

CORPORATE GOVERNANCE PRACTICES

Board of Directors

The Board of Directors is the highest authority at SOCAN. It is made up of nine writer members (composers, songwriters and lyricists) and nine publisher members elected by the membership for 3-year renewable terms. SOCAN Board members represent the various music genres, regions and official languages of Canada.

The Directors elect from within their ranks a Chair, two Vice-Chairs, a Secretary and a Treasurer who serve as officers of the company.

The Board has four standing committees – the Executive Governance Committee, the Risk Identification and Management Committee, the Tariff, Licensing and Distribution Committee and the Membership Committee – on which directors are asked to serve to assist the Board in discharging of its responsibilities.

The Board and Committees meet a minimum of four times a year, generally twice or three times at SOCAN's head office in Toronto, once in Montreal and occasionally in one of the other regions of Canada. Meetings span over two to three days, not including traveling. Over the recent past, the Board has also been holding strategic retreats once a year.

The business of the Board of Directors is conducted in both Canada's official languages, with simultaneous translation at meetings and meetings' documentation available in both English and French. Committee business is conducted in English only.

SOCAN's Directors have access to a secure section of the organization's website where materials in preparation of meetings are posted 10 working days before the events. Material can also be made available by email.

Throughout the year, information of interest to directors is regularly uploaded to the website and an email advice is sent to Board members when this happens.

The Board and Committees are assisted in their work by a Corporate Secretary who reports to the Board. Additionally, each Committee has a senior management staff person assigned to it as a resource.

The Board's main responsibilities include setting out SOCAN's strategic direction, through a formal Strategic Plan, and the organization's major policies; approving the annual corporate budget, the year's financial statements; and reporting to membership at an Annual General Meeting.

The Chief Executive Officer is accountable to the Board and in turn directs the organization to develop and execute business plans to carry out the corporation's strategic direction and policies.

Attached are excerpts from SOCAN's governance policies, including the Code of Conduct for Directors, the Code of Conduct for Management and the Board's policy on Committees of the Board of Directors.