

Canadian Banks in 2010 Governance Summary

By David Comrie April 2010



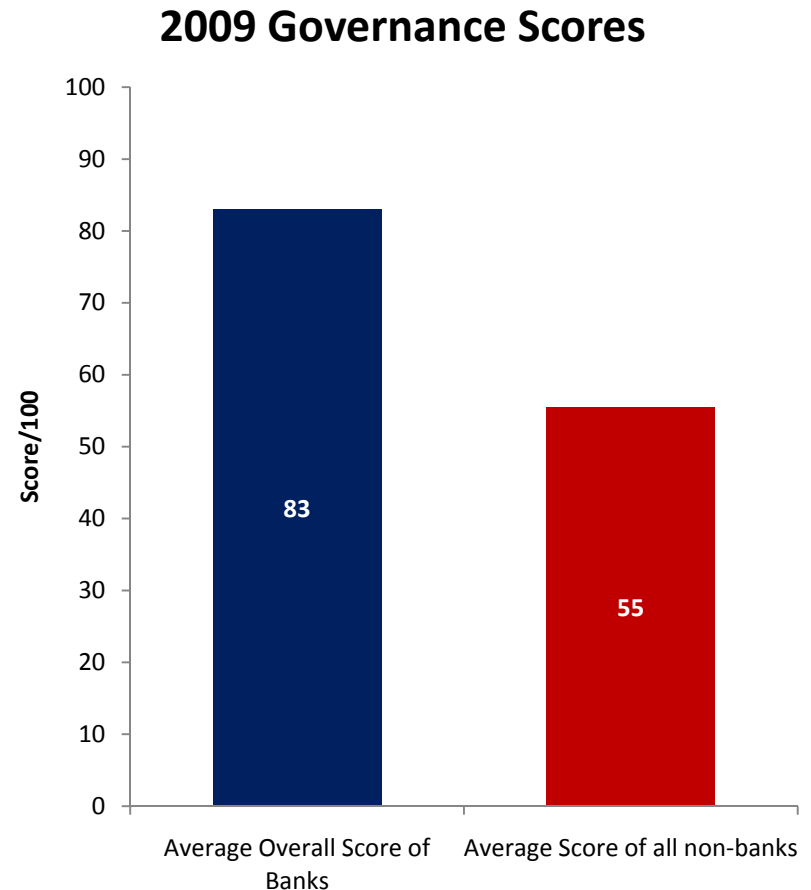
CLARKSON
Centre for Board Effectiveness



Rotman School of Management
UNIVERSITY OF TORONTO

Canadian Banks are at the forefront of corporate governance best practices in Canada

- 8 Canadian Banks
 - Bank of Montreal (BMO)
 - Bank of Nova Scotia (BNS)
 - Canadian Imperial Bank of Commerce (CM)
 - Canadian Western Bank (CWB)
 - Laurentian Bank (LB)
 - National Bank of Canada (NA)
 - Royal Bank of Canada (RY)
 - The Toronto-Dominion Bank (TD)
- 149 Other Corporations on the S&P/TSX Composite Index as of Oct15, 2009



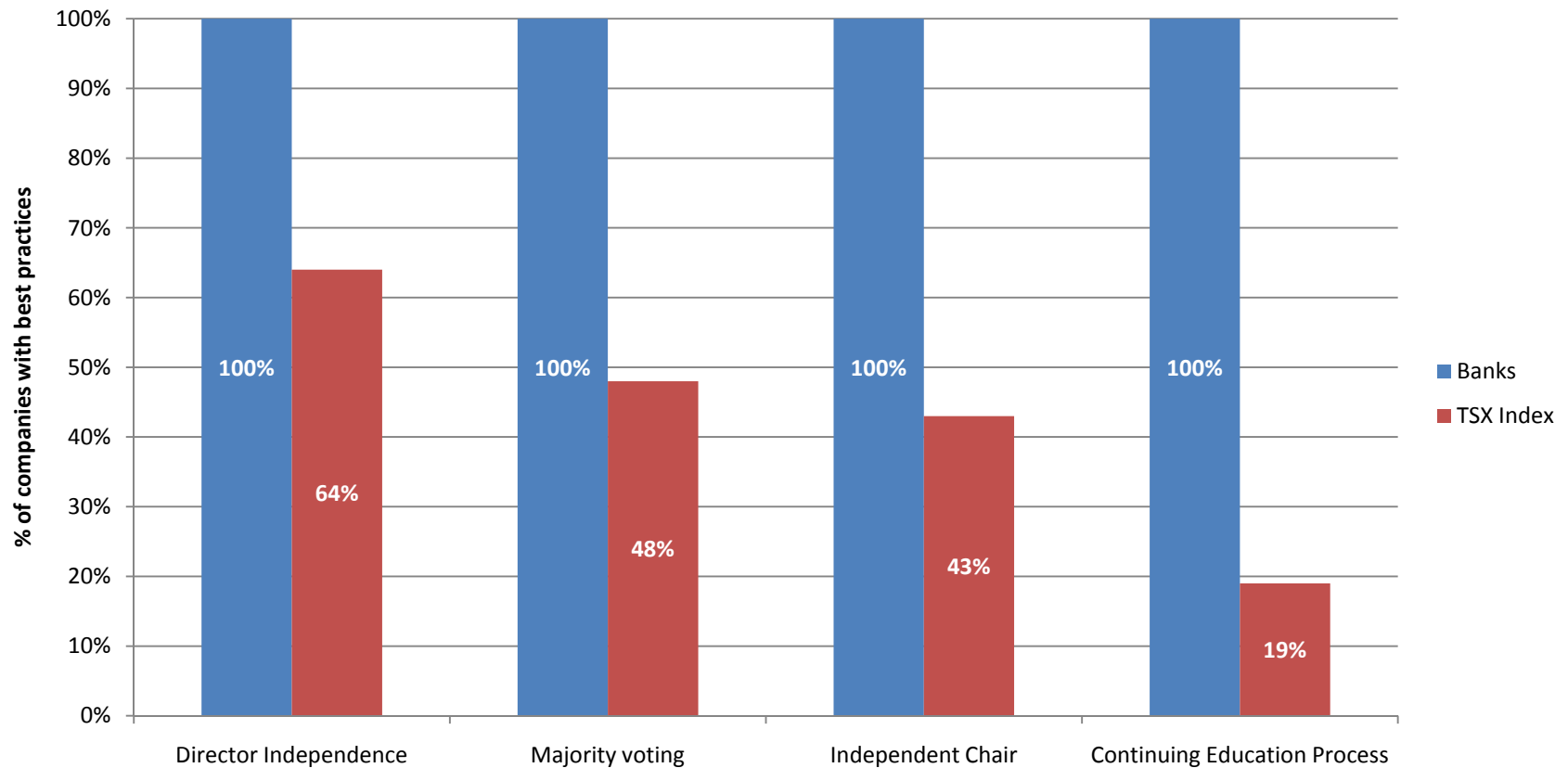
Bank scores on the Rotman Board Shareholder Confidence Index have not changed dramatically in 2010. Each of the 8 banks' scores remain ahead of the curve

2010 Rotman Governance Scores

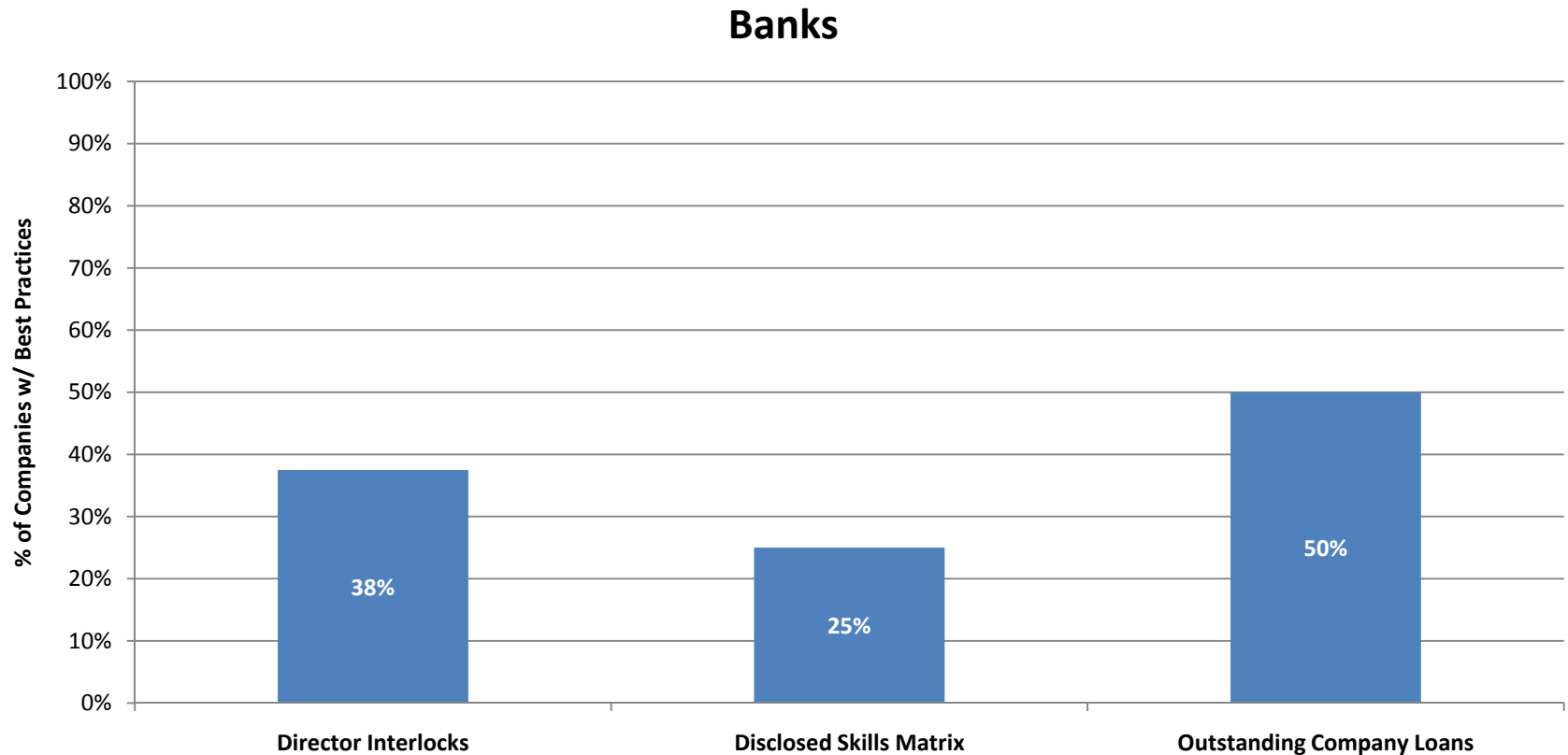
- 6 out of 8 Canadian banks improved their overall score
- 1 bank's score dropped by 1 mark
- 1 bank's score stayed the same
- The lowest bank score in 2010 is 71/100 and the highest is 99/100

Canadian banks continue to demonstrate best practices in several key areas that remain elusive to many other issuers

Canadian banks have unanimously adopted best practices



But there remain areas where Canadian banks have room to improve



NOTE: A director interlock is when 2 or more directors sit on 2 or more public boards together

Canadian Bank Pay for Performance: Aside from 2008, bank shareholders have enjoyed average returns of at least 16% in each of the past six years. Over that same period, CEO pay has remained relatively stable with a maximum variation of only 13% from 2008 to 2009

Combined Pay of Canadian Bank CEOs vs Average Annual TSR

