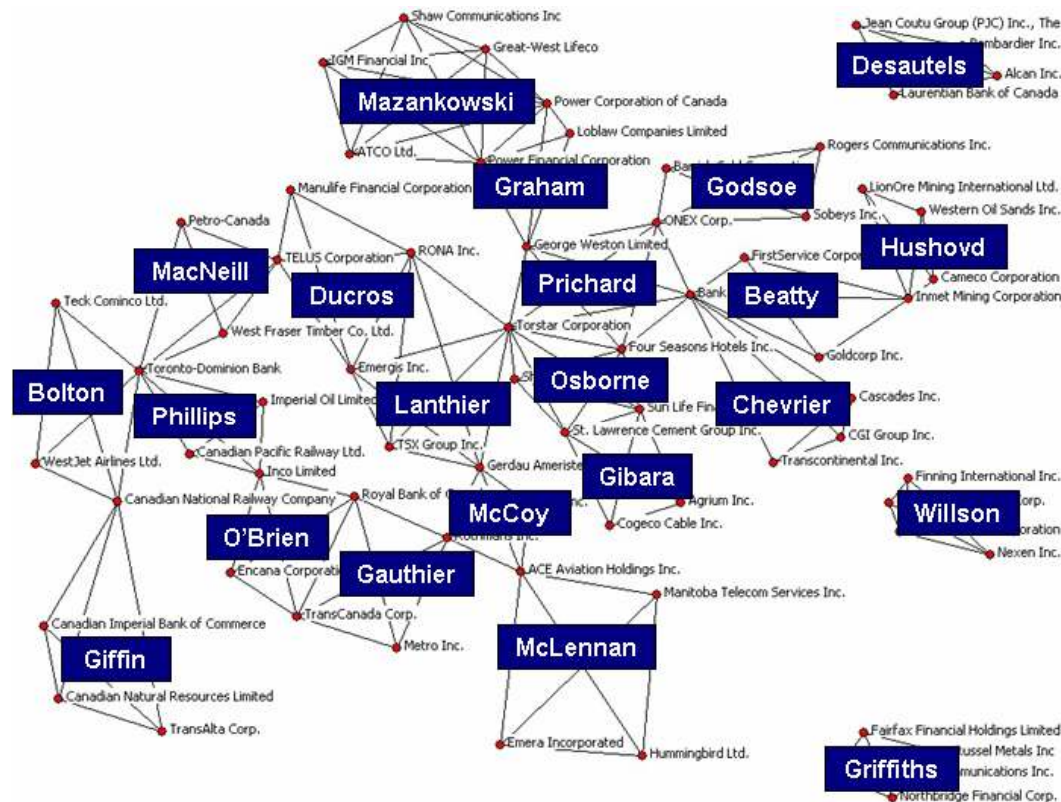


The 2006 Elite Canadian Directors Continue to Drive Governance Improvement



Rotman

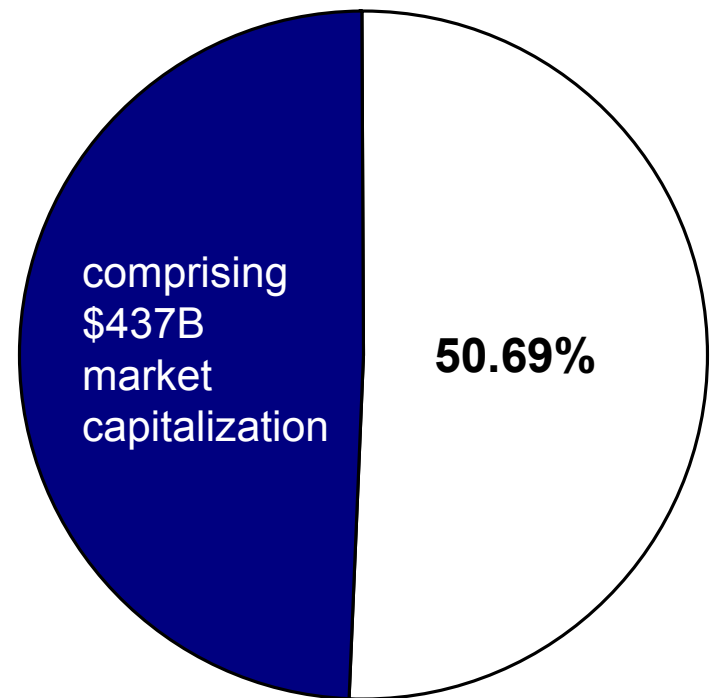
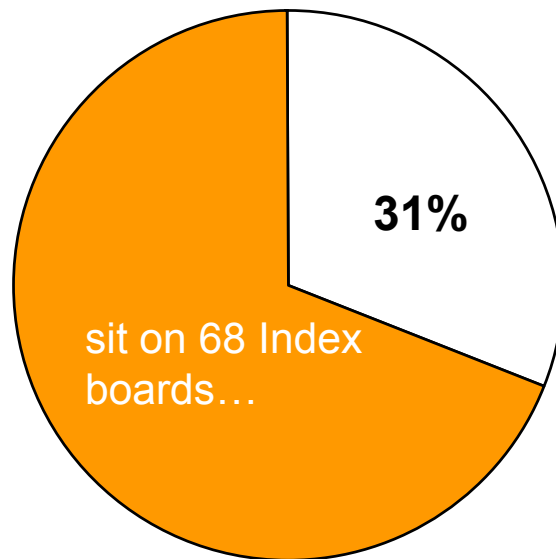
CCBE²
Clarkson Centre for
Business Ethics & Board Effectiveness

Authors:
Professor Tim Rowley with David Comrie ¹

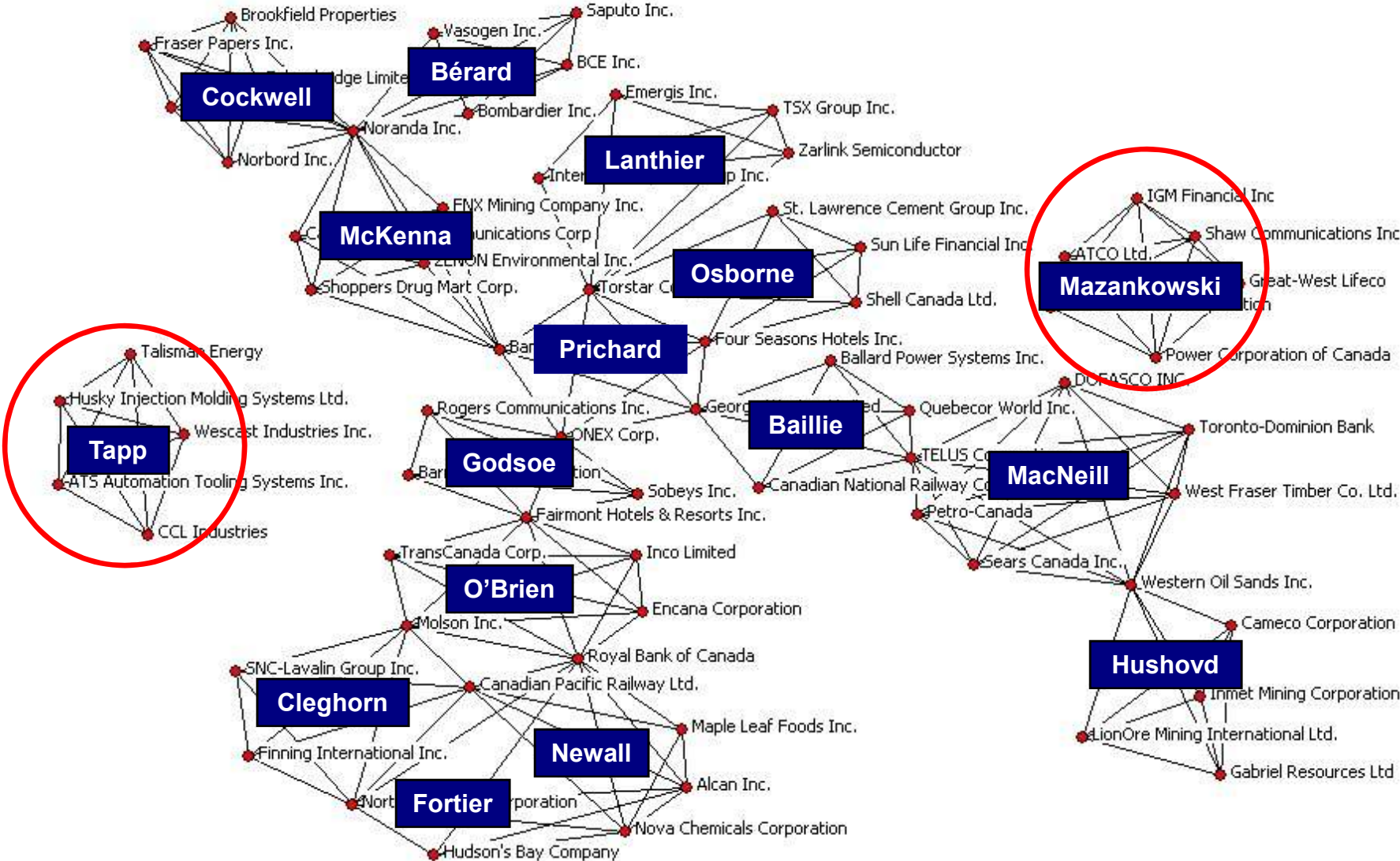
In 2004, CC(BE)² discovered a cluster of 16 directors each of whom sat on 5 or more S&P/TSX Composite Index boards...we called them the “Elite 16”

| Directors | Number of Boards | Companies |
|----------------------------|------------------|------------------------------------|
| MacNeill, Brian F. | 7 | DFS, PCA, SCC, T, TD, WFT, WTO |
| Cockwell, Jack L. | 6 | ACM.NV.A, BPO, FL, FPS, NRD, NBD |
| Mazankowski, Rt. Hon. D.F. | 6 | ACO.NV.X, GWO, IGM, POW.SV, PWF |
| McKenna, Hon. F.J. | 6 | BMO, CGS, FNX, NRD, SC, ZEN |
| O'Brien, David P. | 6 | ECA, FHR, N, MOL.A, RY, TA |
| Baillie, A. Charles | 5 | BLD, CNR, WN, IQW, T |
| Bérard, André | 5 | BCE, BBD.SV.B, NRD, SAP, VAS |
| Cleghorn, John E. | 5 | CP, FTT, MOL.A, NT, SNC |
| Fortier, L. Yves | 5 | AL, HBC, NT, NCX, RY |
| Godsoe, Peter C. | 5 | ABX, FHR, OCX.SV, RCI.NV.B, SBY |
| Hushovd, Oyvind | 5 | CCO, GBU, IMN, LIM, WTO |
| Lanthier, J. Spencer | 5 | EME, ITP, PS.NV.B, X, ZL |
| Newall, J.M. Edward | 5 | AL, CP, MFI, NCX, RY |
| Osborne, Ronald W. | 5 | FSH.SV, SHC, ST.SV.A, SLF, TS.NV.B |
| Prichard, J. Robert S. | 5 | BMO, FSH.SV, WN, OCX.SV, TS.NV.B |
| Tapp, Lawrence G. | 5 | ATA, CCL.NV.B, HKY, TLM, WCS.A |

These 16 directors had a huge influence on Canadian Markets



All except Tapp and Mazankowski were interconnected.



In 2006 only 5 sit on 5 or more boards on the S&P/TSX Composite.

Directors on 5 or more boards

2004

| Directors | Number of Boards |
|----------------------------|------------------|
| MacNeill, Brian F. | 7 |
| Cockwell, Jack L. | 6 |
| Mazankowski, Rt. Hon. D.F. | 6 |
| McKenna, Hon. F.J. | 6 |
| O'Brien, David P. | 6 |
| Baillie, A. Charles | 5 |
| Bérard, André | 5 |
| Cleghorn, John E. | 5 |
| Fortier, L. Yves | 5 |
| Godsoe, Peter C. | 5 |
| Hushovd, Oyvind | 5 |
| Lanthier, J. Spencer | 5 |
| Newall, J.M. Edward | 5 |
| Osborne, Ronald W. | 5 |
| Prichard, J. Robert S. | 5 |
| Tapp, Lawrence G. | 5 |



2006

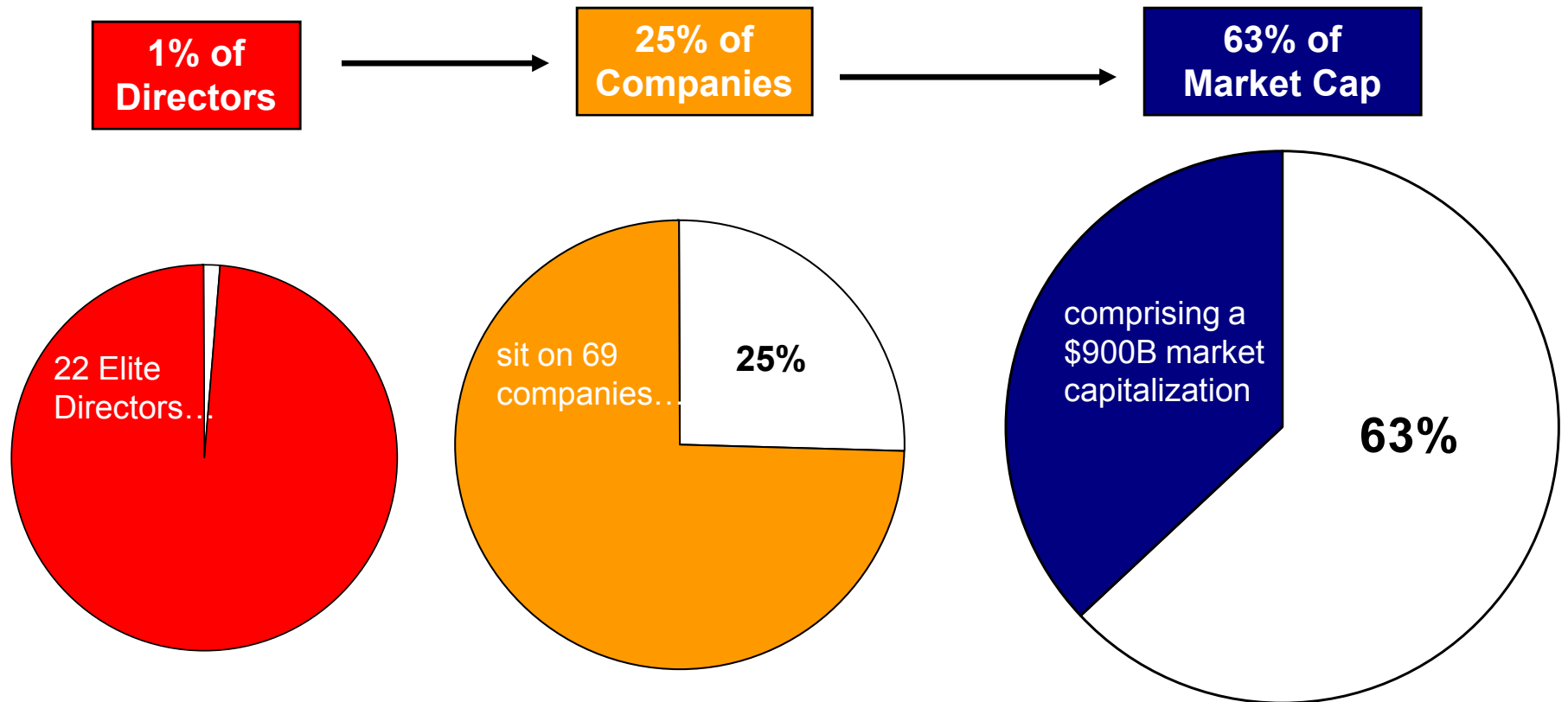
| Directors | Number of Boards |
|----------------------------|------------------|
| Mazankowski, Rt. Hon. D.F. | 6 |
| Desmarais, André | 5 |
| Lanthier, J. Spencer | 5 |
| Osborne, Ronald W. | 5 |
| Prichard, J. Robert S. | 5 |

So the CC(BE)² re-defined the Elite as the 22 non-management directors who sit on 4 or more boards.

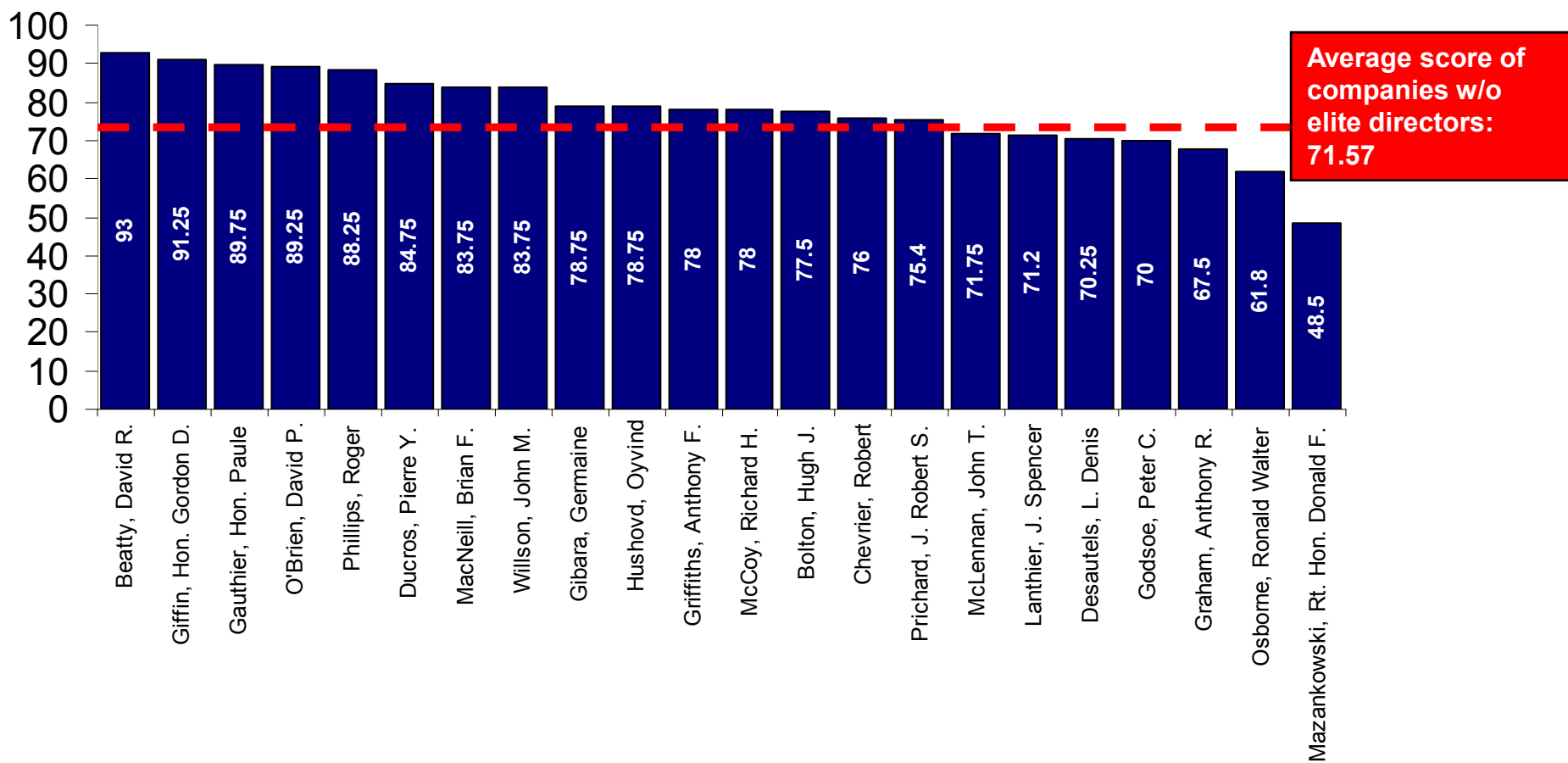
| Director | Number of Boards |
|----------------------------|------------------|
| Mazankowski, Rt. Hon. D.F. | 6 |
| Lanthier, J. Spencer | 5 |
| Osborne, Ronald W. | 5 |
| Prichard, J. Robert S. | 5 |
| Beatty, David R. | 4 |
| Bolton, Hugh J. | 4 |
| Chevrier, Robert | 4 |
| Desautels, L. Denis | 4 |
| Ducros, Pierre Y. | 4 |
| Gauthier, Hon. Paule | 4 |
| Gibara, Germaine | 4 |

| Director | Number of Boards |
|------------------------|------------------|
| Giffin, Hon. Gordon D. | 4 |
| Godsoe, Peter C. | 4 |
| Graham, Anthony R. | 4 |
| Griffiths, Anthony F. | 4 |
| Hushovd, Oyvind | 4 |
| MacNeill, Brian F. | 4 |
| McCoy, Richard H. | 4 |
| McLennan, John T. | 4 |
| O'Brien, David P. | 4 |
| Phillips, Roger | 4 |
| Willson, John M. | 4 |

As before the 2006 Elite continue to have huge influence over the S&P/TSX Composite Index.

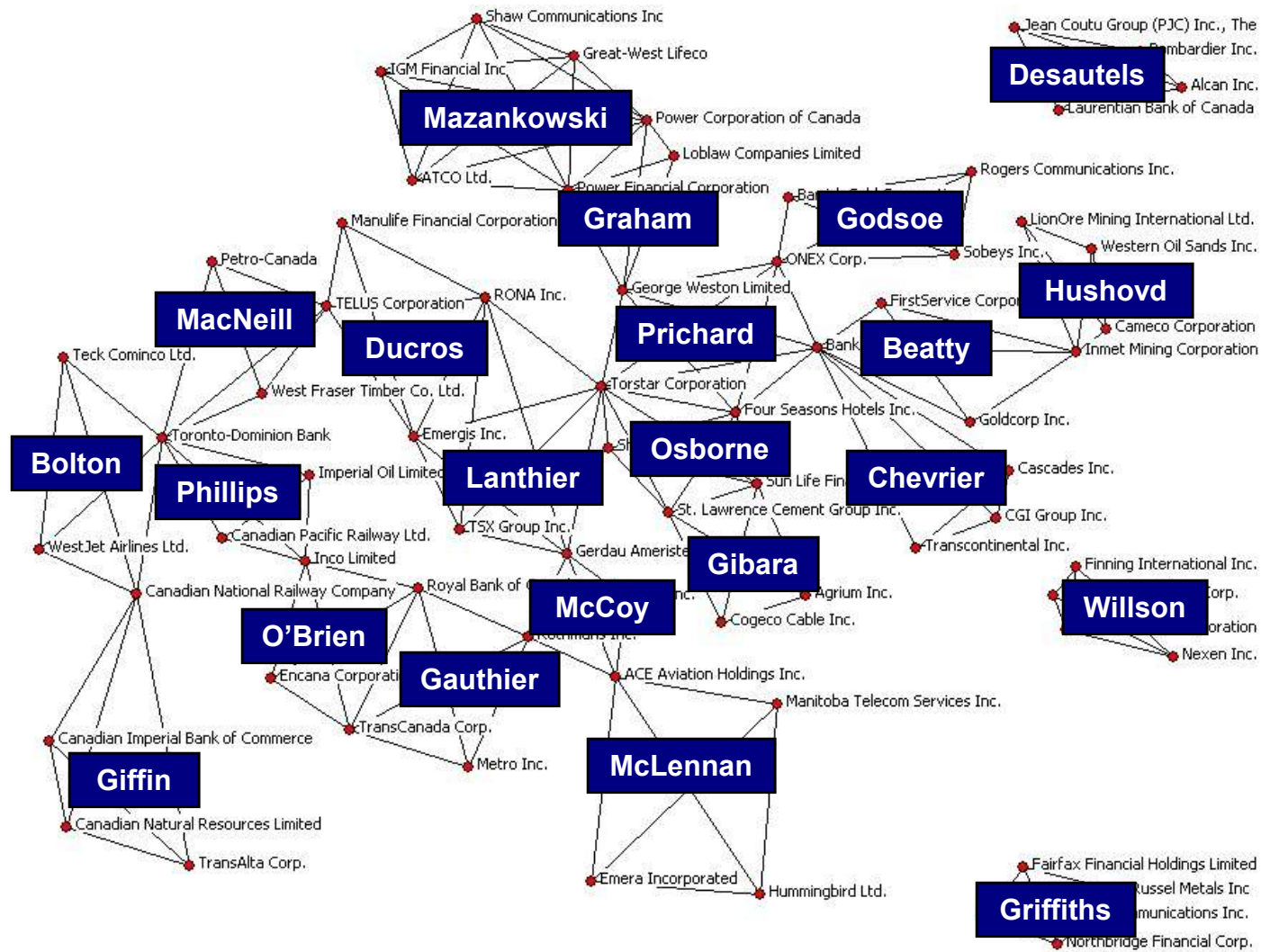


The average governance scores*, of these 22 directors are well above the rest of the composite.

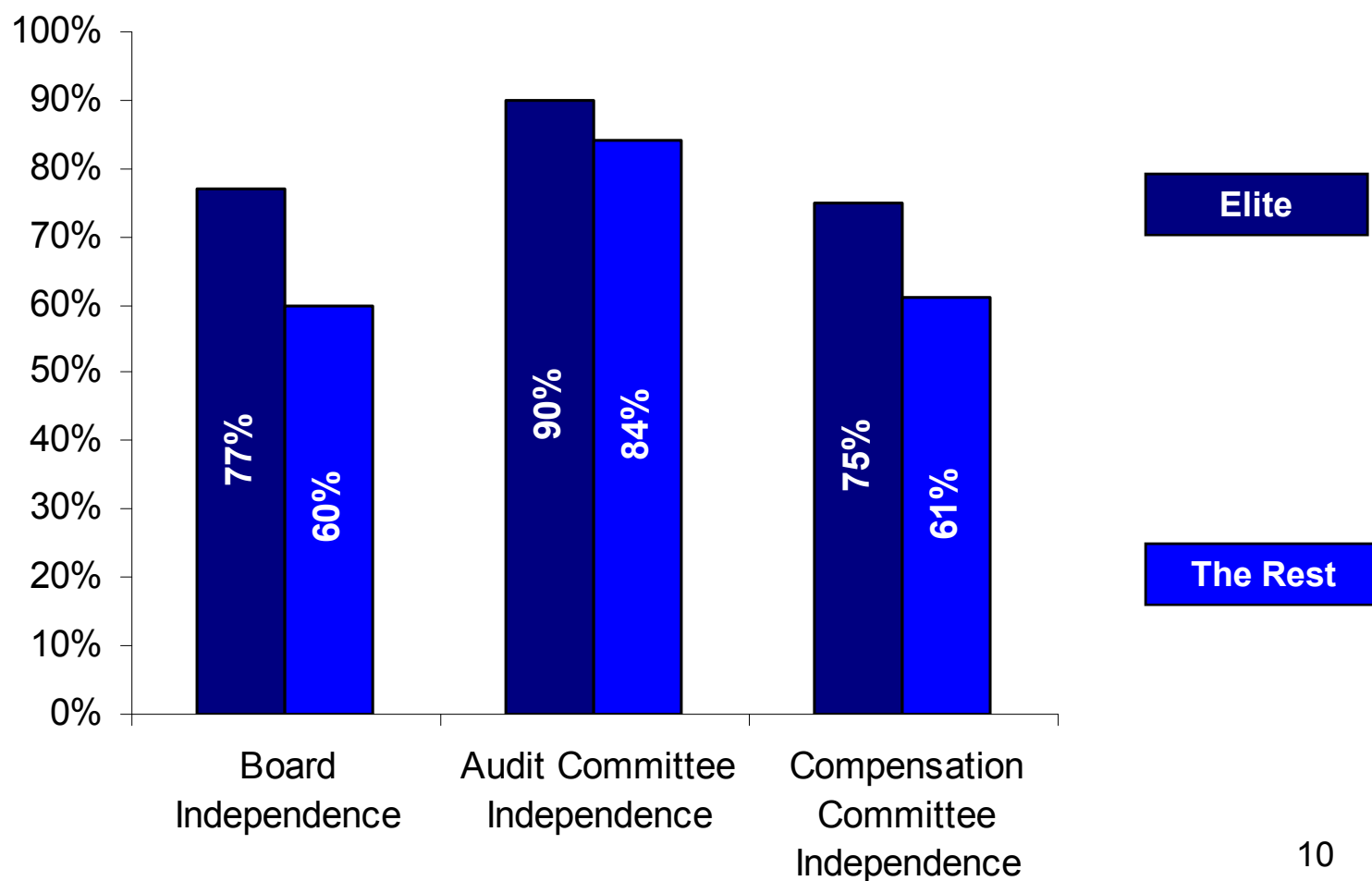


* based on the Clarkson Centre's "Board Shareholder Confidence Index"

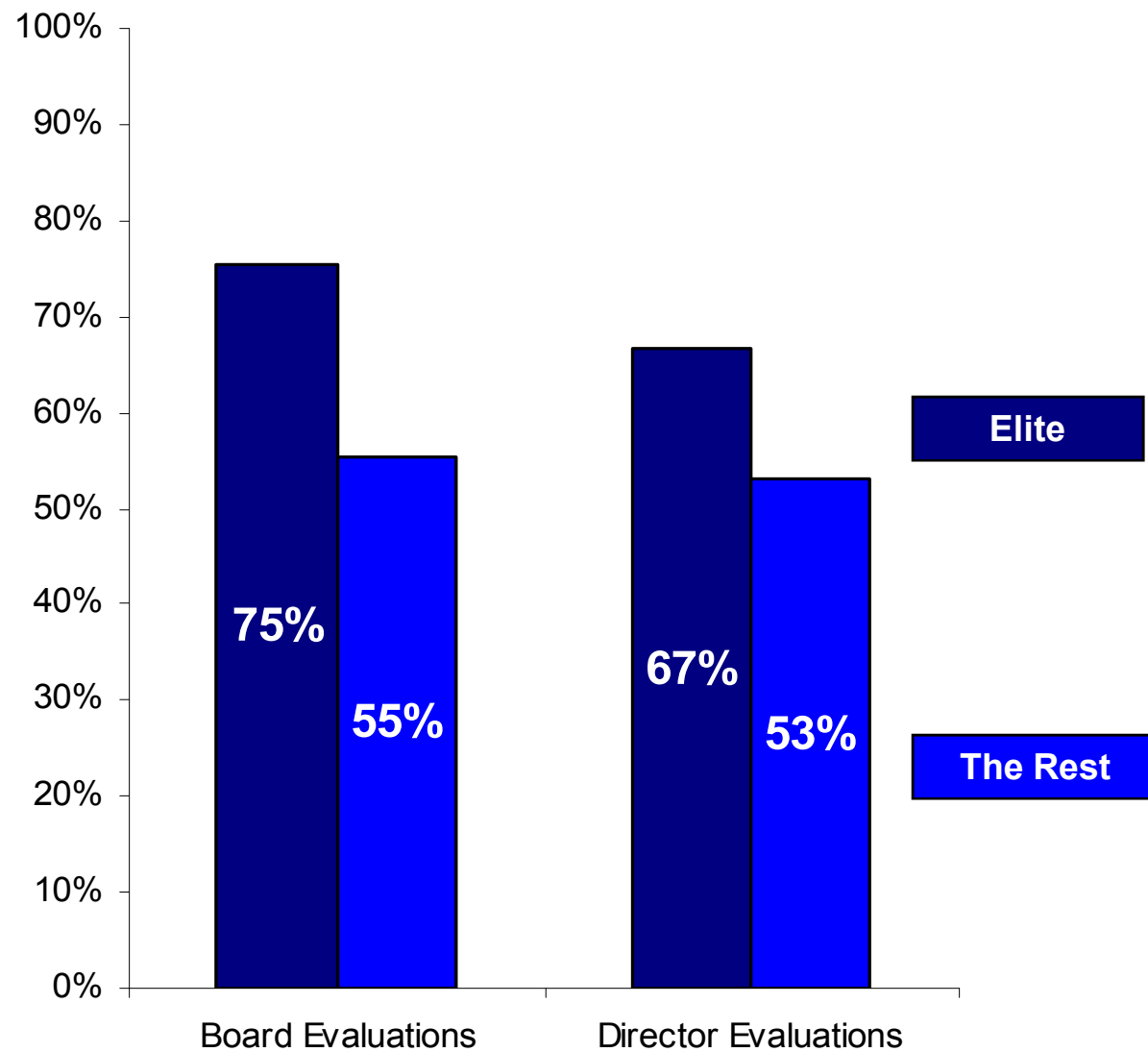
As before, these 22 directors form a network through which information and practices can be dispersed.



The New Elite continue to promote best practices examples on matters relating to independence.



...and in board and director evaluations.

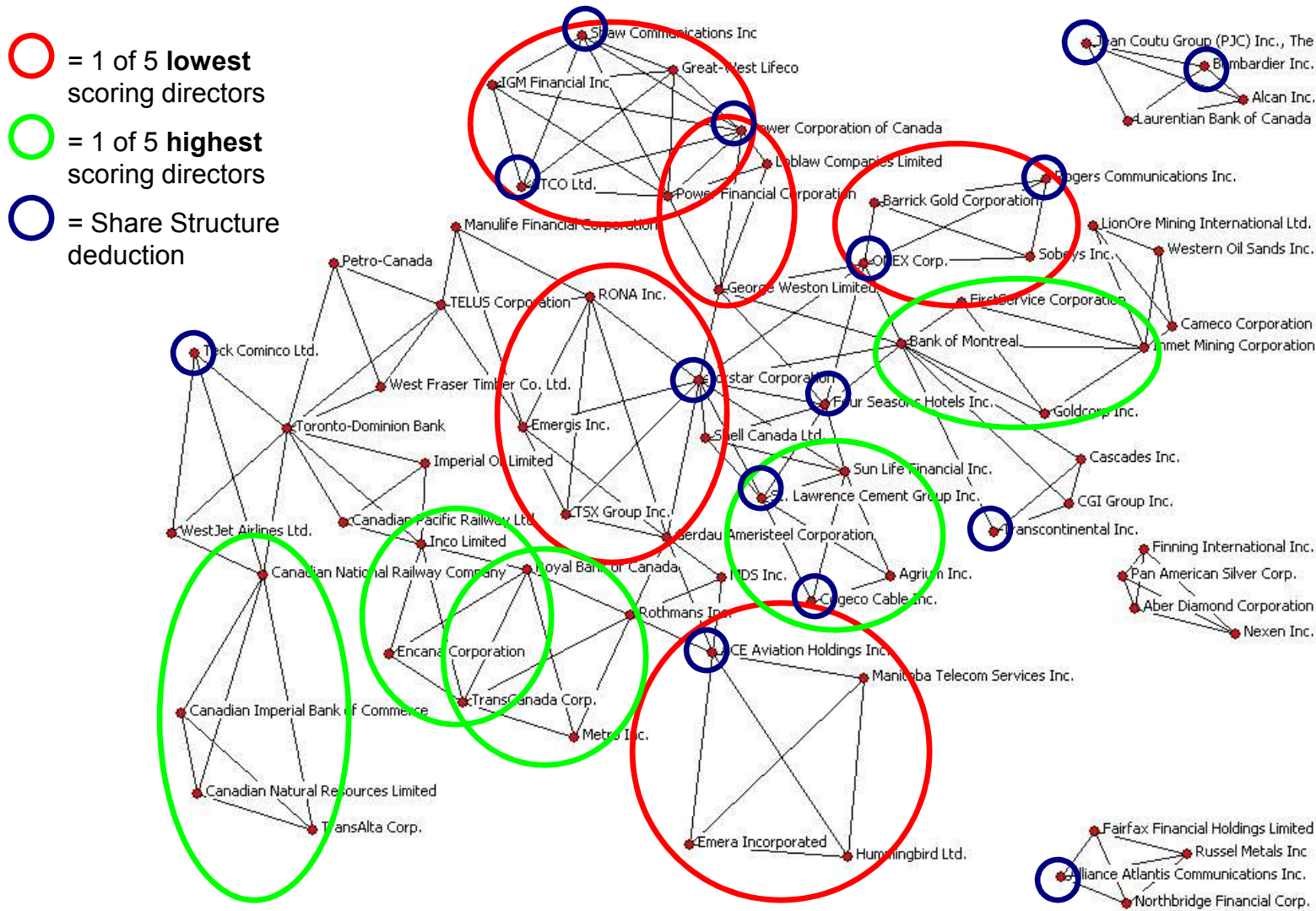


Elite directors sit on 15 company boards that received a share structure deduction*

| Company Name | Director Name(s) |
|---------------------------------------|---|
| ACE Aviation Holdings Inc. | Richard H. McCoy, John T. McLennan |
| Alliance Atlantis Communications Inc. | Anthony F. Griffiths |
| ATCO Ltd. | Rt. Hon. Donald F. Mazankowski |
| Bombardier Inc. | L. Denis Desautels |
| Cogeco Cable Inc. | Germaine Gibara |
| Four Seasons Hotels Inc. | Ronald Walter Osborne, Prichard, J. Robert S. Prichard |
| The Jean Coutu Group (PJC) Inc. | L. Denis Desautels |
| ONEX Corp. | Peter C. Godsoe |
| Power Corporation of Canada | Anthony R. Graham, Rt. Hon. Donald F. Mazankowski |
| Rogers Communications Inc. | Peter C. Godsoe |
| Shaw Communications Inc. | Rt. Hon. Donald F. Mazankowski |
| St. Lawrence Cement Group Inc. | Germaine Gibara, Ronald Walter Osborne |
| Teck Cominco Ltd. | Hugh J. Bolton |
| Torstar Corporation | J. Spencer Lanthier, Ronald Walter Osborne, J. Robert S. Prichard |
| Transcontinental Inc. | Robert Chevrier |

* A deduction occurs when a company has a dual class share structure where equity does not equal voting power. This area can result in the largest deduction of any category in the Board Shareholder Confidence Index.

Dual class share companies did not score as highly overall as companies with a single class share structure*

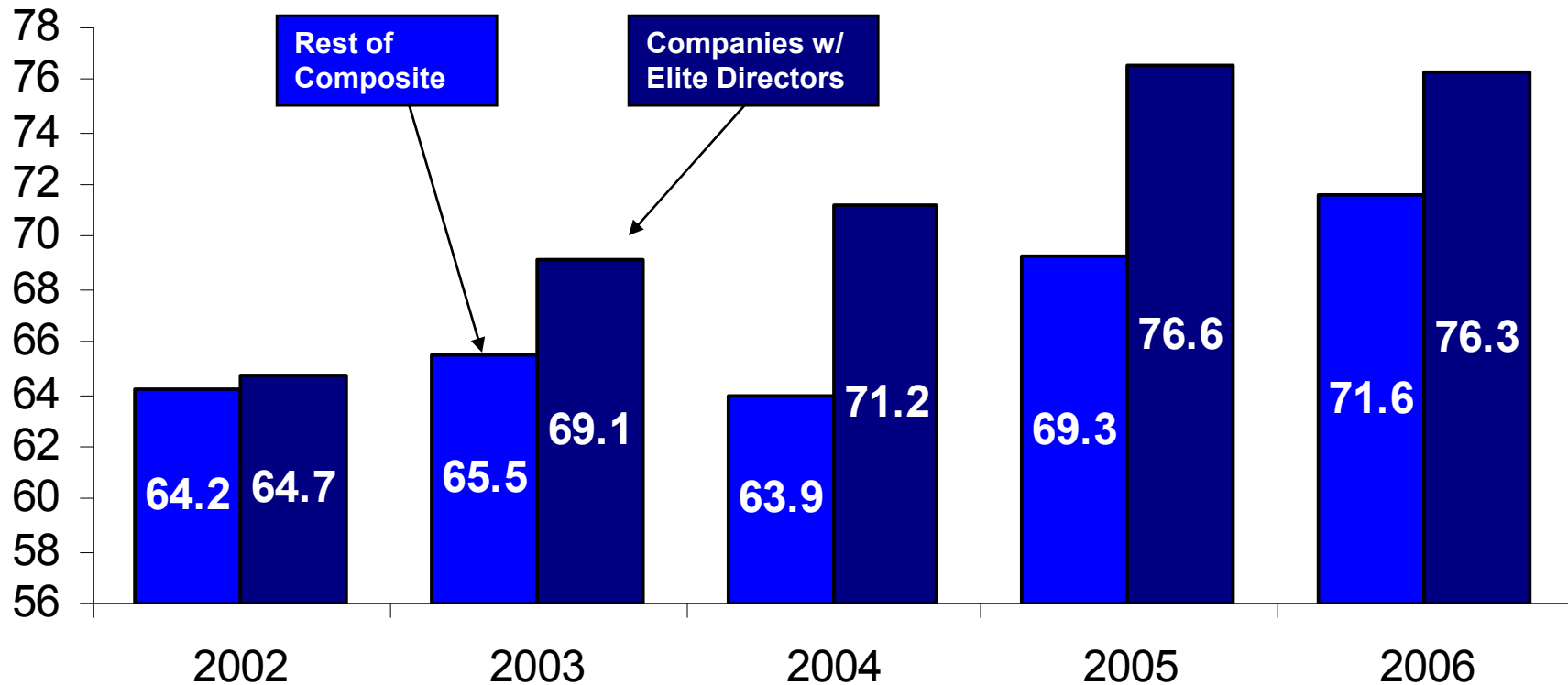


* Scores EXCLUDE the deductions for dual class structures

CONCLUSIONS:

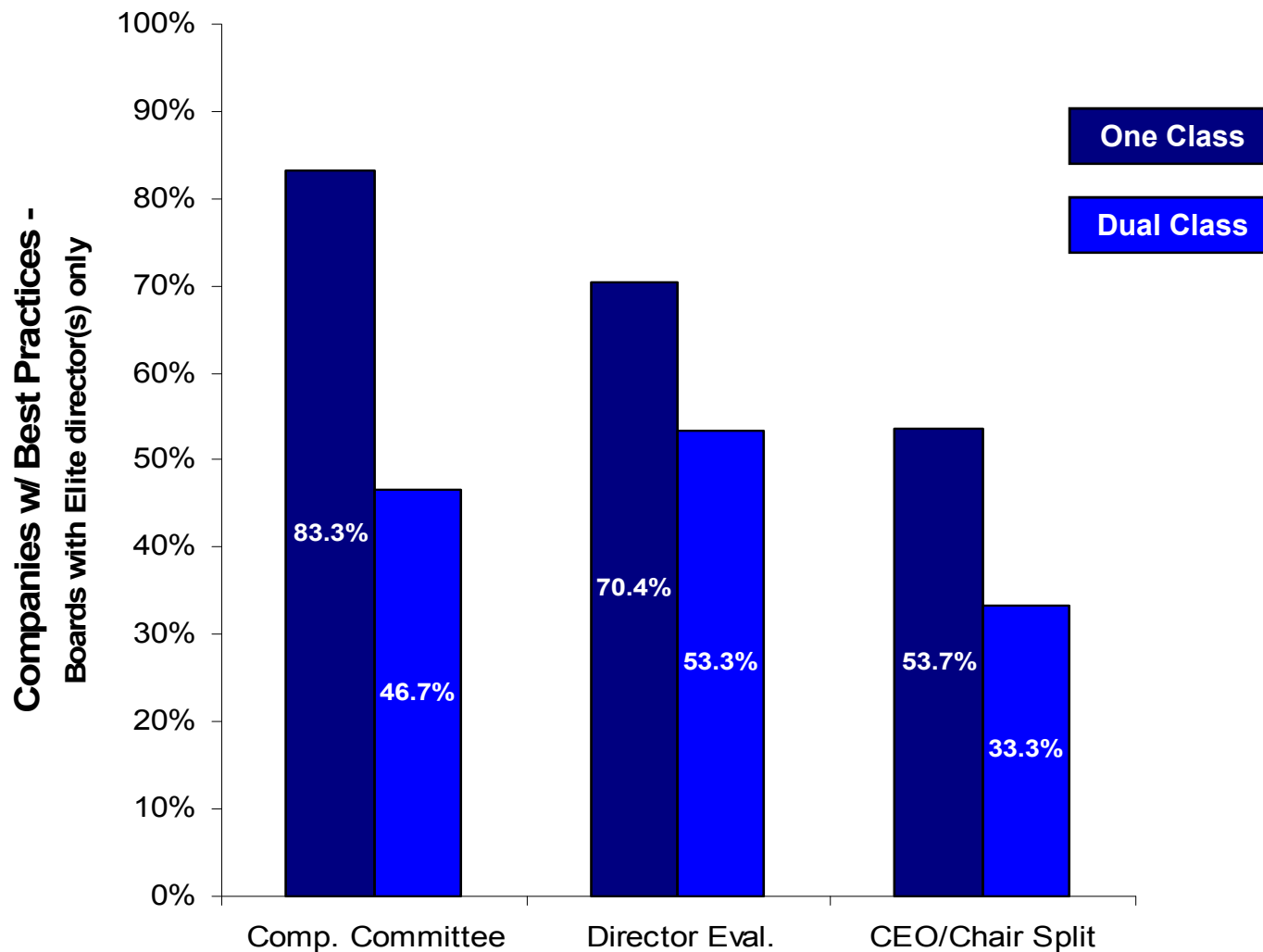
1. Elite directors do spread best practices effectively

Annual Averages



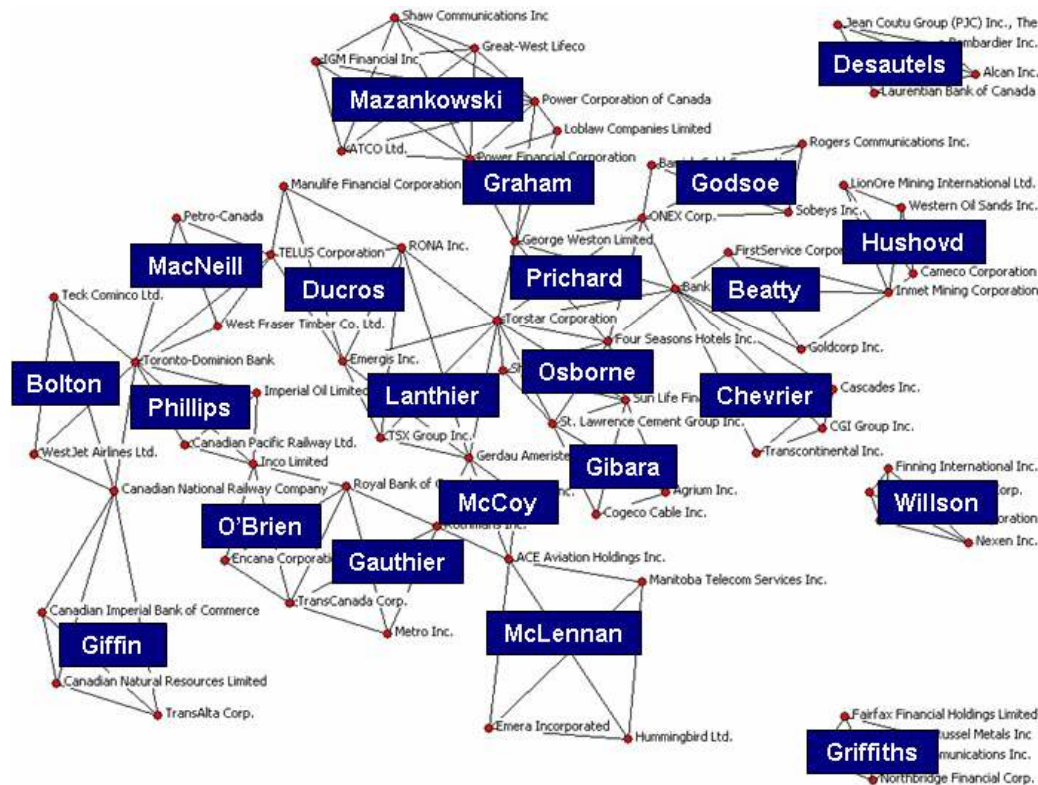
CONCLUSIONS:

1. Elite directors do spread best practices effectively
2. Elite directors are less effective in dual class environments



CONCLUSIONS:

1. Elite directors do spread best practices effectively
2. Elite directors are less effective in dual class environments



For further information please contact:

Rowley@Rotman.Utoronto.Ca OR
David.Comrie@Rotman.Utoronto.Ca