

COMMITTEE REPORT FOR THE YEAR ENDED DEC. 31, 2008

Nomination and Compensation Committee

In fulfillment of its mandate, the NCC met a total of nine times in 2008 to discuss and address the following matters:

- Screen and review credentials/qualifications of senior officers and consultants and make the appropriate recommendation to the Board of Directors; and
- Review the Company's compensation and remuneration schemes and direct the study and development of appropriate plans to address specific pay-related concerns.

The NCC was responsible for reviewing the credentials of certain individuals prior to their appointment to senior posts in EDC. It also reviewed recommendations for and approved the engagement of consultants in the areas of business development and finance to help drive performance change in the organization.

The NCC also had discussions on how to address the issue of retaining the Company's senior and technical talent. A working committee was directed to study variable incentive pay schemes that should be responsive to market conditions.

Finally, the NCC spearheaded the development of the employee stock ownership plans specifically to help align the interests of the company, stockholders and the employees. A share buy-back program was subsequently approved by the Board of Directors and by the Company's shareholders to support the stock plans. The plans being contemplated include a stock purchase, stock grant and stock option with each plan being targeted for various employee groups. The various plans are in different stages of review and refinement.