



**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
OF CCL INDUSTRIES INC.**

MAY 8, 2008

NOTICE is hereby given that the annual meeting (the "Meeting") of shareholders of **CCL INDUSTRIES INC.** (the "Corporation") will be held at the corporate offices of the Corporation at Suite 800, 105 Gordon Baker Road, Willowdale, Ontario M2H 3P8, at 3:00 p.m. (Toronto time), on Thursday, May 8, 2008 for the following purposes:

1. to receive the 2007 Annual Report of the Corporation containing the audited consolidated financial statements of the Corporation for the financial years ended December 31, 2007 and December 31, 2006, and the auditor's report thereon;
2. to elect ten directors;
3. to re-appoint the auditor and authorize the directors to fix the auditor's remuneration; and
4. to transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

By Order of the Board of Directors,

B. I. Sirota
Secretary

Toronto, Ontario
March 11, 2008

NOTES TO NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

1. Holders of Class B non-voting shares of the Corporation are not entitled to vote on any matters proposed for consideration at the Meeting.
2. Registered holders of Class A voting shares who are unable to be present at the Meeting in person are requested to specify on the accompanying form of proxy the manner in which the shares represented thereby are to be voted and to date, sign and return the same in the enclosed, return postage prepaid envelope provided for that purpose to the Secretary of the Corporation, c/o CIBC Mellon Trust Company, Attention: Proxy Department, P.O. Box 721, Agincourt, ON M1S 0A1, for delivery by the last business day before the Meeting or for deposit with the Chairman at the Meeting. Proxies may also be returned by personal delivery to CIBC Mellon, 320 Bay Street, Banking Hall Level, Toronto, Ontario, or by fax to (416) 368-2502.
3. If you are a non-registered holder of Class A voting shares and receive these materials through your broker or another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or intermediary.
4. As provided in the *Canada Business Corporations Act*, the directors have fixed a record date of March 24, 2008. Accordingly, shareholders registered on the books of the Corporation at the close of business on March 24, 2008 are entitled to notice of the Meeting.
5. A copy of the 2007 Annual Report of the Corporation containing the financial statements referred to in this notice accompanies this notice.



MANAGEMENT PROXY CIRCULAR OF CCL INDUSTRIES INC.

SOLICITATION OF PROXIES AS OF MARCH 11, 2008 FOR USE AT THE ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON MAY 8, 2008

SOLICITATION OF PROXIES

THIS MANAGEMENT PROXY CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION OF PROXIES BY THE MANAGEMENT OF CCL INDUSTRIES INC. (THE "CORPORATION" OR THE "COMPANY") FOR USE AT THE ANNUAL MEETING OF SHAREHOLDERS of the Corporation (the "Meeting") to be held at the corporate offices of the Corporation at Suite 800, 105 Gordon Baker Road, Willowdale, Ontario, M2H 3P8, at 3:00 p.m. (Toronto time), on Thursday, May 8, 2008 for the purposes set out in the accompanying Notice of Meeting, and at any adjournment(s) thereof. Holders of Class A voting shares who are unable to be present at the Meeting in person are requested to complete, sign, date and return the accompanying form of proxy to the Secretary of the Corporation, c/o CIBC Mellon Trust Company, Attention: Proxy Department, P.O. Box 721, Agincourt, ON M1S 0A1, in time for use at the Meeting. An addressed envelope with the postage prepaid accompanies this Management Proxy Circular and may be used for such purpose. Proxies may also be returned by personal delivery to CIBC Mellon, 320 Bay Street, Banking Hall Level, Toronto, Ontario, or by fax to (416) 368-2502. The solicitation will be primarily by mail; however, the directors, officers and employees of the Corporation may also solicit proxies by telephone, by facsimile or in person. The cost of solicitation by management will be borne by the Corporation.

APPOINTMENT OF PROXYHOLDER

The persons named in the accompanying form of proxy are officers and directors of the Corporation and shall represent management at the Meeting. **A holder of Class A voting shares desiring to appoint some other person (who need not be a shareholder of the Corporation) to represent him at the Meeting may do so** either by inserting such other person's name in the blank space provided in the form of proxy or by completing another form of proxy and in either case by mailing the completed form of proxy addressed to the Secretary of the Corporation, c/o CIBC Mellon Trust Company, Attention: Proxy Department, P.O. Box 721, Agincourt, ON M1S 0A1, by delivering the form of proxy personally to CIBC Mellon, 320 Bay Street, Banking Hall Level, Toronto, Ontario, or by faxing it to (416) 368-2502 at any time up to and including the last business day preceding the day of the Meeting or any adjournment(s) thereof, or by delivering it to the Chairman or the Secretary of the Meeting at the beginning of the Meeting or any adjournment(s) thereof.

REVOCAION OF PROXIES

A proxy may be revoked by a holder of Class A voting shares (or, if such shareholder is a corporation, by a duly authorized officer or attorney thereof) by depositing an instrument in writing executed by the shareholder or by such shareholder's attorney authorized in writing (or, if the shareholder is a corporation, by an officer or attorney thereof authorized in writing) either with the Secretary of the Corporation at the Corporation's registered office at Suite 800, 105 Gordon Baker Road, Toronto, Ontario, M2H 3P8, at any time up to and including the last business day preceding the date of the Meeting or any adjournment(s) thereof, at which the proxy is to be used, or with the Chairman or the Secretary of the Meeting, up to the beginning of the Meeting or any adjournment(s) thereof. A proxy may also be revoked in any other manner permitted by law.

EXERCISE OF DISCRETION BY PROXYHOLDER

The Class A voting shares represented by the accompanying form of proxy will be voted or withheld from voting or voted for or against on any ballot that may be called for in accordance with the instructions of the shareholder executing the proxy, and if such shareholder specifies a choice with respect to any matter to be acted on at the Meeting, the Class A voting shares will be voted for or against or withheld from voting accordingly. **In the absence of such instructions, such shares will be voted (i) on the election of the directors, in favour of the directors named in this Management Proxy Circular; and (ii) on the reappointment of KPMG LLP, Chartered Accountants, as the auditor of the Corporation, in favour of such reappointment, and to authorize the directors to fix the remuneration of the auditor.** A simple majority of the Class A voting shares voted on any resolution is required to carry any matter proposed to be placed before the Meeting for a vote.

The accompanying form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting or other matters that may properly come before the Meeting. At the time of the printing of this Management Proxy Circular, management knows of no such amendments or other matters to come before the Meeting other than the matters specifically identified in the accompanying Notice of the Meeting. If, however, amendments or other matters properly come before the Meeting or any adjournment thereof, the persons designated in the accompanying form of proxy will vote thereon in accordance with their judgment, pursuant to the discretionary authority conferred by the form of proxy with respect to such matters.

VOTING BY NON-REGISTERED SHAREHOLDERS

Only registered holders of Class A voting shares or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, Class A voting shares beneficially owned by a person (a "Non-Registered Holder") are registered either:

- (i) in the name of an intermediary (an "Intermediary") (which may include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered registered retirement savings plans, registered retirement income funds, registered education savings plans and similar plans) that the Non-Registered Holder deals with in respect of the shares; or
- (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. ("CDS")) of which the Intermediary is a participant.

In accordance with the requirements of National Instrument 54-101, the Corporation has distributed copies of this Management Proxy Circular and the accompanying Notice of Meeting together with the form of proxy (collectively, the "Meeting Materials") to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Frequently, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived their right to receive Meeting Materials will either:

- (i) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile stamped signature), which is restricted as to the number of shares beneficially owned by the Non-Registered Holder but which is not otherwise completed. Since the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to vote by proxy should otherwise properly complete the form of proxy and deliver it as specified above under "Appointment of Proxyholder" and "Revocation of Proxies"; or
- (ii) more typically, be given a voting instruction form, which must be completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company in accordance with the directions accompanying the voting instruction form. A Non-Registered Holder receiving a voting instruction form cannot use that voting instruction form to vote shares directly at the

meeting; rather, the voting instruction form must be returned to the intermediary or service company well in advance of the Meeting in order to have those shares voted.

In either case, the purpose of these procedures is to permit Non-Registered Holders to direct the voting of the shares they beneficially own. A Non-Registered Holder who wishes to attend and vote at the Meeting in person (or to have another person attend and vote on behalf of the Non-Registered Holder) should print the name of the Non-Registered Holder (or such other person) in the blank space provided for that purpose in the first paragraph of the proxy form or, in the case of a voting instruction form, follow the corresponding instructions on that form. In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary and its service company, as applicable.

CLASS B NON-VOTING SHARES

The *Canada Business Corporations Act* provides that each share of a corporation carries the right to vote in respect of certain transactions involving that corporation even if such share does not otherwise carry the right to vote. Such transactions include an amalgamation with another corporation (other than with wholly owned subsidiaries), continuance under the laws of another jurisdiction, certain amendments to the articles of the corporation altering the corporation's share capital and a sale, lease or exchange of all or substantially all of the corporation's property, other than in the ordinary course of business of the corporation. Apart from such voting rights created under the *Canada Business Corporations Act*, the holders of Class B non-voting shares do not normally have the right to vote at any meeting of shareholders of the Corporation. The Articles of the Corporation provide, however, that if a take-over bid is made for the Class A voting shares and the value of the consideration paid for any of such shares acquired exceeds 115% of the market price of the Class B non-voting shares (calculated in accordance with the Regulation to the *Securities Act* (Ontario) as such Regulation existed on June 27, 1983, being the date of creation of the Class B non-voting shares) and if it is determined by the directors of the Corporation, after the take-over bid is complete, that the offeror has become the beneficial owner of, or exercises control or direction over, Class A voting shares carrying more than 50% of the votes to which the holders of the Class A voting shares are entitled, there will be deemed to have been a change in control of the Corporation. In such event the Class B non-voting shares will become entitled to one vote per share (but the dividend entitlement attached to such shares will thereafter be the same as the dividend entitlement attached to the Class A voting shares) unless the same offer is made to the holders of the outstanding Class B non-voting shares.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Board of Directors has established March 24, 2008 as the record date for the Meeting (the "record date"). As of the date of hereof, there are issued and outstanding 2,378,443 Class A voting shares and 30,501,100 Class B non-voting shares. Each Class A voting share carries the right to one vote per share. The Class B non-voting shares, as stated above, carry no vote in respect of any matter identified in the Notice of the Meeting to be brought before the Meeting. Only the holders of Class A voting shares are entitled to vote on such matters. Each holder of issued and outstanding Class A voting shares of record at the time of the close of business on the record date will be given notice of the Meeting and will be entitled to vote at the Meeting in person or by proxy the number of Class A voting shares of record held by such holder on the record date.

To the knowledge of the directors and officers of the Corporation, the only person or company beneficially owning, directly or indirectly, or exercising control or direction over more than 10% of the issued and outstanding Class A voting shares of the Corporation is 1281228 Ontario Inc., a private Ontario corporation that exercises control or direction over 2,241,880 Class A voting shares, being 94.3% of the issued and outstanding shares of that class on the date hereof (see Note 2 under "Election of Directors"). Donald G. Lang, Director, Vice Chairman and Chief Executive Officer ("CEO") of the Corporation and Stuart W. Lang, Director, each control one half of the issued and outstanding shares of 1281228 Ontario Inc.

PARTICULARS OF MATTERS TO BE ACTED UPON

ELECTION OF DIRECTORS

The Articles of the Corporation provide that the Board of Directors of the Corporation shall consist of a minimum of five directors and a maximum of fifteen directors. The Board of Directors of the Corporation has fixed the number of directors to be elected at the Meeting at ten (10). Unless authority to vote is withheld, the persons named in the accompanying form of proxy intend to vote for the election of the ten (10) nominees whose names are set forth below. All of the nominees except Mr. Alan D. Horn are now members of the Board of Directors of the Corporation and have been so since the dates indicated in the tables below. Mr. Dermot G. Coughlan, who has served as a director of the Company since 1991, and Mr. Lawrence G. Tapp, who has served as director since 1994, have decided to retire from the Board and not to stand for re-election.

Management does not contemplate that any of the nominees will not be able to serve as directors, but if that should occur for any reason prior to the Meeting, the persons named in the accompanying form of proxy reserve the right to vote for another nominee at their discretion unless the shareholder has specified in the form of proxy that such shares are to be withheld from voting on the election of directors. Each director elected will hold office until the next annual meeting of shareholders or until his or her successor is duly elected unless prior thereto the director resigns or the director's office becomes vacant by reason of death or other cause.

The Board of Directors has constituted an Audit Committee, a Human Resources Committee, a Nominating and Governance Committee, and an Environment and Health & Safety Committee (the "Committees"), but does not have an Executive Committee. Members of the Committees are identified in the table set forth below.

The following tables and the notes thereto state the names of all persons proposed to be nominated for election as directors, all other positions and offices with the Corporation, or any of its significant affiliates, now held by them, their principal occupations or employments, their periods of service as directors of the Corporation (including any predecessor thereof) and the approximate number of shares of the Corporation beneficially owned, directly or indirectly, or over which control or direction is exercised by each of them as of February 29, 2008. Information as to the number of shares beneficially owned directly or indirectly by each nominee or over which each nominee exercises control or direction, not being within the knowledge of the Corporation, has been furnished by the respective nominees individually and is given as of February 29, 2008.



Director since:
November 6, 1997
New York, U.S.A
Independent

Paul J. Block – Mr. Block’s principal occupation is as Chairman and CEO of Proteus Capital Associates, an investment banking firm. He is also operating partner of Behrman Capital, a private equity firm. Prior to December 2006, Mr. Block was a principal of Sea Change Group and President of Versadial, a Sea Change Company, also private equity firms. Mr. Block’s U.S. and international experience and insight as past Chairman and President of Revlon International and his long career in the cosmetics and personal care products industry have proven most valuable as the Corporation pursues penetration into foreign markets. Mr. Block is also a director of the China Retail Fund and a director of the Shanghai-Syracuse University International School of Business. Specific expertise that Mr. Block brings to the Board includes marketing, international commerce, strategy development and packaging industry knowledge.

Board/Committee Memberships		Attendance					
Board of Directors		7/8	88%				
Member of the Audit Committee		5/5	100%				
Member of the Human Resources Committee		4/4	100%				
Securities Held							
As at:	Class A Shares	Class B Shares	Options⁽¹⁾	DSUs	Total Shares & DSUs	Total Value of Shares & DSUs	Minimum Shareholding Target
February 29, 2008	Nil	2,300	1,250	Nil	2,300	\$80,040	\$80,000
Net Change in Equity Ownership Since March 13, 2007							
	Class A Shares	Class B Shares	DSUs				
	-	-	-				



Director since:
July 29, 2004
Ohio, U.S.A
Independent

Susan J. Cook – Ms. Cook is Vice President, Human Resources of Eaton Corporation, a global, diversified industrial manufacturing company. Prior to 1995, she was Vice President, Human Resources at Tandem Computers, Inc. Before joining Tandem in 1988, Ms. Cook had a 17-year career in human resources at IBM Corporation. Ms. Cook has an MBA in Personnel Management from Loyola University and a BA from the University of Colorado. Ms. Cook has been a member of the Human Resources Committee of the American Electronic Association. She has been involved with the Human Resources Policy Association and currently sits on its board of directors. She is also a member of the board of the Center for Advanced Human Resources Studies at Cornell University. Ms. Cook’s expertise in matters of human resources enhances the effectiveness of the Board in this important area.

Board/Committee Memberships		Attendance⁽²⁾					
Board of Directors		8/8	100%				
Chairperson of the Human Resources Committee		4/4	100%				
Member of the Nominating and Governance Committee (until May 3, 2007)		1/1	100%				
Securities Held							
As at:	Class A Shares	Class B Shares	Options	DSUs	Total Shares & DSUs	Total Value of Shares & DSUs	Minimum Shareholding Target
February 29, 2008	Nil	Nil	Nil	2,907	2,907	\$101,164	\$80,000
Net Change in Equity Ownership Since March 13, 2007							
	Class A Shares	Class B Shares	DSUs				
	-	-	Acquired 1,298				



Director since:
February 22, 2007
Massachusetts, U.S.A.

Independent

Michael T. Cowhig – Mr. Cowhig's principal occupation is that of corporate director. Prior to December, 2006, Mr. Cowhig was President, Global Technical and Manufacturing, The Procter & Gamble Company, a consumer products company, and prior to 2004, Mr. Cowhig was President, Global Technical and Manufacturing, The Gillette Company, a personal care products company. Mr. Cowhig held positions of progressive responsibility with The Gillette Company (now Procter and Gamble) since 1968. He holds a BSc in Industrial Management from Boston College and MBA from Babson College. He is a director of Newell Rubbermaid Corporation, a director of Wilson's Leather Corporation and he sits on the supervisory board of Braun GmbH, a German subsidiary of Procter and Gamble. Mr. Cowhig brings to the Board his long technical and manufacturing experience in the personal care products industry and his experience in supply chain management.

Board/Committee Memberships		Attendance⁽²⁾					
Board of Directors (appointed February 22, 2007)		6/7	86%				
Member of the Human Resources Committee (appointed August 2, 2007)		1/2	50%				
Securities Held							
As at:	Class A Shares	Class B Shares	Options	DSUs	Total Shares & DSUs	Total Value of Shares & DSUs	Minimum Shareholding Target
February 29, 2008	Nil	Nil	Nil	1,326	1,326	\$46,145	\$80,000
Net Change in Equity Ownership Since March 13, 2007				DSUs			
	Class A Shares	Class B Shares					
	-	-			Acquired 1,326		



Director since:
December 8, 1994
Ontario, Canada

Independent

Jon K. Grant – Mr. Grant's principal occupation is that of corporate director, and he is Chairman of the Corporation. An Officer of the Order of Canada, Mr. Grant brings the benefit of long experience in marketing, packaging and corporate governance. A retired Chairman and CEO of Quaker Oats Company of Canada Limited, Mr. Grant is currently Chair of the Ontario Biodiversity Council and Vice Chair and director of the board of Agricore United. He is past Chair of Laurentian Bank of Canada, Canada Lands Company, Scott Paper Limited, Atlas Cold Storage, the board of trustees of the Nature Conservancy of Canada and the board of governors of Trent University. Mr. Grant is a graduate of the Richard Ivey School of Business at the University of Western Ontario.

Board/Committee Memberships		Attendance⁽²⁾					
Chairperson of the Board of Directors		8/8	100%				
Member of the Human Resources Committee (until May 3, 2007)		1/2	50%				
Member of the Nominating and Governance Committee		3/3	100%				
Chairperson of the Environment and Health & Safety Committee		3/4	75%				
Securities Held							
As at:	Class A Shares	Class B Shares	Options⁽¹⁾	DSUs	Total Shares & DSUs	Total Value of Shares & DSUs	Minimum Shareholding Target
February 29, 2008	Nil	7,000	94,800	Nil	7,000	\$243,600	\$80,000
Net Change in Equity Ownership Since March 13, 2007				DSUs			
	Class A Shares	Class B Shares					
	-	Acquired 2,000			-		



Director since:
not applicable
Ontario, Canada
Independent

Alan D. Horn – Mr. Horn’s principal occupation is as President and Chief Executive Officer of Rogers Telecommunications Limited. Mr. Horn is also Chairman of the board of Rogers Communications Inc. and a director of March Networks. He is a chartered accountant, and holds a B.Sc. with first class honours in mathematics from the University of Aberdeen, Scotland. Mr. Horn is also a director of March Networks. Mr. Horn served as Vice President Finance and Chief Financial Officer of Rogers Communications Inc. from 1996 to 2006 and was President and Chief Operating Officer of Rogers Telecommunications Limited from 1990 to 1996. He brings to the Board his strategic, administrative and financial skills in the context of a large, publicly traded company.

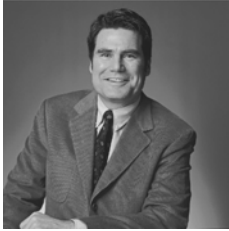
Board/Committee Memberships		Attendance					
not applicable		NA		NA			
Securities Held							
As at:	Class A Shares	Class B Shares	Options	DSUs	Total Shares & DSUs	Total Value of Shares & DSUs	Minimum Shareholding Target
February 29, 2008	Nil	1,000	--	--	1,000	\$34,800	--
Net Change in Equity Ownership Since March 13, 2007							
	Class A Shares	Class B Shares	DSUs				
	-	-	-				



Director since:
May 23, 1991
Ontario, Canada
Not Independent

Donald G. Lang – Mr. Donald Lang is Vice Chairman and CEO of the Corporation. Prior to May of 2005, Mr. Lang was President and CEO. He has held positions of progressive responsibility in the Corporation and its subsidiaries since 1982, during which period he has developed deep experience in all facets of the Corporation’s industries, operations and markets, as well as in the practical aspects of corporate development and finance. Mr. Lang holds a business graduate degree (HBA) from the Richard Ivey School of Business of the University of Western Ontario. Mr. Lang is also a member of the board of AGF Management Ltd. Mr. Lang brings to the Board his intimate knowledge of the Corporation, including its key people, customers and markets.

Board/Committee Memberships		Attendance					
Board of Directors		8/8		100%			
Securities Held							
As at:	Class A Shares	Class B Shares	Options⁽¹⁾	DSUs	Total Shares & DSUs	Total Value of Shares & DSUs	Minimum Shareholding Target
February 29, 2008	150 ⁽³⁾	115,770 ⁽³⁾	740,000	Nil	115,920	\$4,034,235	\$1,000,000
Net Change in Equity Ownership Since March 13, 2007							
	Class A Shares	Class B Shares	DSUs				
	-	-	-				



Director since:
May 23, 1991
Ontario, Canada
Not Independent

Stuart W. Lang – The principal occupation of Mr. Stuart Lang is as corporate director. Prior to his retirement as an officer of the Corporation on January 31, 2006, Mr. Lang was President of CCL Label International, and was headquartered in England. Mr. Lang has a bachelor's degree in chemical engineering from Queen's University at Kingston, Ontario. Following a very successful early career with the Edmonton Eskimos of the Canadian Football League, Mr. Lang became involved in the Company in 1982, moving through positions of progressive responsibility and gaining depth of industry knowledge. As a result, Mr. Lang brings to the Board wide experience in the technology, manufacturing and markets of the label industry as well as a thorough knowledge of the important Label Division of the Corporation.

Board/Committee Memberships		Attendance					
Board of Directors		8/8	100%				
Member of the Environment and Health & Safety Committee		4/4	100%				
Securities Held							
As at:	Class A Shares	Class B Shares	Options⁽¹⁾	DSUs	Total Shares & DSUs	Total Value of Shares & DSUs	Minimum Shareholding Target
February 29, 2008	Nil ⁽³⁾	10,610 ⁽³⁾	60,000	Nil	10,610	\$369,228	\$80,000
Net Change in Equity Ownership Since March 13, 2007							
	Class A Shares	Class B Shares	DSUs				
	-	-	-				



Director since:
October 27, 2005
Massachusetts, U.S.A.
Not Independent

Geoffrey T. Martin – Mr. Martin joined CCL as President of the Label Division in April 2001. In May 2005 he assumed the role of President and COO of the Corporation. In this position he is responsible for all of the Corporation's operating units including the Label, Container and Tube businesses. Educated in the U.K., Mr. Martin is an international business leader with a proven track record in turnarounds, mergers and acquisitions. Mr. Martin has extensive experience building greenfield businesses in both consumer and industrial markets. Prior to joining the Corporation, he was the Senior Group Vice President, Worldwide Converting Graphic and Specialty Tapes, with Avery Dennison Corporation. Mr. Martin brings to the Board his thorough industry knowledge and his understanding and appreciation of operating issues as well as his first-hand experience in mergers and acquisitions and the integration of newly acquired facilities.

Board/Committee Memberships		Attendance					
Board of Directors		8/8	100%				
Securities Held							
As at:	Class A Shares	Class B Shares	Options⁽¹⁾	DSUs	Total Shares & DSUs	Total Value of Shares & DSUs	Minimum Shareholding Target
February 29, 2008	Nil	345,000 ⁽⁴⁾	105,750	Nil	345,000	\$12,006,000	N/A
Net Change in Equity Ownership Since March 13, 2007							
	Class A Shares	Class B Shares	DSUs				
	-	-	-				



Director since:
June 8, 2006
Shanghai, China
Independent

Douglas W. Muzyka – The principal occupation of Mr. Muzyka is as a senior executive within E.I. DuPont de Nemours, an international manufacturer of chemical products, specialty materials, consumer and industrial products. Mr. Muzyka is currently President of DuPont Greater China and DuPont China Holding Co. Ltd. Prior to July of 2006, Mr. Muzyka was Vice President and General Manager of DuPont Nutrition and Health, and President and CEO of E.I. DuPont de Nemours Canada Company. Until January of 2003, Mr. Muzyka was President and General Manager of DuPont Mexico. Since joining the DuPont organization as a research scientist in 1985, Mr. Muzyka has held numerous key management roles within the company in Hong Kong, the U.S.A., Mexico and Canada. Mr. Muzyka holds bachelor's, master's and doctorate degrees in chemical engineering from the University of Western Ontario. To complement his strong operational and administrative skills, Mr. Muzyka also brings to the Board considerable experience in new plant start-ups and new venture development in international venues.

Board/Committee Memberships

Attendance⁽²⁾

Board of Directors	8/8	100%
Member of the Environment and Healthy & Safety Committee (since June 26, 2007)	2/2	100%

Securities Held

As at:	Class A Shares	Class B Shares	Options	DSUs	Total Shares & DSUs	Total Value of Shares & DSUs	Minimum Shareholding Target
February 29, 2008	Nil	Nil	Nil	2,307	2,307	\$80,284	\$80,000

Net Change in Equity Ownership Since March 13, 2007

Class A Shares	Class B Shares	DSUs
-	-	Acquired 1,027



Director since:
June 4, 2003
Ontario, Canada
Independent

Thomas C. Peddie – Mr. Peddie is Senior Vice President and CFO of Corus Entertainment Inc., a publicly traded media company listed on the TSX and on the New York Stock Exchange. Mr. Peddie has been President of WIC Western International Communication; acting President, CFO, and Senior Vice President, Operations, of CTV Television Network; and CFO of The Toronto Sun Publishing Corporation, Canada Packers, and for the international operations of Campbell Soup in Camden, New Jersey. Mr. Peddie is a chartered accountant and was awarded his FCA designation by the Institute of Chartered Accountants of Ontario in September 2003. He holds an honours BComm from the University of Windsor. Along with his knowledge in matters of finance both domestic and international, Mr. Peddie has experience concerning the financial reporting and control requirements of the TSX, the Province of Ontario, the New York Stock Exchange and the U.S. Securities Exchange Commission.

Board/Committee Memberships

Attendance⁽²⁾

Board of Directors	8/8	100%
Audit Committee Chairperson	5/5	100%
Nominating and Governance Committee Member (since August 1, 2007)	2/2	100%

Securities Held

As at:	Class A Shares	Class B Shares	Options ⁽¹⁾	DSUs	Total Shares & DSUs	Total Value of Shares & DSUs	Minimum Shareholding Target
February 29, 2008	Nil	Nil	5,000	6,961	6,961	\$242,243	\$80,000

Net Change in Equity Ownership Since March 13, 2007

Class A Shares	Class B Shares	DSUs
-	-	Acquired 2,068

NOTES:

- (1) Values set forth below the heading "Options" constitute vested and unvested options to purchase Class B non-voting shares held by the director. Directors have been excluded from participation in the Corporation's Employee Share Option Plan since 2004. Options held by Donald Lang, Stuart Lang and Geoffrey Martin were received by them only in their capacity as corporate officers and employees, and not in their capacity as directors.
- (2) Attendance percentages reflect attendance only at those meetings held while the director was a member of the Board or the applicable Committee.
- (3) In addition to the shareholdings shown in the table, Mr. Donald G. Lang and Mr. Stuart W. Lang each own one half of the shares of 1281228 Ontario Inc., a private Ontario corporation. 1281228 Ontario Inc. exercises control or direction over 2,241,880 Class A voting shares and 4,880,000 Class B non-voting shares of the Corporation.
- (4) The number includes 320,000 Class B non-voting restricted shares. Please refer to the paragraph under the heading "Restricted Stock Plan," below.

APPOINTMENT AND REMUNERATION OF AUDITOR

Unless authority to vote is withheld, persons named in the accompanying form of proxy intend to vote for the reappointment of KPMG LLP, Chartered Accountants, of Toronto, Ontario, as the auditor of the Corporation to hold such appointment until the next annual meeting of shareholders, and to authorize the directors of the Corporation to fix the remuneration of the auditor. KPMG LLP has been the auditor of the Corporation for more than 5 years.

REPORT OF THE HUMAN RESOURCES COMMITTEE

The Human Resources Committee of the Board of Directors of the Corporation (the "Human Resources Committee") submits the following report on the remuneration of Executive Officers.

Composition and Independence of the Human Resources Committee

During the financial year of the Corporation ending December 31, 2007, the Human Resources Committee consisted only of independent directors; initially, Ms. Susan J. Cook (Chair), Mr. Paul J. Block, Mr. Dermot G. Coughlan and Mr. Jon K. Grant. Mr. Grant resigned from the Committee on May 3, 2007, and Mr. Michael T. Cowhig became a member of the Committee on August 2, 2007. Although Mr. Block, Mr. Grant and Mr. Coughlan have all been chief executive officers of various unrelated companies, neither Mr. Grant nor Mr. Coughlan have served as a chief executive officer in the last three years.

Human Resources Consulting Fees

As provided in its mandate, the Human Resources Committee has the authority to retain an independent consultant to assist it with executive compensation matters. In 2006, the Committee retained the services of Buck Consultants to advise the Board with respect to executive compensation at a cost of US\$45,449. Follow up work was completed for the Company in 2007 at a cost of US\$1,500. The Company also retains Watson Wyatt Worldwide for administration and consulting in regard to its executive pension plan and non-officer compensation. In 2006 and 2007, the Company's costs were \$53,263 and \$82,798 respectively.

Report on Executive Compensation

The Human Resources Committee establishes executive compensation policies, which include long and short-term incentives, and oversees the Employee Stock Option Plan and the pension plans of the Corporation. The Human Resources Committee is charged with monitoring and recommending new employment agreements and with the appointment and dismissal of officers. In setting policy, the Human Resources Committee relies upon the advice of independent consultants, makes reference to market and survey data, considers input from senior management and aligns compensation programs with the decentralized operating philosophy of the Company. As part of its mandate, the Human Resources Committee administers the appointment and remuneration of the Corporation's officers, including the Named Executive Officers (as herein defined). The Human Resources Committee makes recommendations to the Board for the approval of the compensation of the Vice Chairman and CEO and approves the compensation levels of other officers of the Company.

Compensation Philosophy and Program Objectives

The Company has an entrepreneurial culture and a decentralized operating style which are considered in determining the Company's executive compensation programs. These programs are developed to encourage superior performance and attract and retain talented executives. The main objectives of the Company's overall executive compensation program are:

- to provide a competitive and balanced compensation portfolio consistent with the Company's strategy and decentralized operating style.
- to drive high performance and focus executives on the areas for which they are responsible;
- to motivate executives to achieve individual and overall Company success and improvement in shareholder value.

Compensation of Named Executive Officers

The following table sets forth all compensation paid for the periods indicated in respect of the Named Executive Officers who were, at December 31, 2007, the Vice Chairman and CEO, the President and Chief Operating Officer ("COO"), the Executive Vice President and Chief Financial Officer ("CFO") and the two other most highly compensated executive officers of the Corporation.

2007 Summary Compensation Table

Name and Principal Position as at December 31, 2007	Year	Annual Compensation			Long-Term Compensation Awards			All Other Compensation ⁽³⁾ (\$)
		Salary (\$)	Bonus ⁽¹⁾ (\$)	Other Annual Compensation ⁽²⁾ (\$)	Securities Under Options (#)	Shares or Units Subject to Resale Restrictions (\$)	LTIP Payouts (\$)	
Donald G. Lang <i>Vice Chairman and Chief Executive Officer</i>	2007	600,000	1,139,400	--	70,000	--	--	--
	2006	550,000	1,113,426	--	70,000	--	--	--
	2005	500,000	1,375,000	--	70,000	--	--	18,000
Steven W. Lancaster <i>Executive Vice President and Chief Financial Officer</i>	2007	320,000	394,992	17,081	--	--	--	--
	2006	309,000	531,393	13,684	25,000	--	--	--
	2005	300,000	536,250	10,249	25,000	--	--	18,000
Geoffrey T. Martin <i>President and Chief Operating Officer</i>	2007	US\$465,000	US\$706,428	US\$6,108	25,000	\$4,348,920 ⁽⁵⁾	--	--
	2006	US\$445,000	US\$593,452	US\$ 7,893	25,000	--	--	--
	2005	US\$418,125	US\$828,750	US\$ 6,892	25,000	\$5,529,472 ⁽⁵⁾	--	--
Lalitha Vaidyanathan <i>Senior Vice President of Finance and Administration & IT, CCL Operations</i>	2007	US\$260,000	US\$235,809	--	25,000	--	US\$1,000,000	--
	2006	US\$250,000	US\$262,500	--	--	--	--	--
	2005	US\$230,000	US\$262,000	--	--	--	--	--
Richard J. Zakaib <i>Senior Vice President, Corporate Development</i>	2007	289,000	192,083	17,081	--	--	--	--
	2006	280,000	226,870	13,684	25,000	--	--	--
	2005	271,300	261,126	10,249	25,000	--	--	⁽⁴⁾ 86,640

NOTES:

- (1) Bonus amounts are paid in cash in the year following the fiscal year in which they were earned.
- (2) Perquisites and other personal benefits do not exceed the lesser of \$50,000 and 10% of the total of the annual salary and bonus for the above-named officers. The amounts in this column relate to taxable benefits on employee loans only.
- (3) Amounts shown under "All Other Compensation" represent pension plan contributions by the employer, except as otherwise indicated. Please refer to the section entitled "Pension and Retirement Arrangements of Named Executive Officers" below.
- (4) The amount includes a cash payment of \$68,640 by the Corporation to repurchase outstanding options.
- (5) The values shown are the market value of the subject securities on the date of the grant. Mr. Martin was granted 200,000 restricted shares in 2005 and 120,000 restricted shares in 2007. As at December 31, 2007, the aggregate market value of these securities was \$12,355,200. Please refer to "Restricted Stock Plan," below.

Compensation Policies

The Company's compensation policies have been structured so as to provide a total compensation package of base salary and performance-based compensation including short and long term cash incentives and stock-based incentive programs including stock options and restricted stock as well as pension and benefits. The overall compensation reflects the Company's business structure and focuses on performance. Policies are set based on current market conditions and the desire to attract and retain executives of high quality.

Each year, the Human Resources Committee reviews the compensation of the Vice Chairman and CEO, and all officers of the Corporation relative to performance and market factors. Executive compensation programs are reviewed, considering external competitiveness and internal equity as well as the requirements for any regulatory compliance. The Company's policy is to use the market median with the potential of top quartile total compensation for superior performance of both the Company and the individual executive.

Base Salaries

Base salaries are determined using comparative data and considering the level of experience and the performance of the individual. The Human Resources Committee approves adjustments to base salaries on an annual basis for officers of the Corporation and recommends the base salary of the Vice Chairman and CEO to the Board of Directors for approval. To assist in these purposes, the Human Resources Committee makes use of comparative total compensation data received from independent consulting firms. These data generally include information from companies that like the Corporation are included in the S&P/TSX Composite Index and take into consideration their comparative revenue level and industry sectors. Salaries of officers of the Corporation who reside and work in the United States are set with consideration given to the U.S. market. The Human Resources Committee also reviews the achievement of the documented individual objectives of the Vice Chairman and CEO and reports its findings to the Board of Directors with its recommended salary adjustment.

Annual Incentive Plans

Annual incentive plans are designed to recognize financial and operational performance as well as individual achievements. Each year, performance targets for the Corporation and its business units as well as individual objectives are established. Cash bonuses are paid as a percentage of salary based on the achievement of these targets. Target awards in 2007 for officers of the Corporation ranged from 28% to 100% of base salary. Actual awards can range from zero to up to two times the target award. Annual bonuses are paid to the Vice Chairman and CEO and other corporate executives based on year-over-year improvement in earnings per share before unusual items and excluding gains or losses on currency translation and accounting changes. Target bonus is paid when year over year growth of earnings per share before unusual items and excluding gains or losses on currency translation and accounting changes shows a 5% improvement over the prior year and could be paid at up to a maximum of two times the target when earnings per share growth reaches or exceeds 20% over the prior year. For 2007, earnings per share improvement before unusual items and excluding gains or losses on currency translation was approximately 19%, generating a payment of 189.9% of target bonus for the Named Executive Officers. Divisional executives' annual cash bonus is based on attainment of budgeted operating income, which can be increased or reduced for exceeding or missing their operating income plan.

Long-Term Incentive Plans ("LTIPs")

Cash Plan

The Company uses cash-based and stock-based long-term incentive plans ("LTIPs") to motivate and reward certain executives for superior performance and to enhance shareholder value over a longer term period. As part of the Company's compensation policy, the Company has established a cash LTIP for the benefit of certain executives of its operating divisions. The cash LTIP is designed to encourage growth and improved income performance of the Company and its operations during a three-year period. Payment of the cash LTIP is based on the achievement of agreed-upon cumulative income improvements over the three-year period. Under the terms of the LTIP, income targets have been established for the applicable operations and for the Company overall for a three-year period, which represent significant improvement over the actual results for the base year. If the target is achieved, the designated executives will receive cash bonus payments based on a percentage of the cumulative income improvement over the three-year period to a maximum amount. In

2005, a cash LTIP was established for certain executives in the Label and Tube divisions with performance targets for 2005, 2006 and 2007.

Restricted Stock Plan

In anticipation of Mr. Martin's appointment to President and Chief Operating Officer, on May 17, 2005, his cash LTIP was replaced with a restricted stock plan. This change to Mr. Martin's LTIP was made to provide a stronger link to improvement in shareholder value. The plan provides 120,000 Class B non-voting shares, which vested at March 4, 2008 based on improvement in earnings per share between January 1, 2005 and December 31, 2007, and 80,000 Class B non-voting shares, which vest at the end 2009 if Mr. Martin remains employed by the Corporation. On February 22, 2007, Mr. Martin was granted a further 120,000 Class B non-voting shares as restricted shares that vest based on earnings per share improvement between January 1, 2008 and December 31, 2010 and upon Mr. Martin's continuing employment. Shares for this LTIP were purchased on the open market and are held in a trust until vesting criteria are met. The shares earn dividends, which are accumulated in trust, and which are reinvested in Class B non-voting shares..

The following table sets forth the current LTIPs granted and outstanding to Named Executive Officers and the LTIP payouts made to Named Executive Officers in the most recently completed financial year.

Long-Term Incentive Plans – Awards in Most Recently Completed Financial Year

Name	Securities, Units or Other Rights (#)	Performance or Other Period Until Maturation or Payout	Estimated Future Payouts Under Non-Securities-Price-Based Plans		
			Threshold (\$)	Target (\$)	Maximum (\$)
Donald Lang	--	--	--	--	--
Steven Lancaster	--	--	--	--	--
Geoffrey Martin	120,000 restricted stock	--	--	--	--
Lalitha Vaidyanathan	--	US\$1,000,000	--	US\$720,000	US\$1,000,000
Richard Zakaib	--	--	--	--	--

Stock Option Plan

The Employee Stock Option Plan (the "Option Plan") was established to focus executive attention on the long-term interests of the Corporation and growth in shareholder value. In accordance with the Plan, the Board of Directors is authorized to issue, at its discretion, options to employees and officers of the Corporation to acquire Class B non-voting shares of the Corporation at such prices as may be fixed by the Board of Directors at that time in accordance with the rules of the Toronto Stock Exchange. Since 2004, directors have been and continue to be excluded from participation in the Option Plan. Stock option grants are considered on an annual basis as part of the compensation review for executive officers as recommended by the Vice Chairman and CEO and approved by the Board of Directors on recommendation from the Human Resources Committee and in accordance with the Corporation's policy. The policy establishes the amount of options that may be awarded based on ranges established by the Corporation, which consider the executive's position. Grants are made in accordance with the policy and with consideration to individual and Company performance and the availability of options for granting. Based on this policy, option grants may range from zero to 70,000. The Human Resources Committee also considers the terms and conditions that will attach to such grants subject to the terms of the plan. Options are granted at the market value of Class B non-voting shares at the close of trading on the day before the grant.

Options granted in 2007 are for a term not exceeding five years. Options do not vest during the first year following their grant, and vest progressively thereafter throughout their five-year term. The number of Class B non-voting shares reserved for issuance under the Option Plan is 2,242,300. The total number of outstanding options under the Option Plan as of December 31, 2007 was 1,686,350, representing 5.5% of the total number of outstanding Class B non-voting shares. On December 6, 2007, options to purchase 155,000 Class B non-voting shares were granted at the market price of \$38.42. No repricing of outstanding options occurred in the course of 2007, nor to the date of this Management Proxy Circular.

The Option Plan permits the participant to exercise vested options for up to 90 days following the termination of employment without cause unless this period is extended by the Human Resources Committee, within 12 months upon death of the option holder and within 36 months of retirement. At the discretion of the Board of Directors, subject to certain conditions and for a limited period of time, the Option Plan allows for the exercise of outstanding options in the event of a change of control of the Company, whether or not the employment of the option holder is terminated as a consequence.

The Corporation does not provide financial assistance in connection with the exercise of options granted under the Option Plan.

In 2007 shareholder approval was received for amendments to the Option Plan relating to blackout periods and amending procedures.

Details of options granted to and exercised by Named Executive Officers during the financial year ended December 31, 2007 are shown in the two tables set out below.

Options Grants During 2007

Name	Securities, Under Options Granted (#)	% of Total Options Granted to Employees in 2007	Exercise or Base Price (\$/Security)	Market Value of Securities Underlying Options on the Date of Grant (\$/Security)	Expiration Date
Donald G. Lang	70,000	42.4%	\$38.42	\$38.42	December 5, 2012
Geoffrey T. Martin	25,000	15.2%	\$38.42	\$38.42	December 5, 2012
Lalitha Vaidyanathan	25,000	15.2%	\$38.42	\$38.42	December 5, 2012

Aggregate Options Exercised During 2007 and 2007 Year-End Option Values

Name	Securities Acquired on Exercise (#)	Aggregate Value Realized ⁽¹⁾ (\$)	Unexercised Options at Year End (#)		Value of Unexercised in-the-Money Options ⁽²⁾ at Year End (\$)	
			Exercisable	Unexercisable	Exercisable	Unexercisable
Donald G. Lang	50,000	\$1,168,671	565,000	175,000	\$13,002,325	\$1,293,775
Steven W. Lancaster	88,750	\$2,020,617	31,250	37,500	\$459,625	\$457,313
Geoffrey T. Martin	61,250	\$1,900,825	45,750	60,000	\$753,450	\$409,888
Lalitha Vaidyanathan	--	--	9,000	25,000	\$234,540	\$4,750
Richard J. Zakaib	10,000	\$275,450	93,500	37,500	\$1,954,608	\$457,313

NOTES:

- (1) "Aggregate Value Realized" is calculated by multiplying the number of shares acquired by the difference between the market price of the Class B non-voting shares on the day of the exercise and the exercise price.
- (2) "In-the-Money" reflects the difference between the market price of the Class B non-voting shares underlying such stock options as at December 31, 2007, being \$38.61 and the respective exercise prices of such options, multiplied by the number of Class B non-voting shares underlying such options.

Due to the CEO's controlling position of the voting shares of the Corporation, his capital gains on exercised options are taxed as ordinary income, whereas the capital gains realized on the exercise of options by other executives of the Corporation are accorded capital gains treatment under Canadian tax laws.

Executive Share Purchase Plan

Effective November 8, 1999, the Corporation established an executive share purchase plan (the "ESPP"), which was discontinued in December 2001. The purpose of the ESPP was to assist senior officers and executives of the Corporation and its subsidiaries to invest in Class B non-voting shares of the Corporation through the provision of loans to acquire shares in the Corporation. Loans under the ESPP do not bear interest and are secured by a pledge in favour of the Corporation of the Class B non-voting shares acquired under the ESPP pursuant to the loans. Subject to repayment on termination of employment, the loans have a ten-year term. In addition, the loans are repayable on a proportionate basis upon the sale by a participant in the ESPP of any shares acquired with loans under the ESPP, that is, if half of the shares are sold, half of the loan is repayable. Should the proceeds realized on the sale of such shares be less than the amount of the loan, 50% of the shortfall will be forgiven by the Corporation. No shares have been acquired under the ESPP since it was discontinued on December 31, 2001. For particulars of loans outstanding under the ESPP for the financial year ended December 31, 2007, please see the table entitled "Indebtedness of Directors and Executive Officers Under Securities Purchase and Other Programs".

Pension and Retirement Arrangements of Named Executive Officers

The Corporation has entered into supplemental retirement agreements ("SERPs") with Mr. Lang as of January 1, 1996, with Mr. Lancaster as of January 1, 1998 and with Mr. Zakaib as of February 2, 2001. These agreements provide for an annual benefit of 2% for each year of service to a maximum of 60% of the average of the executive's five highest consecutive years' salaries (excluding bonuses, stock options and non-cash benefits) prior to termination of employment (in the aggregate referred to as "Remuneration" in the "Retirement Benefits" table set forth below). Payments commence upon retirement. Normal retirement is at age 65; however, the executive may retire at or after age 55. Benefits are reduced based on the number of months prior to reaching age 63 that the executive takes his retirement. On death of the executive, the pension is paid to the executive's spouse as a 60% joint and survivor pension for life. The Corporation's payment obligations were funded in part by contributions to a defined contribution pension plan until December 31, 2005, at which time the executives were transferred to a defined benefit plan (see "All Other Compensation" in the "2007 Summary Compensation Table," above) and the balance is unfunded. For the purpose of calculating the pension payment, pensionable service for Mr. Lang was 26 years, for Mr. Lancaster was 31 years, and for Mr. Zakaib was 25 years.

Retirement Benefits of Messrs Lang, Lancaster and Zakaib

Remuneration (\$)	Years of Service and Annual Pension (\$)				
	10	15	20	25	30 and Over
250,000	50,000	75,000	100,000	125,000	150,000
300,000	60,000	90,000	120,000	150,000	180,000
350,000	70,000	105,000	140,000	175,000	210,000
400,000	80,000	120,000	160,000	200,000	240,000
450,000	90,000	135,000	180,000	225,000	270,000
500,000	100,000	150,000	200,000	250,000	300,000
550,000	110,000	165,000	220,000	275,000	330,000
600,000	120,000	180,000	240,000	300,000	360,000
650,000	130,000	195,000	260,000	325,000	390,000
700,000	140,000	210,000	280,000	350,000	420,000
750,000	150,000	250,000	300,000	375,000	450,000

The Company's estimated accrued benefit obligation for SERPs for present and past executives as of December 31, 2007 was \$14,074,000. This accrued benefit obligation is calculated using the method described by the Canadian Institute of Chartered Accountants Standards in measuring pension obligations

and is based on the best estimate of future events that affect the cost of pensions, including assumptions about salary adjustments and the executive's continuing employment with the Company. The accrued benefit obligation for SERP pension benefits for the Vice Chairman and CEO was estimated at \$1,871,000 at December 31, 2006, and \$1,955,000 as at December 31, 2007. The calculation for the amounts reported above use actuarial assumptions that are consistent with those used for calculating accrued pension benefit obligations as disclosed in the Company's 2006 and 2007 consolidated financial statements. As the assumptions reflect the Company's best estimate of future events, the values shown may not be directly comparable to similar estimates of pension liabilities that may be disclosed by other companies.

The Corporation maintains a deferred compensation plan for Mr. Martin pursuant to which it contributes a maximum annual company contribution of 9% of base salary and annual bonus. The deferred compensation plan is a defined contribution plan. Contributions to the plan are fully vested. The contributions accrue interest at the rate of 1.5% above the amount paid on United States twenty-year treasury bills from time to time.

The Corporation maintains a deferred compensation plan for certain executives in the United States, pursuant to which it contributes an annual company contribution of 4% of base salary and annual bonus. The deferred compensation plan is a defined contribution plan. Ms. Vaidyanathan is a participant in this plan, and the terms of Ms. Vaidyanathan's deferred compensation plan are similar to those of other executives in the United States. The plan's rules provide for immediate vesting on death, disability, or change of control.

Employment Agreements

The Corporation does not have a written contract of employment with its Vice Chairman and CEO. Accordingly, there are no automatic provisions respecting termination or a change in control.

The Corporation entered into an employment agreement dated April 1, 2001 with Mr. Martin upon his employment as the President of the Corporation's Label Division, which was amended in 2005 to reflect his promotion to President and Chief Operating Officer of the Corporation. The Corporation entered into a written contract of employment with Mr. Zakaib on January 17, 2001, upon his appointment to Vice President Corporate Development, of the Corporation. The following is a summary of the terms of the said employment agreements. The agreements provide for an annual base salary subject to yearly review. In 2007, Mr. Martin's base salary was US\$465,000, and Mr. Zakaib's base salary was C\$289,000. The Named Executive Officers are entitled to participate in the Corporation's senior management incentive plan and certain long-term incentive programs, as described above. The Named Executive Officers are entitled to standard benefits of the type normally available to executive officers. The agreements may be terminated for cause as defined in the agreements and they may be otherwise terminated on 24 months' notice. Ms. Vaidyanathan, who does not have a formal employment agreement, is also entitled to participate in incentive and benefit plans as described above and has a commitment from the Company that in the event of termination without cause she will receive up to six months' salary continuation. The agreements contain standard non-competition and non-solicitation provisions. Mr. Lancaster has not entered into an employment agreement with the Corporation and intends to retire at the end of 2008.

Compensation of the Vice Chairman and Chief Executive Officer

The Human Resources Committee reviews the compensation of the Vice Chairman and CEO relative to performance and market factors. For the year ending December 31, 2007, Mr. Lang's compensation consisted of a base salary of \$600,000 and awards under the Corporation's annual cash incentive plan and the Employee Stock Option Plan. In determining Mr. Lang's compensation, the Committee considered his performance in meeting specific financial targets and other qualitative objectives as well as comparable market compensation levels. Mr. Lang received a salary increase as of January 1, 2008, based on his achievement of certain annual objectives, which included financial targets, strategy execution, stakeholder communication and succession planning. Financial targets include earnings per share, cash flow, debt to total book capital and return on equity. As part of its review of the compensation of the Vice Chairman and CEO, the Committee considers the performance of the Company and the CEO as well as competitive market information when setting compensation levels. To identify market compensation, the Committee reviews surveys prepared by compensation consultants reflecting compensation of chief executive officers leading publicly traded manufacturing companies of a similar size and scope as the Corporation. The Human Resources Committee uses the median of market information as the policy line to determine the appropriate compensation levels.

The annual cash incentive plan is paid on growth in earnings per share before unusual items and excluding gains or losses on currency translation and accounting changes. Target bonus is paid if growth in earnings per share (before unusual items and excluding gains or losses on currency translation and accounting changes) achieves 5%. (See "Annual Incentive Plans," above.) Mr. Lang's target bonus is paid at 100% of base salary. The annual incentive payment for 2007 for Mr. Lang was paid at 189.9% of target bonus (100% of base salary), amounting to \$1,139,400 based on the achievement of approximately 19% growth in earnings per share from 2006 before unusual items and excluding any gains or losses on currency translation or accounting changes.

Stock options are granted to provide a long-term incentive congruent with share price improvement. (See "Stock Option Plan", above.) Mr. Lang was awarded an option on 70,000 Class B non-voting shares in December 2007 at the market value of \$38.42 per share. In recommending this grant, the Human Resources Committee considered the number of options eligible for granting under the plan guidelines, the performance of the CEO and market data described above.

The following table presents a summary of the aggregate cash value of the compensation received by the Vice Chairman and CEO in the 2006 and 2007 calendar years.

COMPENSATION	2006	2007
Base salary	\$550,000	\$600,00
Bonus	\$1,113,426	\$1,139,400
Total cash compensation	\$1,663,426	\$1,739,400
Value of option grants as at each year end ⁽¹⁾	\$413,000	\$562,600
Total direct compensation	\$2,076,426	\$2,302,200
Other annual compensation ⁽²⁾	--	--
Pension service and compensation cost ⁽³⁾	\$199,000	\$211,000
Total	\$2,275,426	\$2,513,200

NOTES:

- (1) Represents value of underlying securities applying the Black-Scholes valuation method.
- (2) Please refer to "2007 Summary Compensation Table" for details.
- (3) Represents the pension expense attributable to Mr. Lang based on the actuarial assumptions used to determine the Company's pension expense for 2006 and 2007.

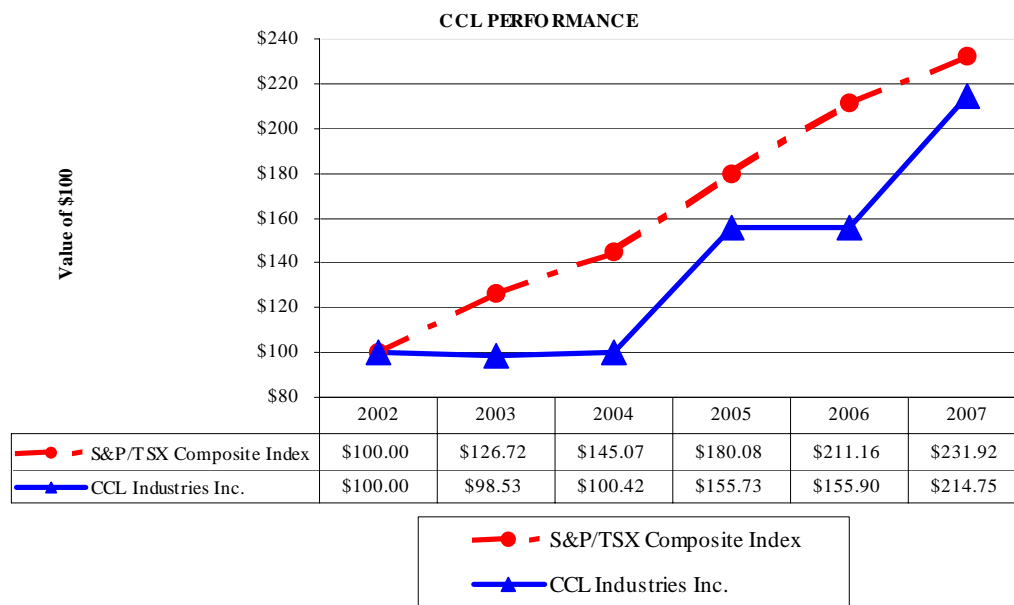
Succession Planning

The Human Resources Committee meets on an annual basis to formally review the Corporation's succession planning process and the specific plans for the Vice Chairman and CEO and for certain positions designated by the Human Resources Committee and the Vice Chairman and CEO.

Submitted by the Human Resources Committee:

Susan J. Cook, Chair
Paul J. Block
Dermot G. Coughlan
Michael T. Cowhig

Performance Graph



NOTE: The Household Goods Index in which the Corporation had previously been classified has been discontinued. The Corporation is now classified in the new category of "Materials - Containers / Packaging".

The preceding graph compares the yearly percentage change in the cumulative total shareholder return over the last five years of the Corporation's Class B non-voting shares with the cumulative total return of the S&P/TSX Composite Index (formerly the TSE 300 Total Return Stock Index), assuming reinvestment of dividends on each of the dividend payment dates. The Corporation's Class B non-voting shares are included in the foregoing index. In May 2002, the Toronto Stock Exchange initiated a complete change in the structure of its indices. Previously, the performance of the Corporation's shares was also compared to the TSX Household Goods Total Return Index, which has been discontinued. There is now no sub-index that would provide a relevant comparison of the performance of the Corporation's shares with that of its peer group. The performance of the Corporation's Class A voting shares is substantially similar to that of the Class B non-voting shares. The performance of the Corporation's Class B non-voting shares is based on the closing price of \$38.61 on the Toronto Stock Exchange on December 31, 2007.

Compensation of Directors

During the financial year ended December 31, 2007, directors' fees were paid to the directors of the Corporation other than Donald Lang, Stuart Lang and Geoffrey Martin on the basis of a retainer of \$40,000 per annum and \$2,000 per meeting attended of the Board of Directors and of each Committee of the Board of Directors. The Chairman of the Board receives an additional retainer of \$100,000 and Committee Chairpersons receive an annual retainer of \$5,000, except for the Chairman of the Audit Committee, who receives an annual retainer of \$7,500. Fees paid for attendance at telephone meetings were \$1,000 per director per meeting. Directors are also entitled to be reimbursed for their reasonable out-of-pocket expenses incurred in the business of the Corporation. Directors were paid the foregoing sums in the currency of their place of residence. No compensation was granted to directors in the form of options to purchase Class B non-voting shares in 2007. Donald Lang, Stuart Lang and Geoffrey Martin received no fees in their capacity as directors, and Donald Lang and Geoffrey Martin received options only in their capacity as officers of the Corporation. The Company has no retirement policy or retirement compensation plan for directors. The following table sets forth the fees paid to the independent directors of the Corporation in the 2007 calendar year. Directors who are also officers or employees of the Corporation do not receive directors' fees.

Director	Fees Received in Cash	Fees Received in DSUs ⁽¹⁾	Total Fees
Jon Grant	\$150,000		\$150,000
Paul Block	US\$69,000		US\$69,000
Susan Cook	US\$21,000	US\$47,500	US\$68,500
Dermot Coughlan	\$30,000	\$40,000	\$70,000
Michael Cowhig		US\$53,000	US\$53,000
Douglas Muzyka	\$14,000	\$40,000	\$54,000
Thomas Peddie		\$79,500	\$79,500
Lawrence Tapp	\$47,500	\$23,000	\$70,500

NOTE:

- (1) Several directors received all or part of their fees in deferred share units ("DSUs") as described below. The amount shown reflects the aggregate of the amounts credited to such directors' DSU accounts on the dates for payment of directors' fees during 2007, and is valued in Canadian dollars.

Securities Authorized for Issuance Under Equity Compensation Plans

The Corporation has adopted a deferred share unit ("DSU") plan, which was approved by the shareholders of the Corporation on May 6, 2004 (the "DSU Plan").

Under the terms of the DSU Plan, non-employee members of the Board of Directors may elect to receive, in lieu of cash remuneration that would otherwise be payable to such directors or any portion thereof, the number of DSUs equivalent to such cash remuneration. A DSU is a bookkeeping entry equivalent to one Class B non-voting share. The number of DSUs credited to an account maintained for each eligible director is calculated by dividing cash remuneration by the fair market value of a Class B non-voting share of the Corporation's capital stock on the date of issue of the DSU. DSUs cannot be redeemed or paid-out until such time as the director ceases to be a director. A DSU entitles the holder to receive, on a deferred payment basis, either the number of Class B non-voting shares of the Corporation equating to the number of his or her DSUs, or, alternatively, at the election of the Corporation, a cash amount equal to the fair market value of an equal number of Class B non-voting shares of the Corporation on the redemption date. Upon a person ceasing to be a director, such person will have until December 31 of the calendar year following his or her retirement from the Board to redeem his or her DSUs. For purposes of the DSU Plan, "fair market value" at any date will equal the closing value of Class B non-voting shares of the Corporation on the Toronto Stock Exchange on the issue date of the DSUs or the date of notification of redemption of the DSUs, as applicable.

Class B non-voting shares required to satisfy redemptions of DSUs in shares under the terms of the DSU Plan will be purchased in the open market by the Corporation for redeeming holders of DSUs. The DSU Plan is unfunded.

A copy of the DSU Plan is available upon request in writing to the Senior Vice President, Human Resources and Corporate Communications, of the Corporation at 105 Gordon Baker Road, Suite 800, Toronto, Ontario M2H 3P8.

The following table sets forth the securities authorized for issuance under the Corporation's equity compensation plans as at December 31, 2007:

Securities Authorized for Issuance Under Equity Compensation Plans

	Number of Securities to Be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by security holders	1,686,350	\$20.30	555,950
Equity compensation plans not approved by security holders	nil	nil	nil
Total	1,686,350	\$20.30	555,950

Indebtedness of Directors and Executive Officers to the Corporation and its Subsidiaries Under Securities Purchase and Other Programs

The following tables set forth the indebtedness (other than routine indebtedness as defined in Form 51-105F5) incurred by all current and former directors, officers and employees of the Corporation and its subsidiaries for the purchase of securities of the Corporation and for other purposes as of February 28, 2008.

Aggregate Indebtedness (\$)

Purpose	To the Corporation or its Subsidiaries	To Another Entity
Share purchases	\$1,182,301	nil
Other	nil	nil

Comment [b1]: Only Paul Germaine's housing loan balance as at Feb 28. Inman, Cummings and Madill considered and dismissed, because their loans fall under the definition of "Routine Indebtedness" in the regs, being secured against their houses, and the balances being less than their annual salaries.

**Indebtedness of Directors and Executive Officers
under Securities Purchase and Other Programs**

Name and Principal Position As at December 31, 2007	Involvement of Corporation or Subsidiary	Largest Amount Outstanding During 2007	Amount Outstanding as at February 29, 2008	Financially Assisted Securities Purchases During 2007	Security for Indebtedness	Amount Forgiven During 2007
Steven W. Lancaster <i>Executive Vice President and Chief Financial Officer</i>	Corporation (lender)	\$341,624	\$341,624	nil	25,000 Class B non-voting shares	nil
Geoffrey T. Martin <i>President and Chief Operating Officer</i>	Corporation (lender)	US\$158,810	US\$158,810	nil	25,000 Class B non-voting shares	nil
Janis M. Wade <i>Senior Vice President, Human Resources and Corporate Communications</i>	Corporation (lender)	\$341,624	\$341,624	nil	25,000 Class B non-voting shares	nil
Richard J. Zakaib <i>Senior Vice President, Corporate Development</i>	Corporation (lender)	\$341,624	\$341,624	nil	25,000 Class B non-voting shares	nil

The loans set forth in the table above were made from 1999 to 2001 with respect to the Executive Share Purchase Plan, which was discontinued in 2001. There are no loans other than for the purchase of securities. The loans do not bear interest. The loans are ten-year loans and are otherwise repayable within 18 months of termination of employment without cause or at the time of disposal of the shares purchased, whichever is earlier.

Directors' and Officers' Liability Insurance

As of July 8, 2007, the Corporation had purchased policies of insurance for the benefit of itself and its directors and officers against liability incurred by them in the performance of their duties as directors or as officers of the Corporation. The cumulative amount of the premium paid in respect of this policy in 2007 was \$223,000. The policies do not specify that any part of the premium is paid in respect of either directors as a group or officers as a group. The entire premium is paid by the Corporation. The aggregate amount of coverage under the policies is \$50,000,000 in respect of any one occurrence. By the terms of the policies, the Corporation may claim for 100% of the loss, up to the policy aggregate, over and above the first \$250,000, such \$250,000 being the deductible for the Corporation under the primary policy. In addition, in certain limited circumstances where complete indemnity of the director or officer by the Corporation is not possible, the director or officer may claim on the policies for 100% of the loss, without a deductible being applicable. The policy contains standard industry exclusions and no claims have been made to date.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Corporation has a formalized system of corporate governance practices set forth in its "Statement of Governance Policies." These policies include a written charter for the Board of Directors and each Committee of the Board as well as a description of the roles and responsibilities of the Chairman of the Board and of the Vice Chairman and Chief Executive Officer of the Corporation. The Board of Directors has also approved a code of business conduct and ethics, and a formal, written communications and public disclosure policy. The full text of the Statement of Governance Policies and the code of business conduct and ethics may be viewed on the Corporation's website at www.cclind.com.

On June 30, 2005, the Canadian Securities Administrators published National Policy 58-201, *Corporate Governance Guidelines*, and disclosure requirements in National Instrument 58-101, *Disclosure of Corporate Governance Practices* (the "Instrument"). The requirements of the Instrument are set forth in the table below. The requirements for audit committees are regulated by Multilateral Instrument 52-110, *Audit Committees*.

INSTRUMENT REQUIREMENTS	COMMENTS
Disclose the identity of directors who are independent.	Paul J. Block, Susan J. Cook, Dermot G. Coughlan, Michael T. Cowhig, Jon K. Grant, Douglas W. Muzyka, Thomas C. Peddie and Lawrence G. Tapp.
Disclose the identity of directors who are not independent, and describe the basis for that determination.	<p>Donald G. Lang, Stuart W. Lang and Geoffrey T. Martin.</p> <p>The Corporation has a significant shareholder, 1281228 Ontario Inc., of which Donald G. Lang and Stuart W. Lang are directors, officers and shareholders. Donald G. Lang is Vice Chairman and CEO of the Corporation, and Stuart W. Lang has a direct family relationship with him.</p> <p>Geoffrey T. Martin is the President and Chief Operating Officer of the Corporation.</p>
Disclose whether or not a majority of directors are independent.	A majority of the directors are independent.
If a director is presently a director of any other issuer that is a reporting issuer in a Canadian jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.	Michael T. Cowhig – Newell Rubbermaid Corporation, Wilson's Leather Corporation; Donald G. Lang – AGF Management Ltd.; Jon K. Grant – Agricore United; Lawrence G. Tapp – ATS Automation, Talisman Energy, SoftChoice Corporation, Mainstreet Equities Corporation.
Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year.	Prior to or immediately following each meeting of the Board and its Committees, there is a private session restricted to independent directors from which non-independent directors and management are excluded to permit independent directors to discuss any matters of concern <i>in camera</i> . There were five meetings of the Board of Directors held during 2007 in respect of which in <i>camera meetings</i> of independent directors were held.
Disclose whether or not the chair of the board is an independent director. If the board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities.	<p>The Chairman, Jon K. Grant, is independent. The role of the Chairman is to oversee the Board as a whole, and his responsibilities include:</p> <ul style="list-style-type: none"> (i) approving the agendas for, scheduling and chairing meetings of the directors and shareholders of the Corporation; (ii) monitoring whether the Board's Committees are working effectively; (iii) acting as an advisor and sounding board to the Vice Chairman and CEO; (iv) providing a link between management and the Board, and between the Board and the shareholders; and (v) monitoring whether the Board is receiving timely information of appropriate quality before, during and after Board meetings.

Disclose the attendance record of each director for all board meetings held since the beginning of the issuer's most recently completed financial year.	All directors attended 100% of their meetings with the exception of Paul Block (94%), Dermot Coughlan (94%), Michael Cowhig (78%), Jon Grant (88%) and Lawrence Tapp (81%)
Disclose the text of the board's written mandate.	Please see the Board's mandate, set forth below under the title "The Charter of the Board".
Disclose whether or not the board has developed written position descriptions for the chair and the chair of each board committee.	The position descriptions for the chair and the chair of each Board Committee are set out in the Statement of Governance Policies.
Disclose whether or not the board and Chief Executive Officer ("CEO") have developed a written position description for the CEO.	The position description for the CEO is set out in the Statement of Governance Policies, which is available on the Corporation's website, at www.cclind.com .
Briefly describe what measures the board takes to orient new directors regarding (i) the role of the board, its committees and its directors, and (ii) the nature and operation of the issuer's business.	Upon election to the Board, new directors receive a comprehensive orientation package including material to assist them in familiarizing themselves with the Corporation and its business operations.
Briefly describe what measures, if any, the board takes to provide continuing education for its directors.	The Nominating and Governance Committee is responsible for developing programs of continuing education for directors. Subject to availability, such programs may include plant visits, attendance at industry association conventions and trade shows, formal courses and presentations by expert speakers.
Disclose whether or not the board has adopted a written code of business conduct and ethics for the directors, officers and employees. If the board has adopted a written code: (i) disclose how a person or company may obtain a copy of the code; (ii) describe how the board monitors compliance with its code, or if the board does not monitor compliance, explain whether and how the board satisfies itself regarding compliance with its code; and (iii) provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.	The Board has adopted a written code of business conduct and ethics for its directors, officers and employees. (i) A copy of the code may be viewed on the Corporation's website at www.cclind.com or it may be obtained by contacting the Secretary of the Corporation at 105 Gordon Baker Road, Suite 800, Willowdale, Ontario, M2H 3P8. (ii) The monitoring of compliance with the code is within the mandate of the Human Resources Committee, which is also responsible for administering and granting any waivers in respect of the code. The Human Resources Committee and the Audit Committee receive the report of the Senior Vice President, Human Resources and Corporate Communications, regarding any matters or issues involving the code. (iii) Not applicable.
Describe any steps the board takes to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.	Should any matter arise in which a director has a material interest, he or she is expected to declare his or her interest and absent himself or herself from the discussion and voting over such matter.

Describe any other steps the board takes to encourage and promote a culture of ethical business conduct.	The Board and the CEO have reviewed and approved the Code of Business Conduct and Ethics and management has been charged with the responsibility of distributing and promulgating the code among the Corporation's employees. Distribution of the code is accompanied by explanatory presentations, and each employee is asked to acknowledge in writing that he/she has read the code and agrees to abide by its terms. The code provides for an anonymous, company-wide "ethics hotline" for reporting breaches of the code and any issues relating to accounting and financial wrongdoing.
Describe the process by which the board identifies new candidates for board nomination.	The Nominating and Governance Committee has developed a matrix of skills and competencies represented on the Board and identified such other skills and competencies as may be under-represented. These are used as the basis of further recruitment efforts, which may be conducted by the Nominating and Governance Committee through informal channels and through the use of recruitment agencies.
Disclose whether or not the board has a nominating committee composed entirely of independent directors. If the board does not have a nominating committee composed entirely of independent directors, describe what steps the board takes to encourage an objective nomination process.	The Board has a Nominating and Governance Committee composed entirely of independent directors.
If the board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.	Please see the text of the charter set forth below under the title "Charter of the Nominating and Governance Committee."
Describe the process by which the board determines the compensation for the issuer's directors and officers.	The Nominating and Governance Committee is responsible for determining the compensation of directors, and the Human Resources Committee is responsible for determining the compensation of the Corporation's officers. Compensation is determined using comparative data and considering the level of experience and the performance of the individual. The Human Resources Committee makes use of comparative total compensation data received from independent consulting firms. Where appropriate, bonuses are paid as a percentage of salary based on the achievement of certain targets. Please refer to the "Report on Executive Compensation," set forth above for a detailed discussion.
Disclose whether or not the board has a compensation committee composed entirely of independent directors.	The Board has a Human Resources Committee, which fulfills the role of a compensation committee. It is composed entirely of independent directors.
If the board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.	Please refer to the mandate of the Committee set forth under the title "Charter of the Human Resources Committee" set forth below.

<p>If a compensation consultant or advisor has, at any time since the beginning of the issuer's most recently completed financial year, been retained to assist in determining compensation for any of the issuer's directors and officers, disclose the identity of the consultant or advisor and briefly summarize the mandate for which they have been retained. If the consultant or advisor has been retained to perform any other work for the issuer, state that fact and briefly describe the nature of the work.</p>	<p>Watson Wyatt Worldwide, Inc. was retained in 2006 to provide comparative salary information. Watson Wyatt has also been retained in 2007 to consult on pension matters and provide specific information relating to the Corporation's pension expenses. Buck Consultants were also retained during 2007 to update information provided in 2006 pertaining to the compensation of certain executives.</p>
<p>If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.</p>	<p>The Board has an Environment and Health & Safety Committee, the function of which is to provide a forum for detailed discussion, examination and review of the Corporation's needs and practices in matters pertaining to regulatory compliance in the areas of environmental control and occupational health and safety and to consider and approve new measures, practices and procedures in these areas. For further details, please see the mandate of the Committee set forth under the title "Charter of the Environment and Health & Safety Committee," below.</p>
<p>Disclose whether or not the board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments.</p>	<p>The Nominating and Governance Committee initiates, every second year (or more frequently, as the Board may determine from time to time), a formal assessment by an outside consultant of the Board as a whole, which assessment may include an evaluation of the Board's Committees and of each individual director. The Chairman then meets one-on-one with each director annually in a peer review to review the formal assessment, to solicit the director's views on the effectiveness of the Board, the Committees and the individual directors and to receive each director's recommendations. In addition, the Board annually assesses the performance of the Chairman of the Board and the Vice Chairman and CEO.</p>

Audit Committee

For disclosure regarding the Corporation's Audit Committee, please refer to the section entitled "Item 13 – Audit Committee" in the Corporation's 2007 Annual Information Form. To obtain a copy of the Annual Information Form, please refer to the information set forth under the title "Additional Information" below.

The Charter of the Board

The following is the written mandate of the Board. Certain responsibilities may be delegated to the Board's Committees as permitted by law.

- Advocate and support the best interests of the Company.
- Annually review and approve strategic, business and capital plans for the Company, monitor management's execution of such plans and require appropriate action to be taken when performance falls short of goals; review at least annually a strategic plan which takes into account the opportunities and risks of the business.

- Ascertain whether specific and relevant corporate measurements are developed and ensure the integrity of the internal control and management information systems that are in place with regard to business performance.
- Select, evaluate and compensate the Vice Chair and CEO.
- Satisfy itself of the integrity of the Vice Chair and CEO, and other senior officers, and that these individuals create a culture of integrity throughout the Company.
- Identify and review the principal risks of the Company's business and pursue the implementation by management of appropriate systems to manage such risks.
- Review measures implemented and maintained by the Company to ensure compliance with statutory and regulatory requirements.
- Monitor the practices of management against the Company's disclosure policy to ensure appropriate and timely communication of material information concerning the Company to its shareholders.
- Monitor overall safety and environmental programs.
- Monitor the development and implementation of programs for management succession and development, which programs include training and monitoring senior management.
- Monitor the evaluation and compensation of senior management.
- Develop or approve selection criteria for new candidates for directorship.
- Implement measures for receiving feedback from shareholders, including the monitoring of the use of the Company's website as a means of receiving and responding to comments and questions from interested persons.
- Establish and communicate to management the Board's expectations of management.
- Consider board size with a view to facilitating effective decision-making.
- Develop the Company's approach to corporate governance, including the development of a set of corporate governance principles and guidelines that are specifically applicable to the Company, which responsibility may be delegated to a committee composed of independent, non-management directors.
- Develop and review as part of the Board's Governance Policy, the expectations and responsibilities of directors, including basic duties and responsibilities with respect to attendance at Board meetings and advance review of meeting materials.
- Discharge such other duties as may be required in the good stewardship of the Company.

Board Approvals

In addressing its mandate, the Board assumes responsibility for the following approvals:

Financial Approvals:

- Strategic plan, annual business and capital plans
- Annual financial statements and auditor's report
- Quarterly financial statements and press release
- Budgeted capital expenditures in excess of \$4,000,000
- Unbudgeted capital expenditures in excess of \$2,000,000
- All acquisitions, divestitures and joint ventures, and any capital calls or further investments in joint ventures and trade investments
- Significant refinancings by debt or equity
- Dividend policy
- Share re-purchase programs

Human Resources Approvals:

- Appointment/succession/dismissal of Vice Chair and CEO
- Directly or by delegation to the Human Resources Committee:
 - (a) compensation and incentive arrangements for Vice Chair and CEO and those officers reporting directly to him; and
 - (b) employment/termination agreements for corporate officers reporting directly to the CEO.

Administration and Compliance Approvals:

- Appointment of Board Committees and their chairs
- Nomination of directors
- Recommendation of auditors to the shareholders
- Proxy Circular, Management's Discussion and Analysis, and Annual Information Form
- Appointment of chair
- Major policies

Board Committees

In order to more efficiently discharge its responsibilities, the Board has established an Audit Committee, a Human Resources Committee, a Nominating and Governance Committee, and an Environment and Health & Safety Committee, the charters or mandates of which are set forth below. The Board appoints a chair for each of these Committees. The chair of each Committee is an independent director. The chair of each Committee directs the operations of the Committee through the establishment of the agenda for meetings, which are called at regular intervals and as may be required from time to time. The chair of each Committee reports on the activities of the Committee at Board meetings. Each Board Committee has the authority to engage, instruct and compensate, at the Corporation's expense, any outside advisor it determines to be necessary to carry out its responsibilities.

Charter of the Audit Committee

The principal purpose of the Audit Committee is to provide a forum for detailed discussion, examination and review of the Company's auditing needs, financial reporting and information systems activities and the selection, instruction, evaluation and compensation of external and internal auditors of the Company and external providers of financial and information management systems services to the Company. Qualifications for membership in the Audit Committee include independent status pursuant to Multilateral Instrument 52-110 ("MI 52-110"), financial literacy and an interest in supervising the financial management and reporting of the Company. Members of the Committee are selected and removed by a vote of the Board. The structure of the Committee consists of a chairperson and three directors appointed by the Board. In accordance with MI 52-110, the Audit Committee must be composed of a minimum of three directors, each of whom must be independent and "financially literate," meaning possessed of the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally

comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements. The Executive Vice President and CFO acts as staff facilitator to the Committee. The Audit Committee has the authority to engage, instruct, compensate and to communicate directly with the internal and external auditors. The mandate of the Audit Committee of the Board is as follows:

- Review the quality and acceptability of the accounting policies, principles and practices of the Company.
- Review the quarterly and year-end financial statements, Management's Discussion and Analysis, and earnings press releases of the Company before the Company publicly discloses this information, and report its findings for approval to the Board. In addition, the Audit Committee shall review the annual Management Proxy Circular and the Annual Information Form of the Company and ensure that the prescribed disclosure regarding the Audit Committee is contained in the Annual Information Form and is cross-referenced to the Annual Information Form from the Management Proxy Circular.
- Monitor the adequacy and integrity of internal controls over accounting and financial systems and ensure that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure stated immediately above, and periodically assess the adequacy of those procedures.
- Monitor the timely communication of accurate financial information regarding the Company to the shareholders.
- Evaluate and recommend to the Board the auditor to be nominated to prepare or issue an audit report or perform other audit, review or attestation services for the Company, and the compensation of the auditor. Ensure that the auditor reports directly to the Audit Committee.
- Monitor the independence of the auditor, and assume direct responsibility for overseeing the work of the auditor engaged to prepare or issue an audit report or perform other audit, review or attestation services for the Company, including the resolution of disagreements between management and the auditor regarding financial reporting and communicate directly with the auditor for the discussion and review of any issues as appropriate. In addition, the Audit Committee shall require and receive from time to time the written confirmation of the auditor as to its independent status and as to its good standing with the Canadian Public Accountability Board.
- Pre-approve all non-audit services to be provided to the Company or its subsidiary entities by its auditor. Authority to pre-approve non-audit services may be delegated to one or more independent members of the Audit Committee, provided that the pre-approval is presented to the full Audit Committee at its first scheduled meeting following such pre-approval.
- Review the results of internal and external audits, and any change in accounting practices or policies and their impact on the financial statements and maintain oversight responsibility for management reporting on internal control.
- Review the reports of the internal audit department of the Company and provide direction and guidance to the internal auditors.
- Where there are unsettled issues raised by the auditor that do not have a material effect on the annual audited financial statements, require that there be a written response identifying a course of action that would lead to their resolution.
- Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
- Review and approve the Company's hiring policies regarding partners and employees and former partners and employees of the present and former auditor of the Company.

- Review and monitor the adequacy and integrity of the Company's management information systems.
- Monitor the adequacy of financial resources.
- Review the quality of the asset side of the balance sheet of the Company.
- Review risks facing the Company.
- Review and assess the adequacy of the charter of the Audit Committee on an annual basis.

Charter of the Human Resources Committee

The principal purpose of the Human Resources Committee is to provide a forum for detailed discussion, examination and review of the Company's needs and practices in the selection, evaluation and compensation of officers and employees. Qualifications for membership in the Human Resources Committee include status as an independent director and an interest in human resources development and administration. Members of the Committee are selected and removed by a vote of the Board. The structure of the Committee consists of a chairperson and three directors appointed by the Board. The Senior Vice President, Human Resources and Corporate Communications, acts as secretary and staff facilitator to the Committee. The mandate of the Human Resources Committee of the Board is as follows:

- Consider and recommend executive compensation programs including base salaries, short term and long-term incentives, bonuses, security-based compensation, and pension and perquisite programs. These programs should be linked with the Company's business strategy and performance.
- Monitor succession planning to encourage the development of appropriate successors for the Vice Chair and CEO and key executives as identified from time to time by the Committee.
- Annually consider and approve recommended corporate salary guidelines.
- In consultation with the Chair of the Board, review and approve the corporate goals and objectives relevant to the compensation of the Vice Chair and CEO, evaluate his performance in light of those corporate goals and objectives and make recommendations to the Board with respect to his compensation level based on this evaluation.
- Approve any changes to officers reporting directly to the Vice Chair and CEO.
- Annually consider and approve the compensation packages for senior corporate officers and inform the Board accordingly.
- Make recommendations to the Board with respect to non-chief executive officer incentive compensation and equity-based plans.
- Annually review the performance of officers reporting directly to the Vice Chair and CEO relative to performance and compensation.
- Consider and approve employment and termination agreements for officers reporting directly to the Vice Chair and CEO.
- Approve pension plan amendments that do not materially alter plan liabilities or reflect changes in the Company's policy towards retirement benefits, and recommend to the Board for approval those amendments that reflect material changes.
- Review and recommend for approval by the Board any newly created pension plans, registered or unregistered, or the wind-up of any existing plan.
- Monitor the activities of the Pension Committee. Annually review funding and administration of the Company's pension plans and fund performance as reported by the Pension Committee and approve any material changes to the Company's Statement of Investment Policies and Procedures, which

governs pension fund investment strategy.

- Compensation advisors in respect of executive compensation may be retained only by or at the direction of the Human Resources Committee or the Board. No officer or employee may retain such consultants on his or her own initiative.
- Review executive compensation disclosure before the Company publicly discloses this information.
- Review and reassess the adequacy of the charter of the Human Resources Committee on an annual basis.
- Monitor the operation of the Company's Code of Business Conduct and Ethics, consider and approve any waivers of compliance with the Code and report to the full Board concerning same.

Charter of the Nominating and Governance Committee

The purpose of the Nominating and Governance Committee is to provide a forum for detailed discussion, examination and review of the Company's needs in the selection of directors and the formation of the Committees of its Board as well as of its governance policies and practices. Qualifications for membership in the Committee include status as an independent director and an interest in the development of corporate governance practices and procedures. Members of the Committee are selected and removed by a vote of the Board. The structure of the Committee consists of a chairperson and two directors appointed by the Board. The Secretary and General Counsel of the Company acts as secretary and staff facilitator to the Committee. The mandate of the Nominating and Governance Committee of the Board is as follows:

- Lead the process of recruiting, interviewing and recommending candidates to the Board. Propose new nominees for directorship to the full Board, as required.
- Develop and maintain a matrix of the skills, competencies and requirements represented on the Board and those to be sought in candidates for directorship that would be helpful to the Board and the Company, as well as a list of potential candidates for directorship responsive to such matrix of skills and needs, and consider whether each new nominee can devote sufficient time and resources to his or her duties as a Board member.
- Annually recommend membership of the Board Committees and their respective chairs to the Board for approval.
- Monitor the orientation and training of new directors, and provide guidance for the establishment and operation of a continuing education program for directors.
- Facilitate the assessment of the performance of the Board, its Committees and of individual directors through the administration of a periodic assessment exercise, and present the results to the Board.
- Annually assess the Company's compliance with the governance and disclosure guidelines of the Ontario Securities Commission.
- Annually assess the adequacy of the Company's Statement of Governance Policies and its Disclosure Policy, and propose any appropriate amendments to the Board.
- Review annually and recommend any changes in the compensation for directors.
- Review and reassess the adequacy of the charter of the Nominating and Governance Committee on an annual basis.

Charter of the Environment and Health & Safety Committee

The purpose of the Environment and Health & Safety (“EHS”) Committee is to provide a forum for detailed discussion, examination and review of the Corporation’s needs and practices in matters pertaining to regulatory compliance in the areas of environmental control and occupational health and safety and to consider and approve new measures, practices and procedures in these areas. Qualifications for membership in the EHS Committee include an interest in matters of environmental protection and occupational health and safety. Members of the Committee are selected and removed by a vote of the Board. The Committee consists of a chairperson appointed by the Board and one director. The mandate of the EHS Committee of the Board is as follows:

- Review regularly the EHS auditing procedure in place to monitor the effectiveness of compliance systems and procedures, and amend audit protocols as needed.
- Review significant compliance and other issues brought forward by the EHS officer and direct senior management to take adequate steps to correct the situation and report back on completion.
- Verify whether all Company operations have appropriate written contingency plans to deal with EHS incidents.
- Require that the Company have a documented system requiring the prompt reporting of significant events as defined in the CCL contingency plan.
- Monitor continuing commitment to EHS policy by senior management.
- Review status of significant environmental issues on an on-going basis.
- Review environmental liabilities and assessment of reserve requirements annually, and provide comment to the Audit Committee as necessary.
- Approve the winners of the annual EHS Awards.
- Review and reassess the adequacy of the charter of the EHS Committee on an annual basis.

Composition of Board and Committees

The Board presently has eight independent directors out of a total of eleven directors, and the Company will seek to maintain a ratio of independent to non-independent directors of 2/3 or greater. The roles of the Vice Chairman and CEO and the Chairman of the Board are separate, and the Chairman is an independent director. A “board interlock” occurs where there are reciprocal directorships between the boards of two companies, as when a member of one corporation’s board sits on the board of another corporation, while another director of that other corporation sits on the board of the first corporation, other than in a parent/subsidiary situation. There are no board interlocks involving the Corporation’s Board of Directors and the Board of Directors of any other corporation.

The Committees of the Board of Directors are made up of the directors appearing in the table below. Chairpersons of Board Committees are marked with a “C”.

Director	Audit Committee	Human Resources Committee	Nominating and Governance Committee	Environment and Health & Safety Committee
P. Block	X	X		
S. Cook		C		
D. Coughlan	X	X		
M. Cowhig		X		
J. Grant			X	C
S. Lang				X
D. Muzyka				X
T. Peddie	C		X	
L. Tapp	X		C	

Share Ownership Requirements

Each director is expected to acquire shares or deferred share units of the Corporation valued by the market as at the date of the director’s initial appointment or election at not less than twice his or her annual base retainer in directors’ fees within three years of the director’s initial election or appointment, and to maintain such an interest in the capital of the Corporation throughout the period of his or her directorship. For these purposes, the date of initial appointment or election of those directors who were on the Board on December 4, 2003 is deemed to be December 4, 2003. In the event that the annual base retainer is increased, each director shall have three years from the date of the increase of the retainer to acquire additional shares representing the amount of the increase at market value as of the date of such increase. The Vice Chairman and CEO, who is also a director, but who receives no retainer as a director, is expected to acquire within three years of his appointment and to hold throughout his term of office, as a minimum, shares of the Corporation of a value equal to twice his base salary on the date of his appointment to office. The total value as of the date of this circular of the direct and indirect holdings of the Vice Chairman and CEO in the equity of the Company, including the value of shares, DSUs, restricted share units and any other share equivalents, exceeds twice his base salary.

Disclosure and Communications Policy

The Corporation has designated three senior officers to facilitate the dissemination of information to shareholders of the Corporation and other interested parties and to receive feedback from them. The Vice Chairman and CEO, and the Executive Vice President and CFO have responsibility for communicating financial information of the Corporation to shareholders, the media and the investment community, and for receiving and responding to inquiries and comments from them. The Senior Vice President, Human Resources and Corporate Communications, shares responsibility with the Vice Chairman and CEO and the Executive Vice President and CFO for developing the Corporation’s annual report to its shareholders, and for disseminating general information concerning the activities of the Corporation. In addition to the foregoing, the Corporation has established a “Disclosure Committee” made up of key persons within the Corporation’s internal flow of information to review and verify the information to be disclosed in the Corporation’s news releases and regulatory filings. The Corporation provides timely information regarding its activities to its shareholders and others through news releases and the distribution of quarterly and annual reports, and responds through its appointed officers to inquiries that these documents may generate. The Corporation’s news releases are also posted to its website at www.cclind.com. Meetings with analysts and institutional shareholders held at the conclusion of quarterly reporting periods are accessible by conference call on a dial-in basis to interested members of the public.

The Corporation has a written policy, reviewed annually by the Nominating and Governance Committee, concerning the timely disclosure and dissemination of material information, establishing procedures to avoid selective disclosure and prohibiting the use of material, undisclosed information for purposes of trading in the Corporation’s securities by officers and employees of the Corporation. To help prevent selective disclosure, the policy requires employees to direct all outside inquiries to the Vice Chairman and CEO, the Executive Vice President and CFO or the Senior Vice President, Human Resources and Corporate Communications. In addition, trading in the Corporation’s securities by the Corporation’s officers and directors is restricted for the

periods from the time of commencement of the preparation of its quarterly financial statements until the statements have been released to the media and distributed to the public. During such periods, employees involved in the preparation of such statements are required to maintain secrecy and may not trade in the Corporation's securities. In addition, directors are required to advise the senior management of the Corporation of any intended trade in the Corporation's securities, so that a determination can be made as to whether the timing of the trade would be appropriate in view of the Corporation's policy concerning timely disclosure of material information.

External Auditor Service Fees

The auditor of the Corporation is KPMG LLP, Chartered Accountants.

Audit Fees - The aggregate audit fees paid to KPMG LLP related to the audit of the annual consolidated financial statements and the review of the interim financial statements were \$1,424,400 in 2007 and \$1,388,400 in 2006.

Audit-Related Fees - The aggregate fees billed for assurance and related services by KPMG LLP that are reasonably related to the performance of the audit or review of the financial statements, the audit of the Corporation's pension plans, the report on compliance with debt covenants, advice on new accounting standards in connection with the 2006 audit and advice on internal controls over financial reporting, and that are not reported under "Audit Fees" above were \$39,000 in 2007 and \$48,100 in 2006.

Tax Fees - The aggregate fees billed for professional services rendered by KPMG LLP and its affiliates for tax compliance, tax advice and tax planning for the Corporation's Canadian and international operations were \$494,300 in 2007 and \$689,900 in 2006.

All Other Fees - KPMG LLP and its affiliates provided actuarial consulting services to the Corporation and assistance in starting up foreign subsidiaries for \$499,200 in 2007 and for \$283,700 in 2006.

SHAREHOLDER PROPOSALS FOR THE 2009 ANNUAL MEETING

The Corporation will review shareholder proposals intended to be included in proxy material for the 2009 annual meeting of shareholders that are received by the Corporation at its offices at 105 Gordon Baker Road, Willowdale, Ontario, M2H 3P8, Attention: Corporate Secretary, by no later than December 31, 2008.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com and on the Corporation's website at www.cclind.com. Financial information regarding the Corporation is provided in the Corporation's comparative consolidated financial statements and Management's Discussion and Analysis ("MD&A") for the financial year ended December 31, 2007.

Copies of the following documents are available without charge to shareholders upon written request to the Secretary of the Corporation at 105 Gordon Baker Road, Suite 800, Willowdale, Ontario M2H 3P8, or, following distribution of these materials, they may be obtained from the SEDAR website at www.sedar.com:

- (i) the 2007 Annual Report to the Shareholders containing the consolidated financial statements for the year ended December 31, 2007 together with the accompanying report of the auditors;
- (ii) MD&A pertaining to the Corporation's comparative consolidated financial statements;
- (iii) this Management Proxy Circular; and
- (iv) the Corporation's most recent Annual Information Form.

GENERAL

The information contained herein is given as of March 11, 2008, unless otherwise noted. The contents and the distribution of this Management Proxy Circular have been approved by the directors of the Corporation.

DATED at Toronto, this 11th day of March, 2008.

By Order of the Board of Directors,

**Per: B. I. SIROTA,
Secretary**