



**TERMS OF REFERENCE
CORPORATE GOVERNANCE COMMITTEE
OF CANADA PACKERS INC.**

1. Mandate

The Corporate Governance Committee (the “Committee”) is a committee of the Board of Directors (the “Board”). Its mandate is to assist the Board in fulfilling its responsibilities with respect to corporate governance. In particular, the Committee oversees:

- **Board Composition and Nominations:** The identification and nomination of directors taking into account independence, the appropriate mix of skills, perspectives and diversity, and shareholder nomination rights.
- **Board Policy, Governance Reporting and Disclosure:** The Company’s overall approach to governance, including related disclosures.
- **Committee Structure and Composition:** The organization and composition of the Board’s committees, including the delegation of responsibilities amongst Board committees.
- **Director Compensation:** The determination of appropriate compensation levels for directors.
- **Board Effectiveness:** The effectiveness of the Board, its committees, and individual directors in carrying out their responsibilities.

The Committee’s role is one of oversight and advisory support to the Board; management remains responsible for day-to-day execution.

2. Duties and Responsibilities

a) Board Composition and Nominations

- Review the size of the Board and recommend changes as appropriate.
- Develop and review standards for determining director independence and absence of material relationships between a director and the Company.
- Review annually the competencies, skills, diversity and personal qualities required of directors, considering, among other things:
 - the Company’s strategy, risk profile, risk appetite, governance;
 - the need to ensure that a majority of the Board of Directors is comprised of individuals, each of whom is an “independent” director (within the meaning of the provisions of NI 58-101) and any;
 - the Company’s corporate governance guidelines and board policies with respect to director tenure, succession and the number of boards on which directors may sit;
 - any agreements or other arrangements concerning the size, qualifications or composition of the Board or any of its committees (including the Governance Agreement between the Company, McCain Capital and Maple Leaf Foods.); and

- the objectives of the Company's Board Diversity Policy.
- In light of the foregoing, recommend changes to the composition of the Board as appropriate.
- Monitor the relationship between the Board and management, including defining management's authorities, to ensure the Board functions independently.

b) Board Policy, Governance Reporting and Disclosure

- Assess and recommend changes to the role and structure of the Board and the Board Mandate.
- Review Board practices regarding frequency, agendas, and conduct of meetings, and the adequacy of information provided.
- Recommend governance rules and guidelines, including director tenure, retirement, and outside board commitments.
- Oversee the Company's approach to governance issues, including periodically reviewing overall governance principles, monitoring or receiving updates on disclosure and governance best practices of comparable companies, and bringing forward to the Board governance issues for review, discussion or action by the Board or a committee thereof.
- Ensure effective processes are in place for director orientation and ongoing education.
- Review and, if appropriate, approve requests by directors to engage outside advisors (except as already authorized pursuant to the Board Mandate and the terms of reference of any other Committee).
- Review and approve the corporate governance report for inclusion in the proxy circular.
- Periodically review the Company's Code of Conduct and Insider Trading Policy, including compliance with same, and recommend updates as needed.
- In conjunction with the Chair (or Executive Chair as the case may be) and Lead Director, assess the needs of the Board in terms of frequency and location of board meetings, meeting agenda and conduct of meetings and the availability, relevance and timeliness of information required by the Board.
- Review all shareholder proposals submitted to the Company in connection with meetings of shareholders (including any proposal relating to the nomination of a member of the Board) and the timeliness of the submission thereof and recommend to the Board appropriate action on each such proposal.

c) Committee Structure and Composition

- Recommend membership and Chair appointments for all Board committees following the annual shareholders' meeting.
- Recommend replacements to committees when vacancies arise.
- Evaluate and recommend changes to the role, size, and structure of Board committees.
- At least annually and receive recommendations from the Company's other Committees with respect to proposed changes to their respective terms of reference, and recommend approval to the Board as appropriate.

d) Director Compensation and Protection

- Recommend to the Board appropriate compensation for directors.
- Assess the adequacy of directors' and officers' insurance coverage.
- Subject to applicable law and the articles and by-laws of the Company, oversee the administration of all policies and practices of the Company with respect to the indemnification of directors and payments made pursuant to such policies and practices.

e) Evaluation of Directors and the Board

- Assess the effectiveness of the Board, its committees, and individual directors, including the competencies, skills, and contributions made to the effective operation of the Board.
- Review and recommend changes to the Board Mandate and position description for the Chair (or Executive Chair) and Lead Director.
- Conduct annual evaluations of the performance of the Board, committees and individual directors.

3. Authority and Accountability

- The Committee is accountable to the Board for the discharge of its mandate and shall report regularly to the Board on the performance of its responsibilities.
- The Committee shall have the authority to:
 - Access any and all relevant information from management and employees of the Company as required to discharge its duties;
 - Engage, retain, and terminate external advisors, including governance consultants, legal counsel, or other experts, as it deems necessary or advisable, with sole authority over the terms of such engagements and related fees (which fees shall be borne by the Company);
 - Communicate directly with external and internal auditors, as well as other external advisors; and
 - Recommend to the Board such actions and decisions as the Committee considers appropriate in the discharge of its responsibilities.
- In performing its duties, the Committee shall act in a manner consistent with the best interests of the Company and its stakeholders. Except as set out herein, or delegated by resolution by the Board, the Committee shall have no authority to bind the Board.
- Annually, the Committee shall evaluate its performance with reference its duties and responsibilities under these Terms of Reference, and the results of its evaluation shall be reported to the Board.

4. Composition and Membership

- The Committee shall be composed of not fewer than three (3) members of the Board each of whom shall be independent in accordance with the terms of the Governance Agreement between the Company, McCain Capital and Maple Leaf Foods.
- Members shall be appointed annually by the Board upon the recommendation of the Corporate Governance Committee.
- The Board shall designate one member of the Committee as Chair. In the absence of the Chair, the members present may appoint an interim Chair.

- All members should possess appropriate skills and experience relevant to corporate governance.

5. Meetings and Procedures

- The Committee shall meet at least four (4) times annually, or more frequently as circumstances require.
- A majority of the members of the Committee shall constitute a quorum.
- At each regularly scheduled meeting the Committee shall designate time to meet in-camera without members of management present.
- The Committee may invite officers, employees, advisors, or other individuals to attend meetings as it deems necessary or appropriate.
- All directors of the Company are invited to attend Committee meetings as guests, subject to compliance with the Company's conflict of interest rules and governance policies.
- The Committee shall have free and unrestricted access at all times, either directly or through its duly appointed representatives, to the Company's management and employees and the books and records of the Company.
- The Corporate Secretary, or their delegate, shall act as secretary to the Committee and record minutes of its proceedings.
- Minutes of each meeting shall be shared with Committee members, approved at subsequent meetings, and made available to the Board.

6. Review of Terms of Reference

- These Terms of Reference shall be reviewed annually by the Committee and any proposed amendments shall be recommended to the Board for approval.