



TWENTY PERCENT OF LARGE CANADIAN COMPANIES PRESENT SERIOUS CORPORATE GOVERNANCE RISK TO INVESTORS

FOR IMMEDIATE RELEASE

Portland, Maine; October 22, 2009 – The Corporate Library's latest annual review of corporate governance risk at TSX 60 companies has found that 20 percent of companies in the index present serious risk to investors, while another 17 percent present moderate concerns. The review of governance practices at the Canadian firms, which represent approximately 73 percent of Canada's equity market capitalization, was conducted to update the companies' governance risk ratings, which are available in The Corporate Library's governance risk profiles. ([Download a sample profile.](#))

"One in five TSX 60 companies presents governance concerns that may significantly increase investment risk," said Kimberly Gladman, Director of Research and Ratings at The Corporate Library. "Some of these firms' compensation policies have the same weaknesses we frequently see in the US: large discretionary bonuses and market-priced stock option grants, an emphasis on short-term results, and a general failure to tie pay closely to performance. At the same time, a number of Canadian boards are dominated by long-tenured directors, whose ability to provide rigorous and objective oversight can be compromised by their lengthy association with the company."

A governance risk profile contains all the expert analysis and data collected by The Corporate Library about a specific company. Each profile includes:

- The Corporate Library's proprietary governance risk ratings, which have been [backtested](#) and proven to explain investment returns
- A complete CEO compensation review
- Board and individual director profiles and compensation
- Committee structures and independence
- Chronology of key governance-related events
- Related party transactions
- Current SOX 404 compliance status
- Takeover defenses information

Profiles of the TSX 60 companies reviewed are available to be purchased:

- Individually from The Corporate Library's [online store](#), or
- In bundles by contacting sales@thecorporatelibrary.com; or
- Interested parties may [request a free trial](#) of Board Analyst, which provides access to the governance risk profiles and ratings of more than 3,200 North American publicly-traded companies.

A sample governance risk profile is available for download [here](#).

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About The Corporate Library

For ten years, The Corporate Library has been the leading independent research firm providing corporate governance information products, research services and data to a broad variety of clients including institutional investors, corporations, D&O liability insurers, law firms, accounting firms, executive search firms, academic institutions and the media. The Corporate Library produces the definitive ratings of U.S. corporate boards of directors, allowing businesses that subscribe to the service to evaluate governance as an element of investment and other risk. The Corporate Library is also a leading publisher of corporate governance reports and studies, including reports on CEO employment contracts, governance practices, mutual fund proxy voting, and executive and director compensation, which its analysts compile using its extensive database of over 3,200 public companies and over 47,000 executives and directors. Additional information on The Corporate Library and its suite of online corporate governance data and analysis products can be found on its website at www.thecorporatelibrary.com.

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