



**MEG ENERGY**

November 9, 2017

ISS Shareholder Services  
policy@issgovernance.com

Dear Sirs/Mesdames:

Re: ISS' 2018 Benchmark Voting Policy

Please accept this letter as comments from MEG Energy Corp. ("MEG") in response to the consultation launched by Institutional Shareholder Services (ISS) on potential updates to its benchmark voting policy for 2018.

MEG is a TSX-listed issuer and, as such, is providing comments only on the Canadian policies.

Director Elections – Overboarded Directors

Director engagement is of paramount importance to a TSX-listed issuer, as recognized by ISS' Canadian overboarding policy. However, participation is key to engagement and is best objectively measured through director attendance at both board and committee meetings. Although the number of boards a director sits on may provide some indication of potential commitment levels, it does not take into account non-director roles and other professional and personal commitments which may impact a director's engagement. As such, the number of boards on which a member sits is not, by itself, a sufficient indicator of commitment. Director attendance is likely as important a metric in measuring participation and engagement of that director. Further, regular evaluations of director performance, which may include effectiveness surveys and reviews, is a more appropriate mechanism for evaluating whether a director has taken on too much. As such, in MEG's view, ISS' Canadian overboarding policy should not eliminate director attendance as a factor in determining a voting recommendation on directors due to overboarding.

Director Elections – Board Gender Diversity

MEG supports the proposed changes to ISS' new policy for board gender diversity and agrees that failure of a TSX-listed issuer to adopt such a policy or have female director(s) on the board may reasonably generate an ISS recommendation to withhold votes for certain directors, as applicable. However, in addressing gender diversity on boards, MEG supports implementation of broader diversity policies that apply not only to



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gender diversity, but also extend to other forms of diversity. Furthermore, such policy should apply not only to directors, but also to executive officers of the issuer. Diversity within the leadership roles at a company is important as the executive team often sets the culture of a company and is far more visible to employees.

Thank you for considering the input of MEG with respect to ISS' updates to its benchmark voting policy for 2018.

Please contact me at [grant.borbridge@megenergy.com](mailto:grant.borbridge@megenergy.com) or 587.293.6046 if you have any questions.

Yours truly,

Grant Borbridge  
VP, Legal, General Counsel and Corporate Secretary  
MEG Energy Corp.