



**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
OF CCL INDUSTRIES INC.
MAY 5, 2011**

NOTICE is hereby given that the annual meeting (the "Meeting") of shareholders of **CCL INDUSTRIES INC.** (the "Corporation") will be held at the corporate offices of the Corporation at Suite 500, 105 Gordon Baker Road, Willowdale, Ontario M2H 3P8, at 2:00 p.m. (Toronto time), on Thursday, May 5, 2011, for the following purposes:

1. to receive the 2010 Annual Report of the Corporation containing the audited consolidated financial statements of the Corporation for the financial years ended December 31, 2010, and December 31, 2009, and the auditor's report thereon;
2. to elect ten directors;
3. to re-appoint the auditor and authorize the directors to fix the auditor's remuneration; and
4. to transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

By Order of the Board of Directors,

B. I. Sirota
Secretary

Toronto, Ontario
March 8, 2011

NOTES TO NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

1. Holders of Class B non-voting shares of the Corporation are not entitled to vote on any matters proposed for consideration at the Meeting.
2. Registered holders of Class A voting shares who are unable to be present at the Meeting in person are requested to specify on the accompanying form of proxy the manner in which the shares represented thereby are to be voted and to date, sign and return the same in the enclosed, return postage prepaid envelope provided for that purpose to the Secretary of the 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. EST on the last business day before the Meeting or for deposit with the Chairman or the Secretary 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 (or toll free to 1 (866) 781-3111).
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 22, 2011. Accordingly, holders of Class A voting shares registered on the books of the Corporation at the close of business on March 22, 2011, are entitled to notice of and to vote at the Meeting.
5. A copy of the 2010 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 8, 2011 FOR USE AT THE ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON MAY 5, 2011

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SOLICITATION OF PROXIES

THIS MANAGEMENT PROXY CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION OF PROXIES BY THE MANAGEMENT OF CCL INDUSTRIES INC. (THE "CORPORATION" OR THE "COMPANY") FOR USE AT THE ANNUAL MEETING OF SHAREHOLDERS of the Corporation (the "Meeting") to be held at the corporate offices of the Corporation at Suite 500, 105 Gordon Baker Road, Willowdale, Ontario M2H 3P8, at 2:00 p.m. (Toronto time), on Thursday, May 5, 2011, 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. EST 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 (or toll free to 1 (866) 781-3111). 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 (or toll free to 1 (866) 781-3111) 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.

REVOCATION 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; and (ii) on the reappointment of KPMG LLP, Chartered Accountants, as the auditor of the Corporation, in favour of such reappointment, and to authorize the directors to fix the remuneration of the auditor.** (A simple majority of the Class A voting shares voted on any resolution is required to carry any matter proposed to be placed before the Meeting for a vote.)

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

VOTING BY NON-REGISTERED SHAREHOLDERS

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

- (i) in the name of an intermediary (an "Intermediary") (which may include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered registered retirement savings plans, registered retirement income funds, registered education savings plans and similar plans) that the Non-Registered Holder deals with in respect of the shares; or
- (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) 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 22, 2011, 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 30,949,621 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").

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 ten (10). Unless authority to vote is withheld, the persons named in the accompanying form of proxy intend to vote for the election of the ten (10) nominees whose names are set forth below. All of the nominees 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 8, 2011. 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 8, 2011.



Director since:
June 3, 2010
Illinois, U.S.A
Independent
Age: 68

George V. Bayly – Mr. Bayly’s principal occupation is that of corporate director. He is Chairman of Whitehall LLC, Wind Point Partners and Odyssey Investment Partners (private equity firms). He is also Chairman of Ryt-Way Industries and Pennsylvania Packaging (both packaging firms). Prior to 2008, he was Chairman and CEO of Altivity Packaging LLC, and of its principal investor, Texas Pacific Group (a private equity firm). Prior to 2006, Mr. Bayly was Co-Chairman and CEO of U.S. Can Corporation (a container manufacturing firm) and of its principal investor, Berkshire Partners (a private equity firm). Mr. Bayly’s packaging industry experience and insight are very advantageous to the board as the Company pursues packaged goods markets in many sectors. Specific expertise that Mr. Bayly brings to the board includes CEO experience, mergers and acquisitions expertise and packaging industry knowledge.

Board/Committee Memberships		Attendance⁽²⁾						
Board of Directors (from June 3, 2010)		2/3	partial year					
Member of the Human Resources Committee (from August 1, 2010)		2/3	partial year					
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⁽³⁾
March 8, 2011	Nil	Nil	Nil	2,553	2,553	\$82,461.90	\$123,545.76	no
Net Change in Equity Ownership Since March 9, 2010								
	Class A Shares	Class B Shares	DSUs					
	-	-	Acquired					2,553



Director since:
November 6, 1997
New York, U.S.A
Independent
Age: 66

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		8/8	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 8, 2011	Nil	5,050	Nil	5,068	10,118	\$326,811.40	\$123,545.76	yes
Net Change in Equity Ownership Since March 9, 2010								
	Class A Shares	Class B Shares	DSUs					
	-	-	Acquired 4,056					



Director since:
December 8, 1994
Ontario, Canada
Independent
Age: 75

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

Board of Directors (Lead Director)	7/7	100%
Chairperson of the Nominating and Governance Committee	4/4	100%
Member of the Environment and Health & Safety Committee	3/3	100%
Member of the Human Resources Committee ⁽⁶⁾	3/3	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 8, 2011	Nil	10,000	20,000	2,053	12,053	\$389,311.90	\$120,000	yes

Net Change in Equity Ownership Since March 9, 2010

Class A Shares	Class B Shares	DSUs
-	Acquired 6,000	Acquired 1,041



Director since:
November 5, 2008
Massachusetts, U.S.A.
Independent
Age: 59

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 Procter & Gamble, 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	8/8	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 8, 2011	Nil	Nil	Nil	5,810	5,810	\$187,663	\$123,545.76	yes

Net Change in Equity Ownership Since March 9, 2010

Class A Shares	Class B Shares	DSUs
-	-	Acquired 2,627



Director since:
May 8, 2008
Ontario, Canada
Independent
Age: 59

Alan D. Horn⁽⁵⁾ – Mr. Horn's principal occupation is as President and Chief Executive Officer of Rogers Telecommunications Limited. Mr. Horn is also Chairman of the board of Rogers Communications Inc. (a telecommunications company) and a director of 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		6/7	86%					
Member of the Audit Committee		4/4	100%					
Member of the Nominating and Governance Committee		4/4	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 8, 2011	Nil	1,000 ⁽⁷⁾	Nil	9,230	10,230	\$330,429	\$120,000	yes
Net Change in Equity Ownership Since March 9, 2010								
	Class A Shares	Class B Shares	DSUs					
	-	-	Acquired 3,503					



Director since:
May 23, 1991
Ontario, Canada
Not Independent
Age: 56

Donald G. Lang – Mr. Donald Lang is Executive Chairman of the Company. Prior to May of 2008, Mr. Lang was Vice Chairman and CEO and President and CEO prior to May of 2005. 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., Canada Colors and Chemicals Limited 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						
Executive Chairman of the 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 8, 2011	150 ⁽³⁾	115,770 ⁽³⁾	550,000	Nil	115,920	\$3,744,216	\$2,190,000	yes
Net Change in Equity Ownership Since March 9, 2010								
	Class A Shares	Class B Shares	DSUs					
	-	-	-					



Director since:
May 23, 1991
Ontario, Canada
Not Independent
Age: 60

Stuart W. Lang – The principal occupations of Mr. Stuart Lang are that of Head Football Coach for Guelph University and that of 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	2/3	67%

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 8, 2011	Nil ⁽³⁾	23,610 ⁽³⁾	19,000	2,053	25,663	\$828,914.90	\$120,000	yes

Net Change in Equity Ownership Since March 9, 2010

Class A Shares	Class B Shares	DSUs
-	-	Acquired 1,041



Director since:
October 27, 2005
Massachusetts, U.S.A.
Not Independent
Age: 56

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	6/7	86%
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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 8, 2011	Nil	321,886 ⁽⁴⁾	212,000	Nil	321,886	\$10,396,917	\$2,192,937.30	yes

Net Change in Equity Ownership Since March 9, 2010

Class A Shares	Class B Shares	DSUs
-	-	-



Director since:
June 8, 2006
Pennsylvania, U.S.A.
Independent
Age: 56

Douglas W. Muzyka – The principal occupation of Mr. Muzyka is as Chief Science and Technology Officer of E.I. DuPont de Nemours, an international manufacturer of chemical products, specialty materials, consumer and industrial products. Prior to 2010, Mr. Muzyka was 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⁽¹⁾	DSUs	Total Shares & DSUs	Value of Shares & DSUs	Shareholding Target	Shareholding Target Achieved
March 8, 2011	Nil	Nil	Nil	10,087	10,087	\$325,810.10	\$120,000	yes
Net Change in Equity Ownership Since March 9, 2010								
	Class A Shares	Class B Shares		DSUs				
	-	-		Acquired 2,895				



Director since:
June 4, 2003
Ontario, Canada
Independent
Age: 63

Thomas C. Peddie – Mr. Peddie is Executive Vice President and CFO of Corus Entertainment Inc., a publicly traded media company listed on the TSX. 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						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 8, 2011	Nil	5,000	Nil	18,972	23,972	\$774,295.60	\$120,000	yes
Net Change in Equity Ownership Since March 9, 2010								
	Class A Shares	Class B Shares		DSUs				
	-	-		Acquired 4,267				

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.
- (2) Attendance percentages reflect attendance only at those meetings held while the director was a member of the board or the applicable committee of the board.
- (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 120,000 Restricted Share Units. Please refer to the paragraph under the heading "Restricted Share Unit 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 temporarily appointed to the Human Resources Committee on February 25, 2010, following the resignation of Mr. Michael Cowhig, and resigned from the committee on August 1, 2010, with the appointment to the committee of Mr. Bayly.
- (7) Mr. Horn is one of the trustees of an estate that controls ATL Inc., a private holding company that holds 2,000 Class A voting shares and 125,000 Class B non-voting shares of the Company.
- (8) Pursuant to the Company's Statement of Governance Policies, Mr. Bayly is not required to achieve his ownership target for Class B non-voting shares or DSUs until June 3, 2013.

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.

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, 2010, the Executive Chairman, the President and Chief Executive Officer ("CEO"), the Senior Vice President and Chief Financial Officer ("CFO"), and the two other most highly compensated executive officers of the Company.

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, 2010, of US\$1.00=C\$1.0299 for the 2010 fiscal year, 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. Where a value is stated to be given as of February 28, 2011, the February 28 noon conversion rate of US\$1.00=C\$ 0.9739 is applied, and where a value is stated to be given as of March 8, 2011, the March 8 noon conversion rate of US\$1.00=C\$ 0.9713 is applied.

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>	2010	700,000	0	875,250	910,000	0	269,000	0	2,754,250
	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>	2010	700,332	3,360,000 ⁽⁵⁾	583,500	1,400,664	0	91,137	967	6,136,600
	2009	719,460	0	182,000	143,892	0	151,732	1,480	1,198,564
	2008	615,053	4,348,800 ⁽⁵⁾	0	198,276	0	151,387	2,303	5,315,819
Gaston A. Taño <i>Senior Vice President and Chief Financial Officer</i>	2010	325,000	336,000	460,000	325,000	0	32,085	0	1,478,085
	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>	2010	314,120	336,000	126,750	314,120	0 ⁽⁹⁾	41,833	0	1,132,823
	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 Pedroli ⁽²⁾ <i>President, CCL Industries North America</i>	2010	314,120	336,000	0	314,120	0 ⁽⁹⁾	42,354	0	1,006,594
	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. Pedroli 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, 2010, of US\$1.00 = C\$1.0299 for 2010, and where applicable, as of December 31, 2009, of US\$1.00 = C\$1.1420 for 2009, and, 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 service 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. Pedroli were shown as "Other Compensation". In 2010, contributions made in 2008, 2009 and 2010 are shown in Pension Value, which includes Company contributions to registered and non-registered plans. The amounts in this column relate to the taxable benefit 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. Pedroli were awarded 12,000 Restricted Share Units ("RSUs") each under the Company's Long Term Incentive Plan 2008-2010 (the "2008-2010 Plan"), 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 to service 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 RSUs at a fair value at time of grant of \$232,830, or \$25.87 per share, being the closing price for Class B non-voting shares on the TSX on October 15, 2008, the date of commencement of Mr. Taño's employment. This grant date fair value differs from the accounting fair value by \$4.45, because the shares to service 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. The 2008-2010 Plan did not achieve its performance criteria due to the significant economic downturn in 2008 and 2009, and was therefore terminated without payment being made to any of the participants. In 2010, the board of directors approved a new Long Term Incentive Plan ("LTIP"), which included a restricted share unit plan for the years 2010 through 2012 (the "2010-2012 Plan"). In 2010, 12,000 RSUs were awarded to each of Mr. Taño, Ms. Vaidyanathan and Mr. Pedroli at a value of \$28.00 per share which was the closing price of the Company's Class B non-voting shares on May 6, 2010, the date on which the board of directors approved the 2010-2012 Plan. The vesting of RSUs awarded under the LTIP is

subject to certain conditions described under the heading “Restricted Share Unit Plan”, below. The Company uses this same price for accounting purposes; however, it also takes into consideration the accretion of shares based on dividend reinvestment. The grants are expensed over the three year period of the 2010-2012 Plan.

- (6) On February 25, 2010, Mr. Lang and Mr. Martin were granted the option to purchase 75,000 and 50,000 Class B non-voting shares, respectively, at the market price of \$25.48 being the closing price of such shares on the TSX on February 24, 2010. On December 1, 2010, Mr. Lang and Mr. Martin were granted an additional option to purchase 75,000 and 50,000 of Class B non-voting shares, respectively, at the market price of \$28.50 being the closing price of such shares on the TSX on November 30, 2010, due to a decision being made to change the timing for the annual review and annual granting of options to December thus generally avoiding black out periods. On February 25, 2010, Mr. Taño and Ms. Vaidyanathan were each granted the option to purchase 25,000 Class B non voting shares at the market price of \$25.48 as above. Mr. Taño was granted additional options to purchase 25,000 shares in December at the market price of \$28.50 as above. An option to purchase 25,000 Class B non-voting shares was also granted to Mr. Taño on May 7, 2010, at \$28.00, the closing price on the TSX of the Class B non-voting shares on May 6, 2010, for his participation in the LTIP for the 2010 to 2012 period. 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. Key assumptions used in the 2010 Black Scholes valuation include a risk-free interest rate of 2.5%, expected life of the options of 4.5 years, expected volatility of 31% and expected annual dividends of \$0.67. The Black Scholes value is \$5.07 per share for the options awarded February 25, 2010, \$6.73 for those awarded May 7, 2010, and \$6.60 for December 1, 2010. The foregoing 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 RSUs. The value of these RSUs is calculated based on the average purchase price of \$36.24 for the Class B non-voting shares purchased in February 2007 for the 2008-2010 Plan. This plan did not achieve its performance criteria due to the significant economic downturn in 2008 and 2009 and therefore was terminated without payment being made to Mr. Martin or any of the participants. Shares purchased to service the requirements of the plan were applied to service a new LTIP. In 2010, Mr. Martin was awarded 120,000 RSUs under the 2010-2012 Plan, at a value of \$28.00 per share, being the closing price on the TSX of Class B non-voting shares on May 6, 2010, the day upon which the board of directors approved the 2010-2012 Plan. This is the same cost that the Company uses for accounting purposes but also considers the accretion of share value due to dividend reinvestment in accordance with the terms of the plan. The expense for these RSUs is spread over the three year term of the plan. No further RSUs were awarded in 2010.
 - (9) Ms. Vaidyanathan and Mr. Pedrolí participate in the Long Term Incentive Plan (Cash Component) described below; however, eligibility for payment under this plan is not determined until the end of the plan period from 2010 through 2012.
-

COMPENSATION DISCUSSION AND ANALYSIS

Compensation and the Human Resources Committee

The Human Resources Committee (the “HR Committee”) is comprised of three independent directors who have the knowledge and experience to fulfill the HR Committee’s mandate. They are Mr. Paul Block (Chairman), Mr. George Bayly and Mr. Edward Guillet. Mr. Block and Mr. Bayly have held CEO positions and are well versed in issues relating to human resources and compensation. Mr. Guillet, former Senior Vice President, Human Resources, of Procter and Gamble-Gillette Global Business Unit, brings significant knowledge and practical experience in all aspects of human resources to the HR Committee.

The HR Committee establishes executive compensation policies, and oversees the Employee Stock Option Plan (the “Option Plan,” described under the heading “Employee Stock Option Plan,” below) and the pension plans of the Company. In addition, the HR 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 HR 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 HR 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 HR Committee’s mandate and the use of independent compensation consultants.

Each year, the HR 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 HR Committee then makes recommendations to the board of directors 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 HR Committee retained the services of Towers Watson (formerly 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 for this project in 2009 were \$25,000. This advice was considered in the review of executive salaries in 2010. In 2010, Towers Perrin completed a merger with Watson Wyatt. The Company has used Watson Wyatt for consulting, administration, accounting and disclosure of its Canadian executive pension plan and continues to use Towers Watson in this regard. In 2010, fees paid to Towers Watson for pension consulting and administration were \$81,750.

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.

Although the board of directors has not completed a formal risk analysis of the Company's compensation policies and practices, the HR Committee has discussed the potential for risk and believes that the Company's compensation plans are structured and balanced in a way that has not created risks or any material adverse effects on the Company. Compensation plans are structured in a similar way throughout the Company. The HR Committee and board of directors review incentive plan criteria on an annual basis.

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 HR 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. The Proxy Reference Group selected by the HR Committee included AptarGroup, Inc., Avery Dennison Corporation, Bemis Company, Inc., Brady Corporation, Graphic Packaging Company, Multi-Color Corporation, and Sonoco Products Company in the United States. These companies were selected because they are in a comparable industry, the specialty packaging sector, although their revenues are not necessarily in the same range as the Company's revenues. Since there is no appropriate industry comparable in Canada, the Proxy Reference Group also included the following Canadian companies of similar revenues with an international presence: CAE Inc., Gildan Activewear Inc., Linamar Corporation, MDS Inc. and ShawCor Ltd. In 2009, the HR Committee retained Towers Watson to report on the competitiveness of the Company's executive compensation levels and programs. Survey data was provided from Towers Watson'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 HR 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 individual circumstances that may include the scope of the executive's position, the level of experience and performance. The HR 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 HR Committee also considers the financial performance of the Company as well as 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.

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 2010 for NEOs 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 achievement of budgeted basic earnings per share before unusual items and excluding the impact on currency translation and accounting changes (hereinafter, "adjusted earnings per share"). The 2010 SMIP pays a target bonus if budgeted adjusted earnings per share is achieved and up to a maximum of two times target bonus if adjusted earnings per share reaches or exceeds 120% of budget. Adjusted earnings per share is utilized as the sole measure of the SMIP because of its alignment with increasing shareholder value. Each year the HR Committee and the board of directors review and approve the basis and targets for the SMIP. In 2010, the board of directors approved a change in the measure for payment of the SMIP from growth in adjusted earnings per share over the prior year to achievement of budgeted growth targets for adjusted earnings per share. This change was made to raise the targeted performance level for 2010 in consideration of the impact of the global economic crisis and the resulting decline in the Company's earnings per share in 2009. In 2011, the board of directors agreed to return to the longstanding plan criteria of adjusted earnings per share growth over prior year for the 2011 SMIP. In 2010, adjusted earnings per share exceeded budget by 35% and were 36% over 2009 adjusted earnings per share resulting in bonus payments of 200% of target bonus. Payment of awards under the SMIP is based solely on the achievement of budgeted adjusted earnings per share. In the event that the budgeted adjusted earnings per share are not achieved, the HR Committee and the board of directors have discretion to recommend and approve 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. Bonus payments for 2010 were based solely on the achievement of the budgeted target in accordance with SMIP criteria.

The 2010 SMIP established for operational executives was based on the achievement of budgeted operating income and sales growth for the segments of the business for which the executives 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, Container and Tube in North America including Mexico. Actual

performance of these operations exceeded target by over 25% resulting in a bonus payment of 200% of target bonus.

Long Term Incentive Plans

The Company's Long-Term Incentive Plans ("LTIPs") 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.

LTIP awards are comprised of cash, stock options, and RSUs. The Company utilizes both equity and cash awards because it is tax effective for the participants and aligns value creation with the interests of the shareholders. The board of directors, at its discretion, grants stock options under the Option Plan and, in appropriate cases, RSUs under the Restricted Share Unit Plan (the "RSU Plan"). The LTIP and the grant levels are approved by the board of directors based on the recommendation of the HR Committee after review of the recommendation of the Executive Chairman and the President and CEO. In the case of the RSU Plan, Class B non-voting shares are purchased on the open market and are held in a Rabbi trust until the RSU Plan criteria for payout of RSUs are met and approved by the board of directors. Dividends paid under the RSU Plan are reinvested in Class B non-voting shares.

Grants of 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. Grant levels for awards of options and RSUs are determined based on the position and impact of the executive on the Company's performance.

In 2008, the Company established an LTIP for the years 2008 through 2010. The performance criteria of the plan were not achieved due to the significant economic downturn in 2008 and 2009, and therefore the plan was terminated without payment being made to any of the participants. In 2010, the board of directors approved a new LTIP for the years 2010 through 2012. This plan utilizes a combination of cash and RSUs. Elements of this plan are described below.

Long Term Incentive Plan (Cash Component)

In 2010, the Company established a new LTIP, which includes both cash and equity components. Payment of the cash component is based on the achievement of performance targets for the years 2010 through 2012. Performance targets were established based on the Company's overall cumulative operating income improvement (referred to in this document as "performance criteria") and were approved by the board of directors. Under the terms of this LTIP, the achievement of the performance criteria of approximately \$60 million of cumulative operating income improvement adjusted for foreign exchange will result in target payment of the LTIP cash bonus. The achievement of only 90% of the performance criteria will result in payment of only 50% of the payment target, and the payout is prorated thereafter to 100% of target. Maximum bonus is paid if 120% of the performance criteria is reached. Target awards are established based on the executive's scope of responsibility and impact on Company performance. The LTIP performance criteria are cumulative over the LTIP period, and the bonus is not earned on a yearly basis.

The Executive Chairman, the President and CEO and the Senior Vice President and CFO receive all LTIP awards in equity only and do not participate in the cash component of the LTIP.

Restricted Share Unit Plan

In 2010, the board of directors approved the addition of a new retention criterion to the 2010-2012 LTIP. RSUs were awarded as part of this LTIP and will vest in March 2013 if the executive continues to be employed by the Company at that time. RSUs awarded to Mr. Martin under this plan are also subject to performance criteria similar to the criterion of the cash component of the 2010-2012 LTIP with the further addition of a free cash flow component. Shares for this RSU Plan were purchased on the TSX and are held in a trust until the 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.

RSUs that were issued under the 2008-2010 LTIP did not meet the performance-based vesting criteria and therefore these RSUs did not vest. RSUs under the 2010-2012 LTIP were awarded to Mr. Pedrolì, Mr. Taño and Ms. Vaidyanathan at a value of \$28.00 per share which was the closing price of Class B non-voting shares on May 6, 2010, the date of the approval of the 2010-2012 LTIP by the board of directors. The Company uses this price to calculate the value of compensation associated with the RSUs and to account for the expense with consideration for the accretion of shares due to dividend reinvestment. The RSUs issued under the 2010-2012 LTIP are expensed over the three year term of the plan.

Target awards for issuing RSUs are based on the expected impact of the role of the executives participating. Vesting of RSUs and cash bonus payments under the 2010-2012 LTIP described above will be approved by the board of directors based on the achievement of the performance criteria and the executives continued employment. Previous LTIPs were of similar design. The inclusion of RSUs in the new plan is reflective of the desire of the board of directors, the HR Committee and the Company to align the interests of these executives 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.

In 2010, Mr. Martin was awarded 120,000 RSUs for his participation in the 2010-2012 LTIP at a value of \$28.00 per unit, which was the closing price of Class B non-voting shares on May 6, 2010, the date of the approval of the 2010-2012 LTIP by the board of directors. Of these 120,000 RSUs, 70,000 will vest if the performance criteria are achieved. Performance criteria include the achievement of targeted cumulative operating income improvement described above under the heading "Long Term Incentive Plan (Cash Component)," and, in addition, the achievement of specific free cash flow targets during the 2010-2012 LTIP period. The balance of Mr. Martin's RSUs vest based on his continued employment throughout the said LTIP period.

Employee 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 the closing price on the TSX of Class B non-voting shares on the day prior to the grant 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 other LTIP performance criteria. 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 to 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 scope of the executive's 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 2010 were for a term not exceeding five years and vest equally each year commencing one year after the date of issue. Options were granted on February 25, 2010, as part of the executive compensation review and expire February 24, 2015. A decision was made in 2010 to change the review and grant of options to December and thus avoid potential issues with blackout periods. Therefore, options were also granted on December 1, 2010, and will expire November 30, 2015. The Company uses the Black Scholes model to calculate the value of the options for compensation purposes and in accounting for their expense. In 2010, options to purchase 500,000 Class B non-voting shares were granted under the Option Plan representing 1.6% of the outstanding shares at the end of 2010. No re-pricing of outstanding options occurred in the course of 2010, nor to the date of this Management Proxy Circular. On May 6, 2010, the shareholders approved a proposal to increase the maximum number of shares reserved and available for issuance by 1,500,000, such that the aggregate number of shares reserved for issuance under the option plan from inception increased from 3,000,000 to 4,500,000. As of December 31, 2010, the number of shares available to be granted under the Option Plan was 1,175,950.

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, 2010" in the section entitled "Incentive Plan Awards" below. Additional details regarding the terms of the Option Plan are described below under the heading "Employee Stock Option Plan" in the section titled "Securities Authorized for Issuance under Equity Compensation Plans."

Compensation of the Executive Chairman

The HR 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 ended December 31, 2010, Mr. Lang's compensation consisted of a base salary of \$700,000 and awards under the Company's annual SMIP and Option Plan. In determining Mr. Lang's salary, the HR Committee considered his performance, internal equity and external market compensation levels. Mr. Lang received a salary increase as of March 1, 2010, from \$646,875 to \$700,000, based on the above information including the achievement of business objectives including earnings per share improvement, strategy execution and succession planning. As part of its review of the compensation of the Executive Chairman, the HR Committee considers the performance of the Company. The HR Committee considered this data and recommended the adjustment to Mr. Lang's salary noted above to the board of directors for approval.

Awards under the SMIP are paid based on the achievement of budgeted adjusted earnings per share. Target bonus is payable if budgeted adjusted earnings per share as approved by the board of directors are achieved (see "Annual Incentive Plans," above). In 2009, Mr. Lang's target bonus was reduced to 65% of base salary. Based on adjusted earnings per share exceeding 2010 budget expectations by 35%, which was 36% over prior year's adjusted earnings per share, the maximum bonus of 200% of target bonus equaling \$910,000 was paid to Mr. Lang under the terms of the SMIP. It is believed that the measurement of adjusted earnings per share is most closely aligned with growth of shareholder value.

Stock options are granted to provide a long-term incentive congruent with share price improvement (see "Employee Stock Option Plan," above). In 2010, Mr. Lang was granted an option to purchase 75,000 Class B non-voting shares at the market price of \$25.48 in February and an additional option to purchase 75,000 Class B non-voting shares in December at the market price of \$28.50. Mr. Lang received the additional grant in December due to a change in timing of the review of option grants by the board of directors. Options granted to Mr. Lang in 2010 were in accordance with the Option Plan and have a term of five years and vest equally each year commencing one year after being issued and expire February 24, 2015, and November 30, 2015, respectively. Option grants to Mr. Lang were recommended by the HR Committee considering Mr. Lang's contribution to the business performance and were approved by the board of directors. In 2010, Mr. Lang realized \$44,551 on the exercise of vested options to purchase Class B non-voting shares.

Compensation of the President and Chief Executive Officer

The HR 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, 2010, Mr. Martin's compensation consisted of a base salary of \$700,332 (US\$680,000) and awards under the Company's annual SMIP, RSU Plan and Option Plan. In determining Mr. Martin's salary, the HR Committee considered his performance in meeting specific targets including earnings per share and sales growth, cash flow and return on investment as well as other objectives with more subjective measures such as strategy execution and corporate development. The HR Committee also reviewed comparable market compensation levels. Mr. Martin received a salary increase from US\$630,000 (CDN\$648,837, at average year to date exchange rate at December 31, 2010 of \$1.0299) to US\$680,000 (CDN\$700,332) as at March 1, 2010. As part of its review of the compensation of the President and CEO, the HR Committee considers the performance of the Company as well as competitive market information when setting compensation levels. In 2009, the HR Committee retained Towers Watson to provide compensation information relative to the role of President and CEO and other NEOs, which was collected from their U.S. Executive Compensation Data Bank and specifically related to manufacturing companies with median revenues of US\$1.9 billion. The HR

Committee also considered information from proxy circulars of comparable US public companies that most closely represent the Company's industry. The Proxy Reference Group is described above under Benchmarking Compensation. To determine the 2010 salary for the President and CEO, the Human Resources Committee considered the data provided by Towers Watson, the Company's overall 2010 salary guidelines, which were approved by the HR Committee, and the achievement of certain objectives described above and recommended an adjustment to Mr. Martin's salary to the board of directors for approval.

Awards under the SMIP for 2010 are paid based on the achievement of budgeted adjusted earnings per share. Target bonus is payable if budgeted adjusted earnings per share as approved by the board of directors is achieved. (See "Annual Incentive Plans," above.) Mr. Martin's target bonus for 2010 was 100% of base salary. Based on adjusted earnings per share exceeding 2010 budget expectations by 35%, which was 36% over prior year's adjusted earnings per share, the maximum bonus of 200% of target bonus equaling \$1,400,664 (US\$1,360,000) was paid to Mr. Martin. It is believed that the measurement of adjusted earnings per share in most closely aligned with growth of shareholder value.

Stock options are granted to provide a long-term incentive congruent with share price improvement. (See "Employee Stock Option Plan," above.) In 2010, Mr. Martin was granted an option to purchase 50,000 Class B non-voting shares at the market price of \$25.48 in February and an additional option to purchase 50,000 Class B non-voting shares in December at the market price of \$28.50. Mr. Martin received the additional grant in December due to a change in the timing of the review and granting of options by the board of directors. Options granted to Mr. Martin in 2010 were in accordance with the Option Plan and have a term of five years, vest equally each year commencing one year after being issued and expire February 24, 2015, and November 30, 2015, respectively. Option grants for Mr. Martin were recommended by the HR Committee considering Mr. Martin's contribution to the business performance and market information pertaining to long term incentive plans provided by Towers Watson and were approved by the board of directors. In 2010, Mr. Martin realized \$69,309 on the exercise of vested options to purchase Class B non-voting shares.

Mr. Martin's LTIP is comprised of option grants described above and the performance and retention based RSU Plan. Mr. Martin participated in a performance based RSU Plan for the year 2008 through 2010. The performance criteria for this plan were not met due to the significant economic downturn in 2008 and 2009 and therefore the plan was terminated without payment being made to Mr. Martin. In 2010, the board of directors approved a new LTIP for the years 2010 through 2012. In 2010, Mr. Martin was awarded 120,000 RSUs of which 70,000 will vest in March 2013 if the performance criteria are achieved. The shares will vest if the Company achieves cumulative operating income improvement ("COI") targets approved by the board of directors and described above under the "Long Term Incentive Plan (Cash Component)." The board of directors established, for Mr. Martin only, the additional criterion of a cumulative free cash flow target. If the Company achieves 90% of the COI and free cash flow targets, 50% of the shares will vest and will be prorated to a maximum of 100%. The additional 50,000 RSUs will vest based on Mr. Martin's continued employment until March 1, 2013. Class B non-voting shares to service the foregoing RSU grant were purchased on the open market and are held in trust until the vesting criteria are met. These RSUs were awarded to Mr. Martin at the price of \$28.00 per unit, being the closing price of CCL Class B non-voting shares on May 6, 2010, the day the LTIP plan was approved by the board of directors. The Company uses the same price for expensing purposes and also considers accretion of shares through dividend reinvestment.

Compensation of Other Named Executives

Gaston Taño, Senior Vice President and Chief Financial Officer, received a base salary in 2010 of \$325,000 per annum. Mr. Taño's 2010 salary was recommended by the President and CEO considering competitive market information as described under "Benchmarking Compensation" above, his performance and the Company's salary guidelines for 2010. This recommendation was approved by the Executive Chairman and the HR Committee. Mr. Taño is eligible to participate in the Company's annual SMIP. Target bonus is paid based on the achievement of budgeted adjusted earnings per share. (See "Annual Incentive Plans," above.) Mr. Taño's target bonus for 2010 was equal to 50% of his base annual salary. The maximum bonus of \$325,000, being 200% of target bonus, was paid to Mr. Taño based on adjusted earnings per share exceeding 2010 budget expectations by 35%, which was 36% over prior year's adjusted earnings per share.

Mr. Taño also participates in the Company's Option Plan as part of the LTIP program described above under "Employee Stock Option Plan." In 2010, Mr. Taño was granted options to purchase 25,000 Class B non-voting shares in each of February and May at the market value of \$25.48 and \$28.00, respectively. Options were

granted to Mr. Taño in May pursuant to his participation in the 2010-2012 LTIP. In December of 2010, Mr. Taño received an additional option grant for 25,000 Class B non-voting shares at the market price of \$28.50 per share, due to the change in the timing of the review and granting of options by the HR Committee. Options granted to Mr. Taño in 2010 were in accordance with the Option Plan and have a term of five years and vest equally each year commencing one year after being issued and expire February 24, 2015, May 6, 2015, and November 30, 2015 respectively. Mr. Taño does not participate in the Long Term Incentive Plan (Cash Component).

Mr. Taño was granted 12,000 RSUs as part of the 2010-2012 LTIP which will vest March 1, 2013, based on his continued employment with the Company. These RSUs were issued at the price of \$28.00 per unit, being the closing price of Class B non-voting shares upon approval of the Plan by the board of directors on May 6, 2010.

Lalitha Vaidyanathan, Senior Vice President Finance, Administration and IT, CCL Operations, received a base salary in 2010 of \$314,120 (US\$305,000). Ms. Vaidyanathan's 2010 salary was recommended by the President and CEO considering competitive market information as described under "Benchmarking Compensation" above, her performance and the Company's salary guidelines for 2010. This recommendation was approved by the Executive Chairman and the HR Committee. Ms. Vaidyanathan participates in the Company's annual SMIP. In 2010, target bonus is paid based on the achievement of budgeted adjusted earnings per share. (See "Annual Incentive Plans," above.) Ms. Vaidyanathan's target bonus for 2010 was 50% of her base salary. The maximum bonus of \$314,120 (US\$305,000), being 200% of target bonus, was paid to Ms. Vaidyanathan based on adjusted earnings per share exceeding 2010 budget expectations by 35%, which was 36% over prior year's adjusted earnings per share.

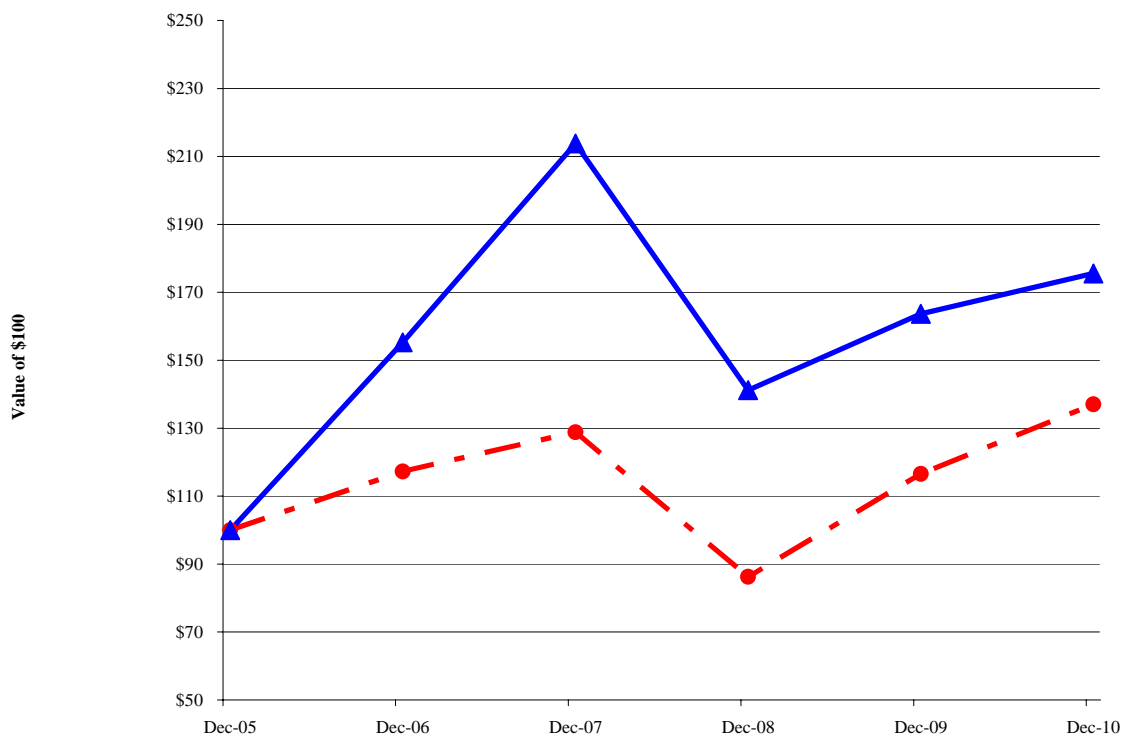
In 2010, Ms. Vaidyanathan was granted an option to purchase 25,000 Class B non-voting shares at the market price of \$25.48 as part of the LTIP described above under "Employee Stock Option Plan." This option has a term of five years and vests equally each year commencing one year after being issued and expires February 24, 2015.

Ms. Vaidyanathan also participates in the Long Term Incentive Plan (Cash Component) and the RSU Plan as part of the 2010-2012 LTIP program described above. As such, Ms. Vaidyanathan was awarded 12,000 RSUs in 2010, which will vest based on her continued employment with the Company until March 1, 2013. The above RSUs were issued at \$28.00 per unit, being the closing price of Class B non-voting shares on the TSX on May 6, 2010, the date of approval of the 2010-2012 LTIP by the board of directors. Ms. Vaidyanathan will also be eligible to receive a target cash award of US\$400,000 based on the achievement of the performance criteria through 2012 described above as the cash component of the 2010-2012 LTIP.

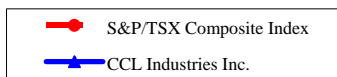
John Pedroli, President CCL Industries, North America, received a base salary in 2010 of \$314,120 (US\$305,000). Mr. Pedroli's 2010 salary was recommended by the President and CEO on the basis of competitive market information as described under "Benchmarking Compensation" above, his performance and the Company's salary guidelines for 2010. This recommendation was approved by the Executive Chairman and the HR Committee. Mr. Pedroli participates in the Company's annual SMIP at a target bonus level of 50% of base salary. For 2010, Mr. Pedroli's bonus was paid based on the achievement of operational budgets for CCL Label N.A., CCL Tube and CCL Container including Mexico. In 2010, operational performance exceeded budget by 25% resulting in the maximum bonus payment of \$314,120 (US\$305,000), being 200% of target bonus.

Mr. Pedroli also participates in the Long Term Incentive Plan (Cash Component) and the RSU Plan as part of the 2010-2012 LTIP program described above, and was awarded 12,000 RSUs in 2010, which will vest based on Mr. Pedroli's continued employment with the Company until March 1, 2013. The said RSUs were issued at \$28.00 per unit, being the closing price of Class B non-voting shares on the TSX on May 6, 2010, the date of approval of the Plan by the board of directors.

Performance Graph



	Dec-05	Dec-06	Dec-07	Dec-08	Dec-09	Dec-10
S&P/TSX Composite Index	\$100.00	\$117.26	\$128.79	\$86.28	\$116.53	\$137.05
CCL Industries Inc.	\$100.00	\$155.25	\$213.80	\$141.19	\$163.70	\$175.57



The preceding graph compares the cumulative total shareholder return over the last five years of the Company'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 Company'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 Company's shares with that of its peer group. The performance of the Company'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 \$29.62 on the TSX on December 31, 2010.

Since annual and long-term incentives represent approximately 60% to 80% of executive total compensation the Company believes that incentive compensation payments are good indicators of the alignment of executive compensation with shareholder value over time. Thus, compensation of the NEOs has generally followed a similar trend as the Company'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 which have paid out 84% of target on average between 2008 and 2010. It should also be noted that the LTIP established for the performance in the years 2008 to 2010 did not meet the performance criteria and so no payment was made under this plan.

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, 2010

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	2,048,400	0	0
	70,000	18.51	Dec. 4, 2012	777,700		
	70,000	28.45	Dec. 6, 2011	81,900		
	70,000	38.42	Dec. 5, 2012	0		
	70,000	20.92	Mar. 9, 2014	609,000		
	75,000	25.48	Feb. 24, 2015	310,500		
	75,000	28.50	Nov. 30, 2015	84,000		
Geoffrey T. Martin	12,000	18.51	Dec. 4, 2012	133,320	120,000	1,481,000
	25,000	28.45	Dec. 6, 2011	29,250		
	25,000	38.42	Dec. 5, 2012	0		
	50,000	20.92	Mar. 9, 2014	435,000		
	50,000	25.48	Feb. 24, 2015	207,000		
	50,000	28.50	Nov. 30, 2015	56,000		
Gaston A. Taño	25,000	30.01	Dec. 31, 2013	0	12,000	355,440
	25,000	20.92	Mar. 9, 2014	217,500		
	25,000	25.48	Feb. 24, 2015	103,500		
	25,000	28.00	May 6, 2015	40,500		
	25,000	28.50	Nov. 30, 2015	28,000		
Lalitha Vaidyanathan	9,000	12.55	Dec. 4, 2011	153,630	12,000	355,440
	25,000	38.42	Dec. 31, 2013	0		
	25,000	20.92	Mar. 9, 2014	217,500		
	25,000	25.48	Feb. 24, 2015	103,500		
John Pedroli	25,000	31.00	Dec. 31, 2013	0	12,000	355,440
	25,000	20.92	Mar. 9, 2014	217,500		

NOTES:

- (1) Value of unexercised options is the difference between the option exercise price and \$29.62, the closing price of the Company's Class B non-voting shares on the TSX on December 31, 2010.
- (2) The value for these RSUs has been calculated based on the minimum vesting criteria, which would provide Mr. Martin with a total of 50,000 RSUs, vesting on March 1, 2013, if he remains employed by the Company at that time. These RSUs are valued at \$29.62, being the closing price of the Company's Class B non-voting shares on the TSX on December 31, 2010. RSUs for Mr. Taño, Mr. Pedroli and Ms. Vaidyanathan will vest if they remain employed by the Company until March 1, 2013. 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.

Incentive Plan Awards—Value Vested or Earned During 2010

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	144,200	0	910,000
Geoffrey T. Martin	99,500	0	1,400,664 ⁽²⁾
Gaston A. Taño	48,000	0	325,000
Lalitha Vaidyanathan	48,000	0	314,120 ⁽²⁾
John Pedroli	48,000	0	314,120 ⁽²⁾

NOTES:

- (1) The aggregate dollar value of option-based awards vested during 2010 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) The amount has been converted into Canadian dollars at the average year-to-date-exchange rate as at December 31, 2010.

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 RSU Plan and the Deferred Share Unit Plan, described below (the "DSU Plan"), are not issued out of treasury. They are purchased in the open market and, in the case of the RSU Plan, held in trust for the purposes of the plan. The following table sets forth the securities authorized for issuance under the Company's equity compensation plans as at December 31, 2010:

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	1,572,100	\$25.34	1,175,950
Equity compensation plans not approved by security holders	0	0	0
Total	1,572,100	\$25.34	1,175,950

Employee Stock Option Plan

The Option Plan was established to focus executive attention on the long-term interests of the Corporation and growth in shareholder value. In accordance with the terms of the Option Plan, the board of directors is authorized to issue, at its discretion and on the recommendation of the HR Committee, options to acquire Class B non-voting shares of the Corporation to employees and officers of the Corporation and its subsidiaries. Since 2004, directors have been and continue to be excluded from participation in the Option Plan. The exercise price per share of any option will equal the closing sale price of the Class B non-voting shares on 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 of directors 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 of directors. 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 that 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 HR 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 HR Committee), the options will vest and remain exercisable for up to 12 months;
- (ii) on retirement on or after the age of 65 or on early retirement on or after the age of 55 with the concurrence of the HR 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 HR 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 of directors has discretion to accelerate the vesting and expiry date of any options that 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 of directors 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 discretion of the board of directors 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 May 6, 2010, the shareholders approved a proposal to increase the maximum number of Class B non-voting shares reserved and available for issuance under the Option Plan by 1,500,000, such that the aggregate number of shares reserved for issuance under the Option Plan since inception increased from 3,000,000 to 4,500,000.

During 2010, options to purchase 237,900 Class-B non-voting shares were exercised and the Corporation granted options to purchase 500,000 Class B non-voting shares. As at December 31, 2010, the Corporation had options outstanding to purchase 1,572,100 Class B non-voting shares, representing 5.1% of the number of Class B non-voting shares issued and outstanding and had 1,175,950 Class B non-voting shares (3.8% of the number of Class B non-voting shares issued and outstanding) available for additional option grants under the Option Plan.

As of March 8, 2011, the Corporation had options outstanding to purchase 1,534,000 Class B non-voting shares, representing 4.96% of the number of Class B non-voting shares issued and outstanding, and had 1,175,950 Class B non-voting shares (3.8% of the number of Class B non-voting shares issued and outstanding) available for additional option grants under the Option Plan.

Restricted Share Unit and Share Plan

A description of the RSU Plan appears under the general title “Long Term Incentive Plans,” above. The Company purchases CCL Class B non-voting shares on the open market to settle RSUs granted under the RSU 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 RSUs as described above.

PENSION PLAN BENEFITS

Pension and Retirement Arrangements of Named Executive Officers

Defined Benefit Plans

The Company has entered into a supplemental retirement agreement (“SERP”) with Mr. Lang, as of January 1, 1996. This agreement provides 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 upon his 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 29 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, 2010, was \$22,212,000. 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 at December 31, 2010, was estimated at \$3,390,000. 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 2010 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 certain information concerning Mr. Lang's defined benefit plan.

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	28.5	356,000	375,000	2,692,000	269,000	429,000	3,390,000

NOTES:

- (1) Mr. Martin, Mr. Taño, Mr. Pedroli and Ms. Vaidyanathan are not members of the defined benefit plan.
- (2) The credited service shown represents the credited service for the SERP. Credited service for Mr. Lang under the defined benefit registered plan as of December 31, 2010, was 17 years.
- (3) Represents values of benefits under both the defined benefit registered retirement plan and the SERP.
- (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, 2010, capped at 30 years, without early retirement adjustments. The annual benefit 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.
- (5) Actuarial assumptions utilized in determining the accrued obligations are the same as those used for purposes of the 2010 pension accounting disclosure.
- (6) Compensatory change includes the service cost for 2010 and any difference between estimated and actual earnings. It is updated for 2010 earnings and change in future salary increase assumptions.
- (7) Non-compensatory changes to the 2010 obligation include amounts attributable to changes in the actuarial assumptions.

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. Pedroli 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 2010, the Company contributed \$13,878 (US\$13,475), \$13,878 (US\$13,475), and \$13,593 (US\$13,199) for Mr. Martin, Ms. Vaidyanathan and Mr. Pedroli 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 2010, the Company contributed \$32,040 to the DC Plan for Mr. Taño.

Deferred Compensation Plan

The Company also maintains a deferred compensation plan for certain key executives in which Mr. Martin, Ms. Vaidyanathan and Mr. Pedroli 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. Pedroli. 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 2010, the Company contributed \$77,259 (US\$75,016) for Mr. Martin, \$28,005 (US\$27,192) for Ms. Vaidyanathan, and \$28,761 (US\$27,926) for Mr. Pedroli. Contributions to the plan for Mr. Martin are fully vested. In the case of Ms. Vaidyanathan and Mr. Pedroli, immediate vesting occurs on death, disability, or change of control and the contributions vest normally at age 65 with 10 years service. The HR 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 Pedrolí, and for Ms. Vaidyanathan, certain information concerning their registered defined contribution plans, and includes the 401K Plan, the company contributions to the non qualified pension portion of 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 ⁽⁴⁾	1,053,639	91,137	109,025	1,263,173
Gaston A. Taño	37,660	32,085	3,641	72,070
Lalitha Vaidyanathan ⁽⁴⁾	443,962	41,883	60,842	558,887
John Pedrolí ⁽⁴⁾	218,441	42,354	32,220	293,593

NOTES:

- (1) Mr. Lang is not member of the defined contribution plans.
- (2) The compensatory value includes any Company contribution made to the registered and non registered plans during 2010.
- (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) Values are reported in Canadian dollars and have been converted at the average year-to-date exchange rate as at December 31, 2010, being US\$1.00=C\$1.0299.

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, 2010 (\$)	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	\$3,416,497 ⁽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
Gaston A. Taño	Termination without cause	\$558,975	Paid semi-monthly over 12 months	One times annual compensation, including base salary, target bonus, medical, dental & survivor benefits, pension and car allowance	Conditional upon observance of non-competition covenant
Lalitha Vaidyanathan	Termination without cause	\$161,680	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 on October 15, 2008. The agreements provide for an annual base salary subject to yearly review. In 2010, Mr. Martin's base salary was \$700,332 (US\$680,000) and Mr. Taño's was \$325,000. 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 \$294,294 (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. Pedroli does not have an employment agreement. There are no provisions in any of the foregoing agreements addressing a change of responsibility or constructive dismissal.

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 of change of control, Mr. Martin's restricted shares awarded under the 2010-2012 LTIP are subject to accelerated vesting. No further benefit is payable unless Mr. Martin's employment is terminated without cause within one year after a change of control of the Company. In such case he is entitled to receive 36 months' severance (approximately \$4,977,599) in lieu of 24 months, as provided by his employment agreement. 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 50% of his SERP value, increased in consideration of the applicable tax, if he so requests. 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, 2010, 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 Nominating and Governance Committee award independent directors additional compensation in the form of deferred share units ("DSUs"). (See "Deferred Share Unit Plan," below). In determining the size of any award made, each of the Nominating and Governance Committee and the board will consider comparative compensation levels of peer companies and such other criteria as it deems appropriate in its sole discretion. On May 6, 2010, the board granted an award of 1,000 DSUs to each of the independent directors. 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 2010. 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 2010 calendar year.

2010 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⁾ (\$)
George Bayly	8,372	70,611	0	0	0	0	78,983
Paul Block	0	112,946	0	0	0	0	112,946
Jon Grant	91,000	28,501	0	0	0	0	119,501
Edward Guillet	27,091	71,085	0	0	0	0	98,176
Alan Horn	0	94,501	0	0	0	0	94,501
Stuart Lang	55,000	28,501	0	0	0	0	83,501
Douglas Muzyka	15,000	76,001	0	0	0	0	91,001
Thomas Peddie	0	110,001	0	0	0	0	110,001

NOTES:

- (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 2010, and is valued in Canadian dollars.
- (2) Compensation for Mr. Block, Mr. Bayly and Mr. Guillet was paid or payable in US dollars. Cash amounts were translated into Canadian dollars based at the exchange rates at the time of the award.
- (3) Mr. Bayly was appointed as a director of the Corporation on June 3, 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 of directors 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 2010. 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 Stock 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 2010. 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, 2010

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 ⁽²⁾ (#)	Market or payout value of share-based awards that have not vested ⁽²⁾ (\$)
Jon Grant	10,000	12.55	December 4, 2011	170,700	0	0
	10,000	18.51	December 4, 2012	111,100		
Stuart Lang	14,000	12.55	December 4, 2011	238,980	0	0
	5,000	18.51	December 4, 2012	55,550		

NOTES:

- (1) Value of unexercised options is the difference between the option exercise price and \$29.62, the closing price of the Company's Class B non-voting shares on the TSX on December 31, 2010.
- (2) DSUs vest on the date they are granted, but they are not redeemable until the recipient ceases to be a director.

Share-based Awards, Option-based Awards and Non-equity Incentive Plan Compensation to Directors Vested or Earned During 2010

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 (\$)
George Bayly	0	70,611	0
Paul Block	0	112,946	0
Jon Grant	0	28,501	0
Edward Guillet	0	71,085	0
Alan Horn	0	94,501	0
Stuart Lang	0	28,501	0
Douglas Muzyka	0	76,001	0
Thomas Peddie	0	110,001	0

NOTES:

- (1) Mr. Donald G. Lang and Mr. Geoffrey T. Martin received options during the 2010 calendar year, but only in their capacity as officers or the Company, not as directors. Details of these grants are set forth in the Summary Compensation Table and in the Compensation Discussion and Analysis, above.

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, 2011.

Aggregate Indebtedness

Purpose	To the Company or its subsidiaries	To another entity
Share purchases	U\$158,810	0
Other	U\$1,744,186	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, 2010, 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, 2010	Involvement of Company or subsidiary	Largest amount outstanding during 2010	Amount outstanding as at February 28, 2011	Financially assisted securities purchases during 2010	Security for indebtedness	Amount forgiven during 2010
<i>Securities Purchase Programs</i>						
Geoffrey T. Martin <i>President and Chief Executive Officer</i>	Company (lender)	\$171,165 (US\$158,810)	\$154,665.05 (US\$158,810)	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	0 ⁽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)	\$1,864,975 (US\$1,730,353)	\$1,698,662.70 (US\$1,744,186) ⁽²⁾	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 was granted, and the loan was timely repaid.
- (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 had an interest rate of 6.10% per annum through 2010, which was adjusted to 5.68% for 2011. The maturity date of this loan was extended from December 31, 2009, and the loan is presently repayable by December 31, 2011. The loan is not secured.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

As of July 8, 2010, 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 2010 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 of directors and of the President and Chief Executive Officer of the Company. The board of directors has also approved a code of business conduct and ethics, entitled the “Global Business Ethics Guide” (the “Global Business Ethics Guide”), and a formal, written communications and public disclosure policy. The full text of the Statement of Governance Policies and the Global Business Ethics Guide 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.	George V. Bayly, 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 are not independent.</p> <p>Donald G. Lang is Executive Chairman of the Corporation, and Stuart W. Lang has a direct family relationship with him.</p> <p>Geoffrey T. Martin is the President and Chief Executive Officer of the Corporation.</p>
Disclose whether or not a majority of directors are independent.	A majority of the directors are independent.
If a director is presently a director of any other issuer that is a reporting issuer in a Canadian jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.	George V. Bayly – ACCO Brands Corporation, Graphic Packaging International LLC, and Treehouse Foods, Inc.; Edward E. Guillet – Waste Connections, Inc.; Alan D. Horn – Rogers Communications Inc. 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.	Prior to or immediately following each meeting of the board and its committees, there is a private session restricted to independent directors from which non-independent directors and management are excluded to permit independent directors to discuss any matters of concern <i>in camera</i> . There were six meetings of the board of directors (plus a “subsequent events” meeting by conference call) held during 2010, and <i>in camera meetings</i> of independent directors were held at all of the six

	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, Donald G. Lang, is not independent. The Lead Director, Jon K. Grant, is independent. The responsibilities of the Lead Director include the following:</p> <ul style="list-style-type: none"> (i) To develop the agenda for <i>in camera</i> board meetings where non-independent directors and members of management are excluded; (ii) To act as liaison between management and the board where and if required; (iii) To chair board meetings in the absence of the Executive Chairman; (iv) To consider any other appropriate structures and procedures to ensure that the board can function independently of management; (v) To undertake the lead on any other corporate governance matters that the board may request from time to time; (vi) To report to the Executive Chairman concerning the deliberations of the independent directors as required; (vii) To provide feedback to the Executive Chairman and act as a sounding board with respect to strategies, accountability and other issues; and (viii) To review and approve the travel and entertainment expenses of the Executive Chairman.
Disclose the attendance record of each director for all board meetings held since the beginning of the issuer's most recently completed financial year.	Please refer to the table under "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 Executive Chairman and the chair of each committee of the board are set out in the Statement of Governance Policies, which is available on the Corporation's website at www.cclind.com .
Disclose whether or not the board and Chief Executive Officer ("CEO") have developed a written position description for the CEO.	The position description for the CEO is set out in the Statement of Governance Policies, which is available on the Corporation's website at www.cclind.com .
Briefly describe what measures the board takes to orient new directors regarding (i) the role of the board, its committees and its directors, and (ii) the nature and operation of the issuer's business.	Upon election to the board, new directors receive a comprehensive orientation package including the principal governance, disclosure, insider trading and ethics policies of the Company, recent regulatory filings and other materials to assist them in familiarizing themselves with the Company and its business operations. These materials include descriptions of the roles of the board of directors and the committees of the board. New directors also receive copies of the most recent strategic plan, copies of the company's compensation philosophy and incentive plans. They also engage in introductory meetings with the senior management of the Company to be briefed on the nature and operations of the Company's businesses, and visit representative plants.

<p>Briefly describe what measures, if any, the board takes to provide continuing education for its directors.</p>	<p>The Nominating and Governance Committee is responsible for developing programs of continuing education for directors. Subject to availability, such programs may include plant visits, attendance at industry association conventions and trade shows, formal courses and presentations by expert speakers. Directors are also enrolled in the Institute of Corporate Directors and benefit from the Institute's seminars and publications. At least once a year, a board meeting is held at a representative plant. Directors are encouraged to make at least one plant individual plant visit per year. The board regularly receives presentations by management concerning the Company's markets and customers. External guests are invited to board meetings to offer information concerning various geographic markets, financial markets and insurance industry trends.</p>
<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 its Global Business Ethics Guide, a written code of business conduct and ethics for its directors, officers and employees (the "code").</p> <p>(i) A copy of the Global Business Ethics Guide may be viewed on the Corporation's website at www.cclind.com or it may be obtained by contacting the Secretary of the Corporation at 105 Gordon Baker Road, Suite 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 on a quarterly basis. The Company makes available an anonymous hotline for the reporting of suspected breaches of the code. Submissions or complaints made on the hotline are reviewed for investigation and resolution of issues by the Senior Vice President, Human Resources and Corporate Communications, who reports hotline matters to the board of directors through the Human Resources Committee, and, where applicable, through the Audit Committee.</p> <p>(iii) Not applicable.</p>
<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.</p>	<p>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.</p>

<p>Describe any other steps the board takes to encourage and promote a culture of ethical business conduct.</p>	<p>The board and the CEO have reviewed and approved the Global Business Ethics Guide and management has been charged with the responsibility of distributing and promulgating this code among the Corporation's employees. Distribution of the code is accompanied by explanatory presentations, and the general manager of each business unit is asked to acknowledge in writing that he/she has promulgated the code to the employees under his or her authority. 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.</p>
<p>Describe the process by which the board identifies new candidates for board nomination.</p>	<p>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.</p>
<p>Disclose whether or not the board has a nominating committee composed entirely of independent directors. If the board does not have a nominating committee composed entirely of independent directors, describe what steps the board takes to encourage an objective nomination process.</p>	<p>The board has a Nominating and Governance Committee composed entirely of independent directors.</p>
<p>If the board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.</p>	<p>Please see the text of the charter under the title "Charter of the Nominating and Governance Committee" set forth below.</p>
<p>Describe the process by which the board determines the compensation for the issuer's directors and officers.</p>	<p>The Nominating and Governance Committee is responsible for determining the compensation of directors, and the Human Resources Committee is responsible for determining the compensation of the Corporation's officers. Compensation is determined using comparative data and considering the level of experience and the performance of the individual. The Human Resources Committee makes use of comparative total compensation data received from independent consulting firms. Where appropriate, bonuses are paid as a percentage of salary based on the achievement of certain targets. Please refer to the "Compensation Discussion and Analysis," set forth above for a detailed discussion.</p>
<p>Disclose whether or not the board has a compensation committee composed entirely of independent directors.</p>	<p>The board has a Human Resources Committee, which fulfills the role of a compensation committee. It is composed entirely of independent directors.</p>
<p>If the board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.</p>	<p>Please refer to the mandate of the committee set forth under the title "Charter of the Human Resources Committee" set forth below.</p>

<p>If a compensation consultant or advisor has, at any time since the beginning of the issuer's most recently completed financial year, been retained to assist in determining compensation for any of the issuer's directors and officers, disclose the identity of the consultant or advisor and briefly summarize the mandate for which they have been retained. If the consultant or advisor has been retained to perform any other work for the issuer, state that fact and briefly describe the nature of the work.</p>	<p>Towers Watson was retained by the Human Resources Committee to provide comparative salary information, to consult on pension matters and provide specific information relating to the Company's pension expenses. Towers Watson was also retained to report on the competitiveness of the Company's executive compensation programs and levels. Prior to its merger with Towers Perrin, Wyatt Watson provided only pension consulting services to the Company, and the successor company continues to do so. The Company does not use Towers Watson for consulting on compensation matters unless directed to do so by the HR Committee.</p>
<p>If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.</p>	<p>The board has an Environment and Health & Safety Committee, the function of which is to provide a forum for detailed discussion, examination and review of the Corporation's needs and practices in matters pertaining to regulatory compliance in the areas of environmental control and occupational health and safety and to consider and approve new measures, practices and procedures in these areas. For further details, please see the mandate of the committee set forth under the title "Charter of the Environment and Health & Safety Committee," below.</p>
<p>Disclose whether or not the board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments.</p>	<p>The Nominating and Governance Committee initiates, every second year (or more frequently, as the board may determine from time to time), a formal assessment by an outside consultant of the board as a whole, which assessment may include an evaluation of the board's committees and of each individual director. One-on-one interviews are then conducted 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, its committees and the individual directors and to receive each director's recommendations. In addition, the board annually assesses the performance of the CEO.</p>

Audit Committee

For disclosure regarding the Company's Audit Committee, please refer to the section entitled "Item 14– Audit Committee" in the Company's 2010 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 mandate of the board. Certain responsibilities may be delegated to board 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

* Amounts stated in Canadian dollars. Currency conversion set at rates prevailing at the time the matter is presented for approval or action.

Human Resources Approvals:

- Appointment / succession/ dismissal of Executive Chairman or CEO
- Directly or by delegation to the Human Resources Committee:
 - (a) compensation and incentive arrangements for Executive Chairman and 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 board committees and their chairs
- Nomination of directors
- Recommendation of Auditor to the Shareholders
- Proxy circular, Management's Discussion & 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 status as an independent director, 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 chair and two or three directors appointed by the board. In accordance with OSC requirements¹, the Audit Committee must be composed of a minimum of three directors of the Company, 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 Executive Vice President and CFO acts as staff facilitator to the committee. The Audit Committee has the authority to communicate directly with the internal and external auditors. The

¹ National Instrument 52-110 Audit Committees, section 3.1(3)

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 Information 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 Information 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 chairman of the 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 to meet the needs of the Company. The chairperson of the committee reports on the activities of the committee at board meetings. The Human Resources Committee has the authority to engage and compensate, at the Company's expense, any outside advisor it determines to be necessary to carry out its duties. 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, pension and perquisite programs. These programs are 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 recommend 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 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 levels 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 incentive compensation and equity-based plans for the Executive Chairman and President and CEO.
- 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 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 Goals, 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 the purposes of determining competitive executive compensation and other compensation matters.
- Review executive compensation disclosures set forth in the Company's annual Compensation Disclosure & Analysis; 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.

Charter of the Nominating and Governance Committee

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

- Lead the process of recruiting, interviewing and recommending candidates to the board. Propose new nominees for directorship to the full board, as required.
- Develop and maintain a matrix of the skills, competencies and requirements represented on the board and those to be sought in candidates for directorship that would be helpful to the board and the Company, as well as a list of potential candidates for directorship responsive to such matrix of skills and needs, and consider whether each new nominee can devote sufficient time and resources to his or her duties as a Board member.
- Annually recommend membership of the board committees and their respective chairs to the board for approval.
- Monitor the orientation and training of new directors, and provide guidance for the establishment and operation of a continuing education program for directors.
- Facilitate the assessment of the performance of the board, its committees and of individual directors through the administration of a periodic assessment exercise, and present the results to the board.
- Annually assess the Company's compliance with the governance and disclosure guidelines of the OSC.
- Annually assess the adequacy of the Company's Statement of Governance Policies and its Disclosure Policy, and to 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 Committee (“EHS”) 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 & safety and to consider and approve new measures, practices and procedures in these areas. Qualifications for membership in the EHS include an interest in matters of environmental protection and occupational health & safety. Members of the committee are selected and removed by a vote of the board. The structure of 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 seven independent directors out of a total of ten 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.

As of the date of this circular, 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
G. Bayly		X		
P. Block	X	C		
J. Grant			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 by the market price of the Company’s shares at not less than three 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. In the event that the annual base retainer is increased, each director shall have three years from the date of the increase of the retainer to acquire additional shares representing the amount of the increase at market value as of the date of such increase. The 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, RSUs and DSUs in any combination 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 on May 5th of 2010 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 except Mr. Bayly have achieved their share ownership targets. Mr. Bayly is not required to achieve his targets until August 1, 2015. 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 \$1,521,822 in 2010 and \$1,602,895 in 2009.

Audit-Related Fees - The aggregate fees billed 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 \$44,810 in 2010 and \$45,160 in 2009, related to the audit of the Company's pension plans, the report on compliance with debt covenants, accounting advice in relation to accounting for RSUs, an audit for 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 \$546,320 in 2010 and \$499,010 in 2009.

All Other Fees - KPMG LLP and its affiliates provided no other services to the Company in 2010. In 2009, KPMG provided actuarial services to the Company and assistance regarding the U.K defined benefit pension plan and received \$313,670 for such services.

SHAREHOLDER PROPOSALS FOR THE 2011 ANNUAL MEETING

The Company will review shareholder proposals intended to be included in proxy material for the 2012 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, 2011.

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, 2010.

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 2010 Annual Report to the Shareholders containing the comparative consolidated financial statements for the year ended December 31, 2010, 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 8, 2011, 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 8th day of March, 2011.

By Order of the Board of Directors,

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