

SCHEDULE B

NATIONAL INSTRUMENT 58-101

DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES

PRACTICE	FINNING
I. Board of Directors	
(a) Disclose the identity of directors who are independent.	All directors of the Corporation are independent, other than Michael T. Waites and Douglas W.G. Whitehead.
(b) Disclose the identity of directors who are not independent, and describe the basis for that determination.	Douglas W.G. Whitehead is the former President and Chief Executive Officer of the Corporation and Michael T. Waites is the current President and Chief Executive Officer of the Corporation. Mr. Whitehead and Mr. Waites are the only directors who are not independent of management.
(c) Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the board of directors (the board) does to facilitate its exercise of independent judgment in carrying out its responsibilities.	9 of the 11 current directors are independent.
(d) If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.	The directorships in other reporting issuers held by the nominees for director are listed in the description of each nominee under the heading "Proposed Management Nominees for Election as Directors".
(e) 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. If the independent directors do not hold such meetings, describe what the board does to facilitate open and candid discussion among its independent directors.	At each regularly scheduled Board meeting, the Board meets once outside of the presence of members of management. It also meets in camera without Michael T. Waites and Douglas W.G. Whitehead. In addition, where matters directly involving Michael T. Waites (such as compensation issues) are being discussed, Michael T. Waites is excused from those discussions and the directors meet alone. For Committee meetings, the independent directors also meet in camera without management.
(f) 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. If the board has neither a chair that is independent nor a lead director that is independent, describe what the board does to provide leadership for its independent directors.	The Chairman of the Board, Douglas W. G. Whitehead, is not independent. The Chairman's role and responsibilities are described in the "Terms of Reference for the Chair", which are posted on Finning's website. The Board has appointed John M. Willson as lead director. Mr. Willson is independent. The Board of Directors will appoint a new Lead Director after the Annual Meeting. The lead director's roles and responsibilities are described in the "Terms of Reference for the Lead Director", which are posted on Finning's website.
(g) Disclose the attendance record of each director for all board meetings held since the beginning of the issuer's most recently completed financial year.	The attendance record of each of the directors is shown in a table on page 19.
2. Board Mandate	
Disclose the text of the board's written mandate. If the board does not have a written mandate, describe how the board delineates its role and responsibilities.	The Board's written Terms of Reference are attached as Schedule C.
3. Position Descriptions	
(a) Disclose whether or not the board has developed written position descriptions for the chair and the chair of each board committee. If the board has not developed written position descriptions for the chair and/or the chair of each board committee, briefly describe how the board delineates the role and responsibilities of each such position.	The Board has developed written position descriptions for the Chairman of the Board and the Chair for each of the Committees. In addition, the Board has also developed a written position description for the Lead Director.

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(b) Disclose whether or not the board and Chief Executive Officer have developed a written position description for the Chief Executive Officer. If the board and Chief Executive Officer have not developed such a position description, briefly describe how the board delineates the role and responsibilities of the Chief Executive Officer.	The Board and Chief Executive Officer have developed a written position description for the Chief Executive Officer, which is reviewed annually. In addition, the Human Resources Committee annually reviews a set of goals and objectives for the Chief Executive Officer and assesses his performance against the goals and objectives for the previous year.
4. Orientation and Continuing Education	
(a) Briefly describe what measures the board takes to orient new directors regarding:	
(i) the role of the board, its committees and its directors; and	A full description of these measures is contained under the heading "Orientation and Continuing Education" on page 24.
(ii) the nature and operation of the issuer's business.	A full description of these measures is contained under the heading "Orientation and Continuing Education" on page 24.
(b) Briefly describe what measures, if any, the board takes to provide continuing education for its directors. If the board does not provide continuing education, describe how the board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.	A full description of these measures is contained under the heading "Orientation and Continuing Education" on page 24
5. Ethical Business Conduct	
(a) Disclose whether or not the board has adopted a written code for the directors, officers and employees. If the board has adopted a written code:	The Board has adopted a written Code of Conduct for directors, officers and employees of the Corporation.
(i) disclose how a person or company may obtain a copy of the code;	The Code is available on the Corporation's web site and on SEDAR.
(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	Management reports violations of the code and any actions it has taken to the Board of Directors.
(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.	There were no violations of the code in 2009 with respect to any directors or executive officers.
(b) 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.	If there is a conflict of interest or the perception of a conflict of interest, executive officers or directors do not participate in the negotiations or approvals pertaining to such a matter.
(c) Describe any other steps the board takes to encourage and promote a culture of ethical business conduct.	In addition to adopting the Code of Conduct, a whistleblower telephone hotline has been established globally, as well as on-line reporting, which is available on the Corporation's website.
6. Nomination of Directors	
(a) Describe the process by which the board identifies new candidates for board nomination.	The Corporate Governance Committee is responsible for identifying, recruiting and recommending new candidates for Board nomination. At least annually, the Committee reviews the Board's current composition by comparing the diversity of skills, attributes and experience of Board members against Board requirements. See page 21 for further details on the Director Nomination process and Skills Matrix.

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(b) 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.	The Corporate Governance Committee is composed entirely of independent directors. It currently acts as a nominating committee.
(c) If the board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.	The Corporate Governance Committee mandate is described on page 28.
7. Compensation	
(a) Describe the process by which the board determines the compensation for the issuer's directors and officers.	The Corporate Governance Committee and the Human Resources Committee are responsible for recommending the compensation of the Corporation's directors and executive officers, respectively. The Committees use comparative information to ensure that the compensation is competitive considering the scope of the responsibilities. The process followed by the Committees is described in their reports beginning on page 28 and in the executive compensation discussion and analysis starting on page 33.
(b) Disclose whether or not the board has a compensation committee composed entirely of independent directors. If the board does not have a compensation committee composed entirely of independent directors, describe what steps the board takes to ensure an objective process for determining such compensation.	The Human Resources Committee is composed entirely of independent directors.
(c) If the board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.	The Human Resources Committee's mandate is described in their report beginning on page 31.
(d) 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.	In arriving at its recommendations, the Human Resources Committee of the Board engages consultants from time to time. This is discussed in the Human Resources Committee's report on page 31. The Corporate Governance Committee did not retain Consultants in 2009 to assist in determining compensation for the Corporation's independent directors.
8. Other Board Committees	
If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.	The Corporation has a Corporate Governance Committee, an Environment, Health and Safety Committee and a Pension Committee. The mandates of these committees are described on pages 28, 29 and 30.
9. Assessments	
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. If assessments are not regularly conducted, describe how the board satisfies itself that the board, its committees, and its individual directors are performing effectively.	The Corporate Governance Committee has the responsibility for conducting an annual performance evaluation of the Board, each of its committees, the Chairman and each individual director. The process involves, among other things, asking each director to complete detailed evaluation questionnaires. Ultimately, the Committee makes recommendations to the full Board regarding any changes and improvements it determines to be necessary. Details on assessments undertaken in 2009 are described on page 23.