | 4                       |

## Functions of core committees were integrated on a growing number of boards

- » In 2017, close to 20% (19) of the boards of *CSSBI 100* companies had a single, integrated governance, nominations and human resources and compensation committee, an increase of four compared to 2014.
- » Additionally, there has been a small increase in the number of boards with standing risk committees (17 in 2017 compared to 13 in 2013). Most of the boards with risk committees in 2017 (11 of 17) 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 (3% in 2017) has dropped consistently in recent years.

## Types of Standing Committees on the Boards of *CSSBI 100* Companies

(2011, 2014, 2017)

| Committee  | 2011 | 2014 | 2017 |
|--|------|------|------|
| Audit  | 100% | 100% | 100% |
| Governance and Nominating*   | 84%  | 84%  | 80%  |
| Human Resources and Compensation (HRC)                                   | 85%  | 85%  | 81%  |
| Governance, Nominating and Human Resources and Compensation (Integrated) | 15%  | 15%  | 19%  |
| Environment, Health and Safety   | 37%  | 35%  | 32%  |
| Pension and Investment   | 15%  | 12%  | 11%  |
| Risk   | 9%   | 13%  | 17%  |
| Finance  | 6%   | 8%   | 6%   |
| Executive  | 13%  | 7%   | 3%   |
| Conduct Review   | 2%   | 1%   | 1%   |
| Social Responsibility and Public Policy                                  | 1%   | 2%   | 5%   |
| Strategy and Planning  | 3%   | 2%   | 2%   |
| Reserves and Sustainability  | 8%   | 8%   | 6%   |

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

## Board and Committee Meetings

### Boards scheduled less meetings

- » Overall, boards of *CSSBI 100* companies held an average of eight scheduled meetings in 2016\* (the most current year of company disclosure), one less meeting compared to 2013.
- » The number of boards of the larger *CSSBI 100* companies that met six or seven times increased from 26% in 2013 to 40% in 2016, while the number that held 10 to 13 meetings dropped from 29% in 2013 to 19% in 2016.
- » In 2016, 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

(2013 compared to 2016)\*

| Scheduled Board Meetings             | 2013    |                       |                         | 2016    |                       |                         |
|--------------------------------------|---------|-----------------------|-------------------------|---------|-----------------------|-------------------------|
|                                      | Overall | More than \$5 billion | \$1 billion-\$5 billion | Overall | More than \$5 billion | \$1 billion-\$5 billion |
| 2 to 5                               | 8%      | 4%                    | 12%                     | 14%     | 12%                   | 16%                     |
| 6 or 7                               | 26%     | 26%                   | 26%                     | 40%     | 36%                   | 44%                     |
| 8 or 9                               | 27%     | 30%                   | 24%                     | 24%     | 28%                   | 20%                     |
| 10 to 13                             | 29%     | 30%                   | 28%                     | 19%     | 18%                   | 20%                     |
| 14 to 16                             | 10%     | 10%                   | 10%                     | 3%      | 6%                    | 0%                      |
| Average Number of Scheduled Meetings | 9       | 9                     | 9                       | 8       | 8                     | 8                       |

\* Scheduled board and committee meeting information (as disclosed in each company's Information Circular) applied to meetings held in 2016.

### Boards of larger companies scheduled more committee meetings

- » The boards of larger *CSSBI 100* companies scheduled more committee meetings than the set of smaller companies.
- » In 2016, each of the core committees (audit; human resources and compensation; governance and nominating) of the boards of the larger *CSSBI 100* companies held an average of one additional meeting compared to those of the set of smaller companies.
- » Compared to 2013, the average number of human resources and compensation committee meetings held by the larger and smaller *CSSBI 100* companies increased by one (likely related to the complexity of setting executive compensation).



Average Number of Scheduled Meetings Held by the Core Committees of the Boards of  
 CSSBI 100 Companies  
 (2013 compared to 2016)\*

| Committees                             | 2013    |                       |                         | 2016    |                       |                         |
|--|---------|-----------------------|-------------------------|---------|-----------------------|-------------------------|
|  | Overall | More than \$5 billion | \$1 billion-\$5 billion | Overall | More than \$5 billion | \$1 billion-\$5 billion |
| Audit                                  | 6       | 6                     | 5                       | 5       | 6                     | 5                       |
| Governance and Nominating              | 5       | 5                     | 5                       | 4       | 5                     | 4                       |
| Human Resources and Compensation (HRC) | 5       | 5                     | 4                       | 6       | 6                     | 5                       |
| Average Number of Scheduled Meetings   | 5       | 5                     | 5                       | 5       | 6                     | 5                       |

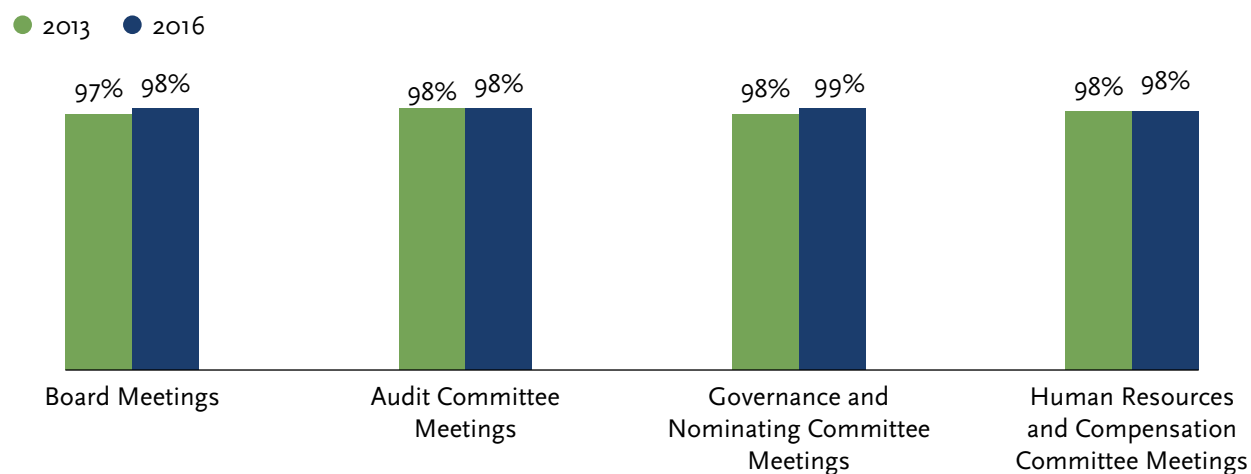
\* Scheduled board and committee meeting information (as disclosed in each company's Information Circular) generally applied to meetings held in 2016.

## Attendance at Board and Committee Meetings

### Attendance at board and committee meetings was almost perfect

>> Average individual attendance (either in person or via teleconference) at scheduled CSSBI 100 board and committee meetings in 2016 was nearly perfect, as it has been in recent years.

### Average Attendance for Scheduled CSSBI 100 Board and Committee Meetings (2013 compared to 2016)\*



\* Scheduled board and committee meeting information (as disclosed in each company's Information Circular) generally applied to meetings held in 2016.

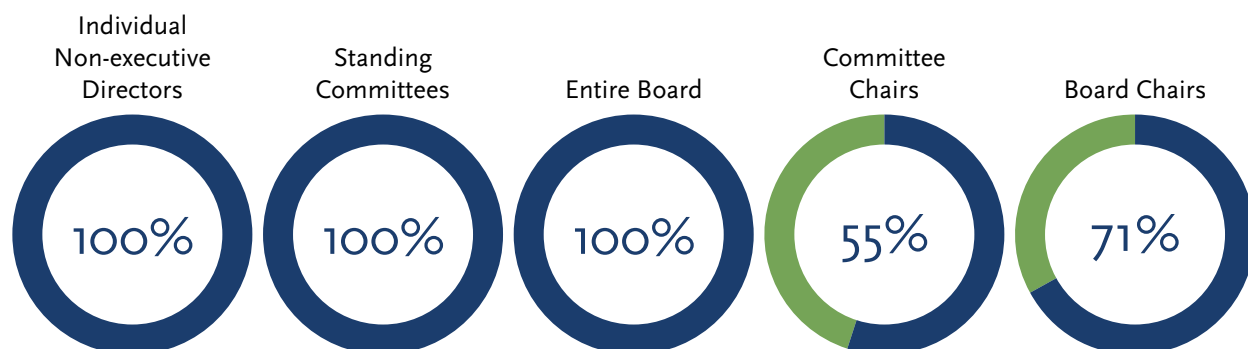
## Board and Non-executive Director Performance Evaluations

### Boards are retaining external advisors to assist with board-level evaluations

- » 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.
- » More than half (55%) 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, an increase of four boards over 2016.
- » Close to 20% (19) 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.

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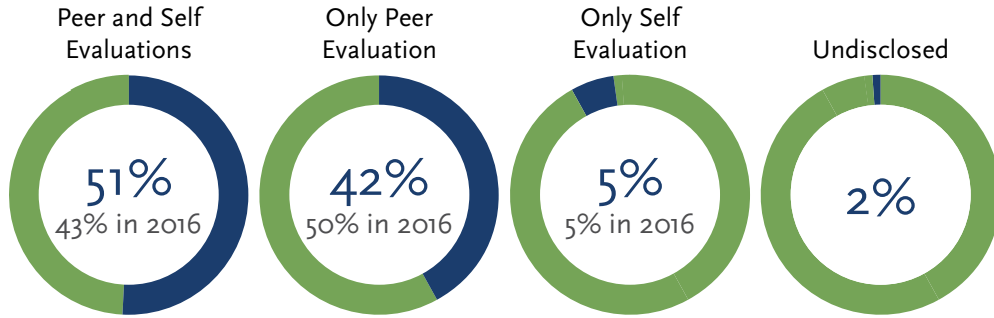
### Performance Evaluations on the Boards of *CSSBI 100* Companies



### Peer reviews were widely used to evaluate non-executive directors

- » Just over half (51) of *CSSBI 100* boards used combined peer and self-evaluations to review director performance. A significant number of boards (42) used peer evaluation exclusively; only five boards relied solely upon a self-evaluation method.
- » Additionally, close to two-thirds (61%) 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 2017

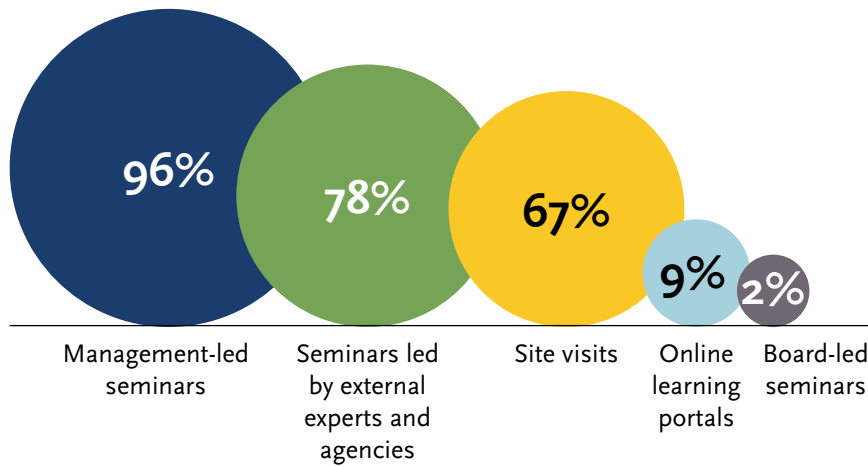


Continuing Education for Non-executive Directors

**Boards continued to build director 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 and agencies to support the ongoing development of their non-executive directors.
- » Two-thirds (67%) 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\*

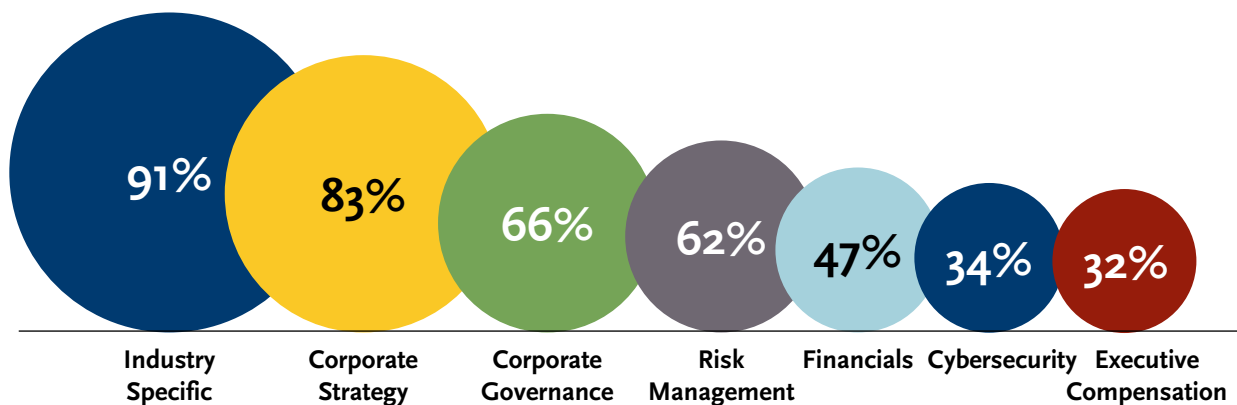


\* Information regarding continuing education generally applied to sessions held in 2016.

### Cybersecurity becoming part of the core curriculum for board members

- » In 2017, the vast majority (95) 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 training in corporate governance, strategy, financials, risk management and executive compensation was frequently delivered.
- » There was a notable increase in the number of *CSSBI 100* boards that delivered sessions on cybersecurity (34% compared to 18% reported in 2016); these should increase as companies attempt to address online threats that are growing in complexity.

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



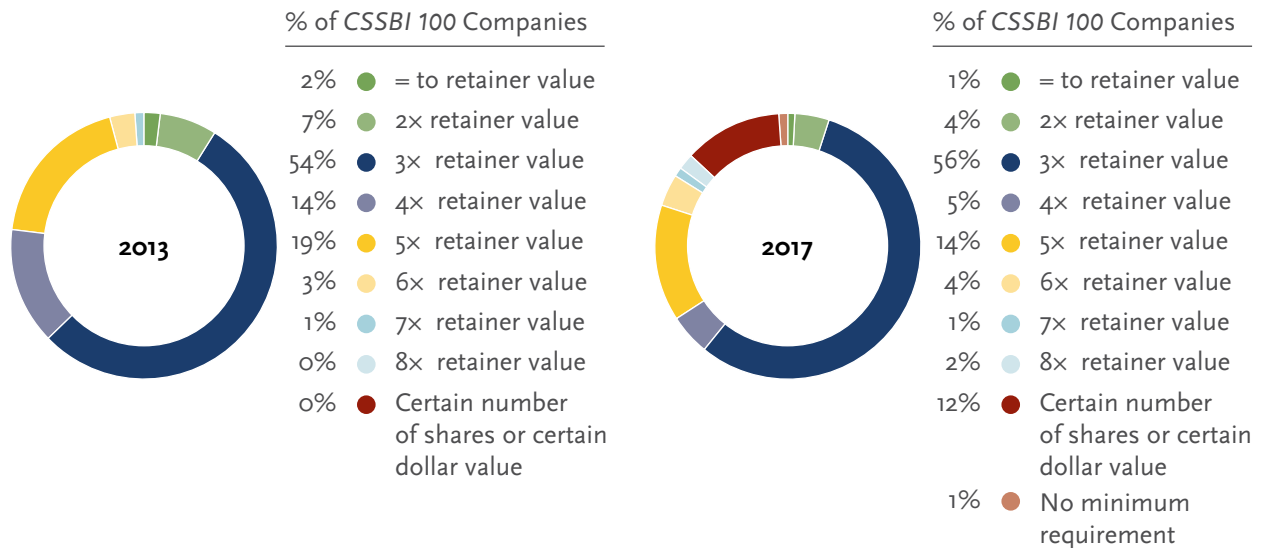
\* Information regarding continuing education generally applied to sessions held in 2016.

### Share Ownership Requirements for Non-executive Directors

#### Minimum share ownership almost universal

- » To promote shareholder alignment, almost all (99%) of the boards of *CSSBI 100* companies have instituted minimum share ownership requirements for their non-executive directors.
- » Each 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 (87%), the minimum value of shares was a multiple based on the annual director retainer, including equity.
- » On average, 75% 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 (2013 compared to 2017)\*



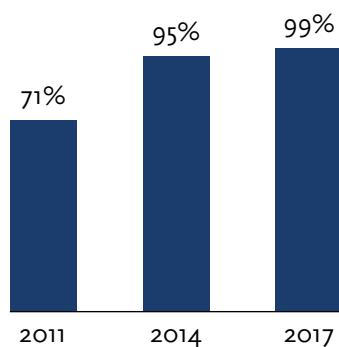
\* As of the date of *CSSBI 100* Information Circulars, filed between December 2016 and September 2017.

## Majority Voting for Non-executive Directors

### Majority voting almost fully adopted

- >> As of 2017, 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 markedly since 2011.

### Number of Boards of *CSSBI 100* Companies with Majority Voting Procedures (2011, 2014 and 2017)



## Restrictions on Interlocking Directorships

### More boards had formal limits on interlocks in 2017

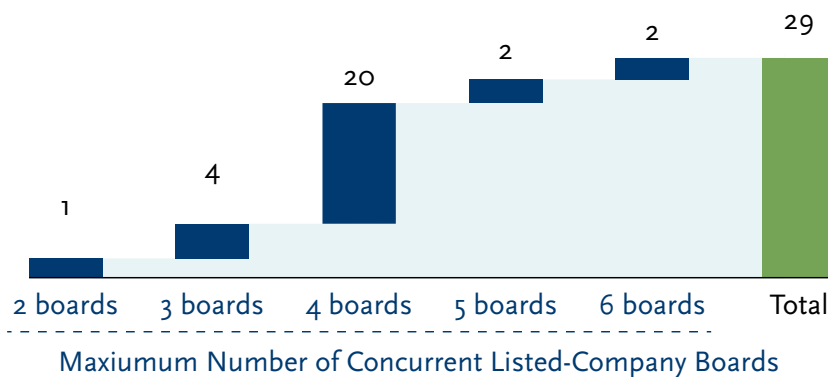
- » The vast majority (88%) of boards of *CSSBI 100* companies disclosed their policies on interlocking directorships in 2017 (i.e., when two or more board members serve together on the board of another public company).
- » Most boards of *CSSBI 100* companies disclosed that they review the status of interlocks (often led by the board chair) to ensure director independence. 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 2017, close to one-third (29) 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 boards) often applied in cases where formal ones did not, reflecting the desire for engaged board members 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

- » 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 2017. The number of boards with mandatory limits increased by four compared to 2013. The average mandatory retirement age (for those companies that used them) was 73, the same as last year.
- » Just under half (28) of the boards of *CSSBI 100* companies with mandatory retirement for their directors used a retirement age exclusively; 24 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 guide the timing of individual retirements.

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### Retirement Policies for Non-executive Directors of *CSSBI 100* Companies

(2013 compared to 2017)

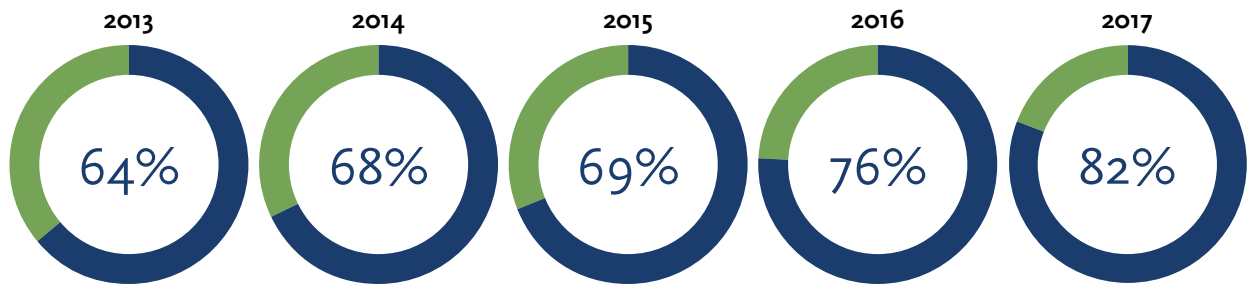
|      |   | Retirement Age Only |                        | Term Limits Only |                             | Combined Age and Term Limits |                 |                                      |
|------|---|---------------------|------------------------|------------------|-----------------------------|------------------------------|-----------------|--------------------------------------|
|      | <i>CSSBI 100</i> Boards with Mandatory Retirement for Non-executive Directors | Number of Boards    | Average Retirement Age | Number of Boards | Years of Continuous Service | Number of Boards             | Retirement Ages | Term Limits                          |
| 2013 | 55%   | 44                  | 70                     | 3                | 12 or 15 years              | 8                            | 70 to 75 years  | 7 to 15 years of continuous service  |
| 2017 | 59%   | 28                  | 73                     | 7                | 12 or 15 years              | 24                           | 70 to 75 years  | 10 to 15 years of continuous service |

## Shareholder Advisory Votes on Executive Compensation

### "Say on pay" votes continued to climb

- » As of September 2017, over three-quarters (82%) 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 2013.

"Say on Pay" Votes Held by the Boards of *CSSBI 100* Companies  
(2013-2017)

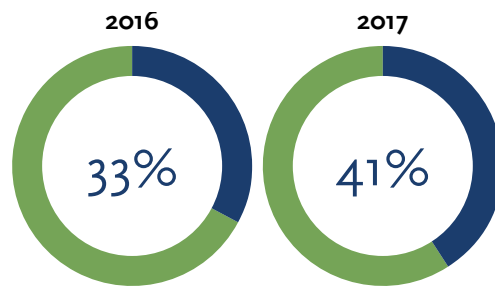


## Board Gender Diversity Policies and Targets

### Board gender diversity targets edged higher

- » In 2017, just over half (51%) of *CSSBI 100* companies disclosed a formal policy, along with a stated commitment, to identify and recruit more women board members. This is a relatively new area of disclosure that began in response to recent regulatory and securities guidelines.
- » Many of these companies (41 in 2017 compared to 33 in 2016) had also established a minimum target for the number of women who should be on their boards. The targets, when disclosed, ranged from 20% to 40% of either the full board or all independent board members. Of note, the majority of these companies (71%) had either achieved or surpassed their minimum target as of September, 2017.

*CSSBI 100* Boards with Minimum Board Gender Diversity Targets  
(2016 compared to 2017)





# North American Board Comparisons

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# North American Board Comparisons

## A NORTH AMERICAN VIEW: CANADIAN AND U.S. BOARD COMPARISONS

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

### 2017 SNAPSHOT

**11 board members** 

The average for CSSBI 100 and comparable U.S. companies

**8 board meetings**

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



**Separate Board Chair and CEO roles**



CSSBI 100  
**Women board director representation** **27%**  
Comparable U.S. companies **22%**

CSSBI 100  
**Median total non-executive director compensation** **C\$188,000**  
Comparable U.S. companies **U.S.\$270,000**



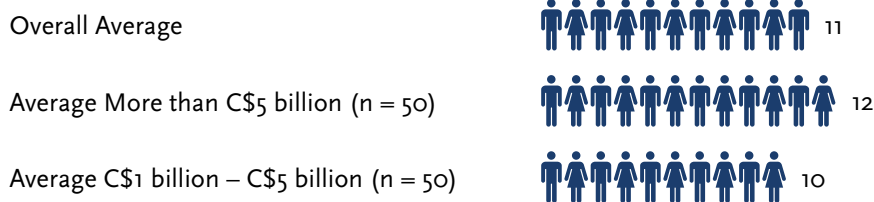
## Board Size

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

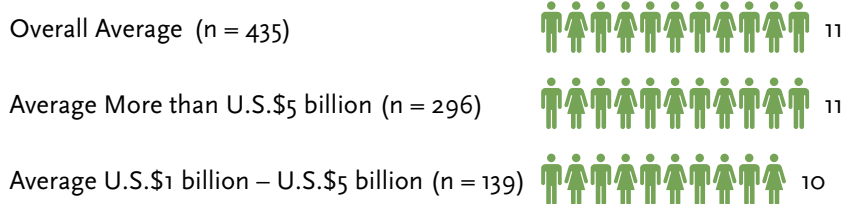
- >> On average, there was little difference in the size of the boards of *CSSBI 100* companies and the comparable U.S. companies in 2017.
- >> The boards of the larger *CSSBI 100* companies were the largest of any segment, with an average of 12 board members. They were comparably bigger (by one member) than the boards of the set of larger U.S. companies.

#### Average Board Sizes: 2017 Canada-U.S. Comparison

##### **CSSBI 100**



##### **Comparable U.S.**

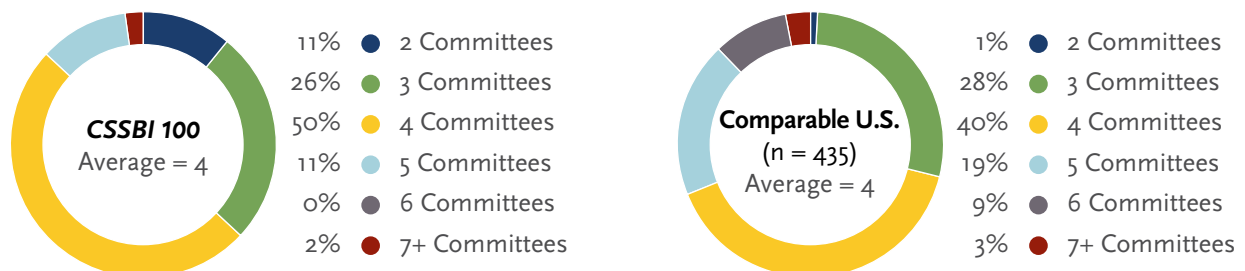


## Board Committees

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

- >> In 2017, a greater percentage of the boards in the U.S. had five or more standing committees: 31% compared to 13% among the *CSSBI 100*. Interestingly, eleven *CSSBI 100* boards (or just over 10% of the set) operated with two committees, while the practice was rare in the U.S.

#### Standing Committees of the Board: 2017 Canada-U.S. Comparison

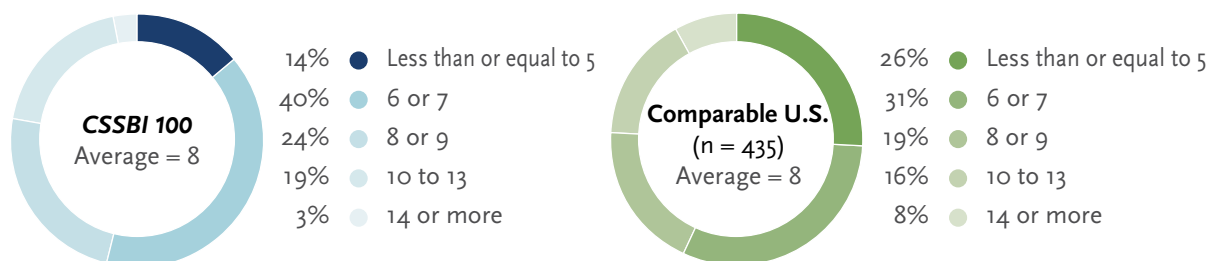


## Board and Committee Meetings

### Small 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, almost 10% of the boards of the comparable U.S. companies held 14 or more meetings compared to only 3% in the *CSSBI 100*; and, at the lowest end, a larger proportion (26%) of the boards of comparable U.S. companies held five or fewer meetings compared to only 14% of *CSSBI 100* boards.

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



\* Scheduled board and committee meeting information applied to meetings held in 2016.

### More committee meetings in the U.S.

- » Overall, the boards of the comparable U.S. companies held an average of two more committee meetings per year than those of the *CSSBI 100*. The biggest difference was in the average number of audit committee meetings held in each country (four more, on average, in the U.S.).
- » The boards of comparable U.S. companies have faced more regulatory and shareholder scrutiny over executive compensation and company financials, requiring more attention at the committee level.

#### Average Number of Scheduled Committee Meetings: Canada-U.S. Comparison\*

|   | CSSBI 100 | Comparable U.S. (n = 435) |
|---|-----------|---------------------------|
| Audit Committee Meetings                            | 5         | 9                         |
| Governance and Nominating Committee Meetings        | 4         | 5                         |
| Human Resources and Compensation Committee Meetings | 6         | 6                         |
| <b>Average</b>                                      | <b>5</b>  | <b>7</b>                  |

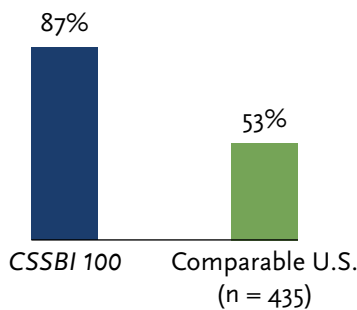
\* Scheduled board and committee meeting information generally applied to meetings held in 2016.

## Separate Board Chair and CEO Roles

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

- >> A significant majority (87%) of *CSSBI 100* companies separated the board chair and CEO roles in 2017, compared to only 53% 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 2017, some (30% or 26 of 87) of the separate board chairs were non-independent. Most held prior senior executive roles (e.g., founder and/or CEO) with the companies. In the U.S., a larger proportion (69% or 146 of 211) of separate board chairs were non-independent in 2017. 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: 2017 Canada-U.S. Comparison



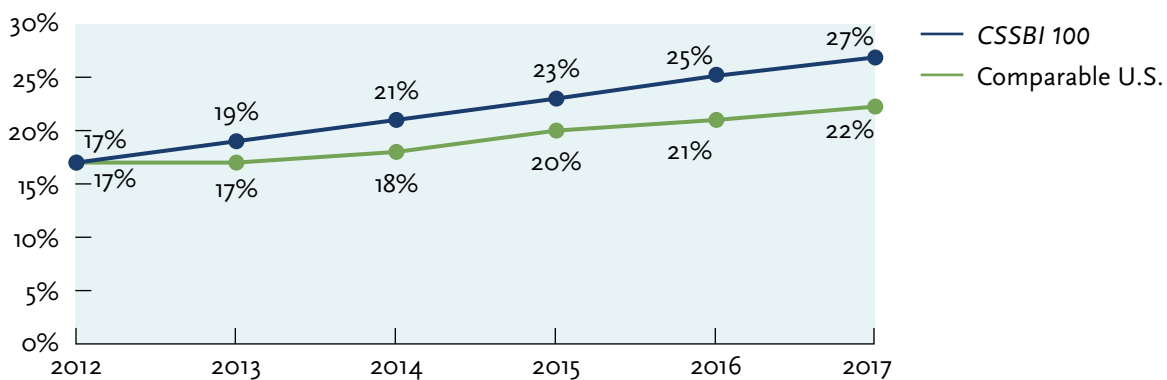
## Women Board Director Representation

### Canada leads the U.S. in women board representation

- >> In 2017, women held 27% of all board seats on *CSSBI 100* boards, five 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 in both countries.

### Women as a Percentage of All Board Members: Canada-U.S. Comparison

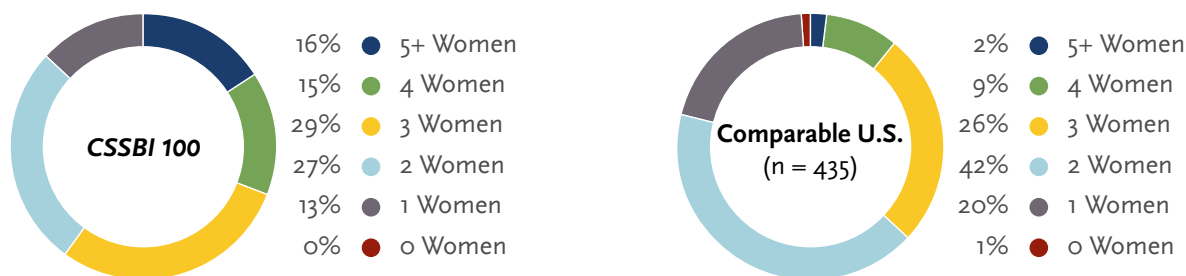
(2012-2017)



### More Canadian boards had three or more women directors

- >> In 2017, well over half (60%) of the boards of *CSSBI 100* boards had three or more women directors, versus 37% for the set of comparable U.S. companies.
- >> In 2017, a sizable number of boards in both Canada and the U.S. still had less than two women directors (13% of *CSSBI 100* boards compared to 21% of the boards of comparable U.S. companies).
- >> In 2017, three boards of *CSSBI 100* companies had achieved gender parity in total board seats, compared to eight among the comparable U.S. companies.

#### Women Board Member Representation: 2017 Canada-U.S. Comparison

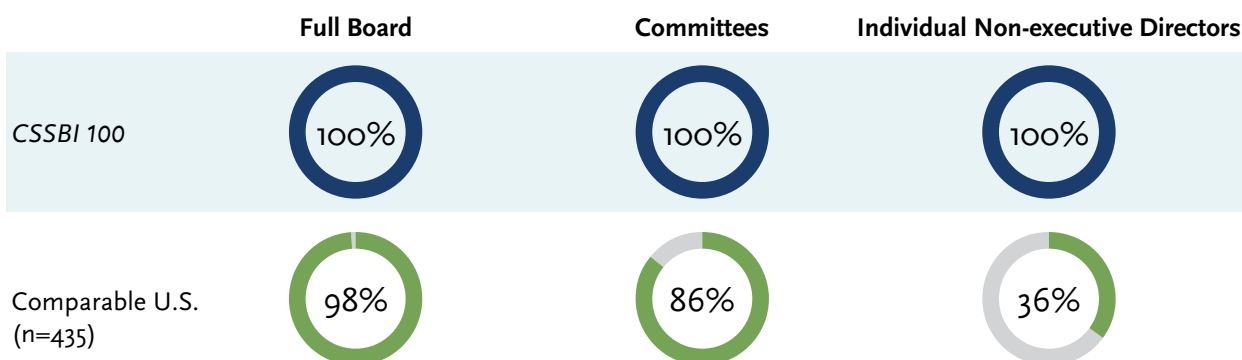


### Performance Evaluations for Boards, Committees and Non-executive Directors

#### Individual board director evaluations were far less prevalent in the U.S.

- >> 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 only about one-third (36%) did among the comparable U.S. companies.

#### Board, Committee and Non-executive Director Evaluations: 2017 Canada-U.S. Comparison



## Retirement Policies for Non-executive Directors

### Mandatory retirement for non-executive directors was more common in the U.S.; age limits were the key driver on both sides of the border

- >> Just under 60% (59) of boards of *CSSBI 100* companies had mandatory retirement ages and/or term limits in effect in 2017, compared to almost three-quarters (73%) 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: 2017 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%   | 28                  | 73                     | 7                | 12 or 15 years              | 24                           | 70 to 75 years  | 10 to 15 years of continuous service |
| Comparable U.S. (n = 435) | 73%   | 298                 | 73                     | 5                | 10, 12 or 15 years          | 15                           | 70 to 75 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 2017, average age and tenure of non-executive directors was 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 tenure within two years of the overall average (63 years): 55% in the *CSSBI 100* and 48% 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; one-third of the U.S. companies had an average director tenure between seven and nine years (inclusive). In contrast, less than one-fifth (17%) of *CSSBI 100* companies were within the same interval.

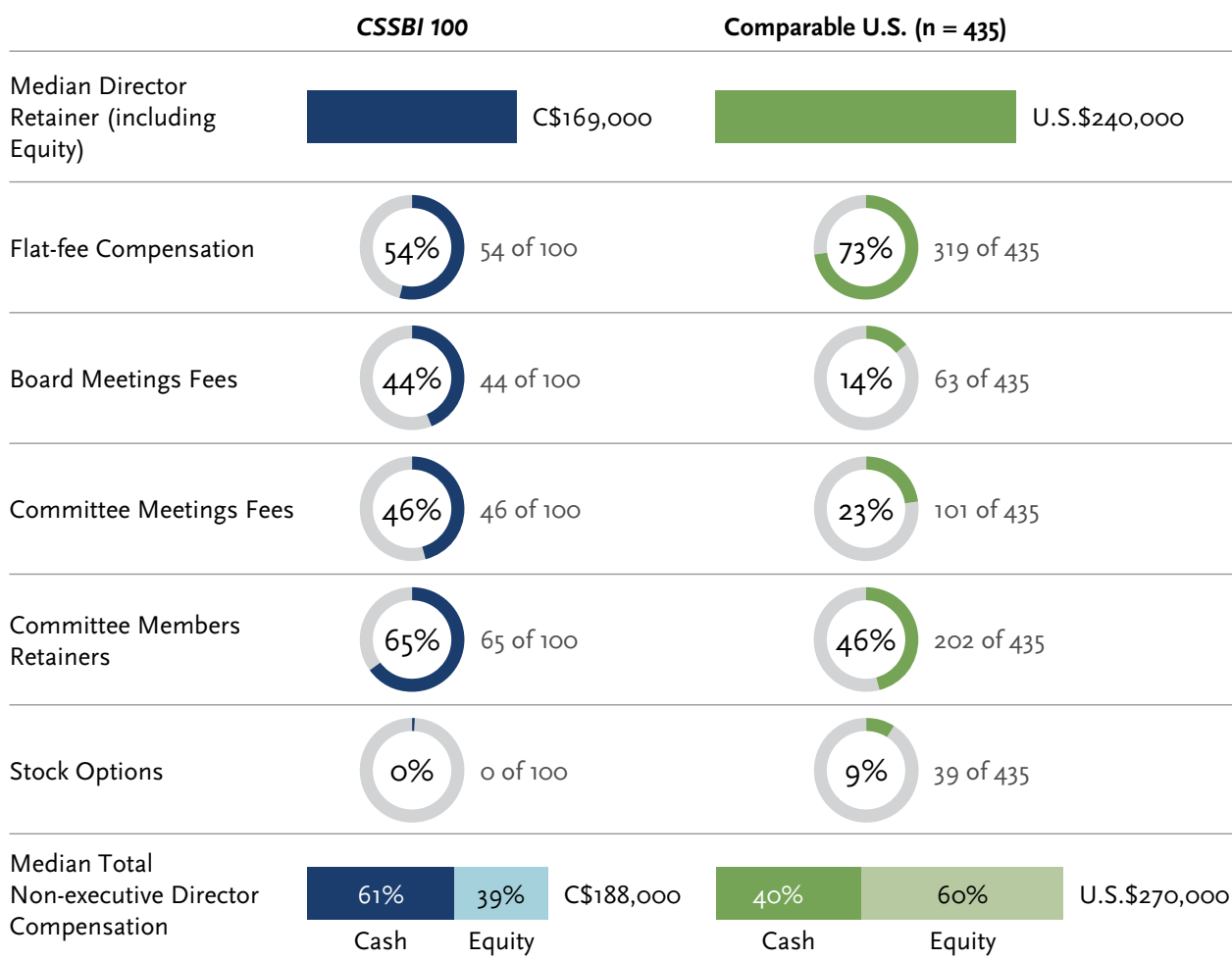
### Non-executive Director Age and Tenure: 2017 Canada-U.S. Comparison

|                           | Average Age | Average Tenure |
|---------------------------|-------------|----------------|
| <i>CSSBI 100</i>          | 63          | 8 years        |
| Comparable U.S. (n = 435) | 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 larger portion of the total compensation mix for directors in the U.S. (60% for the comparable U.S. companies versus 39% 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 (73% overall compared to 54% 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 65% of *CSSBI 100* companies and by 46% 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 9% 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, Benchmarks and Practices: 2017 Canada-U.S. Comparison



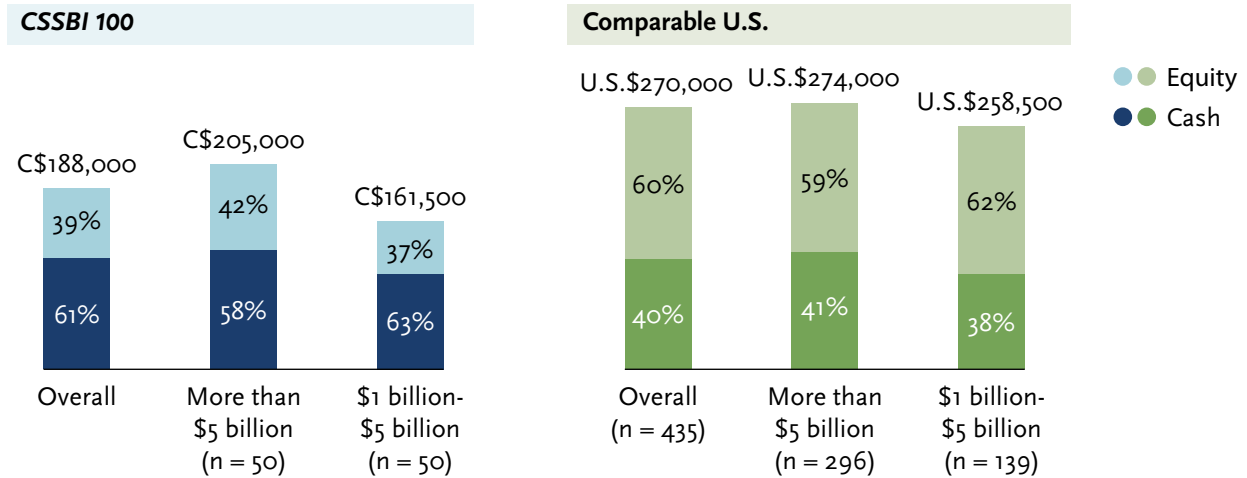


## Total Non-executive Director Compensation

### Company size mattered more for Canadian board compensation

- >> In 2017, the difference between median total director compensation at the larger and smaller *CSSBI 100* companies (C\$43,500) was more than double (in nominal terms) the gap that existed between the larger and smaller comparable U.S. companies.

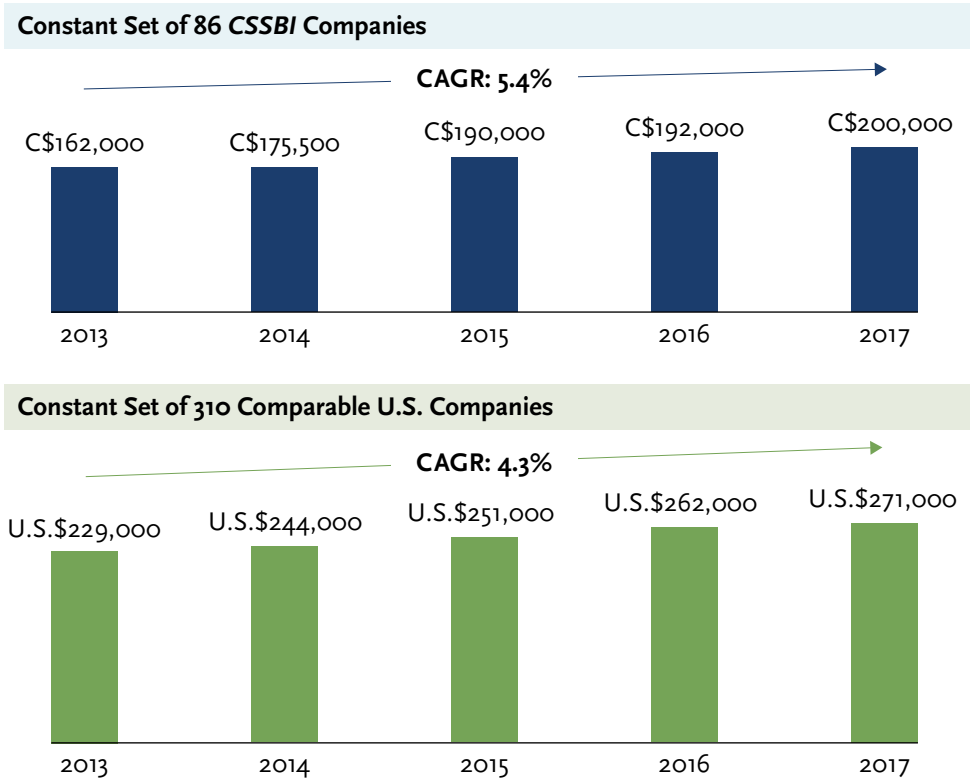
Median Total Non-executive Director Compensation: 2017 Canada-U.S. Comparison



### Non-executive director compensation has been increasing at a slightly higher rate in Canada

- >> 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 (1.1 percent) higher in Canada as measured by the compound annual growth rate.
- >> 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 boards of leading Canadian companies have taken steps (e.g. increasing compensation; setting their compensation in U.S. currency, using non-Canadian benchmarks; paying U.S. resident directors the standard remuneration in U.S. denominated currency) to make their compensation more competitive.

Median Total Non-executive Director Compensation (including equity): Canada-U.S. Comparison (2013-2017)

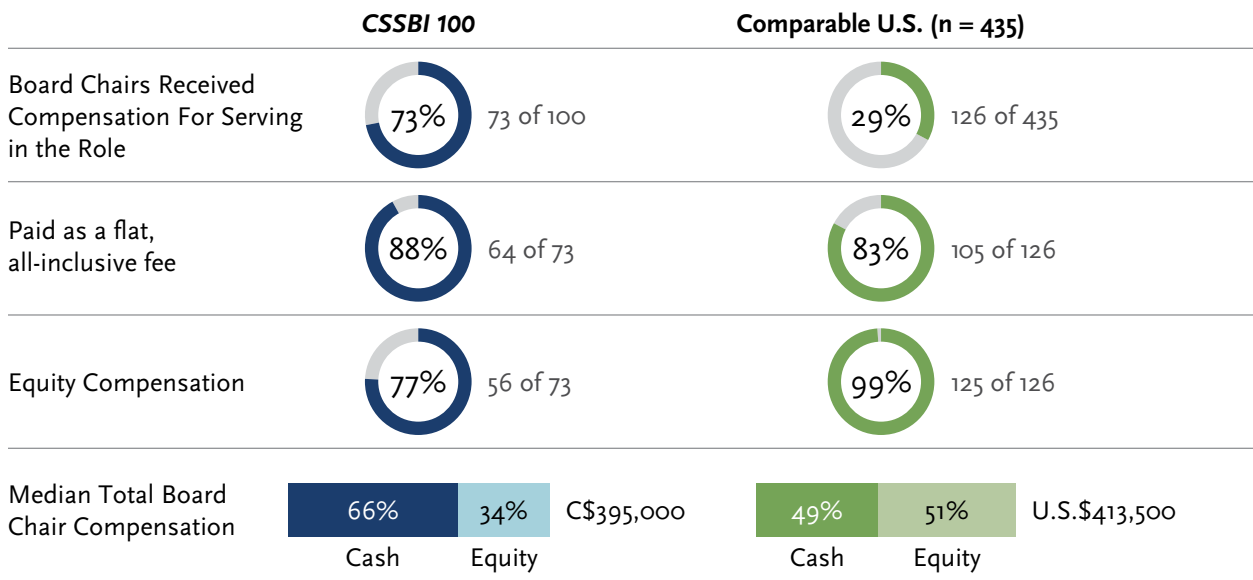


## Board Chair Compensation

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

- » In 2017, there was a relatively small difference (\$18,500, 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.
- » In Canada, the equity portion of board chair compensation represented just over one-third (34%) of the median total; in the U.S., equity represented just over half (51%).
- » 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.

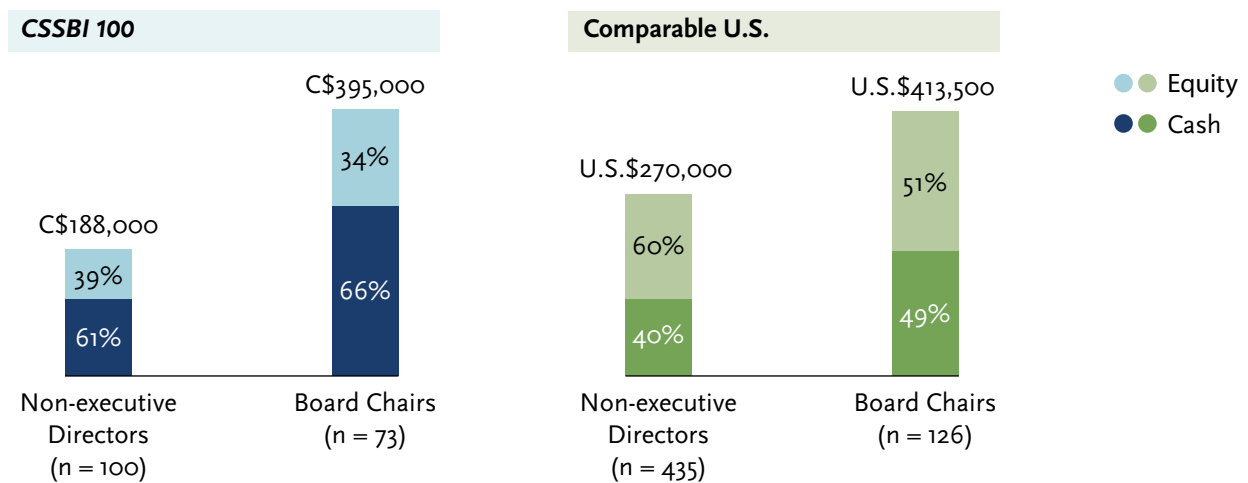
## Board Chair Compensation Practices: 2017 Canada-U.S. Comparison



### 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: 2017 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 83% of the boards of comparable companies had a lead director in 2017, close to one-third (30%) 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 similar in Canada and in the U.S. (in nominal terms).

### Lead Director Compensation Practices and Benchmarks: 2017 Canada–U.S. Comparison

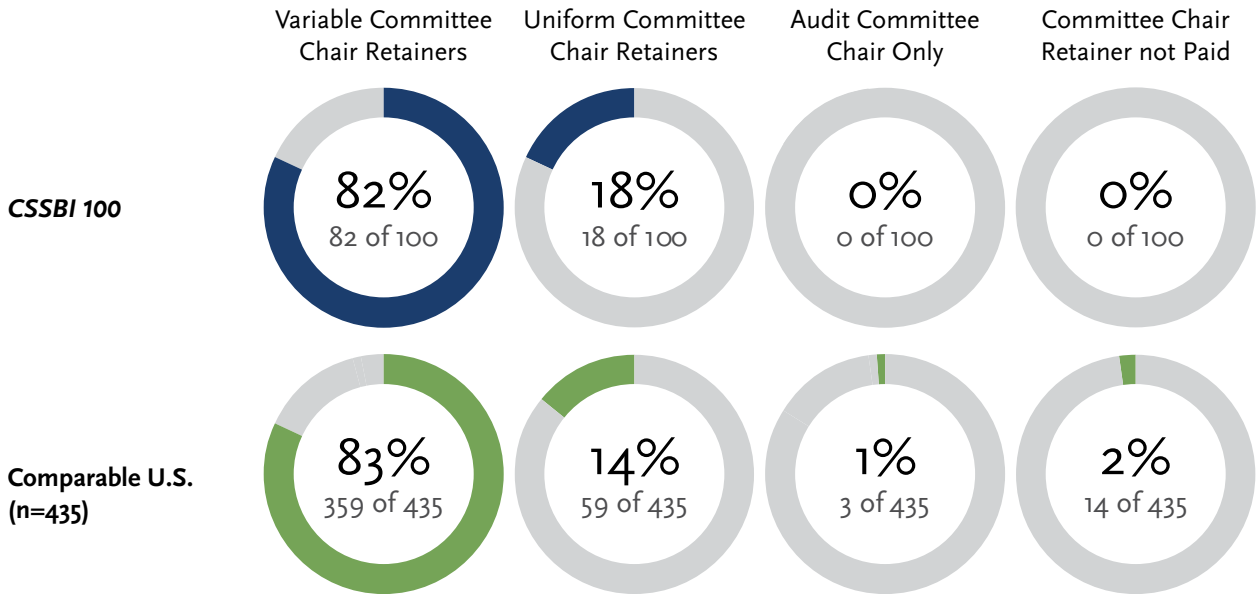
|                           | Companies with a Lead Director | Additional Compensation Provided | Median Additional Compensation | Range of Additional Compensation |
|---------------------------|--------------------------------|----------------------------------|--------------------------------|----------------------------------|
| <i>CSSBI 100</i>          | 31                             | 97%                              | C\$35,000                      | C\$10,000 - \$150,000            |
| Comparable U.S. (n = 435) | 361                            | 70%                              | U.S.\$30,000                   | U.S.\$6,000 - \$150,000          |

## Committee Chair Compensation

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

- » In 2017, 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: 2017 Canada-U.S. Comparison



## Committee Chair Retainers: 2017 Canada-U.S. Comparison

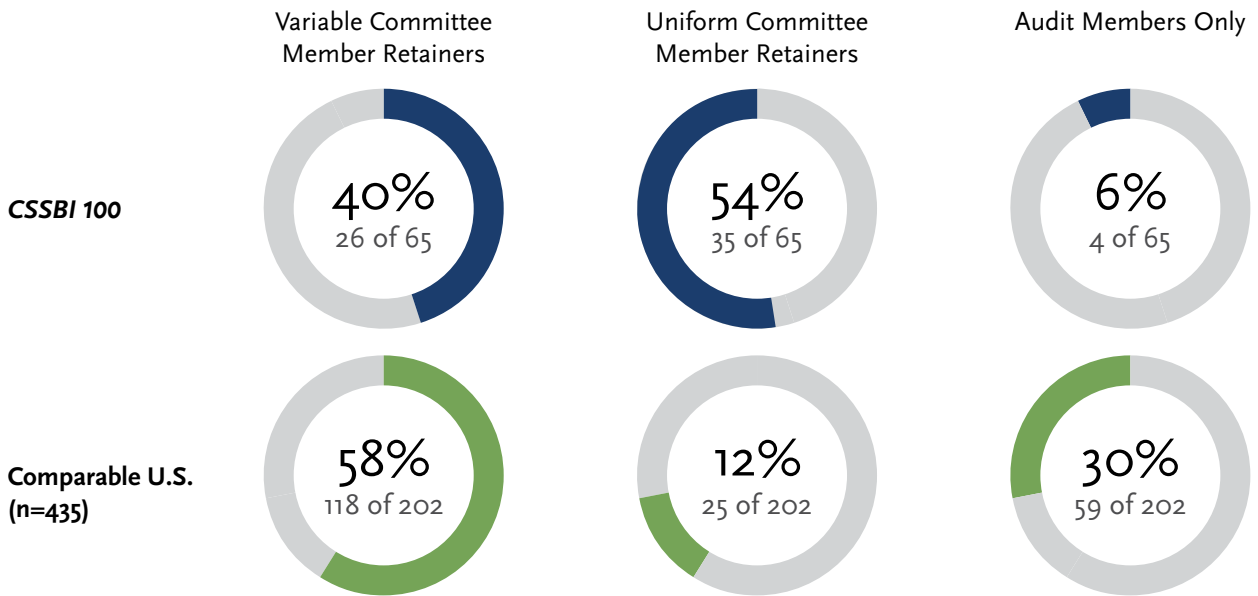
|   | CSSBI 100 Overall |                     | Comparable U.S. (n = 435) |                        |
|---|-------------------|---------------------|---------------------------|------------------------|
|   | Median            | Range               | Median                    | Range                  |
| 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.\$4,000 - \$65,000 |
| Human Resources and Compensation Committees | C\$15,000         | C\$2,710 - \$75,000 | U.S.\$20,000              | U.S.\$4,000 - \$65,000 |

## Committee Member Compensation

### Additional committee member retainers were more common in Canada

- >> Sixty-five percent of *CSSBI 100* companies paid additional retainers for service on committees, compared to 46% of the comparable U.S. companies. Overall, the amounts paid in the U.S. were at least double those paid by *CSSBI 100* companies (in nominal terms).
- >> The majority (54%) of *CSSBI 100* companies paid uniform committee retainers, while only 12% 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: 2017 Canada-U.S. Comparison



Committee Member Retainers: 2017 Canada-U.S. Comparison

|  | CSSBI 100 Overall |                     | Comparable U.S. (n = 435) |                        |
|--|-------------------|---------------------|---------------------------|------------------------|
|  | Median            | Range               | Median                    | Range                  |
| <b>Audit Committees</b>                            | C\$6,000          | C\$1,085 - \$55,000 | U.S.\$12,500              | U.S.\$2,000 - \$55,000 |
| <b>Governance and Nominating Committees</b>        | C\$5,000          | C\$1,085 - \$55,000 | U.S.\$10,000              | U.S.\$2,500 - \$55,000 |
| <b>Human Resources and Compensation Committees</b> | C\$5,000          | C\$1,500 - \$55,000 | U.S.\$10,000              | U.S.\$3,000 - \$55,000 |

# Comparative Board Data

2017 *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 | NUMBER OF WOMEN | MANDATORY RETIREMENT AGE AND/OR TERM LIMITS (a) | AVERAGE AGE OF DIRECTORS (YEARS) | AVERAGE AGE OF DIRECTOR TENURE (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 \$ |  |

## 2017 CSSBI 100 COMPANIES

|                                    |     |     |    |                 |   |   |                        |      |    |    |   |                              |                               |                      |                              |                           |                             |
|------------------------------------|-----|-----|----|-----------------|---|---|------------------------|------|----|----|---|------------------------------|-------------------------------|----------------------|------------------------------|---------------------------|-----------------------------|
| Aecon Group Inc.                   | Yes | No  | 9  | 1               | 2 | 2 | 75/15 years            | 7.5  | 66 | 6  | 4 | 250,000                      | 175,000 <sup>1</sup>          | 1,500                | 12,500 <sup>2</sup>          | 1,500                     | 4,000 <sup>3</sup>          |
| Agnico Eagle Mines Limited         | Yes | No  | 12 | 1               | 3 | 3 | No                     | 10.5 | 66 | 7  | 4 | U.S. \$480,013               | U.S. \$227,646 <sup>4</sup>   | N/A                  | U.S. \$15,000 <sup>5</sup>   | N/A                       | N/A                         |
| Agrium Inc.                        | Yes | No  | 9  | 1               | 2 | 3 | 72                     | 6.8  | 61 | 11 | 4 | U.S. \$440,000 <sup>6</sup>  | U.S. \$210,000 <sup>7</sup>   | U.S. \$1,000         | U.S. \$9,000 <sup>8</sup>    | U.S. \$1,000 <sup>9</sup> | U.S. \$3,500                |
| Aimia Inc.                         | Yes | No  | 9  | 1               | 2 | 1 | 75                     | 5.4  | 59 | 11 | 3 | 361,000 <sup>10</sup>        | 100,000 <sup>11</sup>         | 1,500                | 12,000 <sup>12</sup>         | 1,500                     | 3,000 <sup>13</sup>         |
| Air Canada                         | Yes | No  | 11 | 1               | 3 | 3 | 75                     | 5.8  | 62 | 13 | 4 | 395,000 <sup>14</sup>        | 175,000 <sup>15</sup>         | N/A                  | 10,000 <sup>16</sup>         | N/A                       | 5,000 <sup>17</sup>         |
| Algonquin Power & Utilities Corp.  | Yes | No  | 9  | 2               | 4 | 3 | 71                     | 4.8  | 60 | 9  | 4 | U.S. \$220,000 <sup>18</sup> | U.S. \$120,000 <sup>19</sup>  | U.S. \$1,500         | U.S. \$7,500 <sup>20</sup>   | U.S. \$1,500              | N/A                         |
| Alimentation Couche-Tard Inc.      | Yes | Yes | 11 | 5               | 1 | 3 | No                     | 15.6 | 62 | 9  | 2 | N/A <sup>21</sup>            | 90,000 <sup>22</sup>          | 2,000 <sup>23</sup>  | 25,000 <sup>24</sup>         | 2,000                     | 3,060 <sup>25</sup>         |
| ATCO Ltd.                          | No  | Yes | 10 | 4               | 4 | 3 | 70                     | 5.9  | 66 | 7  | 2 | N/A                          | 165,000 <sup>26</sup>         | 2,000                | 8,500 <sup>27</sup>          | 1,500 <sup>28</sup>       | 7,500 <sup>29</sup>         |
| Bank of Montreal                   | Yes | No  | 13 | 1               | 5 | 5 | 70/15 years            | 8.0  | 60 | 11 | 4 | 400,000+ <sup>30</sup>       | 215,000 <sup>31</sup>         | N/A <sup>32</sup>    | 15,000 <sup>33</sup>         | N/A <sup>34</sup>         | N/A <sup>35</sup>           |
| Bank of Nova Scotia, The           | Yes | No  | 16 | 2               | 6 | 5 | 12 years <sup>36</sup> | 3.9  | 58 | 8  | 4 | 450,000 <sup>37</sup>        | 225,000 <sup>38</sup>         | N/A                  | 25,000 <sup>39</sup>         | N/A                       | N/A                         |
| Barrick Gold Corporation           | Yes | Yes | 15 | 3 <sup>40</sup> | 9 | 2 | No                     | 6.3  | 63 | 8  | 5 | N/A <sup>41</sup>            | U.S. \$200,000 <sup>42</sup>  | N/A                  | U.S. \$15,000 <sup>43</sup>  | N/A                       | U.S. 3,000 <sup>44</sup>    |
| BCE Inc.                           | Yes | No  | 14 | 2               | 1 | 4 | 12 years               | 4.3  | 63 | 7  | 4 | 425,000                      | 190,000 <sup>45</sup>         | N/A                  | 35,000 <sup>46</sup>         | N/A                       | N/A <sup>47</sup>           |
| BlackBerry Limited                 | No  | Yes | 8  | 1               | 5 | 2 | No                     | 4.3  | 64 | 6  | 2 | 275,000 <sup>48</sup>        | 200,000 <sup>49</sup>         | N/A                  | 20,000 <sup>50</sup>         | N/A                       | N/A                         |
| Bombardier Inc.                    | Yes | Yes | 14 | 6               | 7 | 3 | 72                     | 13.4 | 63 | 11 | 4 | N/A <sup>51</sup>            | U.S. \$150,000 <sup>52</sup>  | N/A                  | U.S. \$10,000 <sup>53</sup>  | N/A                       | U.S. \$5,000 <sup>54</sup>  |
| Brookfield Asset Management Inc.   | Yes | No  | 16 | 6               | 5 | 4 | No                     | 10.1 | 65 | 10 | 4 | U.S. \$500,000 <sup>55</sup> | U.S. \$150,000 <sup>56</sup>  | N/A                  | U.S. \$15,000 <sup>57</sup>  | N/A                       | N/A <sup>58</sup>           |
| BRP Inc.                           | Yes | No  | 12 | 7               | 5 | 1 | No                     | 8.4  | 57 | 7  | 3 | N/A                          | U.S. \$150,000 <sup>59</sup>  | N/A <sup>60</sup>    | U.S. \$15,000 <sup>61</sup>  | N/A <sup>62</sup>         | U.S. \$10,000 <sup>63</sup> |
| CAE Inc.                           | Yes | No  | 10 | 1               | 3 | 2 | 72/12 years            | 7.1  | 61 | 6  | 3 | 300,000 <sup>64</sup>        | 145,000 <sup>65</sup>         | N/A                  | 25,000                       | N/A                       | 10,000 <sup>66</sup>        |
| Cameco Corporation                 | Yes | No  | 11 | 2               | 2 | 3 | 72/15 years            | 6.8  | 63 | 10 | 5 | 375,000 <sup>67</sup>        | 160,000 <sup>68</sup>         | 1,500 <sup>69</sup>  | 11,000 <sup>70</sup>         | 1,500 <sup>71</sup>       | 5,000 <sup>72</sup>         |
| Canadian Imperial Bank of Commerce | Yes | No  | 16 | 1               | 4 | 6 | 75/15 years            | 7.6  | 61 | 13 | 4 | 400,000 <sup>73</sup>        | 200,000 <sup>74</sup>         | N/A                  | 50,000 <sup>75</sup>         | N/A <sup>76</sup>         | N/A <sup>77</sup>           |
| Canadian National Railway Company  | Yes | No  | 13 | 1               | 5 | 5 | 75/14 years            | 10.1 | 62 | 13 | 8 | U.S. \$550,000 <sup>78</sup> | U.S. \$235,000 <sup>79</sup>  | N/A <sup>80</sup>    | U.S. \$65,000 <sup>81</sup>  | N/A <sup>82</sup>         | U.S. \$55,000 <sup>83</sup> |
| Canadian Natural Resources Limited | Yes | Yes | 11 | 2               | 3 | 2 | 75                     | 10.4 | 67 | 5  | 5 | N/A <sup>84</sup>            | 45,000+ <sup>85</sup>         | 1,500                | 10,000 <sup>86</sup>         | 1,500                     | 5,000 <sup>87</sup>         |
| Canadian Pacific Railway Limited   | Yes | No  | 10 | 2               | 4 | 4 | No                     | 1.8  | 60 | 17 | 4 | 395,000 <sup>88</sup>        | 235,000 <sup>89</sup>         | N/A                  | 30,000 <sup>90</sup>         | N/A                       | N/A                         |
| Canadian Tire Corporation, Limited | Yes | No  | 16 | 4               | 3 | 3 | No                     | 8.1  | 65 | 11 | 4 | 500,000 <sup>91</sup>        | 155,000 <sup>92</sup>         | 2,000                | 11,000 <sup>93</sup>         | 2,000 <sup>94</sup>       | 5,000 <sup>95</sup>         |
| Canfor Corporation                 | Yes | No  | 10 | 0               | 1 | 1 | No                     | 11.5 | 65 | 4  | 5 | 276,500 <sup>96</sup>        | 80,000                        | 2,000                | 5,000 <sup>97</sup>          | 2,000 <sup>98</sup>       | 5,000 <sup>99</sup>         |
| Cascades Inc.                      | Yes | Yes | 12 | 4               | 0 | 4 | 72/20 years            | 11.5 | 60 | 6  | 4 | N/A                          | 70,000 <sup>100</sup>         | N/A                  | 20,000 <sup>101</sup>        | N/A                       | 13,500 <sup>102</sup>       |
| CCL Industries Inc.                | Yes | Yes | 11 | 4               | 4 | 3 | 75                     | 10.0 | 60 | 5  | 4 | N/A <sup>103</sup>           | 50,000+ <sup>104</sup>        | 2,000 <sup>105</sup> | 7,500 <sup>106</sup>         | 2,000 <sup>107</sup>      | N/A                         |
| Celestica Inc.                     | Yes | No  | 9  | 2               | 4 | 2 | 75                     | 6.1  | 64 | 8  | 4 | U.S. \$360,000               | U.S. \$235,000 <sup>108</sup> | N/A                  | U.S. \$15,000 <sup>109</sup> | N/A                       | N/A                         |
| Cenovus Energy Inc.                | Yes | No  | 11 | 1               | 4 | 2 | No                     | 4.4  | 66 | 11 | 5 | 250,000+ <sup>110</sup>      | 30,000+ <sup>111</sup>        | 1,500                | 7,500 <sup>112</sup>         | 1,500                     | N/A                         |
| CGI Group Inc.                     | Yes | Yes | 16 | 5               | 4 | 3 | No                     | 13.4 | 63 | 7  | 3 | N/A <sup>113</sup>           | 210,000                       | N/A                  | 20,000                       | N/A                       | N/A <sup>114</sup>          |
| Cineplex Inc.                      | Yes | No  | 10 | 1               | 1 | 3 | 75 <sup>115</sup>      | 4.9  | 61 | 6  | 2 | 175,000                      | 100,000 <sup>116</sup>        | N/A                  | 15,000 <sup>117</sup>        | N/A                       | N/A                         |
| Cogeco Inc.                        | Yes | No  | 8  | 1               | 0 | 1 | No                     | 10.1 | 65 | 9  | 4 | 137,500 <sup>118</sup>       | 90,000 <sup>119</sup>         | 1,500                | 7,000 <sup>120</sup>         | 1,500                     | 3,000 <sup>121</sup>        |
| Dollarama Inc.                     | Yes | Yes | 9  | 3               | 3 | 1 | No                     | 9.1  | 60 | 6  | 3 | N/A <sup>122</sup>           | 100,000 <sup>123</sup>        | 1,500                | 6,000 <sup>124</sup>         | 1,500                     | 3,000 <sup>125</sup>        |

\* Board information does not reflect changes made by the boards of individual CSSBI 100 companies after August 31, 2017. 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           | 9                   | 4                  | 0                    | 2               | No  | 18.5                            | 65                               | 9                           | 3                             | N/A <sup>126</sup>            | 110,000 <sup>127</sup>        | 1,500                       | 10,000 <sup>128</sup>               | 1,500                        | 3,000 <sup>129</sup>         |  |
| Element Fleet Management Corp.                            | Yes                             | No            | 7                   | 2                  | 1                    | 1               | No  | 3.0                             | 62                               | 10                          | 3                             | 515,000 <sup>130</sup>        | 165,000 <sup>131</sup>        | N/A                         | 35,000 <sup>132</sup>               | N/A                          | 20,000 <sup>133</sup>        |  |
| Emera Incorporated  | Yes                             | No            | 12                  | 2                  | 2                    | 4               | 70 <sup>134</sup>                               | 7.2                             | 64                               | 6                           | 4                             | 400,000 <sup>135</sup>        | 190,000 <sup>136</sup>        | 1,750 <sup>137</sup>        | 10,000 <sup>138</sup>               | 1,750                        | 3,000 <sup>139</sup>         |  |
| Empire Company Limited                                    | Yes                             | No            | 13                  | 1                  | 2                    | 4               | 72  | 10.3                            | 60                               | 12                          | 4                             | 400,000 <sup>140</sup>        | 100,000 <sup>141</sup>        | 2,000                       | 15,000 <sup>142</sup>               | 2,000 <sup>143</sup>         | 4,000 <sup>144</sup>         |  |
| Enbridge Inc.   | Yes                             | No            | 13                  | 2                  | 8                    | 4               | 73/15 years                                     | 4.1                             | 65                               | 12                          | 5                             | 495,000                       | 235,000 <sup>145</sup>        | N/A                         | 10,000 <sup>146</sup>               | N/A                          | N/A                          |  |
| Encana Corporation  | Yes                             | No            | 10                  | 1                  | 5                    | 2               | No  | 5.4                             | 64                               | 7                           | 5                             | 94,375+ <sup>147</sup>        | 45,300+ <sup>148</sup>        | N/A                         | 10,000 <sup>149</sup>               | N/A                          | N/A                          |  |
| Fairfax Financial Holdings Limited                        | No                              | Yes           | 10                  | 2                  | 2                    | 2               | No  | 6.8                             | 65                               | 7                           | 3                             | N/A                           | 125,000                       | N/A                         | 5,000 <sup>150</sup>                | N/A                          | N/A                          |  |
| Finning International Inc.                                | Yes                             | No            | 13                  | 1                  | 6                    | 3               | 72  | 5.7                             | 64                               | 7                           | 4                             | 350,000 <sup>151</sup>        | 200,000 <sup>152</sup>        | N/A                         | 15,000 <sup>153</sup>               | N/A                          | N/A                          |  |
| First Quantum Minerals Ltd.                               | No                              | Yes           | 9                   | 3                  | 5                    | 1               | No  | 9.8                             | 62                               | 6                           | 5                             | N/A <sup>154</sup>            | U.S. \$165,000                | N/A                         | U.S. \$10,000 <sup>155</sup>        | N/A                          | U.S. \$5,000 <sup>156</sup>  |  |
| Fortis Inc.   | Yes                             | No            | 12                  | 2                  | 4                    | 4               | 72/12 years                                     | 3.9                             | 62                               | 16                          | 3                             | 405,000 <sup>157</sup>        | 195,000 <sup>158</sup>        | 1,500                       | 15,000 <sup>159</sup>               | 1,500                        | N/A                          |  |
| George Weston Limited                                     | No                              | Yes           | 10                  | 2                  | 2                    | 4               | 75  | 5.9                             | 59                               | 7                           | 4                             | N/A <sup>160</sup>            | 175,000                       | N/A                         | 15,000 <sup>161</sup>               | N/A                          | 7,500 <sup>162</sup>         |  |
| Gibson Energy Inc.  | Yes                             | No            | 7                   | 1                  | 2                    | 1               | No  | 4.5                             | 62                               | 6                           | 3                             | 225,000 <sup>163</sup>        | 150,000 <sup>164</sup>        | N/A                         | 5,000 <sup>165</sup>                | N/A                          | N/A                          |  |
| Gildan Activewear Inc.                                    | Yes                             | No            | 9                   | 1                  | 4                    | 3               | 72/15 years                                     | 6.9                             | 64                               | 9                           | 3                             | U.S. \$275,000 <sup>166</sup> | U.S. \$150,000 <sup>167</sup> | U.S. \$1,500                | U.S. \$10,000 <sup>168</sup>        | U.S. \$1,500                 | N/A                          |  |
| Goldcorp Inc.   | Yes                             | Yes           | 10                  | 2                  | 2                    | 3               | No  | 6.1                             | 64                               | 6                           | 4                             | 1,150,000 <sup>169</sup>      | 250,000                       | 1,500 <sup>170</sup>        | 10,000 <sup>171</sup>               | 1,500 <sup>172</sup>         | N/A                          |  |
| Hudson's Bay Company                                      | Yes                             | Yes           | 11                  | 5                  | 7                    | 2               | No  | 5.4                             | 59                               | 5                           | 3                             | N/A <sup>173</sup>            | 200,000 <sup>174</sup>        | N/A                         | 20,000 <sup>175</sup>               | N/A                          | 5,000 <sup>176</sup>         |  |
| Husky Energy Inc.   | Yes                             | No            | 16                  | 7                  | 10                   | 2               | No  | 13.1                            | 70                               | 6                           | 4                             | 120,000                       | 120,000 <sup>177</sup>        | N/A                         | 10,000 <sup>179</sup>               | N/A                          | 5,000 <sup>179</sup>         |  |
| Hydro One Limited   | Yes                             | No            | 15                  | 1                  | 1                    | 6               | 75/12 years                                     | 2.0                             | 61                               | 10                          | 4                             | 260,000 <sup>180</sup>        | 160,000 <sup>181</sup>        | N/A                         | 20,000 <sup>182</sup>               | N/A                          | N/A                          |  |
| Imperial Oil Limited                                      | No                              | No            | 7                   | 2                  | 2                    | 2               | 72  | 11.0                            | 67                               | 7                           | 5                             | N/A                           | 110,000+ <sup>183</sup>       | N/A                         | 10,000                              | N/A                          | N/A <sup>184</sup>           |  |
| Industrial Alliance Insurance and Financial Services Inc. | Yes                             | No            | 12                  | 1                  | 1                    | 6               | 70  | 4.4                             | 59                               | 9                           | 4                             | 220,000 <sup>185</sup>        | 70,000 <sup>186</sup>         | 1,500 <sup>187</sup>        | 7,500 <sup>188</sup>                | 1,500 <sup>189</sup>         | 6,000 <sup>190</sup>         |  |
| Intact Financial Corporation                              | Yes                             | No            | 12                  | 1                  | 3                    | 5               | 12 years  | 8.5                             | 62                               | 7                           | 4                             | 365,000 <sup>191</sup>        | 174,000 <sup>192</sup>        | N/A                         | 24,000 <sup>193</sup>               | N/A                          | 9,000 <sup>194</sup>         |  |
| Interfor Corporation                                      | Yes                             | No            | 10                  | 1                  | 3                    | 2               | 75/10 years                                     | 8.9                             | 66                               | 4                           | 4                             | 250,000 <sup>195</sup>        | 125,000                       | N/A                         | 10,000 <sup>196</sup>               | N/A                          | N/A                          |  |
| The Jean Coutu Group (PJC) Inc.                           | Yes                             | No            | 13                  | 5                  | 0                    | 7               | 75  | 16.4                            | 63                               | 7                           | 3                             | 470,159 <sup>197</sup>        | 55,100 <sup>198</sup>         | 2,000                       | 6,000 <sup>199</sup>                | 2,000 <sup>200</sup>         | 3,000 <sup>201</sup>         |  |
| Just Energy Group Inc.                                    | Yes                             | Yes           | 9                   | 3                  | 5                    | 2               | 75/15 years                                     | 6.7                             | 61                               | 9                           | 4                             | N/A <sup>202</sup>            | 125,000 <sup>203</sup>        | N/A                         | 5,000 <sup>204</sup>                | N/A                          | N/A                          |  |
| Kinross Gold Corporation                                  | Yes                             | No            | 9                   | 1                  | 2                    | 3               | 73/10 years                                     | 11.3                            | 62                               | 8                           | 4                             | 445,000 <sup>205</sup>        | 210,000 <sup>206</sup>        | N/A                         | 30,000 <sup>207</sup>               | N/A                          | 15,000 <sup>208</sup>        |  |
| Laurentian Bank of Canada                                 | Yes                             | No            | 11                  | 1                  | 0                    | 5               | No  | 5.9                             | 60                               | 12                          | 3                             | 235,000 <sup>209</sup>        | 95,000 <sup>210</sup>         | N/A <sup>211</sup>          | 20,000 <sup>212</sup>               | N/A                          | 7,500 <sup>213</sup>         |  |
| Linamar Corporation                                       | Yes                             | No            | 6                   | 3                  | 0                    | 1               | 70  | 22.6                            | 70                               | 5                           | 2                             | N/A <sup>214</sup>            | 40,000 <sup>215</sup>         | 1,630                       | 2,710                               | 1,630                        | 1,085 <sup>216</sup>         |  |
| Magna International Inc.                                  | Yes                             | No            | 11                  | 1                  | 6                    | 4               | No  | 5.0                             | 63                               | 7                           | 3                             | U.S. \$500,000 <sup>217</sup> | U.S. \$150,000 <sup>218</sup> | U.S. \$2,000 <sup>219</sup> | U.S. \$25,000 <sup>220</sup>        | U.S. \$2,000 <sup>221</sup>  | U.S. \$25,000 <sup>222</sup> |  |
| Manulife Financial Corporation                            | Yes                             | No            | 16                  | 1                  | 6                    | 6               | 12 years  | 6.9                             | 64                               | 9                           | 4                             | U.S. \$400,000 <sup>223</sup> | U.S. \$150,000 <sup>224</sup> | U.S. \$2,000 <sup>225</sup> | U.S. \$25,000 <sup>226</sup>        | U.S. \$1,500                 | U.S. \$5,000 <sup>227</sup>  |  |
| Maple Leaf Foods Inc.                                     | Yes                             | No            | 9                   | 1                  | 1                    | 2               | 75/15 years                                     | 3.8                             | 64                               | 12                          | 4                             | 300,000 <sup>228</sup>        | 150,000 <sup>229</sup>        | N/A                         | 10,000 <sup>230</sup>               | N/A                          | 1,500 <sup>231</sup>         |  |
| Martinrea International Inc.                              | Yes                             | Yes           | 8                   | 2                  | 3                    | 1               | No  | 7.3                             | 62                               | 5                           | 3                             | N/A <sup>232</sup>            | 200,000 <sup>233</sup>        | N/A <sup>234</sup>          | 15,000                              | N/A                          | 4,000 <sup>235</sup>         |  |
| Methanex Corporation                                      | Yes                             | No            | 12                  | 1                  | 7                    | 3               | No  | 9.5                             | 65                               | 6                           | 5                             | 360,000 <sup>236</sup>        | 200,000 <sup>237</sup>        | N/A <sup>238</sup>          | 10,000 <sup>239</sup>               | N/A                          | 10,000 <sup>240</sup>        |  |

\* Board information does not reflect changes made by the boards of individual CSSBI 100 companies after August 31, 2017. All amounts are in Canadian dollars unless otherwise indicated.

# 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            | 13                  | 1                  | 1                    | 5                              | 72/15 years                                     | 7.4                             | 60                               | 6                           | 3                             | 250,000                        | 85,000                        | 1,750 <sup>241</sup>     | 7,500 <sup>242</sup>                | 1,750 <sup>243</sup>         | 2,500 <sup>244</sup>         |
| National Bank of Canada                 | Yes                             | No            | 14                  | 1                  | 0                    | 5                              | 12 years  | 4.6                             | 60                               | 16                          | 4                             | 350,000 <sup>245</sup>         | 125,000 <sup>246</sup>        | N/A                      | 20,000 <sup>247</sup>               | N/A                          | N/A <sup>248</sup>           |
| New Flyer Industries Inc.               | Yes                             | No            | 9                   | 1                  | 4                    | 2                              | 75/15 years                                     | 6.6                             | 64                               | 7                           | 2                             | U.S. 225,000 <sup>249</sup>    | U.S. 125,000 <sup>250</sup>   | N/A                      | U.S. 15,000 <sup>251</sup>          | N/A                          | N/A                          |
| Onex Corporation                        | No                              | Yes           | 12                  | 3                  | 2                    | 2                              | No  | 15.3                            | 69                               | 5                           | 2                             | N/A                            | U.S. \$240,000                | N/A                      | U.S. 15,000 <sup>252</sup>          | U.S. 2,000 <sup>253</sup>    | U.S. 4,500 <sup>254</sup>    |
| Open Text Corporation                   | Yes                             | No            | 10                  | 2                  | 3                    | 3                              | No  | 13.8                            | 61                               | 11                          | 3                             | U.S. 200,000 <sup>+255</sup>   | U.S. \$60,000 <sup>+256</sup> | N/A                      | U.S. \$6,000 <sup>257</sup>         | N/A                          | U.S. \$8,000 <sup>258</sup>  |
| Parkland Fuel Corporation               | Yes                             | No            | 9                   | 2                  | 0                    | 2                              | 75  | 6.5                             | 61                               | 21                          | 3                             | 250,000 <sup>259</sup>         | 120,000                       | 1,500 <sup>260</sup>     | 15,000 <sup>261</sup>               | 1,500 <sup>262</sup>         | N/A                          |
| Potash Corporation of Saskatchewan Inc. | Yes                             | No            | 11                  | 1                  | 3                    | 3                              | 72  | 7.2                             | 58                               | 15                          | 4                             | U.S. \$400,000 <sup>263</sup>  | U.S. \$200,000 <sup>264</sup> | N/A                      | U.S. 15,000 <sup>265</sup>          | U.S. 1,500 <sup>266</sup>    | U.S. 5,000                   |
| Power Corporation of Canada             | No                              | No            | 12                  | 3                  | 2                    | 2                              | No  | 8.0                             | 63                               | 6                           | 4                             | N/A <sup>267</sup>             | 100,000 <sup>268</sup>        | 2,000                    | 15,000 <sup>269</sup>               | 2,000                        | 5,000 <sup>270</sup>         |
| Quebecor Inc.                           | Yes                             | No            | 10                  | 4                  | 0                    | 2                              | No  | 5.4                             | 61                               | 7                           | 2                             | 390,000 <sup>271</sup>         | 90,000 <sup>272</sup>         | 20,000 <sup>273</sup>    | 26,000 <sup>274</sup>               | 20,000 <sup>275</sup>        | 15,000 <sup>276</sup>        |
| Resolute Forest Products Inc.           | Yes                             | Yes           | 9                   | 2                  | 4                    | 1                              | No  | 5.5                             | 64                               | 8                           | 4                             | U.S. \$300,000                 | U.S. \$150,000 <sup>277</sup> | N/A                      | U.S. 15,000 <sup>278</sup>          | N/A                          | N/A                          |
| RioCan Real Estate Investment Trust     | Yes                             | No            | 9                   | 2                  | 0                    | 3                              | 75/15 years                                     | 11.5                            | 67                               | 4                           | 4                             | 375,000 <sup>279</sup>         | 160,000 <sup>280</sup>        | 1,500                    | 10,000 <sup>281</sup>               | 1,500                        | N/A                          |
| Rogers Communications Inc.              | Yes                             | Yes           | 16                  | 7                  | 1                    | 5                              | No  | 12.7                            | 60                               | 9                           | 7                             | 250,000 <sup>+282</sup>        | 160,000 <sup>283</sup>        | 1,500                    | 15,000 <sup>284</sup>               | 1,500                        | 5,000                        |
| Royal Bank of Canada                    | Yes                             | No            | 13                  | 1                  | 4                    | 5                              | 70/15 years                                     | 6.2                             | 61                               | 8                           | 4                             | 525,000                        | 250,000                       | N/A                      | 50,000                              | N/A                          | N/A                          |
| Russel Metals Inc.                      | Yes                             | No            | 10                  | 1                  | 2                    | 3                              | No  | 8.8                             | 66                               | 4                           | 4                             | 247,000 <sup>285</sup>         | 112,000 <sup>286</sup>        | 2,000                    | 8,000 <sup>287</sup>                | 2,000                        | 4,000 <sup>288</sup>         |
| Saputo Inc.                             | No                              | Yes           | 10                  | 2                  | 0                    | 5                              | No  | 4.0                             | 56                               | 7                           | 2                             | N/A <sup>289</sup>             | 65,000 <sup>+290</sup>        | N/A                      | 7,500 <sup>291</sup>                | 2,000 <sup>292</sup>         | 5,000 <sup>293</sup>         |
| Shaw Communications Inc.                | Yes                             | Yes           | 15                  | 4                  | 3                    | 3                              | No  | 15.9                            | 68                               | 9                           | 4                             | N/A                            | 65,000 <sup>+294</sup>        | 1,500                    | 10,000 <sup>295</sup>               | 1,500                        | 6,000 <sup>296</sup>         |
| SNC-Lavalin Group Inc.                  | Yes                             | No            | 12                  | 1                  | 3                    | 3                              | 15 years  | 3.0                             | 59                               | 11                          | 4                             | 400,000                        | 180,000                       | 2,250 <sup>297</sup>     | 12,000 <sup>298</sup>               | 2,250 <sup>299</sup>         | N/A                          |
| Stantec Inc.                            | Yes                             | No            | 8                   | 1                  | 4                    | 3                              | 72/15 years                                     | 9.1                             | 66                               | 7                           | 2                             | 298,584 <sup>300</sup>         | 223,584                       | N/A                      | 18,000 <sup>301</sup>               | N/A                          | N/A                          |
| Sun Life Financial Inc.                 | Yes                             | No            | 12                  | 1                  | 4                    | 4                              | 12 years <sup>302</sup>                         | 3.5                             | 61                               | 11                          | 4                             | 405,000 <sup>303</sup>         | 210,000 <sup>304</sup>        | N/A                      | 40,000 <sup>305</sup>               | N/A                          | 10,000                       |
| Suncor Energy Inc.                      | Yes                             | No            | 11                  | 1                  | 3                    | 4                              | 72  | 9.2                             | 64                               | 8                           | 4                             | 250,000 <sup>+306</sup>        | 50,000 <sup>+307</sup>        | 1,500                    | 10,000 <sup>308</sup>               | 1,500                        | 5,000 <sup>309</sup>         |
| Superior Plus Corp.                     | Yes                             | No            | 10                  | 1                  | 2                    | 2                              | 72  | 6.6                             | 61                               | 11                          | 4                             | 290,000                        | 120,000 <sup>310</sup>        | 1,500 <sup>311</sup>     | 10,000 <sup>312</sup>               | 1,500 <sup>313</sup>         | 5,000 <sup>314</sup>         |
| Teck Resources Limited                  | Yes                             | Yes           | 14                  | 3                  | 4                    | 3                              | No  | 10.3                            | 62                               | 7                           | 5                             | 660,000 <sup>315</sup>         | 160,000                       | 1,500                    | 8,000 <sup>316</sup>                | 1,500                        | 6,000 <sup>317</sup>         |
| TELUS Corporation                       | Yes                             | No            | 13                  | 1                  | 0                    | 3                              | 15 years  | 5.2                             | 64                               | 6                           | 4                             | 500,000 <sup>318</sup>         | 220,000                       | N/A                      | 15,000 <sup>319</sup>               | N/A <sup>320</sup>           | N/A                          |
| TFI International Inc.                  | No                              | Yes           | 8                   | 2                  | 3                    | 1                              | 80  | 9.1                             | 66                               | 7                           | 3                             | N/A <sup>321</sup>             | 100,000 <sup>322</sup>        | 1,500                    | 12,000 <sup>323</sup>               | 1,500 <sup>324</sup>         | 5,000 <sup>325</sup>         |
| Thomson Reuters Corporation             | Yes                             | Yes           | 12                  | 5                  | 7                    | 2                              | No  | 9.0                             | 62                               | 6                           | 3                             | U.S. \$600,000                 | U.S. 200,000 <sup>326</sup>   | N/A                      | U.S. \$50,000 <sup>327</sup>        | N/A                          | N/A                          |
| Torontom Industries Ltd.                | Yes                             | Yes           | 10                  | 1                  | 0                    | 2                              | 72  | 16.1                            | 68                               | 10                          | 3                             | 300,000 <sup>328</sup>         | 120,500 <sup>329</sup>        | 2,000                    | 10,000 <sup>330</sup>               | 2,000                        | 5,000                        |
| Toronto-Dominion Bank, The              | Yes                             | No            | 14                  | 1                  | 5                    | 5                              | 75/10 years                                     | 5.0                             | 62                               | 10                          | 4                             | 425,000 <sup>331</sup>         | 215,000 <sup>332</sup>        | N/A <sup>333</sup>       | 50,000 <sup>334</sup>               | N/A <sup>335</sup>           | N/A <sup>336</sup>           |
| TransAlta Corporation                   | Yes                             | No            | 10                  | 1                  | 5                    | 4                              | 72/15 years                                     | 5.6                             | 63                               | 9                           | 3                             | 330,000 <sup>337</sup>         | 160,000 <sup>338</sup>        | N/A                      | 15,000 <sup>339</sup>               | N/A                          | N/A                          |
| Transat A.T. Inc.                       | No                              | Yes           | 11                  | 1                  | 0                    | 3                              | 75  | 11.2                            | 64                               | 10                          | 4                             | N/A <sup>340</sup>             | 65,000 <sup>341</sup>         | 1,500                    | 10,000 <sup>342</sup>               | 1,500                        | 3,000 <sup>343</sup>         |
| TransCanada Corporation                 | Yes                             | No            | 12                  | 1                  | 4                    | 3                              | 70  | 6.5                             | 63                               | 15                          | 4                             | 491,000 <sup>344</sup>         | 235,000 <sup>345</sup>        | N/A <sup>346</sup>       | 12,000 <sup>347</sup>               | N/A <sup>348</sup>           | 5,500 <sup>349</sup>         |
| Transcontinental Inc.                   | Yes                             | Yes           | 13                  | 5                  | 0                    | 5                              | No  | 9.4                             | 57                               | 9                           | 3                             | 675,000                        | 70,000                        | 1,500                    | 10,000 <sup>350</sup>               | 1,500                        | 3,000 <sup>351</sup>         |
| Uni-Select Inc.                         | Yes                             | No            | 10                  | 3                  | 4                    | 2                              | 72/15 years                                     | 2.7                             | 61                               | 7                           | 3                             | 216,000                        | 70,000                        | 1,750                    | 10,000 <sup>352</sup>               | 1,750                        | N/A                          |
| Wajax Corporation                       | Yes                             | No            | 9                   | 1                  | 1                    | 1                              | 70  | 9.1                             | 63                               | 6                           | 3                             | 225,000 <sup>353</sup>         | 80,000                        | 1,500                    | 10,000 <sup>354</sup>               | 1,500                        | N/A                          |

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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 OF WOMEN                | MANDATORY RETIREMENT AGE AND/OR 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 \$ |                      |
| West Fraser Timber Co. Ltd. | Yes                             | Yes           | 10                  | 2                  | 2                              | 2  | No                              | 7.3                              | 61                          | 7                             | 4                             | 450,000                  | 155,000 <sup>355</sup>        | N/A                                 | 5,000 <sup>356</sup>         | N/A                          | N/A                  |
| WestJet Airlines Ltd.       | Yes                             | No            | 12                  | 2                  | 1                              | 2  | No                              | 8.1                              | 64                          | 7                             | 4                             | 206,000                  | 115,000                       | N/A <sup>357</sup>                  | 8,000 <sup>358</sup>         | N/A                          | 6,000 <sup>359</sup> |
| WSP Global Inc.             | Yes                             | No            | 8                   | 2                  | 2                              | 3  | No                              | 3.6                              | 60                          | 10                            | 2                             | 358,025 <sup>360</sup>   | 170,000                       | N/A                                 | 20,000 <sup>361</sup>        | N/A                          | 5,000 <sup>362</sup> |
| Yamana Gold Inc.            | No                              | Yes           | 13                  | 1                  | 4                              | 4  | 75                              | 6.8                              | 64                          | 13                            | 4                             | N/A <sup>363</sup>       | U.S. \$175,000 <sup>364</sup> | U.S. \$2,000                        | U.S. \$12,500 <sup>365</sup> | U.S. \$1,750 <sup>366</sup>  | 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; "N/avail" indicates that details of policy could not be confirmed.
- Total number of board meetings, including those held by teleconference, as disclosed in each company's most recent Management Information Circular.
- Figures include: dedicated board chair retainers and regular director retainers, based on eligibility (see applicable footnote).
- Figures include compensation in equity, except where noted with "+", which indicates that additional share units were granted (see applicable footnote).
- Many companies provide higher fees for extra travel, time or services undertaken by directors. These amounts are not reflected here.
- Includes the lowest committee chair retainer and the committee member retainer, based on eligibility (see applicable footnote for variable amounts).

NOTES FOR COMPARATIVE BOARD DATA

- 1 Directors also have an option to receive up to 50% of their annual retainer fee that is otherwise payable in cash in the form of DSUs.
- 2 Audit, CGNCC, and Risk Chairs receive \$20,000. EHS Chair receives \$12,500.
- 3 Uniform across committees.
- 4 Base annual retainer is comprised of \$100,000 and 4,000 restricted share units.
- 5 Audit and Compensation Chairs receive \$25,000, and Corporate Governance and EHS Chairs receive \$15,000.
- 6 Flat fee.
- 7 For 2016, the Board determined that a minimum of 30% of the Board member and Board Chair annual retainers must be taken in DSUs.
- 8 Audit Chair receives \$20,000, CG&N Chair and EHS&S Chair receive \$9,000 and HR&C Chair receives \$15,000.
- 9 Audit committee members receive \$1,500 per meeting. All other committees receive \$1,000 per meeting.
- 10 Chairman of the Board receives an annual retainer of \$200,000 and is granted \$161,000 in DSUs per year (issued quarterly).
- 11 Directors receive a base annual retainer of \$50,000 and are granted \$50,000 in DSUs per year (issued quarterly).
- 12 Audit Chair receives \$20,000, Gov/Nom Chair receives \$15,000 and HRC Chair receives \$12,000.
- 13 Members of the Audit Committee, the Governance and Nominating Committee and the HRCC receive additional annual retainers of \$5,000, \$3,000 and \$3,000, respectively.
- 14 Flat fee.
- 15 Flat fee. Non-executive directors of Air Canada must receive a minimum of 40% of their annual Board retainer fee and Committee fees in DSUs or in shares of the Corporation.
- 16 Chairs of the Audit, Finance and Risk Committee, the Pension Committee, the Governance and Nominating Committee, the Human Resources and Compensation Committee, respectively, receive an additional retainer of \$20,000, \$20,000, \$10,000, and \$10,000 for the year.
- 17 The members of the Audit, Finance and Risk Committee, the Pension Committee, the Governance and Nominating Committee, the Human Resources and Compensation Committee, respectively, receive an additional retainer of \$10,000, \$10,000, \$5,000, and \$5,000 for the year.
- 18 The Board Chair does not receive any meeting fees in addition to the annual retainer.
- 19 The Corporation has adopted a policy to pay 50% of Board retainers through the issuance of DSUs under the Directors' Deferred Share Unit Plan. This approach serves to create alignment of a meaningful portion of Director compensation with the experience of Shareholders.
- 20 Audit Chair receives \$12,000. Comp and Gov Chairs receive \$7,500.
- 21 Executive Chairman is not compensated as director.
- 22 50% of basic annual compensation must be taken as deferred stock units.
- 23 \$2,000 for special meetings of the board of directors (in person); \$1000 for special meetings of the board of directors (via phone or teleconference).
- 24 Uniform across committees.
- 25 Uniform across committees.
- 26 Directors are required to receive a minimum of \$20,000 of their annual retainer in Class I Shares and have the option of receiving up to 50% of their annual retainer in Class I Shares or in Class A Shares of Canadian Utilities.
- 27 Audit & Risk Review Chair receives \$25,000 and GOCOM Chair receives \$8,500. Special Committee Chair receives \$20,000.
- 28 GOCOM members receive \$1,500 per day. Audit & Risk members receive \$2,000 per day.
- 29 Audit Committee Members and Special Committee Members receive retainer.
- 30 The Chairman of the Board must receive a minimum of \$150,000 of his \$400,000 annual retainer fee in DSUs. 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.
- 31 Directors receive a minimum of \$140,000 of their \$215,000 annual retainer fee in DSUs.
- 32 \$2,000 fee for each special Board meeting in excess of five per year.
- 33 Audit & Conduct Committee Chair receives \$50,000; Human Resources Committee and Risk Review Committee Chairs receive \$50,000; Governance & Nominating Committee Chair receives \$25,000 and The Pension Fund Society of the Bank of Montreal Chair receives \$15,000.
- 34 \$1,500 fee for each special committee meeting in excess of five per year.
- 35 \$15,000 fee for each membership in excess of one.
- 36 Directors appointed or elected before December 3, 2010 retire the earlier of April 1, 2021 or when they turn 70. If at age 70 the director has not served 10 years, their term is extended and they retire upon completion of the 10 year term.  
Directors elected or appointed between December 3, 2010 and July 1, 2015 retire on the earlier of the completion of a 15 year term or when they turn 70. If at age 70 the director has not served 10 years, their term is extended and they retire upon completion of the 10 year term.
- 37 Directors elected or appointed after July 1, 2015 may serve on the board for a 12 year term.
- 38 Chairman receives \$450,000, \$170,000 must be taken in common shares or DDSUs.
- 39 Directors receive a flat fee of \$225,000. \$145,000 must be taken in common shares or DDSUs. Director whose principal residence is 300km or more from Toronto or outside Canada receive an annual travel retainer of \$10,000.
- 40 Audit & Conduct Review Committee Chair, Human Resources Committee Chair, and Executive and Risk Committee Chair receive \$50,000. Corporate Governance Committee Chair receives \$25,000.
- 41 Mr. Anthony Munk is deemed not to be independent for a period of three years from the date that his father, Peter Munk, ceased to be Chairman of Barrick (i.e. April 30, 2017).
- 42 Directors who are officers of the Company, namely Messrs. Dushnisky and Thornton, do not receive any compensation for their services as directors.
- 43 The Lead Director receives an additional \$30,000 annually due to the broad responsibilities of this position. Directors are required to receive at least 75% of their annual director retainer in the form of Deferred Share Units (DSUs). All directors have the option to elect to receive 100% of their annual retainer in DSUs or in cash to purchase common shares that cannot be sold, transferred, or otherwise disposed of until the director leaves the Board.
- 44 Audit Committee Chair receives US\$25,000, all other committee Chairs receive \$15,000.
- 45 Members of the Audit Committee receive an additional \$3,000 annually due to the workload and broad responsibilities of the committee.
- 46 Once a director attains the initial minimum share ownership level, at least 50% of the compensation is paid mandatorily in DSUs, with the remaining portion to be paid in cash or DSUs, at the discretion of the director.
- 47 Governance Committee and Pension Committee Chairs receive \$225,000 (all inclusive, flat fee). Audit Committee and Compensation Committee Chairs receive \$250,000 (all inclusive, flat fee).
- 48 Directors who serve on two or more committees of the Board receive an additional \$15,000.
- 49 CEO is also the Executive Chairman and does not receive any additional remuneration for serving as Executive Chairman or as a director.
- 50 Annual Board retainer: initial year with 100% paid in DSUs; thereafter, 60% paid in DSUs and 40% payable in either cash and/or DSUs at the election of the director.
- 51 Audit & Risk Chair receives \$25,000 and CNGC Chair receives \$20,000.
- 52 Chairman became non-Executive in 2017. Chairman compensation to be announced.
- 53 Each director is required to receive the entirety of his or her annual Board retainer in the form of Director Deferred Stock Units ("DDSUs") until the minimum shares and/or DDSUs holding requirement is met (currently, a minimum value of \$400,000 CDN), and directors must continue to receive at least 50% of their annual Board retainer in the form of DDSUs after the holding requirement is met.
- 54 Audit Chair receives \$20,000; CGNC Chair, HRCC and FRMC Chairs receive \$10,000.
- 55 Uniform across committees, excluding the Chairman.
- 56 The Chair of the Board does not receive any additional compensation for serving as the Chair of the Governance and Nominating Committee. Currently taken 100% in DSUs.
- 57 Flat fee. Includes 25% in DSUs.
- 58 Audit Chair receives \$35,000. MRCC and Risk Chairs receive \$15,000. Gov/Nom Chair does not receive an additional retainer, since he is the Chairman of the Board.
- 59 Audit members receive \$10,000. No retainers paid to members of the other committees.
- 60 Only Independent Directors receive compensation.
- 61 The Company does not offer a meeting fee for Board of Directors members. The total retainer is deemed to be the full payment for the role of independent director.
- 62 Only independent chairs receive compensation.
- 63 The Company does not offer a meeting fee for Board of Directors members. The total retainer is deemed to be the full payment for the role of independent director.
- 64 Uniform across committees.
- 65 Flat Fee.
- 66 The Board believes the all-inclusive annual flat fee (in lieu of retainers and attendance fees) compensate Directors fairly and equitably for the risks, time commitment and responsibilities in being effective Directors.
- 67 Uniform across committees.
- 68 Flat fee. The Chairman of the Board receives 60% of his fees in DSUs until the minimum ownership requirement is met. Amount applies to 2016. Company moving to new pay model for 2017, amounts not yet disclosed.
- 69 Directors receive 60% of their fees in DSUs until the minimum ownership requirement is met. They can elect to receive 0%, 25%, 50%, 75%, 100% in DSUs thereafter. Amount applies to 2016. Company moving to new pay model for 2017, amounts not yet disclosed.
- 70 Amount applies to 2016. Company moving to new pay model for 2017, amounts not yet

- disclosed.
- 70 Audit and Finance Committee and Human Resources and Compensation Committee Chairs received \$20,000. Amount applies to 2016. Company moving to new pay model for 2017, amounts not yet disclosed.
- 71 \$2,000 for Audit and Finance, and Human Resources and Compensation committee meetings. Amount applies to 2016. Company moving to new pay model for 2017, amounts not yet disclosed.
- 72 Amount applies to 2016. Company moving to new pay model for 2017, amounts not yet disclosed.
- 73 The Chair of the Board receives no compensation other than the annual cash and equity retainers.
- 74 Includes membership on one committee. Directors who are U.S. citizens and whose primary residence is in the United States are paid their director compensation in U.S. dollars.
- 75 All chairs receive uniform retainer for their role.
- 76 \$1000 Special board and/or standing committee (per meeting), committee ad hoc meeting included in this definition as well. Paid for each Special board and/or standing committee meeting attended that exceeds four in a fiscal year. The fee is the same whether the meeting is attended in person or by teleconference.
- 77 \$15,000 additional comp applies to directors who serve on more than one committee.
- 78 The Board Chair receives no additional director retainer nor committee chair or committee member retainer.
- 79 All directors earned compensation in U.S. dollars.
- 80 Flat fee structure - meeting fees eliminated in 2015.
- 81 Audit Committee Chair and Compensation Committee Chair receive US\$75,000. Other Committee Chairs receive US\$65,000.
- 82 Flat fee structure - meeting fees eliminated in 2015.
- 83 Uniform across committees.
- 84 Executive Chairman compensated as an employee.
- 85 Directors receive an additional 4,000 common shares.
- 86 Audit Committee Chair receives \$25,000. Compensation Committee Chair receives \$15,000 and other Committee Chairs receive \$10,000.
- 87 Uniform across committees.
- 88 Flat fee.
- 89 Flat fee. Each director is required to receive 100% of compensation in DSUs until the director has met the share ownership requirements, after which 50% of compensation will be in DSUs and the director may elect to receive the balance in cash, DSUs or a combination of both.
- 90 All committee Chairs receive uniform retainer.
- 91 The Chairman of the Board does not receive fees for attending meetings of the Board or Committees.
- 92 Director compensation is paid in cash and may be received in DSUs, at the option of each director, subject to the director's eligibility to participate in the DSU Plan for Directors.
- 93 Audit Chair receives \$30,000. MRCC and Gov Chairs receive \$17,500. Brand & Community Chair receives \$11,000.
- 94 Board Chairman is not entitled to receive meeting fees. Meeting fees are also payable to directors who attend meetings of Committees of which they are not members either by invitation or at the discretion of a Committee Chairman.
- 95 Uniform across committees.
- 96 Includes Director retainer.
- 97 Audit and Joint Capital Expenditure Chairs receive \$10,000 in addition to a Committee Member retainer; all other Committee Chairs receive \$5,000.
- 98 Joint Capex committee is not entitled to receive committee meeting fees.
- 99 Audit & Joint Capex committee members receive \$10,000 as a committee retainer.
- 100 Directors may choose to receive either 50% or 100% of their annual retainer in deferred share units, the remainder to be paid in cash.
- 101 Audit & Finance Chair receives \$25,000; Corp. Gov & Nominations, HR and EHS Chairs \$20,000.
- 102 Audit & Finance and Corp. Gov & Nominations members receive \$15,000. HR and EHS members receive \$13,500.
- 103 Executive Chairman compensated as an employee.
- 104 Received an additional DSU grant.
- 105 Fees paid for attendance at telephone meetings were \$1,000 per director per meeting.
- 106 Audit Chair receives \$12,500 and HR, NGC and EHS Chairs receive \$7,500.
- 107 Fees paid for attendance at telephone meetings were \$1,000 per director per meeting.
- 108 Flat fee. Directors must elect to be paid either 100% or 75% of their aggregate annual retainers and travel fees in the form of DSUs.
- 109 Audit Chair receives \$20,000, Compensation Chair receives \$15,000 and the Nom/Gov Chair does not receive any additional compensation since he is compensated as a Board
- Chair.
- 110 Chairman receives an additional 7,500 DSUs.
- 111 Directors receive an additional 6,500 DSUs.
- 112 Audit Committee Chair receives \$15,000 and all other Committee Chairs receive \$7,500.
- 113 For fiscal year 2016, Serge Godin, the Executive Chair, has not been compensated in his role as a director. Independent Lead Director Dominic D'Alessandro was paid \$20,000 in addition to his annual director retainer.
- 114 The annual director retainer includes membership in one committee. \$20,000 is paid to directors for each additional committee.
- 115 Potential grounds for dismissal, not mandatory.
- 116 Directors, including the Chair, receive an annual retainer in the form of cash with an election to defer all or a portion of compensation in Deferred Share Units ("DSUs"). The CEO receives no additional compensation for his role as a Director.
- 117 CNCG Chair receives \$15,000 and Audit Chair receives \$20,000.
- 118 Flat fee. The Board Chair receives no per meeting fees or retainer for acting as a Committee Chair or member of a Committee.
- 119 A Director who serves on the Boards of both Cogeco and Cogeco Communications receives a lesser annual retainer from each entity in the amount of \$47,500. The attendance fee for a joint meeting of the Boards or Committees of Cogeco and Cogeco Communications is borne equally between the two corporations.
- 120 Audit Chair receives \$15,000, Human Resources Chair receives \$10,000, Governance Chair receives \$7,000, and Strategic Opportunities Chair receives \$10,000.
- 121 Audit Committee members receive \$5,000, Human Resources Committee members receive \$4,000, Governance Committee members receive \$3,000, and Strategic Opportunities Committee members receive \$3,000.
- 122 Chairman is executive of the corporation.
- 123 Starting in the fiscal year ended January 31, 2016, the annual grant of options to non-executive directors under the Option Plan was replaced by an annual equity retainer comprised of deferred share units ("DSUs") in the amount of \$40,000. An increase of the annual equity retainer (in the form of DSUs) from \$40,000 to \$50,000, came into effect on January 30, 2017.
- 124 Audit Chair receives \$12,500; HRCC and NGC Chairs receive \$6,000.
- 125 Audit members receive \$5000; HRCC and NGC members receive \$3,000
- 126 The company does not have a chairman of the Board of Directors. Rather, it has appointed a Lead Director.
- 127 Each year, the directors have to elect to receive their fees earned either in the form of DSUs issued under the DSU Plan or in cash.
- 128 Audit Chair receives \$25,000, HRCC Chair receives \$15,000, and CGNC Chair receives \$10,000.
- 129 Audit members receive \$5,000. CGNC and HRCC members receive \$3,000.
- 130 Flat fee.
- 131 50% of the directors' compensation is payable in DSUs and directors elect to take the remainder of their annual compensation in the form of DSUs and/or cash, provided that new directors must receive DSUs until they comply with the shareholding requirements of the Corporation's equity ownership policy for directors.
- 132 Uniform across committees.
- 133 Uniform across committees.
- 134 In November 2016 the Board of Directors adopted a governance practice intended to provide for Board renewal in light of the removal in 2016 of the age limit from Emera's Articles of Association. Under this governance practice, as Directors approach 70 years of age, the NCGC will assess the needs of the Board, based on the Board's complement and other relevant factors. Other factors considered include tenure, average age and average tenure of all Directors, and other relevant factors.
- 135 The annual Chair's Retainer is an all-inclusive fee. The all-inclusive annual retainer of the Board Chair in 2017 was \$400,000. This was comprised of \$200,000 in DSUs, and the remainder in cash.
- 136 Based on this approach and on such annual review, in November 2016, the Board of Directors approved an NCGC recommendation to increase the annual retainer for Emera Directors by \$45,000 per annum, \$20,000 of such increase payable in cash and \$25,000 payable in DSUs, for a total annual retainer of \$190,000 effective January 1, 2017.
- 137 To address the impact of changes in the Canadian and US foreign exchange rate, the annual cash retainer, meeting fees, travel fees and committee retainers for US-domiciled Board members are paid in US dollars using a one-to-one conversion rate to the Canadian dollar.
- 138 Audit Chair receives \$20,000, MRCC Chair receives \$15,000 and NCGC Chair receives \$10,000.
- 139 \$5,000 for Audit Committee members.
- 140 Flat fee.
- 141 As of July 7, 2017, based on the current director retainer of \$100,000, the share ownership

NOTES FOR COMPARATIVE BOARD DATA

- guidelines require minimum holdings valued at \$400,000 in any combination of Non-Voting Class A shares, Class B common shares and DSUs. All directors must take a minimum of 50% of their total fees in DSUs until this threshold is achieved and at any time their ownership declines below this threshold. Directors who live outside Canada are paid in US currency.
- 142 Audit Chair receives \$30,000, HR Chair receives \$25,000 and Governance and Nominations Chair receives one retainer of \$15,000 for chairing both committees.
  - 143 Uniform across committees.
  - 144 Audit members receive \$5,000, Human Resources members receive \$5,000 and Corporate Governance/Nominating members receive \$4,000.
  - 145 Directors can receive their retainer in a combination of cash, Enbridge shares and DSUs, but they must receive a minimum amount in DSUs. Once they reach the minimum share ownership level, directors can choose to receive between one quarter and their entire retainer in DSUs, with the balance in cash, Enbridge shares, or a combination of both, according to a percentage mix they choose.
  - 146 Audit, Finance and Risk Committee Chair receives \$25,000; Human Resources and Compensation Chair receives \$20,000; Safety & Reliability Chair receives \$15,000; Corporate Social Responsibility and Governance Chairs receive \$10,000.
  - 147 Chairman receives an additional 18,000 DSUs.
  - 148 Directors receive an additional 9,800 DSUs.
  - 149 Audit Chair receives \$20,000, Human Resources and Compensation Chair receives \$15,000 and other Chairs receive \$10,000.
  - 150 Audit Chair receives \$10,000 and NCGC and Compensation Chairs receive \$5,000 each.
  - 151 The Board Chair receives a fixed annual retainer and is not eligible for travel fees or a daily stipend. 60% of the annual retainer is paid in the form of equity-based DSUs.
  - 152 60% of the annual retainer is paid in the form of equity-based DSUs.
  - 153 Audit Committee Chair receives \$25,000. Human Resources Committee Chair receives \$20,000.
  - 154 Executive Chairman is also CEO.
  - 155 Audit Chair receives \$30,000; EHS, Compensation and Funding Chairs receive \$20,000 and Nom/Gov Chair receives \$10,000.
  - 156 Audit members receive \$15,000. EHS, Comp and Funding members receive \$10,000 and Nom/Gov members receive \$5,000.
  - 157 Since January 1, 2013, the Chair of the Board has not received meeting fees.
  - 158 US resident directors are paid in US\$.
  - 159 Audit Chair receives \$20,000. GNC and HR Chairs receive \$15,000.
  - 160 Chairman is executive of the corporation.
  - 161 Audit Chair: \$30,000; Gov Chair: \$25,000; EHS and Pension Chairs: \$15,000.
  - 162 Uniform across committees.
  - 163 Flat fee. Includes \$115,000 in share-based awards.
  - 164 Annual fees payable to directors resident in the United States are paid in U.S. denominated funds ("USD"). In 2016, the Board was awarded DSUs only.
  - 165 Audit Chair receives \$10,000 and Governance and EHS Chairs receive \$5,000.
  - 166 Chairman of the Board receives DSUs valued on an annual basis at US\$150,000 out of a total annual Board Chair retainer fee of US\$275,000. Chairman retainer includes the Board and committee retainers and meeting attendance fees. US\$125,000 of the Board Chair retainer is paid in deferred share units, irrespective of whether the Board Chair has met the minimum share ownership requirements.
  - 167 A portion of the Board retainer (US\$75,000 as of January 4, 2016) is paid in deferred share units, irrespective of whether the director's minimum share ownership requirements have been met.
  - 168 Audit and Finance Committee Chair receives US\$20,000, of which US\$5,000 is paid in DSUs. Compensation and Human Resources Chair receives US\$15,000.
  - 169 Flat fee.
  - 170 Earned per day for each Board or committee meeting attended. Applied to all non-executive directors excluding Chairman.
  - 171 Audit Committee and Compensation Committee Chairs receive \$20,000.
  - 172 For members only. Earned per day for each Board or committee meeting attended. All non-executive directors excluding Chairman.
  - 173 Chairman's compensation found in executive compensation section. The Chairman did not receive any additional fees in relation to his role as director.
  - 174 The Company does not offer a meeting fee for directors. All directors are entitled to be reimbursed for expenses reasonably incurred by them in their capacity as directors.
  - 175 Audit Chair receives \$30,000, HRCC Chair receives \$25,000 and CGNC Chair receives \$20,000.
  - 176 Audit members receive \$10,000, HRCC members receive \$7,500 and CGNC members receive \$5,000.
  - 177 Directors are to elect annually whether they wish their directors' fees to be so used and can specify a portion of their directors' fees to be used for DSUs and/or the purchase of Common Shares, with the remaining amount of fees to be paid in cash.
  - 178 Audit Committee Chair receives \$20,000, while all other Committee Chairs receive \$10,000.
  - 179 \$12,500 to the directors serving on the Audit Committee and \$5,000 to the directors serving on other Board Committees.
  - 180 Flat fee.
  - 181 Directors receive 50% of their annual director retainer as an equity component in the form of common shares or director deferred share units (director DSUs).
  - 182 All Committee Chairs receive \$20,000.
  - 183 Nonemployee directors received an additional grant of 2,600 Restricted Stock Units.
  - 184 Committee member retainer was eliminated in 2016.
  - 185 The Chairman of the Board is entitled to annual compensation of \$200,000. The compensation of directors is paid to them in full or in part, at their discretion, in cash or Deferred Share Units ("DSUs"). The Chair of the Board does not receive any other compensation for his attendance at the Board and Board Committee meetings.
  - 186 The compensation of directors is paid to them in full or in part. at their discretion. in cash or Deferred Share Units ("DSUs").
  - 187 Meetings by telephone \$1,000.
  - 188 Audit, HR & Governance and Investment Committees Chairs receive \$15,000 and Ethics Committee Chair receives \$7,500.
  - 189 Meetings by telephone \$1,000.
  - 190 Audit, HR & Governance, and Investment Committees Chairs receive \$10,000; and Ethics Committee Chair receives \$6,000.
  - 191 The Board of Directors Chair receives \$365,000: \$215,000 payable in DSUs or Common Shares. \$150,000 payable in cash, DSUs or Common Shares.
  - 192 Directors receive \$174,000: \$102,000 payable in DSUs or Common Shares; and \$72,000 payable in cash, DSUs or Common Shares. (The cash component of U.S. Directors' compensation is paid in U.S. dollars without adjustments to reflect the exchange rate.)
  - 193 Chairs of Audit, Risk Management ("Risk") and Human Resources & Compensation ("HRC") Committees receive \$25,000; Chair of Conduct Review & Corporate Governance Committee receives \$15,000.
  - 194 Members of the CRCG Committee (other than the Chair) receive an additional \$9,000; members of the Audit Committee, the HRC Committee and the Risk Committee (other than the Chair) receive an additional \$13,000.
  - 195 The Annual Chair Retainer and the Annual Non-executive Director Retainer are inclusive of all fees, other than Committee Chair Retainers, per diem rates, travel time and expenses. Effective January 1, 2015, a minimum of 60% of the Annual Chair Retainer or the Annual Non-executive Director Retainer, as applicable, is paid in the form of deferred share units ("DSUs").
  - 196 Audit Chair receives \$15,000. MRCC, EHS and NGC Chairs receive \$10,000.
  - 197 Mr. Jean Coutu, as Chairman of the Board, received a lump sum of \$470,159 for the 2017 fiscal year, and received no other form of compensation from the Corporation.
  - 198 A lump-sum amount of \$55,100 for members of the Board of Directors.
  - 199 Audit and HRCC chairs receive \$12,000. GNC Chair receives \$6,000.
  - 200 \$750 for participation over telephone.
  - 201 Audit members and HRCC members receive \$3,500. GNC members receive \$3,000.
  - 202 Executive Chair is compensated as an executive.
  - 203 Non-management directors receive an annual retainer of \$125,000 in the currency of the country of their residency in four installments following the end of each quarter of service as a Board member. At least 15% of their annual retainer must be in the form of DSGs. There are no additional meeting fees for our directors.
  - 204 Audit Chair receives \$25,000 and all other chairs (EHS/Comp, Finance, Risk and Nom/Gov) receive \$5,000.
  - 205 The independent chair receives an additional CAD\$235,000, but does not receive any fees for being a member of, and acting as chair of the human resource and compensation committee. For 2016, CAD \$445,000 in total was paid, with the inclusion of his board membership retainer.
  - 206 Since April 1, 2012, at least 50% of the board membership retainer is required to be paid in DSUs.
  - 207 Audit & Risk Chair receives \$70,000; Gov & Comp Chair and Corp. Resp & Tech Chair receive \$30,000. HRC Chair is the Chair of the Board and does not receive a Committee Chair Retainer.
  - 208 Audit members receive \$20,000; Corp. Resp & Tech, HRC and GNC members receive \$15,000.
  - 209 Flat fee. Board Chair is not entitled for Committee member retainer.
  - 210 Director retainer covers participation on one committee.
  - 211 Directors who are required to participate on behalf of the Bank in special committees, internal or external working groups or training sessions offered by the Bank receive an additional compensation of \$1,200 per meeting or training session.
  - 212 Uniform Committee Chair retainer.

- 213 The fee is paid per Committee.
- 214 Chairman compensated as NEO.
- 215 Rather than receiving shares as part of their overall remuneration, independent directors invest in the Company using their own personal financial resources (outside of blackout periods). This demonstrates their commitment to Linamar's future value.
- 216 Uniform across committees.
- 217 The Chair is paid a flat annual retainer of \$500,000 for all work performed in any capacity other than as a special committee chair. Of such amount, \$300,000 (60%) is automatically deferred in the form of DSUs and \$200,000 (40%) is paid in cash, subject to the Chair's election to defer up to 100% of his cash compensation in the form of DSUs.
- 218 Since 2008, this retainer has been fixed at \$150,000, of which \$90,000 (60%) is automatically deferred until retirement in the form of DSUs and \$60,000 (40%) is paid in cash. In addition to the portion automatically deferred in the form of DSUs, Independent Directors may defer up to 100% of their cash compensation in the form of DSUs.
- 219 US\$400 for written resolutions. US\$4,000 per day fee for additional services.
- 220 All Committee Chairs receive \$25,000.
- 221 US\$400 for written resolutions. US\$4,000 per day fee for additional services.
- 222 Uniform across committees.
- 223 The Chairman does not receive fees other than his annual retainer, but he is entitled to receive the travel allowance.
- 224 Directors are paid in U.S. dollars because paying in a global currency helps assemble a board that reflects Manulife Financial's global presence and compete with other large global financial institutions.
- 225 \$1,500 for education sessions (not held during the regularly scheduled Board and Committee meeting times).
- 226 Audit Committee, Management Resource & Compensation Committee, and Risk Committee Chairs receive US\$40,000. Corporate Governance and Nominating Committee Chair receives US\$25,000.
- 227 Audit, Comp and Risk members receive \$8,000, Gov/Nom members receive \$5,000.
- 228 Chair's compensation is inclusive of the retainer for service on the Board, but exclusive of service on any committees.
- 229 All fees are denominated in cash and are payable in cash. Under the Corporation's current Share Purchase and Deferred Share Unit Plan ("2013 DSU Plan"), each director may elect to receive DSUs or actual shares for the net amount after tax withholding instead of cash.
- 230 Audit Chair receives \$15,000. CGC, EHSC and HRCC Chairs receive \$10,000.
- 231 Uniform across committees.
- 232 Executive Chairman compensated as an employee.
- 233 The annual retainer for 2016 has been set at \$200,000, delivered 50% in cash and 50% in DSUs. A director may elect to receive a higher percentage of compensation in DSUs.
- 234 The company switched to flat fee compensation in 2016.
- 235 Uniform across committees.
- 236 Flat fee.
- 237 Directors are awarded RSUs under the Company Restricted Share Unit Plan for Directors as part of the share-based component of their compensation.
- 238 Notwithstanding that directors do not receive meeting attendance fees, if over 10 Board meetings are held in a year, the Corporate Governance Committee has the discretion to determine whether any meeting fees are appropriate.
- 239 Audit, Finance and Risk and HR Chairs receive \$20,000, while all other chairs receive \$10,000.
- 240 Only members of the Audit, Finance and Risk Committee receive a retainer.
- 241 The attendance fees for meetings of the Board of Directors and its committees consist of \$1,750 when the meeting is held in person and half of said amount when the meeting is held by telephone.
- 242 Chair of the Audit committee earns \$15,000.
- 243 The attendance fees for meetings of the Board of Directors and its committees consist of \$1,750 when the meeting is held in person and half of said amount when the meeting is held by telephone.
- 244 Members of the Audit committee annual retainer is \$5,000.
- 245 The Chairman of the Board and the committee chairs receive compensation both as Board members and as Chairman and Chair, respectively. 25% of the total compensation paid to the Chairman of the board must be in the form of Common Shares or deferred share units, whichever he prefers.
- 246 With the exception of the portion of their base salary that must be paid in the form of Common Shares or deferred share units, directors may elect to receive the portion of their compensation considered payable in cash in the form of cash, Common Shares, deferred share units or a combination of all three, provided the share ownership requirements have been met.
- 247 Conduct Review & Corporate Governance Chair and Human Resources Chair receive \$20,000. Audit and Risk Chairs receive \$25,000.
- 248 \$15,000 additional compensation applies for service on each additional committee, as basic Board retainer includes service on one committee.
- 249 A minimum of 50% of the retainer is deferred to DSUs.
- 250 Directors may also receive a per diem of US\$2,000 in the event that they perform additional work authorized by the Board where the additional work occupies a majority of the Director's day. Directors are also reimbursed for out-of-pocket expenses for attending Board and committee meetings.
- 251 Both Audit and HRCG Chairs receive \$15,000.
- 252 Audit and Governance Committee Chair receives \$30,000 and Compensation and Management Resources Committee Chair receives \$15,000.
- 253 An additional US\$2,000 per meeting is currently paid in respect of directors' participation on the Compensation and Management Resources Committee and the Audit and Corporate Governance Committee of the Board. One half of the meeting fee is provided for telephone attendance.
- 254 The members of the Audit and Corporate Governance Committee, other than the Chair, each receive an annual amount of US\$7,500. The members of the Compensation and Management Resources Committee, other than the Chair, each receive an annual amount of US\$4,500.
- 255 Received \$364,838 in DSUs and US\$200,000 retainer (can elect cash or DSUs).
- 256 Directors also received deferred share units (not the same number of units for all directors) on top of the annual retainer fees.
- 257 Gov/Nom Chair receives \$6,000, Audit and Compensation Chairs receive \$10,000 in addition to member retainers.
- 258 \$8,000 paid to Gov Cmte members, \$15,000 to Compensation members and \$25,000 to Audit members.
- 259 The Chair of the Board of Directors provides the services of Chair of the Supply and Business Development Committee for no additional fee.
- 260 Board Chair receives \$2,500 per meeting.
- 261 Audit and HRCG Chairs receive \$15,000. The Chair of the Board of Directors provides the services of Chair of the Supply and Business Development Committee for no additional fee.
- 262 Committee Chair receives \$2,500 per meeting.
- 263 Flat fee.
- 264 Only non-employee directors (the "outside directors") are compensated for service on the Board.
- 265 Audit and HR&C Chairs receive \$20,000; CG&N and SH&E Chairs receive \$15,000.
- 266 \$1,500 per diem fee for each outside director other than the Board Chair.
- 267 Chair is also Co-CEO and is compensated as an Executive of the Company.
- 268 All Directors receive a basic annual retainer of \$100,000. Of this amount, \$50,000 consists of a dedicated annual board retainer which is received by Directors in DSUs under the Corporation's Deferred Share Unit Plan (the "DSU Plan") or in the form of Subordinate Voting Shares acquired in the market under the Corporation's Directors Share Purchase Plan (the "DSP Plan"). Participation in the DSU Plan or the DSP Plan is mandatory.
- 269 Audit Chair receives \$30,000; Compensation Chair receives \$20,000; Gov/Nom and Related Party and Conduct Review Chairs receive \$15,000 each.
- 270 Audit members receive \$7,500. Compensation members receive \$6,000. Gov/Nom and Related Party and Conduct Review members receive \$5,000 each.
- 271 The Chair of the Board does not receive additional compensation for acting as director. Also, no attendance fees are paid for attending Board meetings.
- 272 The Boards of Quebecor Inc. and Quebecor Media Inc. are "mirrors", meaning that the directors of Quebecor Inc. are also directors of Quebecor Media Inc. The compensation paid is for both companies.
- 273 Lump sum for all meetings of the Board of QI and QMI and their committees.
- 274 Chair of Audit of QI and QMI receives \$30,000 and Chair of HRCG of QI and QMI receives \$26,000.
- 275 Lump sum for all meetings of the Board of QI and QMI and their committees.
- 276 Audit members of QI and QMI receive \$15,000, HRCG members of QI and QMI receive \$17,000, and members of Executive Committee (QMI only) receive \$5,000.
- 277 Flat fee.
- 278 Audit Chair receives \$25,000. EHS, Finance and HRC & Gov/Nom Chairs receive \$15,000.
- 279 The Board Chair attends all Board and committee meetings, but receives no meeting fees for attendance.
- 280 All Trustees are also reimbursed for their expenses in connection with attending meetings of the Board of Trustees and committees thereof.
- 281 Audit Chair receives \$20,000, HRCC Chair receives \$15,000 and NGC and Investment Chairs receive \$10,000.

- 282 Chairman is paid an annual retainer of \$250,000 in lieu of all other retainers and attendance fees. The Chairman received 4,000 DSUs.
- 283 In 2015, each director that is not an employee (other than the Lead Director and the Chairman) received a grant of DSUs worth \$80,000.
- 284 Audit Committee Chair receives \$30,000, Human Resources and Compensation Chair receives \$20,000, all other committee Chairs receive \$15,000.
- 285 The Chair of the Board is paid annual cash compensation in the amount shown. This amount represents compensation for acting as Chair of the Board and is inclusive of all fees for attending Board and committee meetings during the year.
- 286 Includes \$72,000 in DSUs. Our U.S. Directors are paid the U.S. equivalent of the retainers and fees noted above. We reimburse expenses incurred by our Directors while attending Board and committee meetings.
- 287 Audit Chair receives \$14,000. MRCC Chair receives \$10,500. NCGC and EHS Chairs receive \$8,000.
- 288 Uniform across committees.
- 289 The Chairman is also the CEO and is compensated as an executive.
- 290 Non-employee directors also receive 4,000 DSUs.
- 291 Audit Chair receives \$10,000 and CGHR Chair receives \$7,500.
- 292 Uniform across committees.
- 293 Uniform across committees.
- 294 Each independent director also receives a grant of DSUs each year. For Fiscal 2016 the grant was 4,382 DSUs valued at \$103,656.
- 295 Audit Committee Chair receives \$40,000, Human Resources and Compensation Committee Chair receives \$15,000 and Corporate Governance Chair receives \$10,000.
- 296 Uniform across committees.
- 297 \$925 for attendance by telephone.
- 298 Audit Chair receives \$16,000; GE, SWPR and HR Chairs receive \$12,000.
- 299 \$925 for attendance by telephone.
- 300 Flat fee. Includes grant of 3,200 DSUs and \$70,000 in either DSUs or Common Shares.
- 301 Audit & Risk Chair receives \$21,000 and Gov & Comp Chair receives \$18,000.
- 302 12 years and extendable.
- 303 The Chairman of the Board receives a separate annual retainer that includes a portion in DSUs equal to the value of DSUs received by the other directors. He does not receive meeting fees or travel fees.
- 304 50% of which will be received in DSUs and 50% of which will be received in cash, DSUs and/or shares. Directors no longer receive meeting fees as of June 1, 2017, but still receive travel fees.
- 305 All committee chairs will now receive the same retainer to acknowledge the balanced and high workload of each committee chair.
- 306 The Chairman receives an additional DSU target value of \$280,000.
- 307 Directors receive an additional DSU target value of \$217,500.
- 308 Audit Committee Chair receives \$25,000, Human Resources & Compensation Committee Chair receives \$15,000 and EHS and Governance Chairs receive \$10,000.
- 309 All committee members except for Audit members receive \$5,000. Audit committee members receive \$6,000.
- 310 Board members may elect to receive all or a portion of their annual cash retainer in the form of DSUs at the time such retainers are paid on a quarterly basis. The number of DSUs to be issued under the DSU Plan is determined by dividing the retainer amount by the volume weighted average trading price of the Common Shares on the TSX on the five trading days starting on the second day after the award date. U.S. resident directors receive their retainers in USD.
- 311 All US resident directors receive their fees in US Dollars.
- 312 Audit Chair receives \$17,000 and all the other Committee Chairs receive \$10,000.
- 313 Committee Chairs receive \$2,000 per meeting.
- 314 Uniform across committees.
- 315 Chairman of the Board received 23,910 share units.
- 316 Audit Chair receives \$20,000, all other Chairs receive \$8,000.
- 317 Uniform across committees. Committee Chairs receive Committee Chair fees in addition to Committee Member fees.
- 318 Flat fee.
- 319 Audit Committee and HRC Committee Chairs receive \$30,000 and Pension Committee and Governance Committee Chairs receive \$15,000.
- 320 If the directors are required to attend
- (i) more than 10 Board meetings in a calendar year
  - (ii) more than 10 Audit Committee meetings in a calendar year,
  - or (iii) for committees other than the Audit Committee, more than nine committee meetings in a calendar year, then such non-management directors will be paid an additional fee of \$1,500 cash for each such additional Board or committee meeting
- attended. Additional meeting fees will also be paid for service on a special committee.
- 321 The Chairman of the Board of Directors does not receive any additional fees for his role as Chairman.
- 322 Under the DSU Plan, directors may elect to receive in the form of DSUs either 50% or 100% of their annual retainer and other fees payable in respect of serving as director. Until the shareholding policy requirement for a director is met, a 100% election is mandatory.
- 323 All Committee Chairs receive \$12,000.
- 324 Meeting fee for telephone meeting is \$850/meeting.
- 325 Uniform across committees.
- 326 A minimum of \$50,000 of each director's \$200,000 annual retainer is paid in equity in the form of DSUs. Non-management directors then elect to receive the remaining \$150,000 of their \$200,000 annual retainer in the form of DSUs, common shares or cash (or a mix thereof).
- 327 Only payable to Audit and HR Chairs, Corp. Gov. Chair retainer is included in Lead Independent Director retainer.
- 328 Chairman retainer of \$300,000 includes \$135,000 in DSUs.
- 329 The Corporation maintains a deferred share unit plan (the "DSU Plan") that, among other things, allows directors to elect to receive their fees (retainer, meeting and otherwise) in the form of deferred share units ("DSUs") instead of cash.
- 330 Audit Chair receives \$20,000, Human Resources Committee Chair receives \$12,000, Nominating and Corporate Governance Committee Chair receives \$10,000.
- 331 The Chair does not receive any committee or special meeting fees.
- 332 Even split between the annual cash retainer and equity award for all directors. Additional \$15,000 apply to directors who serve on more than one committee.
- 333 Only special meetings are compensated.
- 334 Audit Chair received additional \$5,000 for acting in this role. All other committee chairs receive \$50,000.
- 335 \$1500 for special committee meetings.
- 336 \$15,000 additional compensation applies to directors who serve on more than one committee. Committee chairs are not paid an additional fee for serving on the corporate governance committee
- 337 For 50% of the retainer, the director can choose to receive it as cash, deferred share units or common shares. For the other 50% of the retainer, the director can choose to receive it as deferred share units or common shares.
- 338 For 50% of the retainer, the director can choose to receive it as cash, deferred share units or common shares. For the other 50% of the retainer, the director can choose to receive it as deferred share units or common shares.
- 339 Audit and Risk Committee Chair and Human Resources Committee Chair receive \$25,000; Governance and Environment Committee Chair receives \$15,000.
- 340 Executive Chairman is also President and CEO.
- 341 \$50,000 in cash plus an additional amount of \$15,000 awarded in DSUs at \$3,750 per quarter.
- 342 Audit Chair receives \$15,000; HRC, Risk and Governance Chairs receive \$10,000. The Chair of the Executive Committee is also Chairman and CEO.
- 343 \$5,000 for Audit Committee members, \$3,000 for members of other committees.
- 344 \$201,000 in cash plus \$290,000 in DSUs.
- 345 As of January 1, 2017, non-employee directors, except for the Chair of the Board, will receive a flat fee retainer of \$235,000, \$125,000 of which is paid in mandatory DSUs. Directors will no longer receive meeting fees. CAD for Directors in Canada and USD for Directors in US or other countries.
- 346 As of January 1, 2017, non-employee directors, except for the Chair of the Board, will receive a flat fee retainer of \$235,000, \$125,000 of which is paid in mandatory DSUs. Directors will no longer receive meeting fees.
- 347 Audit committee Chair receives \$24,000, HR Committee Chair receives \$18,000 and Governance and EHS Committee Chairs receive \$12,000.
- 348 As of January 1, 2017, non-employee directors, except for the Chair of the Board, will receive a flat fee retainer of \$235,000, \$125,000 of which is paid in mandatory DSUs. Directors will no longer receive meeting fees. CAD for Directors in Canada and USD for Directors in US or other countries.
- 349 Uniform across committees.
- 350 Audit Chair receives \$20,000, Human Resources Committee Chair receives \$15,000, and Corporate Governance Committee Chair receives \$10,000.
- 351 Uniform across committees.
- 352 Audit Chair receives \$15,000, HR Chair receives \$12,000 and all other Committee Chairs receive \$10,000.
- 353 Flat fee. 50% of retainer must be taken in DSUs.
- 354 Audit Chair receives \$17,000, Human Resources Chair receives \$15,000 and Governance Chair receives \$10,000.



- 355 Each Director may elect once each year that up to 100% of the annual retainer be paid in DS Units.
- 356 Audit Chair receives \$10,000 and Compensation and Safety Chairs receive \$5,000. Gov/Nom Chair is also a Lead Director and receives a combined additional retainer of \$50,000.
- 357 Meeting fee only paid to PACT representative.
- 358 Audit Chair receives \$15,000, Compensation Chair receives \$12,000 and all other Committee Chairs receive \$8,000.
- 359 Uniform across committees.
- 360 The Chairman's retainer is GBP 200,000 and is paid in GBP in four instalments. The amount shown is the amount in Canadian dollars converted on the basis of the actual exchange rate used to pay the Chairman's retainer. The average exchange rate was \$1.7901 to 1 GBP.
- 361 Audit Chair receives \$25,000 and Governance, Ethics & Compensation Chair receives \$20,000.
- 362 Audit members receive \$10,000 and Governance, Ethics & Compensation members receive \$5,000.
- 363 The Chairman and CEO is not compensated as a board director or as Chairman because he is compensated in his role as CEO (see page 48 for details).
- 364 Director compensation has two components: board and committee retainers (paid in DSUs and cash) and meeting fees. Directors receive half their annual board retainer in cash and the remainder in deferred share units (DSUs) to promote share ownership and align with the interests of shareholders. Directors decide once a year whether they want to receive a larger portion of their annual retainer in DSUs
- 365 Audit and Compensation Chairs receive \$20,000. Gov/Nom and Sustainability receive \$12,500.
- 366 Audit and Compensation members receive \$2250 per meeting. Gov/Nom and Sustainability members receive \$1750 per meeting. Audit and Compensation chairs receive \$2000 per meeting. Gov/Nom and Sustainability chairs receive \$1500 per meeting.

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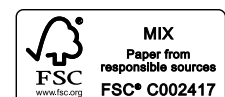
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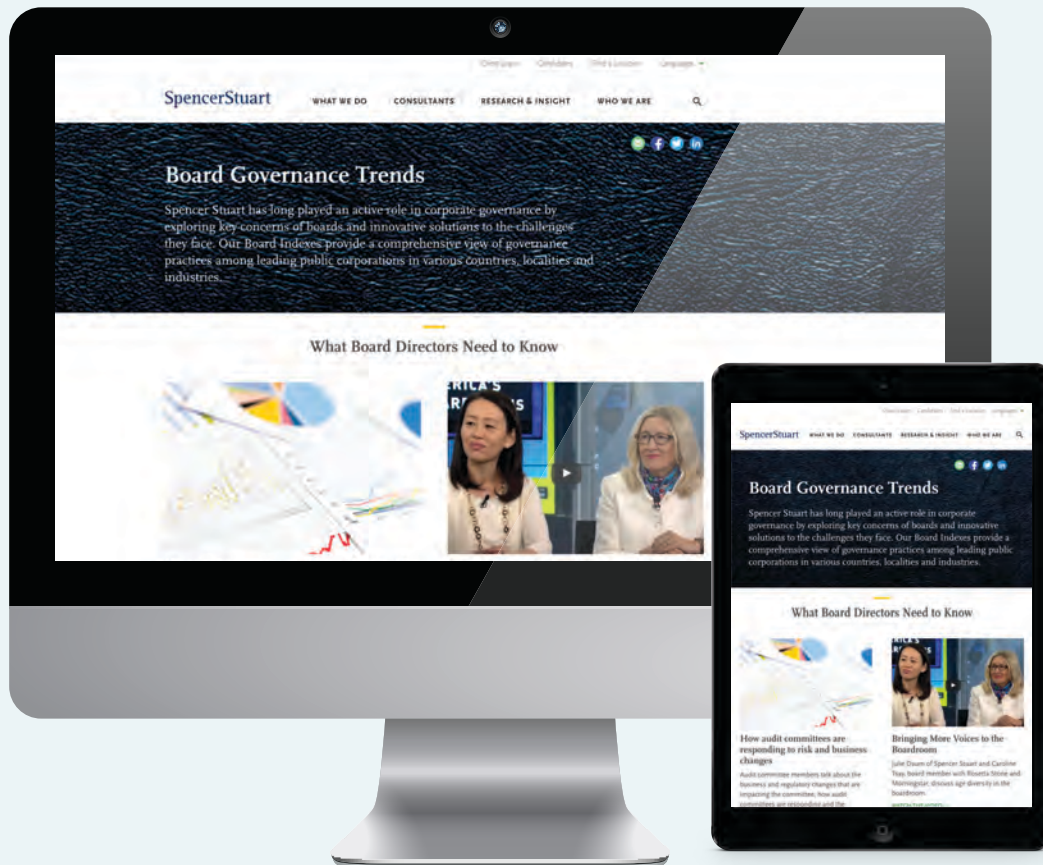




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