



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

MAY 6, 2010

NOTICE is hereby given that the annual and special meeting (the "Meeting") of shareholders of **CCL INDUSTRIES INC.** (the "Corporation") will be held at the corporate offices of the company at Suite 500, 105 Gordon Baker Road, Willowdale, Ontario M2H 3P8, at 1:30 p.m. (Toronto time), on Thursday, May 6, 2010, for the following purposes:

1. to receive the 2009 Annual Report of the Corporation containing the audited consolidated financial statements of the Corporation for the financial years ended December 31, 2009, and December 31, 2008, and the auditor's report thereon;
2. to elect nine directors;
3. to re-appoint the auditor and authorize the directors to fix the auditor's remuneration;
4. to consider and, if thought appropriate, to approve an amendment to the CCL Industries Inc. Employee Stock Option Plan (the "Option Plan") to increase the number of Class B non-voting shares reserved and available for issuance under the Option Plan by 1,500,000, and to ratify option grants previously made thereunder in respect of 125,000 Class B non-voting shares; and
5. 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 9, 2010

NOTES TO NOTICE OF ANNUAL AND SPECIAL 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 Company, c/o CIBC Mellon Trust Company, Attention: Proxy Department, P.O. Box 721, Agincourt, ON M1S 0A1, for delivery by 4:00 p.m. on the last business day before the Meeting or for deposit with the Executive 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 23, 2010. Accordingly, shareholders registered on the books of the Corporation at the close of business on March 23, 2010, are entitled to notice of and to vote at the Meeting.
5. A copy of the 2009 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 9, 2010 FOR USE AT THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON MAY 6, 2010

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 AND SPECIAL MEETING OF SHAREHOLDERS of the Corporation (the "Meeting") to be held at the corporate offices of the Corporation at Suite 500, 105 Gordon Baker Road, Willowdale, Ontario M2H 3P8, at 1:30 p.m. (Toronto time), on Thursday, May 6, 2010, 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, by 4:00 p.m. on the last business day before 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 500, 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 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 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; (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; and (iii) on the resolution to approve an amendment to the CCL Industries Inc. Employee Stock Option Plan to reserve and make available for issuance a further 1,500,000 Class B non-voting shares thereunder and to ratify prior option grants, in favour of such resolution.** 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 Company 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. **Holders of Class B non-voting shares have no right to participate in a take-over bid made for the Class A voting shares 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 23, 2010, as the record date for the Meeting (the "record date"). As of the date hereof, there are issued and outstanding 2,374,025 Class A voting shares and 30,688,621 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 Company, the only person or company beneficially owning, or controlling or directing, directly or indirectly, more than 10% of the issued and outstanding Class A voting shares of the Company is 1281228 Ontario Inc., a private Ontario company that exercises control or direction over 2,241,880 Class A voting shares, being 94.43% of the issued and outstanding shares of that class on the date hereof. Donald G. Lang, Director and Executive Chairman of the Company and Stuart W. Lang, Director, each control one half of the issued and outstanding shares of 1281228 Ontario Inc. (see Note 3 under "Election of Directors", below).

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Executive officers of the Corporation are eligible to participate in the Corporation's Employee Stock Option Plan for which the approval of shareholders to an amendment to increase the number of Class B non-voting shares available for issuance thereunder is being sought at the Meeting. Donald Lang, the Executive Chairman of the Corporation, and Geoffrey Martin, the President and Chief Executive Officer of the Corporation, have been granted options under such Option Plan, which are subject to shareholder ratification at the Meeting. Please see "Amendment of Employee Stock Option Plan".

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 15 directors. The board of directors of the Corporation has fixed the number of directors to be elected at the Meeting at nine (9). Unless authority to vote is withheld, the persons named in the accompanying form of proxy intend to vote for the election of the nine (9) nominees whose names are set forth below. All of the nominees are now members of the board of directors of the Corporation and have been so since the dates indicated in the tables below.

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 tables 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 Company (including any predecessor thereof) and the number of shares of the Company beneficially owned, or controlled or directed, directly or indirectly, by each of them as of March 9, 2010. Information as to the number of shares beneficially owned, controlled or directed, directly or indirectly by each nominee, not being within the knowledge of the Company, has been furnished by the respective nominees individually and is given as of March 9, 2010.



Director since:
November 6, 1997
New York, U.S.A
Independent
Age: 65

Paul J. Block – Mr. Block’s principal occupation is as Chairman and CEO of Proteus Capital Associates, an investment banking firm. He is also an operating partner of Behrman Capital, a private equity firm. 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 Company 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, sourcing and implementing private equity transactions, strategy development and packaging industry knowledge.

Board/Committee Memberships		Attendance						
Board of Directors		7/7	100%					
Chairperson of the Human Resources Committee		6/6	100%					
Member of the Audit Committee		4/4	100%					
Securities Held								
As at:	Class A Shares	Class B Shares	Options⁽¹⁾	DSUs	Total Shares & DSUs	Value of Shares & DSUs	Shareholding Target	Shareholding Target Achieved
March 9, 2010	Nil	5,050	Nil	1,012	6,062	\$175,719.19	\$91,360	yes
Net Change in Equity Ownership Since March 10, 2009								
	Class A Shares	Class B Shares	DSUs					
	-	Acquired 1,500	Acquired 1,012					



Director since:
December 8, 1994
Ontario, Canada
Independent
Age: 74

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

Board/Committee Memberships		Attendance⁽²⁾						
Board of Directors (Lead Director)		7/7	100%					
Chairperson of the Nominating and Governance Committee		3/3	100%					
Member of the Environment and Health & Safety Committee		3/3	100%					
Member of the Human Resources Committee ⁽⁶⁾		N/A	N/A					
Securities Held								
As at:	Class A Shares	Class B Shares	Options⁽¹⁾	DSUs	Total Shares & DSUs	Value of Shares & DSUs	Shareholding Target	Shareholding Target Achieved
March 9, 2010	Nil	4,000	30,000	1,012	5,012	\$145,197.64	\$80,000	yes
Net Change in Equity Ownership Since March 10, 2009								
	Class A Shares	Class B Shares	DSUs					
	-	Disposed of 1,000	Acquired 1,012					



Director since:
November 5, 2008
Massachusetts, USA
Independent
Age: 58

Edward E. Guillet – Mr. Guillet's principal occupation is that of an independent human resources consultant. Prior to January 1, 2007, he was Senior Vice President, Human Resources, Procter & Gamble-Gillette Global Business Unit, a consumer products company. Prior to September 30, 2005, he was Senior Vice President, Human Resources, and an executive officer of The Gillette Company, a personal care products company. Mr. Guillet held positions of increasing responsibility and scope with The Gillette Company, now The Procter & Gamble Company, since 1974. He is a director of Waste Connections, Inc., an NYSE-listed solid waste management company and sits on its Compensation and its Nominating & Corporate Governance Committees. Mr. Guillet brings to the Board extensive experience in global human resources strategy, operations and executive compensation.

Board/Committee Memberships		Attendance						
Board of Directors		7/7	100%					
Member of the Human Resources Committee		6/6	100%					
Securities Held								
As at:	Class A Shares	Class B Shares	Options⁽¹⁾	DSUs	Total Shares & DSUs	Value of Shares & DSUs	Shareholding Target	Shareholding Target Achieved
March 9, 2010	Nil	Nil	Nil	3,183	3,183	\$109,593.51	\$91,360	yes
Net Change in Equity Ownership Since March 10, 2009								
	Class A Shares	Class B Shares		DSUs				
	-	-		Acquired 3,183				



Director since:
May 8, 2008
Ontario, Canada
Independent
Age: 58

Alan D. Horn⁽⁵⁾ – Mr. Horn's principal occupation is as President and Chief Executive Officer of Rogers Telecommunications Limited (a telecommunications company). Mr. Horn is also Chairman of the board of Rogers Communications Inc. and a director of March Networks Corporation and Fairfax Financial Holdings Limited. He is a chartered accountant, and holds a B.Sc. with first class honours in mathematics from the University of Aberdeen, Scotland. 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						
Board of Directors		7/7	100%					
Member of the Audit Committee		4/4	100%					
Member of the Nominating and Governance Committee		3/3	100%					
Securities Held								
As at:	Class A Shares	Class B Shares	Options⁽¹⁾	DSUs	Total Shares & DSUs	Value of Shares & DSUs	Shareholding Target	Shareholding Target Achieved
March 9, 2010	Nil	1,000	Nil	5,727	6,727	\$194,881.19	\$80,000	yes
Net Change in Equity Ownership Since March 10, 2009								
	Class A Shares	Class B Shares		DSUs				
	-	-		Acquired 3,934				



Director since:
May 23, 1991
Ontario, Canada
Not Independent
Age: 55

Donald G. Lang – Mr. Donald Lang is Executive Chairman of the Company. Prior to May of 2008, Mr. Lang was Vice Chairman and Chief Executive Officer (“CEO”), and President and CEO prior to May of 2005. Mr. Lang became President and COO in 1999, prior to which he was President of the Company’s Custom Manufacturing division. He has held positions of progressive responsibility in the Company and its subsidiaries since 1982, during which period he has developed deep experience in all facets of the Company’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., and a member of the boards of a private company and a non-profit organization. Mr. Lang brings to the Board his intimate knowledge of the Company, including its key people, customers and markets.

Board/Committee Memberships

Attendance

Board of Directors (Executive Chairman)	7/7	100%
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Securities Held

As at:	Class A Shares	Class B Shares	Options ⁽¹⁾	DSUs	Total Shares & DSUs	Value of Shares & DSUs	Shareholding Target	Shareholding Target Achieved
March 9, 2010	150 ⁽³⁾	115,770 ⁽³⁾	545,000	Nil	115,920	\$3,358,202.40	\$1,940,625	yes

Net Change in Equity Ownership Since March 10, 2009

Class A Shares	Class B Shares	DSUs
-	-	-



Director since:
May 23, 1991
Ontario, Canada
Not Independent
Age: 59

Stuart W. Lang – The principal occupation of Mr. Stuart Lang is as corporate director. Prior to his retirement as an officer of the Company 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 Company.

Board/Committee Memberships

Attendance

Board of Directors	7/7	100%
Member of the Environment and Health & Safety Committee	3/3	100%

Securities Held

As at:	Class A Shares	Class B Shares	Options ⁽¹⁾	DSUs	Total Shares & DSUs	Value of Shares & DSUs	Shareholding Target	Shareholding Target Achieved
March 9, 2010	Nil ⁽³⁾	23,610 ⁽³⁾	33,000	1,012	24,622	\$713,299.34	\$80,000	yes

Net Change in Equity Ownership Since March 10, 2009

Class A Shares	Class B Shares	DSUs
-	-	-



Director since:
October 27, 2005
Massachusetts, U.S.A.
Not Independent
Age: 55

Geoffrey T. Martin – Mr. Martin joined CCL as President of the Label Division in April 2001. In May 2008 he assumed the role of President and CEO of the Company. 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 Company, he was the Senior Group Vice President, Worldwide Converting Graphic and Specialty Tapes, with Avery Dennison Company. 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					7/7	100%		
Securities Held								
As at:	Class A Shares	Class B Shares	Options⁽⁷⁾	DSUs	Total Shares & DSUs	Value of Shares & DSUs	Shareholding Target	Shareholding Target Achieved
March 9, 2010	Nil	318,552 ⁽⁴⁾	187,000	Nil	318,552	\$9,228,451.40	\$2,158,380	yes
Net Change in Equity Ownership Since March 10, 2009								
Class A Shares		Class B Shares		DSUs				
-		Disposed of 30,198		-				



Director since:
June 8, 2006
Shanghai, China
Independent
Age: 55

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			
Board of Directors					7/7	100%		
Chairperson of the Environment and Health & Safety Committee					3/3	100%		
Securities Held								
As at:	Class A Shares	Class B Shares	Options⁽⁷⁾	DSUs	Total Shares & DSUs	Value of Shares & DSUs	Shareholding Target	Shareholding Target Achieved
March 9, 2010	Nil	Nil	Nil	7,192	7,192	\$208,352.24	\$80,000	yes
Net Change in Equity Ownership Since March 10, 2009								
Class A Shares		Class B Shares		DSUs				
-		-		Acquired 3,503				



Director since:
June 4, 2003
Ontario, Canada
Independent
Age: 62

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 Company, 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 Bachelor of Commerce degree 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				
Board of Directors				7/7	100%			
Chairperson of the Audit Committee				4/4	100%			
Member of the Nominating and Governance Committee				3/3	100%			
Securities Held								
As at:	Class A Shares	Class B Shares	Options⁽¹⁾	DSUs	Total Shares & DSUs	Value of Shares & DSUs	Shareholding Target	Shareholding Target Achieved
March 9, 2010	Nil	5,000	Nil	14,705	19,705	\$570,853,85	\$80,000	yes
Net Change in Equity Ownership Since March 10, 2009								
	Class A Shares	Class B Shares		DSUs				
	-	-		Acquired 4,803				

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 Company's Employee Share Option Plan since 2004. Options held by Mr. Donald Lang, Mr. Stuart Lang and Mr. Geoffrey Martin were received by them only in their capacity as corporate officers and employees, and not in their capacity as directors. Options held by Mr. Jon Grant were granted prior to 2004.
- (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 116,666 Class B non-voting restricted shares. Please refer to the paragraph under the heading "Restricted Stock Plan," below.
- (5) Mr. Alan Horn was a director of AT&T Canada Inc. when it filed under the *Companies' Creditors Arrangement Act* for protection from its creditors in October of 2002.
- (6) Mr. Grant was appointed to the Human Resources Committee on February 25th, 2010.

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 Company to hold such appointment until the next annual meeting of shareholders, and to authorize the directors of the Company to fix the remuneration of the auditor. KPMG LLP has been the auditor of the Company for more than five years.

AMENDMENT OF EMPLOYEE STOCK OPTION PLAN

The Meeting will be asked to consider and if thought appropriate, to approve a resolution, in the form attached as Schedule A, authorizing an amendment to the Corporation's Employee Stock Option Plan (the "Option Plan") to increase the number of Class B non-voting shares reserved and available for issuance thereunder by 1,500,000. Upon establishment of the Option Plan in 1995, an initial 1,500,000 Class B non-voting shares of the Corporation were reserved for issuance. In 1998, a further 1,500,000 Class B non-voting shares were reserved for issuance under the Option Plan. Substantially all of the Class B non-voting shares previously reserved under the Option Plan have now been issued or allotted for issuance pursuant to the prior grants of stock options, and accordingly, the Corporation is proposing to reserve an additional 1,500,000 Class B non-voting shares of the Corporation for issuance under the Option Plan, such that the maximum number of Class B non-voting shares that have been issued or which could be issuable under the Option Plan since its establishment in 1995 will be increased from 3,000,000 to 4,500,000. The number of shares reserved for issuance under the Option Plan from time to time is not necessarily reflective of the number of options that are outstanding at any given time because options that are exercised do not replenish the number of shares reserved under the Option Plan. Currently the Corporation has options outstanding to purchase 1,445,000 Class B non-voting shares, representing 4.7% of the number of Class B non-voting shares issued and outstanding. In addition, Options to purchase an additional 125,000 Class B non-voting shares are subject to shareholder ratification at the Meeting.

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 terms of the Option Plan, the board of directors is authorized to issue, at its discretion and on the recommendation of the Human Resources Committee (the "Committee"), options to acquire Class B non-voting shares of the Corporation. Persons eligible to participate in the Option Plan are directors, officers and employees of the Corporation and its subsidiaries, as determined by the board, who demonstrate the potential of becoming key personnel of, or performing valuable services for the Corporation or any of its subsidiaries. The exercise price per share of any option will equal the closing sale price of the Class B non-voting shares on the Toronto Stock Exchange (the "TSX") on the last trading day prior to the date of grant of the option and if there is no closing price on such date, the exercise price will equal the simple average of the closing bid and ask prices of the Class B non-voting shares on the TSX on such date.

Under the terms of the Option Plan, the aggregate number of Class B non-voting shares issuable to insiders of the Corporation at any time or issued to insiders within any 12-month period, in each case pursuant to the Option Plan and any other share compensation arrangements of the Corporation, may not exceed 10% of the sum of the number of issued and outstanding Class A voting shares and Class B non-voting shares (collectively, the "Outstanding Issue") of the Corporation at such time. "Insider" includes directors and officers (and their respective associates) of the Corporation and of certain subsidiaries of the Corporation. "Share compensation arrangements" means any compensation or incentive mechanism involving the issuance or potential issuance of Class B non-voting shares of the Corporation, including a purchase from treasury of shares where the purchase is financially assisted by the Corporation, a stock option, a stock option plan and a stock appreciation right involving the issuance of Class B non-voting shares from treasury. In addition, an option may not be granted to an insider if, together with other share compensation arrangements, it could result in the issuance to the insider in a 12-month period of a number of Class B non-voting shares exceeding 5% of the Outstanding Issue. No participant under the Option Plan may individually hold options under the Option Plan and rights under other share compensation arrangements to acquire, in aggregate, a number of Class B non-voting shares exceeding 5% of the Outstanding Issue.

If any option granted under the Option Plan expires or terminates for any reason without having been fully exercised, the unpurchased Class B non-voting shares that were subject to that option are made available for future option grants under the Option Plan. Options granted under the Option Plan have a term as determined by the board at the time of grant but such term may not exceed 10 years from the date of grant. Options vest and become exercisable as determined by the board. Upon the exercise of a stock option, the exercise price must be paid in full. The Corporation does not currently intend to provide financial assistance in connection with the exercise of stock options granted under the Option Plan.

Options granted under the Option Plan are non-assignable by the optionee except to the legal personal representatives of a deceased optionee.

The Corporation prohibits its directors, officers and employees from trading in its securities with knowledge of any material information concerning the Corporation which has not been publicly disclosed. As it may be difficult from time to time for an individual to determine if he or she is in possession of material non-public information, the Corporation identifies certain restricted periods (or "blackout periods") during which its personnel are not to trade in securities of the Corporation, which includes exercising stock options. The Option Plan permits options that would otherwise expire during or immediately following a blackout period to remain exercisable until the tenth business day following the cessation of such blackout period.

Unless otherwise determined by the Committee, options will terminate and cease to be exercisable upon the cessation of employment as follows:

- (i) on the death of an optionee or the disability of an optionee (as determined by the Committee), the options will vest and remain exercisable for up to 12 months;
- (ii) on retirement on or after the after the age of 65 or on early retirement on or after the age of 55 with the concurrence of the Committee, the options will continue to vest and be exercisable for up to 36 months;
- (iii) on resignation by the optionee or upon termination of employment for cause, the options then vested may be exercised until the last day of employment and thereafter terminate; and
- (iv) on termination of employment by the Corporation for any other reason, the options will terminate and cease to be exercisable 90 days after the earlier of the date the optionee ceased to be an officer or employee and the date that notice of dismissal from employment was provided, with vesting ceasing on such earlier date.

The Committee has discretion to extend the termination date of options upon the cessation of employment but cannot extend the option beyond the original expiry date and cannot extend the option by more than two years from the date the optionee ceased to be an officer or employee.

If a bona fide offer (a "takeover bid") is made for the Class B non-voting shares of the Corporation that could result in the offeror exercising control over the Corporation, the board has discretion to accelerate the vesting and expiry date of any options which are then outstanding and to effectively require that such Class B non-voting shares thereafter acquired on exercise of the options, be tendered to the takeover bid.

The board may discontinue, amend, or modify the Option Plan at any time; provided, however, that shareholder approval must be obtained: (i) to reduce the exercise price of an option either directly, or indirectly including by means of the cancellation of an option and the reissue of a similar option; (ii) to extend the period available to exercise an option beyond the normal expiration date (except in respect of blackout periods and the cessation of employment as provided in the Option Plan); (iii) to increase the levels of insider participation under the Option Plan; (iv) to increase the number of Class B non-voting shares reserved for issuance under the Option Plan (other than pursuant to the adjustment provisions of the Option Plan); (v) to add any additional categories of persons eligible to receive options under the Option Plan; and (vi) to amend any assignment rights set forth in the Option Plan, other than to permit assignments to a registered retirement savings plan, registered retirement income fund or similar plans for the benefit of the optionee. All other amendments to the Option Plan may be made at the discretion of the board of directors. For example, the board's discretion includes without limitation, authority to make amendments to clarify any ambiguity, inconsistency or omission in the Option Plan and other amendments of a clerical or housekeeping nature, to alter the vesting or termination provisions of any option or of the Option Plan, to modify the mechanics of exercise, and to add a financial assistance provision.

On February 25, 2010, the board of directors of the Corporation approved, subject to shareholder and TSX approval being obtained, an amendment to the Option Plan to increase the maximum number of Class B non-voting shares available for issuance by 1,500,000. In addition, the board of directors of the Corporation granted to Donald G. Lang, the Executive Chairman of the Corporation, and to Geoffrey T. Martin, the President and Chief Executive Officer of the Corporation, options to purchase 75,000 and 50,000 Class B non-voting shares respectively (collectively, the "Prior Options") pursuant to the terms of the Option Plan exercisable until February 25, 2015 and with an exercise price of \$25.48, being the closing price of the Class

B non-voting shares on the TSX on the day prior to the date of grant. Prior to its amendment, the Option Plan had 25,950 Class B non-voting shares available for additional option grants. Because the Option Plan did not have sufficient Class B non-voting shares available for grant of all of the Prior Options, the Prior Options are subject to shareholder ratification at the Meeting. The Prior Options may not be exercised prior to receipt of the approval of the Corporation's shareholders and if such approval is not obtained, the Prior Options will be cancelled.

On March 9, 2010, the board of directors approved the amendment and restatement of the Option Plan, which reflects the increase in the number of Class B non-voting shares described in the preceding paragraph and which also revised the definitions of "insider", "outstanding issue" and "share compensation arrangements" to comply with the current requirements of the TSX and clarified that unpurchased Class B non-voting shares in respect of options that have expired or otherwise terminate, continue to be available for subsequent option grants under the Option Plan. Each of these amendments, except the proposed increase in the number of Class B non-voting shares available for issuance under the Plan, may be made by the board of directors.

Vote Required

The TSX requires that the resolution, substantially in the form set forth in Schedule A, to approve the proposed amendment to the Option Plan and to ratify the grant of the Prior Options, be approved by a majority of the votes cast by holders of Class A voting shares who vote thereon. Holders of Class B non-voting shares will not be entitled to vote on the resolution approving the amendment to the Option Plan. Abstentions from voting and broker non-votes will have no effect on the approval or disapproval of this matter since only votes "For" or "Against" will be counted in determining whether the resolution has been approved by the requisite majority. The persons named as proxies in the enclosed form of proxy intend to vote the Class A voting shares represented thereby in favour of the resolution approving this amendment to the Option Plan, unless the form of proxy has been marked "Against". The grant of stock options is an important incentive to employees of the Corporation and helps foster long term dedication to the Corporation and its welfare. Accordingly, the board of directors recommends a vote "**For**" the resolution approving the amendment of the Option Plan. If shareholders do not approve the amendment to the Option Plan, existing options will remain outstanding other than the Prior Options which will be cancelled and no additional options, other than in respect of 25,950 Class B non-voting shares available for issuance or which may become available for issuance upon the expiry of existing Options, may be issued.

SUMMARY COMPENSATION TABLE - NAMED EXECUTIVE OFFICERS

The following table sets forth all compensation paid for the period indicated in respect of the Named Executive Officers ("NEOs") who were, at December 31, 2009, the Executive Chairman, the President and CEO, the Senior Vice President and Chief Financial Officer ("CFO"), and the two other most highly compensated executive officers of the Company. Also included among the NEOs is Steven W. Lancaster, the former Executive Vice President, who retired from the Company with effect from December 31, 2009.

Compensation and benefits of NEOs resident in the United States of America are calculated and paid in United States Dollars. However, for purposes of the following table and other tables and narratives throughout this document, such values have been converted into Canadian dollars based on the Bank of Canada average year-to-date exchange rate as of December 31, 2009, of US\$1.00 = C\$1.1420 for the 2009 fiscal year and as of December 31, 2008, of US\$1.00 = C\$1.0660 for the 2008 fiscal year.

In light of the significant changes to the requirements, content and format for executive compensation disclosure made by the Canadian Securities Administrators applicable to issuers with financial years ending on or after December 31, 2008, the Company has disclosed compensation in the Summary Compensation Table below for the 2009 and 2008 fiscal years only, in accordance with these requirements. Disclosure of compensation for prior years, in accordance with then applicable requirements, is contained in the Company's previous management proxy circular dated March 11, 2008, which is available on www.sedar.com and www.cclind.com.

Summary Compensation Table

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards ⁽⁶⁾ (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$) ⁽³⁾	All other compensation (\$) ⁽⁴⁾	Total compensation (\$)
					Annual incentive plans ⁽¹⁾	Long-term incentive plans			
Donald G. Lang <i>Executive Chairman</i>	2009	646,875	0	254,800	84,000	0	(52,000)	0	933,675
	2008	625,000	0	0	193,750	0	234,000	0	1,052,750
Geoffrey T. Martin ⁽²⁾ <i>President and Chief Executive Officer</i>	2009	719,460	0	182,000	143,892	0	151,732	1,480	1,198,564
	2008	615,053	4,348,800 ⁽⁸⁾	0	198,276	0	151,387	2,303	5,315,819
Steven W. Lancaster <i>Executive Vice President and Former Chief Financial Officer</i>	2009	329,600	0	0	149,968	0	190,000	4,259	673,827
	2008	329,600	0	0	214,240	0	39,000	11,947	594,787
Gaston A. Taño <i>Senior Vice President and Chief Financial Officer</i>	2009	315,000	0	91,000	31,500	0	28,350	0	465,850
	2008	65,625 ⁽⁷⁾	232,830 ⁽⁵⁾	155,000	0	0	5,906	50,000 ⁽⁷⁾	509,361
Lalitha Vaidyanathan ⁽²⁾ <i>Senior Vice President; Finance, Administration and IT, CCL Operations</i>	2009	331,180	0	91,000	33,118	0	59,132	0	514,430
	2008	289,952	354,360 ⁽⁵⁾	0	44,943	0	60,405	0	749,660
John Pedrolì ⁽²⁾ <i>President, CCL Industries North America</i>	2009	342,600	0	91,000	171,300	0	55,177	0	660,077
	2008	287,820	354,360 ⁽⁵⁾	171,000	44,612	0	54,969	0	912,761

NOTES:

- (1) Bonus amounts are paid in cash in the year following the fiscal year in respect of which they were earned.
- (2) Compensation for Mr. Martin, Ms. Vaidyanathan and Mr. Pedrolì was paid or payable in US dollars. Such amounts were translated into Canadian dollars based on the Bank of Canada average year-to-date exchange rate as of December 31, 2009, of US\$1.00 = C\$1.1420 for 2009, and, where applicable, as of December 31, 2008, of US\$1.00 = C\$1.0660 for 2008.
- (3) Amounts shown under "Pension Value" represent all compensation relating to defined benefit or defined contribution pension plans, including servicing costs and other compensatory items. Please refer to the section entitled "Pension Plan Benefits - Pension and Retirement Arrangements of Named Executive Officers" below.
- (4) Perquisites and other personal benefits do not exceed the lesser of \$50,000 and 10% of the total of the annual salary for the above-named officers. In 2008 Company contributions to the Deferred Compensation Plan for Mr. Martin, Ms. Vaidyanathan and Mr. Pedrolì were shown as "Other Compensation". In 2009 contributions made in 2008 and 2009 are shown in Pension Value, which includes Company contributions to registered and non-registered plans. The amounts in this column relate to taxable benefits on employee loans only, as well as a signing bonus of \$50,000 paid to Mr. Taño upon the commencement of his employment in 2008.
- (5) On July 1, 2008, Ms. Vaidyanathan and Mr. Pedrolì were awarded 12,000 Restricted Shares each under the Company's Long-Term Incentive Plan 2008–2010, in each case representing fair value of \$354,360 on such grant date, reflecting the closing price of \$29.53 per share on the TSX for Class B non-voting shares on June 30, 2008. This grant date fair value differs from the accounting fair value by \$0.79, because the shares for this grant were purchased on the TSX in February of 2008 at an average price of \$30.32, which is the price used for the Company's accounting purposes. Mr. Taño was granted 9,000 Restricted Shares at a fair value at time of grant of \$232,830, or \$25.87 per share, being the closing price for such shares on the TSX on October 15, 2008, the date of commencement of Mr. Taño's employment. This grant date fair value also differs from the accounting fair value by \$4.45, because the shares for this grant were purchased on the TSX in February of 2008 at an average price of \$30.32, which is the price used for the Company's accounting purposes. On achievement of certain hurdles relating to operating income targets, cumulative operating income and return on investment for the 2008–2010 period, these Restricted Shares will vest on the date on which the board of directors of the Company approves the Company's

financial year end results for 2010. The number of Restricted Shares vesting will be above the number granted, based on dividend reinvestment during the period between grant and payout. No further Restricted Shares were granted in 2009.

- (6) On March 10, 2009, Mr. Lang and Mr. Martin were granted the option to purchase 70,000 and 50,000 CCL Class B non-voting shares, respectively, at the market price of \$20.92 being the closing price of such shares on the TSX on March 9, 2009. Mr. Taño, Mr. Pedroli and Ms. Vaidyanathan were each granted the option to purchase 25,000 Class B shares at the market price of \$20.92 as above. The fair value of these options as reported above is calculated using the Black Scholes method, which is the same method used by the Company for accounting purposes. The Black Scholes value for the options awarded March 10, 2009 is \$3.64 per share. The above options have a term of five years and vest equally each year commencing one year after the date of issuance.
- (7) Mr. Taño's salary for 2008 was \$315,000 and has been prorated for two and a half months based on his employment date of October 15, 2008. Upon his acceptance of the role of CFO in 2008, Mr. Taño received a one time, special inducement payment of \$50,000.
- (8) In 2008, Mr. Martin received 120,000 Restricted Shares, which are held in trust and of which 40% will vest based on the performance criteria described under the heading "Restricted Stock Plan". The balance will vest if adjusted earnings per share increase 13% on average between 2008 and 2010. The value of these Restricted Shares is calculated based on the average purchase price of the shares of \$36.24, which were purchased in February 2007 for the 2008-2010 Long Term Incentive Plan. This is the same cost that the Company uses for accounting purposes. The number of Restricted Shares vesting will be above the number granted, based on dividend reinvestment during the period between grant and payout. No further Restricted Shares were awarded in 2009.

COMPENSATION DISCUSSION AND ANALYSIS

Compensation and the Human Resources Committee

The compensation of executive officers is structured to provide a total compensation package inclusive of base salary and performance-based short and long-term incentive programs, which may include cash as well as stock options and restricted stock. Pension benefits and perquisites are also considered. Perquisites are generally limited to a company car or car allowance. The overall compensation reflects the Company's business structure and focuses on performance. Compensation policies are set based on current market conditions and the desire to attract and retain executives of high quality.

The Human Resources Committee of the board of directors of the Corporation ("Human Resources Committee") establishes executive compensation policies, and oversees the Option Plan and the pension plans of the Company. In addition, the Human Resources Committee is charged with monitoring the Company's talent management and succession planning, and recommends the appointment of the Company's officers and the terms and conditions of their appointment or termination including those of the NEOs. In setting policy, the Human Resources Committee takes into account the advice of independent consultants, makes reference to market and survey data, considers input from senior management and aligns compensation programs with the operating philosophy and strategic initiatives of the Company. While the Human Resources Committee may rely on external information and advice, all decisions with respect to executive compensation are made in the sole judgment of the committee and the board of directors and may reflect other factors and considerations.

Please refer to the section entitled "Statement of Corporate Governance Practices - Charter of the Human Resources Committee" below for additional disclosure regarding the Human Resources Committee's mandate and the use of independent compensation consultants.

Each year, the Human Resources Committee reviews the compensation of the Executive Chairman, of the President and CEO, and of all officers of the Company 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, having regard to the companies referred to under the title "Benchmarking Compensation", below. The Human Resources Committee then makes recommendations to the board for the approval of the compensation of the Executive Chairman and of the President and CEO, and approves the compensation levels of other officers of the Company.

In 2009, the Human Resources Committee retained the services of Towers Perrin to provide advice on the competitiveness of compensation programs and levels for the President and CEO and other executive officers including the NEOs. Fees paid to Towers Perrin in 2009 were \$18,000.

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, attract and retain talented executives and align the executives' interests with those of the Company's shareholders. 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; and
- to motivate executives to achieve individual and overall Company success and improvement in shareholder value.

Benchmarking Compensation

It is the Company's policy to position compensation at the median of the market with the potential for top quartile total compensation based on the superior performance of the executive and the Company. To assist the Company in meeting its objectives of providing competitive compensation to its executives, the Company benchmarks its compensation plans against market data gathered from compensation surveys and proxy circulars of other publicly traded companies. The Company utilizes compensation survey data from the manufacturing sector for companies with annual revenues generally in the range of \$500 million to \$2 billion. Survey information relating to compensation for executives in Canada and the United States is provided through consulting firms designated or approved by the Human Resources Committee. Similar compensation data is also collected from the proxy circulars of publicly traded companies (the "Proxy Reference Group") in both Canada and the United States. In June 2009, the Human Resources Committee retained Towers Perrin to report on the competitiveness of the Company's executive compensation levels and programs. The Proxy Reference Group selected by the Human Resources Committee was AptarGroup, Inc., Avery Dennison Corporation, Bemis Company, Inc., Brady Corporation, Graphic Packaging Company, Multi-Color Corporation, and Sonoco Products Company in the United States and CAE Inc., Gildan Activewear Inc., Linamar Corporation, MDS Inc. and ShawCor Ltd. in Canada. Survey data was provided from Towers Perrin's U.S. and Canadian Executive Compensation Data Banks and specifically related to manufacturing companies with median revenues of \$1.3 billion and US\$1.9 billion for Canadian and U.S. data respectively. The composition of the Proxy Reference Group and the compensation surveys utilized to determine the competitiveness of the Company's executive compensation is reviewed regularly by the Human Resources Committee for its ongoing relevance to the Company's business and benchmarking practice. Benchmarking for executive compensation is generally completed at least every second year.

Compensation Elements

The Company's executive compensation program is comprised of both fixed and variable components. The variable components are designed to incentivize and reward performance and include both non-equity and equity incentive plans. There are three basic elements of the executive compensation program including base salary, non-equity annual cash incentive plans and long-term incentive plans that may utilize equity and cash. The Company also provides other elements of compensation consisting of benefits, perquisites and retirement plans.

Base Salaries

Base salaries are determined using comparative data as described above 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 Company and recommends the base salary of the Executive Chairman and of the President and CEO to the Board of Directors for approval. Salaries of officers of the Company who reside and work in the United States are set based on compensation data from that geographic market as noted above. The Human Resources Committee also considers the financial performance of the Company and the individual performance of the executive when approving salaries for officers and in their recommendation to the board of directors in regard to salary adjustments for the

Executive Chairman and for the President and CEO.

Non-equity Incentive Plans

Annual Incentive Plans

The Company's annual Senior Management Incentive Plans, referred to as SMIPs, are designed to encourage and recognize financial and operational performance. Each year, performance targets for the Company and its business units are established. Cash bonuses are paid as a percentage of salary based on the achievement of these targets. Target awards in 2009 for Named Executive Officers of the Company ranged from 50% 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 Executive Chairman, the President and CEO, the Senior Vice President and CFO, the Senior Vice President Finance, Administration and IT, CCL Operations and other senior officers, based on year-over-year improvement in basic earnings per share before unusual items and excluding gains or losses on currency translation and accounting changes (hereinafter, "adjusted earnings per share"). The 2009 plan pays a target bonus if year over year growth of adjusted earnings per share shows a 5% improvement over the prior year and up to a maximum of two times the target if adjusted earnings per share growth reaches or exceeds 20% over the prior year. The growth in adjusted earnings per share measure is used because of its alignment with increasing shareholder value. For 2009, a significant reduction in adjusted earnings per share resulted in no payment being made under the performance criteria of the 2009 SMIP. Payment of awards at target under the SMIP is based solely on improvement in adjusted earnings per share. In the event that growth in adjusted earnings per share is not achieved, the Human Resources Committee and the board of directors have discretion to recommend and approve the payment, on a selective basis, of below-target bonuses based on the achievement of other key objectives designed to enhance the Company's growth prospects for the future. In 2009, discretionary bonuses were paid to certain NEOs. In arriving at this recommendation and decision, the Human Resources Committee and board of directors considered the achievements of the Company and the individuals as well as the challenging global economic environment in which these achievements were made.

The 2009 SMIP established for operational executives was based on the achievement of budgeted operational performance for the segments of the business for which they are responsible. The President of CCL Industries, North America participates in this plan and received a bonus based on the budgeted performance of CCL Label and Tube in North America including Mexico.

The Human Resources Committee and board of directors review and approve the basis and targets for the SMIP each year.

Equity Incentive Plans

Equity incentives are used for the Company's Long-Term Incentive Plan ("LTIP") and are designed to:

- focus management on the development and implementation of longer term strategic and growth initiatives of the Company;
- attract and retain key executives; and
- align the interests of the Company's executives with those of its shareholders.

The board of directors, at its discretion, grants stock options under the Company's Option Plan and, in appropriate cases, restricted stock under the Restricted Stock Plan (the "RS Plan"). The LTIP and the grant levels are approved by the board of directors based on the recommendation of the Human Resources Committee after review of the recommendation of the Executive Chairman and the President and CEO. In the case of the RS Plan, CCL Class B non-voting shares are purchased on the open market and are held in a Rabbi trust until the RS Plan criteria for payout of restricted stock are met and approved by the board of directors. Dividends paid under the RS Plan are reinvested in CCL Class B non-voting shares. Stock options under the Option Plan are approved by the board of directors. The board may, in its discretion, modify the normal vesting terms of the Option Plan, particularly where an option is granted to encourage the attainment of specific targets under the LTIP program. Option and Restricted Stock grant levels are determined based on the position and impact of the executive on the Company's performance. Consideration may also be given to whether the grant is part of the LTIP or a one-time event such as an inducement to employment. In 2008, the Company established a new LTIP for the years 2008 through 2010. The plan utilizes a combination of restricted stock and cash. Options are also granted in conjunction with this plan. Elements of this plan are

described below.

Restricted Stock Plan

In 2008, the Company established a new RS Plan for the years 2008 through 2010. Performance targets were established based on the Company's overall cumulative operating income improvement and return on investment (referred to in this document as "performance criteria") and were approved by the board of directors. Under the terms of the RS Plan, the restricted stock vests when the first hurdle is met. This first hurdle is the achievement of a minimum cumulative divisional operating income for the Company of the equivalent of US\$500 million (being Canadian \$526 million as of December 31, 2009) and return on investment of not less than 13.9% over the period.

The payment of the cash portion of the RS Plan is contingent upon the Company achieving higher targets for cumulative operating income improvement, while maintaining at least 13.9% in return on investment. There are two such progressive targets, each constituting a hurdle for further cash payments under the RS Plan.

Target awards for issuing both restricted stock and payment of cash are based on the expected impact of the role of the executives participating. Vesting of restricted stock and cash payments will be approved by the board of directors based on the 2010 year end results. Previous LTIPs were of similar design; however, payment for achieving targets was in cash only. The inclusion of restricted stock in the new plan is reflective of the desire of the board of directors, the Human Resources Committee and the Company to align the interests of these executives more closely with those of the Company's shareholders. Participants in this plan include a number of executives including NEOs: Mr. Martin, Mr. Taño, Ms. Vaidyanathan and Mr. Pedrolì.

Mr. Martin's cash LTIP was replaced with an RS Plan in 2005. This plan provided 200,000 restricted shares, together with accretion due to dividend reinvestment. Of these, 123,334 vested on March 4, 2008, based on improvement in adjusted earnings per share averaging at least 13% for each year between January 1, 2005, and December 31, 2007, at the market value of \$3,608,753, based on the closing price of Class B non-voting shares on the TSX on March 4, 2008, of \$29.26. The remaining 80,000 restricted shares and their reinvestment accretion totaling 85,132 shares vested November 9, 2009, based on Mr. Martin's continued employment by the Company until that time. The value of the restricted stock was \$2,183,661 based on the share price of Class B non-voting shares on the TSX on November 9, 2009, of \$25.6503. On February 22, 2007, Mr. Martin was granted a further 120,000 restricted shares that vest upon approval of the 2010 year-end financial results by the board of directors. Of these additional shares, 40% will vest based on the achievement of the first LTIP hurdle described above and the balance will vest based on adjusted earnings per share improvement averaging at least 13% per year between January 1, 2008, and December 31, 2010, and Mr. Martin's continuing employment with the Company. Shares for this LTIP and those of Ms. Vaidyanathan, Mr. Taño and Mr. Pedrolì, described in the preceding paragraph, were purchased on the TSX and are held in a trust until vesting criteria are met. The shares earn dividends, which are reinvested in the Company's Class B non-voting shares. The shares purchased with reinvested dividends vest on the same basis as the original awards.

Stock Option Plan

The Option Plan was established to focus executive attention on the long-term interests of the Company and growth in shareholder value. In accordance with the Option Plan, the board of directors is authorized to issue, at its discretion, options to employees and officers of the Company to acquire Class B non-voting shares of the Company at such prices as may be fixed by the board of directors at that time in accordance with the Option Plan and the rules of the TSX. The board of directors has the discretion to vary the vesting provisions of grants issued under the Option Plan. When option grants are issued under the LTIP program to achieve specific LTIP objectives, the vesting terms may be set to resemble those attaching to grants under the RS Plan. Stock option grants are considered on an annual basis as part of the compensation review for executive officers as recommended by the Executive Chairman and by the President and CEO, and approved by the board of directors on recommendation from the Human Resources Committee. Options granted for the Executive Chairman and for the President and CEO are recommended by the Human Resources Committee and approved by the board of directors. Option grant levels are determined based on the position and impact of the executive on the Company's performance. Consideration may also be given to whether the grant is part of the LTIP or a one time event such as an inducement to employment.

Options granted to the NEOs in 2009 were for a term not exceeding five years and vest equally each year commencing one year after the date of issue. The options expire March 9, 2014. In 2009, options to purchase 285,000 Class B non-voting shares were granted under the Option Plan representing 1% of the outstanding shares at the end of 2009. No repricing of outstanding options occurred in the course of 2009, nor to the date of this Management Proxy Circular.

Due to the Executive Chairman's controlling position in the voting shares of the Company, 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 Company are accorded capital gains treatment under Canadian tax laws.

Details of all share-based and option-based awards outstanding at the end of the most recently completed financial year are set forth in the table entitled "Outstanding Share-Based Awards and Option-Based Awards as of December 31, 2009" in the section entitled "Incentive Plan Awards" below.

At the Meeting, shareholders are being asked to approve a resolution authorizing an amendment to the Option Plan so as to increase the number of Class B non-voting shares available for issuance thereunder by 1,500,000 and to ratify option grants made to the Executive Chairman and to the President and CEO in respect of, in aggregate, 125,000 Class B non-voting shares. If the resolution is not approved by shareholders, these option grants will be cancelled. Please see "Amendment of Employee Stock Option Plan", above.

Compensation of the Executive Chairman

The Human Resources Committee reviews the compensation of the Executive Chairman relative to performance and market factors and recommends any adjustment to the board of directors for approval. For the year ending December 31, 2009, Mr. Lang's compensation consisted of a base salary of \$646,875 and awards under the Company's annual SMIP and Option Plan. In determining Mr. Lang's salary, the Human Resources Committee considered his performance in meeting specific financial targets and other objectives, as well as comparable market compensation levels. Mr. Lang received a salary increase as of March 1, 2009, from \$625,000 to \$646,875, based on his achievement of certain annual objectives in 2009, which included financial targets, strategy execution and succession planning. Financial targets include earnings per share as described in the following paragraph, cash flow, net debt to total book capitalization and return on equity. As part of its review of the compensation of the Executive Chairman, the Human Resources Committee considers the performance of the Company as well as competitive market information. In 2008, the committee reviewed information collected from proxy circulars of S&P/TSX Composite Index companies that reported the position of Executive Chairman, which consisted of Transcontinental Inc., Sherritt International Corporation, Shaw Communications Inc., Forzani Group Ltd., Linamar Corporation and CGI Group Inc. At that time, the Human Resources Committee considered this data and the varying sizes of the organizations and their industries. To determine the 2009 salary for the Executive Chairman, the Human Resources Committee considered the data provided in 2008, the Company's overall 2009 salary guidelines, which were approved by the Human Resources Committee, and the achievement of certain objectives, and recommended the adjustment to Mr. Lang's salary to the board of directors for approval.

Awards under the SMIP for 2009 are paid on growth in adjusted earnings per share. Target bonus is payable if growth in adjusted earnings per share is 5%. (See "Annual Incentive Plans," above.) In 2009, Mr. Lang's target bonus was reduced to 65% of base salary. Based on the reduction in adjusted earnings per share in 2009, bonuses were not payable under the terms of the SMIP. A discretionary bonus of \$84,000, representing 13% of salary, was recommended by the Human Resources Committee and approved by the board of directors in consideration of Mr. Lang's achievement of objectives and the global economic environment.

Stock options are granted to provide a long-term incentive congruent with share price improvement. (See "Stock Option Plan," above.) In 2009, Mr. Lang was granted an option to purchase 70,000 Class B non-voting shares at the market price of \$20.92 in accordance with the Option Plan. The option has a term of five years and vests equally each year commencing one year after being issued and expires March 9, 2014.

Compensation of the President and Chief Executive Officer

The Human Resources Committee reviews the compensation of the President and CEO relative to performance and market factors and recommends an adjustment to the board of directors. For the year

ending December 31, 2009, Mr. Martin's compensation consisted of a base salary of \$719,460 (US\$630,000) and awards under the Company's annual SMIP and the Option Plan. In determining Mr. Martin's salary, the committee considered his performance in meeting specific financial targets and other objectives including strategy execution and growth targets, earnings per share, cash flow, operational budgets and return on investment, as well as comparable market compensation levels. Mr. Martin received a salary increase from US\$576,973 (CDN\$658,903, at average year to date exchange rate at December 31, 2009 of \$1.1420) to US\$630,000 (CDN\$719,460) as at March 1, 2009. As part of its review of the compensation of the President and CEO, the Committee considers the performance of the Company as well as competitive market information when setting compensation levels. In 2008, Buck Consulting provided information relative to the role of President and CEO, which was collected from three executive compensation surveys representing company categories that most closely represent the Company's size and industry. Information from the proxy circulars of public U.S. specialty packaging companies, AptarGroup, Inc; Avery Dennison Corporation; Bemis Company, Inc.; Brady Corporation and Multi-Color Corporation was also reviewed at that time. To determine the 2009 salary for the President and CEO, the Human Resources Committee considered the data that had been reviewed in 2008, the Company's overall 2009 salary guidelines, which were approved by the Human Resources Committee, and the achievement of certain objectives and recommended an adjustment to Mr. Martin's salary to the board of directors for approval.

Awards under the SMIP for 2009 are paid based on growth in adjusted earnings per share. Target bonus is paid if growth in adjusted earnings per share reaches 5%. (See "Annual Incentive Plans," above.) Mr. Martin's target bonus is paid at 100% of base salary. Based on the reduction in adjusted earnings per share in 2009, bonuses were not payable under the terms of the SMIP. A discretionary bonus of \$143,892 (US\$126,000) representing 20% of salary was recommended by the Human Resources Committee and approved by the board of directors in consideration of Mr. Martin's achievement of objectives and the global economic environment.

Stock options are granted to provide a long-term incentive congruent with share price improvement. (See "Stock Option Plan," above.) In 2009, Mr. Martin was granted an option to purchase 50,000 Class B non-voting shares at the market price of \$20.92 in accordance with the Option Plan. This option has a term of five years and vests equally each year commencing one year after being issued and expires March 9, 2014.

Mr. Martin participates in an LTIP. Mr. Martin's cash LTIP was replaced with the RS Plan in 2005. This plan provided 200,000 restricted shares, together with accretion due to dividend reinvestment. Of these, 123,334 vested on March 4, 2008, based on improvement in adjusted earnings per share averaging at least 13% for each year between January 1, 2005, and December 31, 2007. The remaining 80,000 restricted shares and their reinvestment accretion totaling 85,132 shares vested on November 9, 2009, based on Mr. Martin's continued employment by the Company until that time. In 2007, Mr. Martin was granted 120,000 restricted shares under the RS Plan that were purchased on the open market at an average price of \$36.24 per share and are held in trust; 40% will vest upon approval of the board of directors if the first LTIP hurdle is achieved as described above under "Restricted Stock Plan," and 100% will vest if adjusted earnings per share improve on average by 13% for each year between 2008 and 2010. The value upon purchase of the shares was \$4,348,800. No further restricted shares were granted in 2009.

Compensation of Other Named Executives

Gaston Taño, Senior Vice President and Chief Financial Officer, joined CCL in his current role on October 15, 2008. Upon joining the Company, Mr. Taño's salary was fixed at \$315,000 per annum for the remainder of 2008 and for 2009. Mr. Taño is eligible to participate in the Company's annual SMIP. Target bonus is paid if growth in adjusted earnings per share reaches 5% (see "Annual Incentive Plans," above). Mr. Taño's target bonus is equal to 50% of his base annual salary. Based on the reduction in adjusted earnings per share in 2009, bonuses were not payable under the terms of the SMIP. A discretionary bonus of \$31,500 representing 10% of salary was recommended by the President and CEO and approved by the Executive Chairman and the board of directors in consideration of Mr. Taño's personal performance and the global economic environment.

Mr. Taño also participates in the Company's Option Plan as part of the LTIP program described above under "Stock Option Plan". In 2009, Mr. Taño was granted the option to purchase 25,000 Class B non-voting shares at the market value of \$20.92. This option has a term of five years and vests equally each year commencing one year after being issued and expires March 9, 2014.

Mr. Taño was granted 9,000 restricted shares which will vest if the first hurdle of the LTIP performance criteria is met for the plan years 2008 to 2010 as described under "Restricted Stock Plan," above. These shares were purchased on the open market at an average price of \$30.32. No further restricted shares were granted in 2009.

Steven Lancaster, Executive Vice President, retired December 31, 2009. In 2009, Mr. Lancaster's salary was \$329,600. Mr. Lancaster participated in the Company's annual SMIP, which for 2009 was based on growth in adjusted earnings per share. The 2009 bonus was to be paid if growth in adjusted earnings per share reached 5% (see "Annual Incentive Plans," above). Mr. Lancaster's target bonus was equal to 65% of his base annual salary. The SMIP payment for Mr. Lancaster in 2009 was paid at 70% of target bonus and 45.5% of base salary amounting to \$149,968. The 2009 bonus was paid to Mr. Lancaster based on his agreement to delay his retirement to assist the Company with the transition to a new CFO and the percentage of time that he worked during 2009. Mr. Lancaster did not participate in any LTIP in 2009 and did not receive any options.

Lalitha Vaidyanathan, Senior Vice President Finance, Administration and IT, CCL Operations, received a base salary in 2009 of \$331,180 (US\$290,000). Ms. Vaidyanathan's 2009 salary was recommended by the President and CEO based on her performance and the Company's salary guidelines for 2009. This recommendation was approved by the Executive Chairman and the Human Resources Committee. Ms. Vaidyanathan participates in the Company's annual SMIP, which for 2009 was based on growth in adjusted earnings per share. Ms. Vaidyanathan's target bonus is paid at 50% of base salary if growth in adjusted earnings per share reaches 5% (see "Annual Incentive Plans," above). Based on the reduction in adjusted earnings per share in 2009, bonuses were not payable under the terms of the SMIP. A discretionary bonus of \$33,118 (US\$29,000) representing 10% of salary was recommended by the President and CEO and approved by the Executive Chairman and the board of directors in consideration of Ms. Vaidyanathan's personal performance and the global economic environment.

Ms. Vaidyanathan also participates in the Company's Option Plan as part of the LTIP program as described above under "Stock Option Plan". In 2009, Ms. Vaidyanathan was granted an option to purchase 25,000 Class B non-voting shares at the market value price of \$20.92. This option has a term of five years and vests equally each year commencing one year after being issued and expires March 9, 2014.

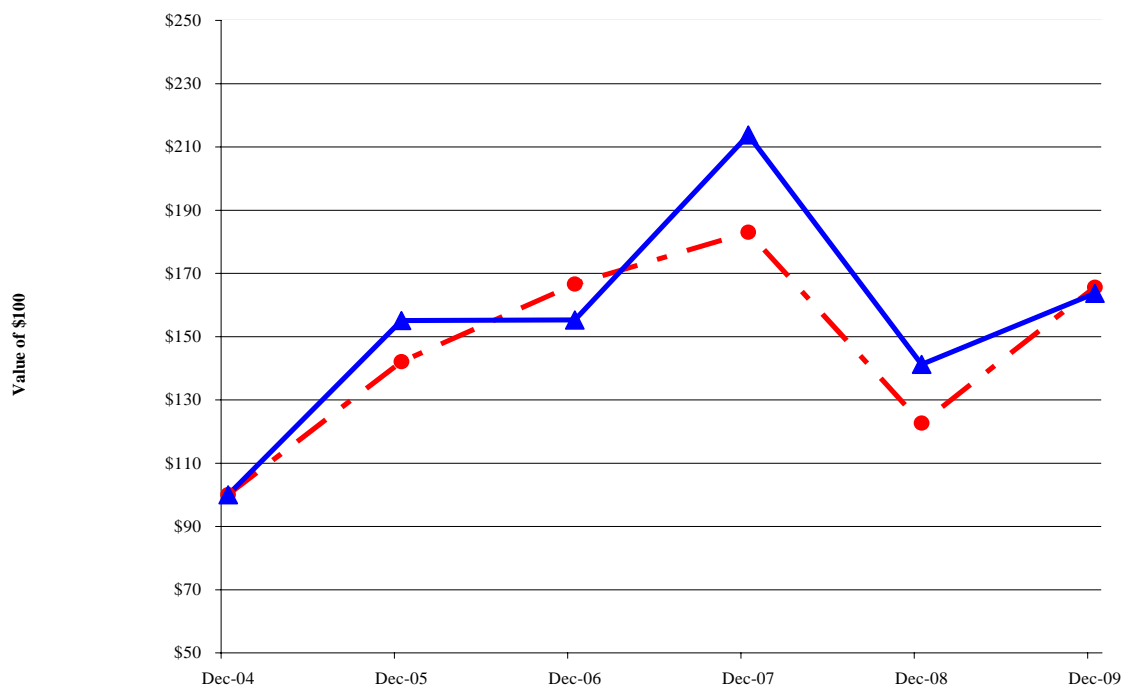
Ms. Vaidyanathan also participates in the RS Plan as part of the LTIP program described above under the heading "Restricted Stock Plan", and was awarded 12,000 Class B non-voting shares in 2008, which will vest if the first hurdle of the LTIP performance criteria, as described under the heading "Restricted Stock Plan", is met for the plan years 2008 to 2010, as per the description above. These shares were purchased on the open market at an average price of \$30.32. No further restricted shares were granted in 2009.

John Pedroli, President CCL Industries, North America, received a base salary in 2009 of \$342,600 (US\$300,000). Mr. Pedroli's 2009 salary was recommended by the President and CEO in consideration of his promotion, effective December 1, 2008, to President CCL Industries, North America from his former position of President CCL Label, North America, as well as his performance and the Company's salary guidelines for 2009. This recommendation was approved by the Executive Chairman and the Human Resources Committee. Mr. Pedroli participates in the Company's annual SMIP at a target bonus level of 50% of base salary. In 2009, Mr. Pedroli's bonus was based on the achievement of the operational budgets for CCL Label and Tube in North America including Mexico. Accordingly, the annual incentive payment for Mr. Pedroli was paid at 100% of target bonus, which represents 50% of base salary amounting to \$171,300 (US\$150,000).

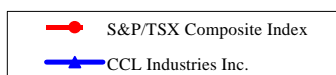
Mr. Pedroli also participates in the Company's Option Plan as part of the Company's LTIP program, described above under "Stock Option Plan". In 2009, Mr. Pedroli was granted an option to purchase 25,000 Class B non-voting shares at the market value price of \$20.92. This option has a term of five years and vests equally each year commencing one year after being issued and expires March 9, 2014.

Mr. Pedroli participates in the LTIP RS Plan described above under the heading "Restricted Stock Plan". In 2008 he was awarded 12,000 Class B non-voting shares, which will vest if the first hurdle, as described under the heading "Restricted Stock Plan", of the LTIP performance criteria is met for the plan years 2008 to 2010 as per the description above. These shares were purchased on the open market at an average price of \$30.32. No further restricted shares were awarded in 2009.

Performance Graph



	Dec-04	Dec-05	Dec-06	Dec-07	Dec-08	Dec-09
S&P/TSX Composite Index	\$100.00	\$142.10	\$166.63	\$183.01	\$122.61	\$165.59
CCL Industries Inc.	\$100.00	\$155.08	\$155.25	\$213.80	\$141.19	\$163.70



The preceding graph compares 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 Total Return 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. There is no TSX 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 Company's Class B non-voting shares is based on the closing price of \$28.25 on the TSX on December 31, 2009.

Since annual and long-term incentives are generally based on growth in earnings per share, total compensation of the NEOs has generally reflected the performance of the Corporation's share price as set forth in the performance chart, above. It is specifically reflected in the annual bonus payments that have been made to the NEOs over recent years. In 2009, annual bonus payments averaged 20% of target bonus and in 2008 bonuses were paid at 31% of target compared to the bonus payment for 2007, which was paid at 189.9% of target.

INCENTIVE PLAN AWARDS

Information relating to all share-based and option-based awards outstanding at the end of the most recently completed financial year is set forth in the table below.

Outstanding Share-Based Awards and Option-Based Awards as of December 31, 2009

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ⁽²⁾ (\$)
Donald G. Lang	120,000	12.55	Dec. 4, 2011	1,884,000	0	0
	70,000	18.51	Dec. 4, 2012	681,800		
	70,000	27.70	Nov. 30, 2010	38,500		
	70,000	28.45	Dec. 6, 2011	0		
	70,000	38.42	Dec. 5, 2012	0		
	70,000	20.92	Mar. 9, 2014	513,100		
Geoffrey T. Martin	12,000	18.51	Dec. 4, 2012	116,880	48,000	1,356,000
	25,000	27.70	Nov. 30, 2010	13,750		
	25,000	28.45	Dec. 6, 2011	0		
	25,000	38.42	Dec. 5, 2012	0		
	50,000	20.92	Mar. 9, 2014	366,500		
Gaston A. Taño	25,000	30.01	Dec. 31, 2013	0	9,000	254,250
	25,000	20.92	Mar. 9, 2014	183,250		
Steven W. Lancaster	25,000	27.70	Nov. 30, 2010	13,750	0	0
	25,000	28.45	Dec. 6, 2011	0		
Lalitha Vaidyanathan	9,000	12.55	Dec. 4, 2011	141,300	12,000	339,000
	25,000	38.42	Dec. 31, 2013	0		
	25,000	20.92	Mar. 9, 2014	183,250		
John Pedrolì	25,000	31.00	Dec. 31, 2013	0	12,000	339,000
	25,000	20.92	Mar. 9, 2014	183,250		

NOTES:

- (1) Value of unexercised options is the difference between the option exercise price and \$28.25, the closing price of the Company's Class B non-voting shares on the TSX on December 31, 2009.
- (2) Of Mr. Martin's remaining 120,000 restricted shares, 48,000 will vest in 2011 based on the achievement of the first LTIP hurdle as described above under the heading "Restricted Stock Plan". The value for these restricted shares has been calculated based on the minimum vesting criteria, which would provide Mr. Martin with a total of 48,000 Restricted Shares between the end of 2009 and 2011 at \$28.25, the closing price of the Company's Class B non-voting shares on December 31, 2009. Restricted shares for Mr. Taño, Mr. Pedrolì and Ms. Vaidyanathan will vest if the first hurdle of the LTIP, as described under the heading "Restricted Stock Plan", above, is achieved. The value is calculated using the same share price as described above.

Information relating to incentive plan award values—equity and non-equity—vested or earned during the most recently completed financial year is set forth in the table below.

2009 Incentive Plan Awards—Value Vested or Earned During the Year

Name	Option-based awards – Value vested during the year (\$) ⁽¹⁾	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Donald G. Lang	4,900	0	84,000
Geoffrey T. Martin	1,750	2,183,661 ⁽²⁾	143,892
Steven W. Lancaster	1,750	0	149,968
Gaston A. Taño	0	0	31,500
Lalitha Vaidyanathan	0	0	33,118
John Pedroli	0	0	171,300

NOTES:

- (1) The aggregate dollar value of option-based awards vested during 2009 is determined by calculating the difference between the market price of the Class B non-voting shares underlying the options on the TSX and the exercise price of the options on the vesting date.
- (2) In 2009, Mr. Martin received 85,132 restricted shares, which vested based on his continued employment through 2009 in accordance with the retention criteria in the 2005-2007 LTIP. The value of this award, is calculated based on the market price for Class B non-voting shares on the TSX on the date of vesting, November 9, 2009, being \$25.6503 per share.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The only equity compensation plan providing for the issuance of securities is the Option Plan. Shares required to service the Company's RS Plan and the Deferred Share Unit Plan (the "DSU Plan") are not issued out of treasury. They are purchased in the open market and held in trust for the purposes of the RS Plan. The following table sets forth the securities authorized for issuance under the Company's equity compensation plans as at December 31, 2009:

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))
<i>Plan Category</i>	(a)	(b)	(c)
Equity compensation plans approved by security holders	1,335,000	\$24.54	150,950
Equity compensation plans not approved by security holders	0	0	0
Total	1,335,000	\$24.54	150,950

Stock Option Plan

The Option Plan was established to focus executive attention on the long-term interests of the Company and growth in shareholder value. In accordance with the Option Plan, the board of directors is authorized to issue, at its discretion, options to employees and officers of the Company to acquire Class B non-voting shares of the Company at such prices as may be fixed by the board of directors at that time in accordance with the rules of the TSX. Since 2004, directors have been and continue to be excluded from participation in the Option Plan. Reference should be had to “Amendment of Employee Stock Option Plan”, above.

Restricted Stock Plan

A description of the RS Plan appears under the general title “Equity Incentive Plans”, above. The Company purchases CCL Class B non-voting shares on the open market to settle restricted stock granted under the RS Plan. These shares are held in trust until certain performance or retention vesting criteria are met. Dividends on the shares are used to purchase additional shares, which are distributed based on the same vesting criteria. Mr. Martin, Mr. Taño, Ms. Vaidyanathan and Mr. Pedroli have been granted restricted stock as described above.

PENSION PLAN BENEFITS

Pension and Retirement Arrangements of Named Executive Officers

Defined Benefit Plans

The Company has entered into supplemental retirement agreements (“SERPs”) with Mr. Lang, as of January 1, 1996, and with Mr. Lancaster, as of January 1, 1998. 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’ base salaries (excluding bonuses, stock options and non-cash benefits) prior to termination of employment. 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 Company’s payment obligations are funded in part by a defined benefit plan, which provides the same benefit level as the SERP, to the maximum allowable benefit as determined by regulatory authorities. The balance is unfunded. The registered defined benefit plan provides for annual indexing of pension benefits based on inflation. Indexing provided by the registered plan does not increase the overall pension benefit received by the executive from the registered plan and the SERP. In the event of change of control, the Company will pay to Mr. Lang and Mr. Lancaster, upon their request, 50% of the SERP value increased in consideration of the applicable tax. The remaining 50% of the SERP will be paid, or will continue to be paid, as a pension benefit upon or during retirement. For the purpose of calculating the pension payment, the approximate pensionable service for Mr. Lang was 28 years and for Mr. Lancaster was 33 years. The Company has no established policies concerning the granting of additional years beyond the plan maximum for the calculation of pensionable service.

The Company’s estimated accrued benefit obligation for the defined benefit plan and SERPs for present and past executives as of December 31, 2009, was \$20,689,000. 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 the defined benefit plan and SERP pension benefits for Mr. Lang and Mr. Lancaster at December 31, 2009, was estimated at \$2,692,000 and \$2,434,000. 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 2009 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 following table shows, for each of Messrs. Lang and Lancaster, certain information concerning their defined benefit plans.

Name ⁽¹⁾	Number of years of credited service ⁽²⁾	Annual benefits payable (\$) ⁽³⁾⁽⁴⁾		Accrued obligation at start of year (\$) ⁽³⁾⁽⁵⁾	Compensatory change (\$) ⁽³⁾⁽⁶⁾	Non-compensatory change (\$) ⁽³⁾⁽⁷⁾	Accrued obligation at year end (\$) ⁽³⁾⁽⁵⁾
		At year end	At age 65				
Donald G. Lang	27.5	321,000	351,000	2,049,000	(52,000)	695,000	2,692,000
Steven W. Lancaster	32.8	209,000	209,000	1,569,000	190,000	675,000	2,434,000

NOTES:

- (1) Mr. Martin, Mr. Taño, Mr. Pedrolí and Ms. Vaidyanathan are not members of the defined benefit plan.
- (2) The credited service shown represents the credited service for the SERPs. Credited service for Mr. Lang and Mr. Lancaster under the defined benefit registered plan as of December 31, 2009, was 16 and 29.08 years respectively.
- (3) Represents values of benefits under both the defined benefit registered retirement plan and the SERPs.
- (4) The annual benefit shown in the column headed "Annual benefits payable – At year end" shows the accrued benefit based on an average of the executive's five highest consecutive years' base salaries (final average earnings) and credited service as at December 31, 2009, capped at 30 years, without early retirement adjustments. The annual benefits shown in the column headed "Annual benefits payable – At age 65" show the accrued benefit based on the executive's final average earnings and credited service as at the executive's attainment of age 65, capped at 30 years service. Mr. Lancaster retired effective December 31, 2009, with an annual pension payable during his and his spouse's lifetime. The pension amount of \$209,000 shown in this column represents the annual pension before adjustments for form of payment and early retirement reductions.
- (5) Actuarial assumptions utilized in determining the accrued obligations are the same as those used for purposes of the 2009 pension accounting disclosure.
- (6) Compensatory change includes the service cost for 2009 and any difference between estimated and actual earnings. It is updated for 2009 earnings and change in future salary increase assumptions for Mr. Lang and for the actual final average earnings of Mr. Lancaster at his date of retirement. As disclosed last year, the pension arrangement for Mr. Lancaster was amended in 2009 to remove the service cap of 30 years to allow for full service accrual. The impact of this amendment is also reflected.
- (7) Non-compensatory changes to the 2009 obligation include amounts attributable to changes in the actuarial assumptions. The impact of Mr. Lancaster's early retirement on December 31, 2009, is also reflected in the non-compensatory column.

Defined Contribution Plans

The Company maintains a 401K defined contribution plan for all employees in the United States in which Mr. Martin, Ms. Vaidyanathan and Mr. Pedrolí participate. The plan provides an employer match of 100% for the first 2% of employee contribution and a 50% match of up to 4% of the employee's contribution to the legal maximum. In 2009, the Company contributed \$19,829 (US\$17,363), \$17,529 (US\$15,349), and \$15,750 (US\$13,792) for Mr. Martin, Ms. Vaidyanathan and Mr. Pedrolí respectively. The Company maintains a defined contribution pension plan (the "DC Plan") for certain Canadian executives, into which the Company contributes an amount equal to 9% of the executive's base salary up to the maximum permitted by Canadian income tax laws. In 2009, the Company contributed \$28,350 to the DC Plan for Mr. Taño. This benefit is funded in part by the DC Plan with the balance being unfunded.

Deferred Compensation Plan

The Company also maintains a deferred compensation plan for certain key executives in which Mr. Martin, Ms. Vaidyanathan and Mr. Pedrolí participate. The Company contributes a maximum annual company contribution of 9% of base salary and annual bonus for Mr. Martin, and an annual company contribution of 4% of base salary and annual bonus for Ms. Vaidyanathan and Mr. Pedrolí. If participants, other than Mr. Martin, defer the maximum amount permitted under the 401K Plan, the Company will make a matching contribution to the participant's deferred compensation account equal to 50% of the amount deferred by the participant. In 2009, the Company contributed \$131,903 (US\$115,502) for Mr. Martin, \$41,604 (US\$36,431) for Ms. Vaidyanathan, and \$39,367 (US\$34,472) for Mr. Pedrolí. Contributions to the plan for Mr. Martin are fully vested. In the case of Ms. Vaidyanathan and Mr. Pedrolí, immediate vesting occurs on death, disability, or change of control and the contributions vest normally at age 65 with 10 years service. The Human Resources Committee may approve earlier vesting at its discretion. The deferred compensation plan also allows executives to defer up to 20% of salary and 100% of cash bonuses. Elective deferrals vest immediately. The deferred compensation plan is a defined contribution plan. The contributions accrue interest at the rate of 1.5% above the amount paid on United States twenty-year treasury bills established the first day of each plan year, and is attributed to the participant's account monthly. Upon cessation of employment elective deferrals and earnings thereon will be paid in a lump sum in the month of January following the plan's year end.

Participants may elect, however, to receive payment of elective deferrals and earnings thereon in equal instalments over a period of up to 10 years. Vested Company contributions to the plan will be paid in two substantially equal instalments on the first and second anniversaries of the date on which the participant ceases employment. All contributions vest in the event of change of control of the Company. The deferred compensation plan is an unfunded plan.

The following table shows, for Messrs. Martin, Taño and Pedroli, and for Ms. Vaidyanathan, certain information concerning their registered defined contribution plans, and includes the 401K Plan, the deferred compensation plan and the non-registered, unfunded plans described above.

Name ⁽¹⁾	Accumulated value at start of year (\$)	Compensatory ⁽²⁾ (\$)	Non-compensatory ⁽³⁾ (\$)	Accumulated value at year end (\$)
Geoffrey T. Martin	894,542	151,732	116,306	1,168,323
Gaston A. Taño	5,906	28,350	3,405	37,660
Lalitha Vaidyanathan	356,178	59,132	71,974	492,284
John Pedroli	783,122	55,177	41,338	242,216 ⁽⁴⁾

NOTES:

- (1) Messrs. Lang and Lancaster are not members of the defined contribution plans.
- (2) The compensatory value includes any Company contribution made to the registered and non registered plans during 2009.
- (3) The non-compensatory value represents any employee contributions to the registered plan and any gains or losses incurred on employee and employer contributions.
- (4) During 2009, Mr. Pedroli transferred \$637,364 out of the 401K Plan in accordance with plan rules.

TERMINATION AND CHANGE OF CONTROL BENEFITS

The following table sets forth particulars of any contractual entitlements of NEOs in the event of the termination of their employment without cause, or in the event of a change of control in the Company.

Summary Table of Termination and Change of Control Benefits

Name	Circumstances that trigger payment	Estimated incremental payments, payables and benefits as at December 31, 2009 (\$)	Timing and duration of payments and benefits	How payment and benefit levels are determined	Any significant conditions or obligations that apply to receiving payments or benefits
Donald G. Lang	None	--	--	--	--
Geoffrey T. Martin	Termination without cause	\$3,298,726 ⁽¹⁾	Paid monthly over 24 months	Two times ⁽²⁾ total annual compensation, including base salary, target bonus, medical, dental & survivor benefits and company car.	Conditional upon observance of non-competition covenant
Steven W. Lancaster	None	--	--	--	--
Gaston A. Taño	Termination without cause	\$489,937	Paid semi-monthly over 12 months	One times annual compensation, including base salary, target bonus, medical, dental & survivor benefits, and car allowance	Conditional upon observance of non-competition covenant
Lalitha Vaidyanathan	Termination without cause	\$181,845	Paid monthly over 6 months	Six months' base salary and medical, dental & survivor benefits	None
John Pedroli	None	--	--	--	--

NOTES:

- (1) This calculation is based on a termination in circumstances not involving a change in control.
- (2) In the event that Mr. Martin's employment is terminated within one year of a change of control, he is entitled to three times his total annual compensation, including base salary, target bonus, medical, dental and survivor benefits (See "Change of Control" below.)

Employment Agreements

The Company does not have a written contract of employment with its Executive Chairman.

The Company entered into an employment agreement with Mr. Martin on May 8, 2008. The Company entered into a written contract of employment with Mr. Taño upon his employment, October 15, 2008. The agreements provide for an annual base salary subject to yearly review. In 2009, Mr. Martin's base salary was US\$630,000 and Mr. Taño's was \$315,000. Pursuant to these agreements, Mr. Martin and Mr. Taño are entitled to participate in the Company's SMIP and certain LTIPs, as described above. Mr. Martin and Mr. Taño are entitled to standard benefits of the type normally available to executive officers. The agreement for Mr. Martin may be terminated for cause as defined in the agreement and may be otherwise terminated on 24 months' notice. Mr. Taño's agreement may be terminated for cause as defined in the agreement and otherwise terminated on 12 months notice. In addition to the foregoing, as part of his employment contract, Mr. Martin is eligible to receive a lump sum payment of \$326,326.50 (US\$ 285,750) after tax upon retirement to fund medical benefits for Mr. Martin, his spouse and his eligible dependents. This payment is only available on retirement if Mr. Martin elects to retire immediately following separation from the Company, and is subject to an annual reduction of 10% for each year over 60 if he has not retired. Mr. Martin is also eligible to receive this payment in the event of termination without cause or change of control. The agreement contains standard non-competition and non-solicitation provisions. 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. Mr. Lancaster did not enter into an employment agreement with the Company, and he retired at the end of December 2009. Mr. Pedroli does not have an employment agreement.

Change of Control

By the terms of his employment agreement, Mr. Martin is entitled to 24 months of severance should his employment be terminated without cause. In the event that Mr. Martin's employment is terminated without cause within one year after a change of control of the Company, he is entitled to receive 36 months severance (approximately \$4,528,803) in lieu of 24 months. In addition, Mr. Martin is eligible to receive the retirement medical benefit referred to in the preceding paragraph in the event of a change of control. None of the other NEOs are, by the terms of their employment agreements, entitled to any incremental payments or benefits upon a change of control.

In the event of change of control, the Company will pay to Mr. Lang and Mr. Lancaster 50% of their SERP value increased in consideration of the applicable tax if they so request. The remaining 50% of the SERP will be paid, or will continue to be paid, as a pension benefit upon or during retirement.

COMPENSATION OF DIRECTORS

During the financial year ended December 31, 2009, directors' fees were paid to the directors of the Company other than Donald 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. Mr. Jon Grant, as Lead Director, received an additional honorarium of \$12,500. Committee chairpersons receive an annual retainer of \$7,500, except for the chairman of the Audit Committee, who received an annual retainer of \$12,500. Fees paid for attendance at telephone meetings were \$1,000 per director per meeting. The board of directors, on an annual basis as part of the director compensation review, may, in its sole discretion, following consultation with the Human Resources Committee, award independent directors additional compensation in the form of deferred share units ("DSUs"). In determining the size of any award made, each of the committee and the board will consider comparative compensation levels of peer companies and such other criteria as it

deems appropriate in its sole discretion. Directors are also entitled to be reimbursed for their reasonable out-of-pocket expenses incurred in the business of the Company. 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 2009. Donald Lang and Geoffrey Martin, being employees of the Company, received no fees in their capacity as directors. They received options only in their capacity as officers of the Company. 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 Company in the 2009 calendar year.

2009 Director Compensation Table

Director	Fees earned in cash (\$)	Share-based awards - fees received in DSUs ⁽¹⁾ (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total ⁽²⁾ (\$)
Paul Block	91,817	20,586	0	0	0	0	112,403
Michael Cowhig ⁽³⁾	0	79,052	0	0	0	0	79,052
Jon Grant	85,000	20,586	0	0	0	0	105,586
Edward Guillet	27,448	68,834	0	0	0	0	96,282
Alan Horn	0	85,586	0	0	0	0	85,586
Stuart Lang	59,000	20,586	0	0	0	0	79,586
Douglas Muzyka	16,000	75,586	0	0	0	0	91,586
Thomas Peddie	0	100,086	0	0	0	0	100,086

NOTE:

- (1) Several directors received all or part of their fees in 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 2009, and is valued in Canadian dollars.
- (2) Compensation for Mr. Block, Mr. Cowhig and Mr. Guillet was paid or payable in US dollars. Cash amounts were translated into Canadian dollars based at the current exchange rates at the time of the award.
- (3) Mr. Cowhig resigned as a director of the Corporation on January 13, 2010.

Deferred Share Unit Plan

The Company has adopted a deferred share unit plan, which was approved by the shareholders of the Company on May 6, 2004, and amended November 2009 (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. Directors electing to participate in the DSU Plan are awarded DSUs on a quarterly basis in lieu of all or part of the fees owing to them. In addition, the board of directors, in its discretion, may award additional DSUs to non-employee members of the board. 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 participating director (other than for discretionary grants) is calculated by dividing the cash remuneration that would otherwise be payable by the fair market value of a Class B non-voting share of the Company on the date of issue of the DSU. Fair market value is calculated under the DSU Plan as the simple average of the high and low trading prices of the Class B non-voting shares for the five trading days immediately preceding the date of issue or redemption, as the case may be. 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 Company equating to the number of his or her DSUs, or, alternatively, at the election of the Company, a cash amount equal to the fair market value of an equal number of Class B non-voting shares of the Company on the date of notification of redemption. 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.

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 Company. The DSU Plan is unfunded.

OPTION-BASED AWARDS TO DIRECTORS

Share-based awards (other than DSUs) and option-based awards to directors have been discontinued since 2004, and no such awards were issued to directors in 2009. Information relating to share-based and option-based awards to directors outstanding at the end of the most recently completed financial year is set forth in the table below. Share-based and option-based awards to directors who are also NEOs are described above under the heading "Incentive Plan Awards." A description of the Employee Share Option Plan, pursuant to which the options described in the table below were granted is set forth under the heading "Stock Option Plan". No options previously granted to directors vested in 2009. The directors do not participate, as directors, in any share-based awards.

Outstanding Share-Based Awards and Option-Based Awards to Directors as of December 31, 2009

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Jon K. Grant	10,000	8.35	November 1, 2010	199,000	0	0
	10,000	12.55	December 4, 2011	157,000		
	10,000	18.51	December 4, 2012	97,400		
Stuart W. Lang	14,000	8.35	November 1, 2010	278,600	0	0
	14,000	12.55	December 4, 2011	219,800		
	5,000	18.51	December 4, 2012	48,700		

NOTES:

- (1) Value of unexercised options is the difference between the option exercise price and \$28.25, the closing price of the Company's Class B non-voting shares on the TSX on December 31, 2009.

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

The following tables set forth the indebtedness (other than routine indebtedness as defined in Form 51-102F5) incurred by all current and former directors, officers and employees of the Company and its subsidiaries for the purchase of securities of the Company and for other purposes as of February 28, 2010.

Aggregate Indebtedness

Purpose	To the Company or its subsidiaries	To another entity
Share purchases	\$508,772	0
Other	\$1,737,095	0

Executive Share Purchase Plan

Effective November 8, 1999, the Company 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 Company and its subsidiaries to invest in Class B non-voting shares of the Company through the provision of loans to acquire shares in the Company. Loans under the ESPP do not bear interest and are secured by a pledge in favour of the Company 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. They 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. 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 Company. 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, 2009, please see the table below.

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

Name and principal position as at December 31, 2009	Involvement of Company or subsidiary	Largest amount outstanding during 2009	Amount outstanding as at February 28, 2010	Financially assisted securities purchases during 2009	Security for indebtedness	Amount forgiven during 2009
<i>Securities Purchase Programs</i>						
Geoffrey T. Martin <i>President and Chief Executive Officer</i>	Company (lender)	\$207,501 (US\$158,810)	\$167,148 (US\$158,810)	0	25,000 Class B non-voting shares	0
Steven W. Lancaster <i>Executive Vice President</i>	Company (lender)	\$341,624	0	0	25,000 Class B non-voting shares	0
Janis M. Wade <i>Senior Vice President, Human Resources and Corporate Communications</i>	Company (lender)	\$341,624	\$341,624 ⁽¹⁾	0	25,000 Class B non-voting shares	0
<i>Other Programs</i>						
Geoffrey T. Martin <i>President and Chief Executive Officer</i>	Company (lender)	\$2,140,795 (US\$1,638,447)	\$1,737,095 ⁽²⁾ (US\$1,650,447)	0	none	0

NOTES:

- (1) The Human Resources Committee approved an extension of the term of Ms. Wade's loan to June 30, 2010, due to the adverse economic climate. No further extension will be granted.
- (2) This entry concerns a bridge loan granted to Mr. Martin to assist him with an income tax assessment incurred on the vesting of 123,334 restricted shares in March of 2008. The loan was at 5% interest until December 31, 2008, as of which date it was adjusted to 4.72% until maturity. The maturity date of this loan was extended from December 31, 2009, and the loan is presently repayable by December 31, 2010. The loan is not secured.

DIRECTORS' AND OFFICERS LIABILITY INSURANCE

As of July 8, 2009, the Company 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 Company. The cumulative amount of the premium paid in respect of this policy in 2009 was \$188,000. 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 Company. 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 Company 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 Company under the primary policy. In addition, in certain limited circumstances where complete indemnity of the director or officer by the Company 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 Company 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 Executive Chairman of the board and of the President and CEO of the Company. 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 Company’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 disclosure requirements of the Instrument are set forth in the table below. The requirements for audit committees are regulated by National Instrument 52-110, *Audit Committees*.

INSTRUMENT REQUIREMENTS	COMMENTS
Disclose the identity of directors who are independent.	Paul J. Block, Jon K. Grant, Edward E. Guillet, Alan D. Horn, Douglas W. Muzyka and Thomas C. Peddie.
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>Donald G. Lang is Executive Chairman of the Company and Stuart W. Lang has a direct family relationship with him.</p> <p>Geoffrey T. Martin is the President and CEO of the Company.</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.	Edward E. Guillet – Waste Connections, Inc.; Alan D. Horn – Rogers Communications Inc., March Networks Corporation and Fairfax Financial Holdings Limited; Donald G. Lang – AGF Management Ltd.
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.	A private session restricted to independent directors from which non-independent directors and management are excluded is held in conjunction with each regularly scheduled meeting of the board and its committees to permit independent directors to discuss any matters of concern <i>in camera</i> . There were six such meetings of the board of directors (plus a “subsequent events” conference call) held during 2009, and <i>in camera</i> meetings of independent directors were held at all six of the regular meetings.
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 Executive Chairman of the board is not an independent director. The board has an independent lead director, who is Jon K. Grant. The responsibilities of the lead director include the following:</p> <p>(i) To develop the agenda for <i>in camera</i> board meetings where non-independent directors and members of management are excluded;</p>

	<p>(ii) To act as liaison between management and the board where and if required;</p> <p>(iii) To chair board meetings in the absence of the Executive Chairman;</p> <p>(iv) To consider any other appropriate structures and procedures to ensure that the board can function independently of management;</p> <p>(v) To undertake the lead on any other corporate governance matters that the board may request from time to time;</p> <p>(vi) To report to the Executive Chairman concerning the deliberations of the independent directors as required;</p> <p>(vii) To provide feedback to the Executive Chairman and act as a sounding board with respect to strategies, accountability and other issues; and</p> <p>(viii) To review and approve the travel and entertainment expenses of the Executive Chairman.</p>
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 and board and committee meetings with the exception of Mr. Michael Cowhig (85%). Mr. Cowhig resigned as director on January 13, 2010. Please refer to the tables set forth under the heading "Election of Directors", above.
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, which is available on the Company's website, at www.cclind.com .
Disclose whether or not the board and the 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.
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 Company and its business operations. They are introduced to key executives and managers of the Company and visit some representative plants. The board has instituted a "mentorship" program, pursuant to which new directors are teamed with an experienced member of the board, who is available to them for consultation as may be required.
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. Directors visit and tour at least one plant a year as a group and are encouraged to make individual plant visits in connection with their travels. Senior managers of the Company make regular presentations concerning the industries and markets in which the Company operates in connection with regularly scheduled board meetings. Directors may attend such programs, industry association conventions and trade shows as may be available, and receive formal courses and presentations by expert speakers. Where they deem appropriate, directors attend formal courses presented by private concerns and

	institutions and structured for the education of directors. The Company also reimburses to directors the fee for membership in the Institute of Corporate Directors.
<p>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:</p> <p>(i) disclose how a person or company may obtain a copy of the code;</p> <p>(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</p> <p>(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.</p>	<p>The board has adopted a written code of business conduct and ethics for its directors, officers and employees.</p> <p>(i) A copy of the code may be viewed on the Company's website at www.cclind.com or it may be obtained by contacting the Secretary of the Company at 105 Gordon Baker Road, Suite 500, Willowdale, Ontario M2H 3P8.</p> <p>(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.</p> <p>(iii) Not applicable.</p>
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 Company's employees. Distribution of the code is accompanied by explanatory presentations. All head office employees and key management employees at each location are asked to provide a written acknowledgement that they have reviewed and understood the code, and the general manager of each location is asked to acknowledge in writing that he/she has ensured that every employee in his or her charge has received a detailed presentation of the code. The code provides for an anonymous, company-wide "ethics hotline" for reporting breaches of the code and any issues relating to accounting and financial wrong-doing.
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	The board has a nominating and governance committee composed entirely of independent directors.

have a nominating committee composed entirely of independent directors, describe what steps the board takes to encourage an objective nomination process.	
If the board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.	Please see the text of the charter of the committee 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 Company'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 outside consulting firms. Where appropriate, bonuses are paid as a percentage of salary based on the achievement of certain targets. Please refer to the "Compensation Discussion and Analysis," 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.
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.	Watson Wyatt Worldwide, Inc. was retained to consult on pension matters and provide specific information relating to the Company's pension expenses. Towers Perrin was also retained to report on the competitiveness of the Company's executive compensation programs and levels. Buck Consulting provided similar information in 2006 and 2008.
If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.	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 Company'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.
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.	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. One-on-one interviews are then conducted annually by the lead director with each director to review the formal assessment, both of the performance of the board and of the directors

	themselves, 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 CEO.
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Audit Committee

For disclosure regarding the Company's Audit Committee, please refer to the section entitled "Item 14– Audit Committee" in the Company's 2009 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 Executive Chairman and the CEO.
- Satisfy itself of the integrity of the Executive Chairman and the 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.
- Direct the implementation of 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.

- 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 the Executive Chairman or the CEO
- Directly or by delegation to the Human Resources Committee:
 - (a) compensation and incentive arrangements for Executive Chairman and the CEO and those officers reporting directly to the CEO; and
 - (b) employment/termination agreements for corporate officers reporting directly to the CEO.

Administration and Compliance Approvals:

- Appointment of the board's committees and their chairs
- Nomination of directors
- Recommendation of auditor to the shareholders
- Proxy Circular, Management's Discussion and Analysis, and Annual Information Form
- Appointment of Executive Chairman
- 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 committee has the authority to engage, instruct and compensate, at the Company'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 National Instrument 52-110 ("NI 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 NI 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 Company's financial statements. The Senior Vice President and Chief Financial Officer (the "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 the 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 affect 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 compensation and retention of officers and employees. The Human Resources Committee considers and approves or recommends to the board of directors any changes associated with these practices. 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 a minimum of two 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, recommend and oversee the implementation of 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 President 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 board, review and approve the corporate goals and objectives relevant to the compensation of the Executive Chairman and the President and CEO, evaluate their performance in light of those corporate goals and objectives and make recommendations to the board with respect to their compensation level based on this evaluation.
- Approve any title or status changes to officers reporting directly to the President 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 Executive Chairman and President and CEO incentive compensation and equity-based plans.
- Annually review the performance of officers reporting directly to the President and CEO relative to performance and compensation.
- Consider and approve employment and termination agreements for officers reporting directly to the President 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 any material changes to the board of directors for its approval.
- 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 Company's 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 by or at the direction of the Human Resources Committee or the board for purposes of determining competitive executive compensation and other compensation matters.
- Review executive compensation disclosures as described in the Company's annual CD&A; and recommend approval to the board of directors prior to the Company's public disclosure of 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.

Composition and Independence of the Human Resources Committee

During the financial year of the Company ending December 31, 2009, the Human Resources Committee consisted only of independent directors: Mr. Paul J. Block, Mr. Michael Cowhig and Mr. Edward Guillet. Mr. Cowhig resigned as Director with effect from January 13, 2010, and his place on the committee was taken by Mr. Jon Grant on February 25, 2010. Mr. Block is the chair of the committee. Although Mr. Block, Mr. Cowhig and Mr. Grant have been chief executive officers of unrelated companies, they have not served as a chief executive officer of a company with active operations in the last three years.

Succession Planning

The Human Resources Committee meets on an annual basis to formally review the Company's succession planning process and the specific plans for the President and CEO and for certain positions designated by the Human Resources Committee and the President and CEO. In the course of its succession planning meeting, the committee receives a detailed report and analysis from the CEO assessing the respective strengths and weaknesses of potential candidates for succession to the position of CEO and to the key roles identified by the President and CEO as critical to the success of the Company. The committee considers the proposals of the President and CEO for the further training and development of such candidates and for expanding their experience in preparation for the assumption of such roles.

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 2009, the committee retained the services of Towers Perrin to advise the Board with respect to executive compensation at a cost of \$18,000. The Company also retained Watson Wyatt Worldwide, Inc. for administration and consulting in regard to its executive pension plan and non-officer compensation. In 2008 and 2009 the Company's costs were \$28,922 and \$94,000, respectively.

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 committees of the board 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 Company'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 two directors. The Vice President Risk and Environmental Management of the Company acts as secretary and staff facilitator to the committee. 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 six independent directors out of a total of nine 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 Executive Chairman of the board and of the CEO are separate, and the board has a lead director who is an independent director. A “board interlock” occurs where there are reciprocal directorships between the boards of two companies, as when two companies share two or more directors other than in a parent/subsidiary situation. There are no board interlocks involving the Company’s board of directors and the board of directors of any other company.

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	C		
J. Grant		X	C	X
E. Guillet		X		
A. Horn	X		X	
S. Lang				X
D. Muzyka				C
T. Peddie	C		X	

Share Ownership Requirements

Each director is expected to acquire shares or deferred share units of the Company valued 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 Company throughout the period of his or her directorship. The Executive Chairman and the CEO, who are also directors, but who receive no retainer as directors, are expected to acquire within five years of their appointments and to hold throughout their term of office, as a minimum, shares of the Company of a value equal to three times their base salaries on the date of their appointments to office. The Company encourages share ownership by directors by making available its DSU Plan, through which directors may receive all or part of their remuneration in DSUs. In addition, the compensation of the directors was enhanced in August of 2009 through a grant of 1,000 DSUs to each director who was not an employee, with the expectation for further DSU grants on a yearly basis in the discretion of the board. As at the date hereof, all directors have achieved their share ownership targets. The value of the equity holdings of each director appears in the table set forth under "Election of Directors," above.

Disclosure and Communications Policy

The Company has designated four senior officers to facilitate the dissemination of information to shareholders of the Company and other interested parties and to receive feedback from them. The Executive Chairman in consultation with the CEO and CFO has responsibility for communicating financial information of the Company 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 Executive Chairman, the CEO and the CFO for developing the Company's annual report to its shareholders, and for disseminating general information concerning the activities of the Company. In addition to the foregoing, the Company has established a "Disclosure Committee" made up of key persons within the Company's internal flow of information to review and verify the information to be disclosed in the Company's news releases and regulatory filings. The Company 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 Company'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 Company 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 Company's securities by officers and employees of the Company. To help prevent selective disclosure, the policy requires employees to direct all outside inquiries to the Executive Chairman, the CEO, the CFO or the Senior Vice President, Human Resources and Corporate Communications. In addition, trading in the Company's securities by the Company'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 Company's securities. In addition, directors are required to advise the senior management of the Company of any intended trade in the Company's securities, so that a determination can be made as to whether the timing of the trade would be appropriate in view of the Company's policy concerning timely disclosure of material information.

External Auditor Service Fees

The auditor of the Company 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 \$1,602,895 in 2009 and \$1,595,170 in 2008.

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, and that are not

reported under "Audit Fees" above were \$45,160 in 2009 and \$36,900 in 2008 related to the audit of the Company's pension plans, the report on compliance with debt covenants, an audit of Thailand Board of Investments and an attestation report on compliance WITH LOCAL Mexican tax rules and regulations.

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 Company's Canadian and international operations were \$499,010 in 2009 and \$858,060 in 2008.

All Other Fees - KPMG LLP and its affiliates provided actuarial consulting services to the Company and financial advisory services in connection with inter-company debt financing for \$313,670 in 2009 and \$466,700 in 2008.

SHAREHOLDER PROPOSALS FOR THE 2010 ANNUAL MEETING

The Company will review shareholder proposals intended to be included in proxy material for the 2011 annual meeting of shareholders that are received by the Company at its offices at 105 Gordon Baker Road, Suite 500, Willowdale, Ontario M2H 3P8, Attention: Corporate Secretary, by no later than December 31, 2010.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com and on the Company's website at www.cclind.com. Financial information regarding the Company is provided in the Company's comparative consolidated financial statements and Management's Discussion and Analysis ("MD&A") for the financial year ended December 31, 2009.

Copies of the following documents are available without charge to shareholders upon written request to the Secretary of the Company at 105 Gordon Baker Road, Suite 500, Willowdale, Ontario M2H 3P8, or, following distribution of these materials, they may be obtained from the SEDAR website at www.sedar.com, or the Company's website at www.cclind.com:

- (i) the 2009 Annual Report to the Shareholders containing the consolidated financial statements for the year ended December 31, 2009, together with the accompanying report of the auditors;
- (ii) MD&A pertaining to the Company's comparative consolidated financial statements;
- (iii) this Management Proxy Circular; and
- (iv) the Company's most recent Annual Information Form.

GENERAL

The information contained herein is given as of March 9, 2010, unless otherwise noted. The contents and the distribution of this Management Proxy Circular have been approved by the directors of the Company.

DATED at Toronto this 9th day of March, 2010.

By Order of the Board of Directors,

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

SCHEDULE A

RESOLUTION OF THE SHAREHOLDERS OF CCL INDUSTRIES INC.

Amendment of Employee Stock Option Plan

RESOLVED THAT:

1. the amendment to the CCL Industries Inc. Employee Stock Option Plan (the "Plan") to increase the number of Class B non-voting shares reserved and available for issuance thereunder by 1,500,000, such that the aggregate number of Class B non-voting shares reserved for issuance under the Plan shall be 4,500,000, is hereby authorized and approved;
3. the grant of options under the Plan to purchase 125,000 Class B non-voting shares of the Corporation as made on February 25, 2010, as disclosed in the Management Proxy Circular, is hereby ratified and approved; and
3. any one officer of the Company is hereby authorized and directed to do all such acts and things, and to execute and deliver all such instruments and documents as may be necessary or desirable to give full effect to this resolution.