

McGRAW-HILL RYERSON LIMITED

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual meeting of shareholders of McGraw-Hill Ryerson Limited (the "Corporation") will be held at the offices of McGraw-Hill Ryerson Limited, 300 Water Street, Whitby, Ontario, on Tuesday, June 8, 2010 at 11:00 a.m. for the following purposes:

1. to receive the annual report of the Corporation, including the financial statements for the year ended December 31, 2009, and the report of the auditors;
2. to elect directors;
3. to reappoint Ernst & Young as auditors of the Corporation and to authorize the directors to fix their remuneration; and
4. to transact such further and other business as may properly come before the meeting or any adjournment thereof.

Only shareholders of record at the close of business on April 28, 2010 will be entitled to vote at the meeting or any adjournment thereof.

DATED at Whitby this 3rd day of May, 2010.

By Order of the Board

Executive Vice President,
Chief Financial Officer and
Secretary-Treasurer



Gordon Dyer

NOTE: If you are unable to attend the meeting in person, please complete, date and sign the enclosed form of proxy and return it in the stamped envelope provided for that purpose.

McGRAW-HILL RYERSON LIMITED
2010 ANNUAL MEETING OF SHAREHOLDERS

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McGRAW-HILL RYERSON LIMITED

MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This management information circular dated May 3, 2010 (the "Circular") accompanies the Notice of Annual Meeting of Shareholders (the "Notice of Meeting") of McGraw-Hill Ryerson Limited (the "Corporation") called for Tuesday, June 8, 2010. It is furnished in connection with the solicitation by the management of the Corporation of proxies for use at that meeting. It is expected that the solicitation will be primarily by mail but proxies may also be solicited personally by regular employees of the Corporation. The cost of solicitation will be borne by the Corporation.

APPOINTMENT, REVOCATION AND VOTING OF PROXIES

All shares represented by the enclosed proxy will be voted and/or withheld from voting in accordance with any specification made therein and the proxy confers discretionary authority with respect to amendments or variations to matters identified in the Notice of Meeting and any other matters which may properly come before the meeting.

A shareholder has the right to appoint a person (who need not be a shareholder) to attend and act for and on behalf of such shareholder at the meeting other than the management nominee designated in the form of proxy. This right may be exercised by striking out the names of the persons designated on the front of the form of proxy and inserting such other person's name in the blank space immediately below and depositing the proxy with the Corporation or CIBC Mellon Trust Company no later than 48 hours (excluding Saturdays and holidays) before the time of the meeting. Proxies can be returned to the offices of CIBC Mellon Trust Company, Attention: Proxy Department, P.O. Box 721, Agincourt, Ontario, M1S 0A1 or faxed to (416) 368-2502.

In addition to revocation in any other manner permitted by law, a shareholder may revoke a proxy by an instrument in writing executed by such shareholder or by such shareholder's attorney authorized in writing and deposited either at the registered office of the Corporation, 300 Water Street, Whitby, Ontario L1N 9B6, at any time up to and including the last business day preceding the day of the meeting at which the proxy is to be used or with the Chairman of the meeting prior to commencement of the meeting on the day of the meeting or any adjournment thereof.

EXERCISE OF DISCRETION BY PROXY

The person named in the enclosed form of proxy will, on any ballot, vote or withhold from voting any shares in respect of which he is appointed in accordance with the instructions of the shareholder appointing him and, if the shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly. In the absence of such instruction it is intended that the shares will be voted in favour of the election of directors, the reappointment of auditors and the authorizing of the directors to fix the remuneration of the auditors. If two directions are made in respect of any one matter, such shares will not be voted on such matter. The enclosed form of proxy confers discretionary authority upon the person named therein with respect to any amendments or variations to matters identified in the Notice of Meeting and any other matters that properly come before the meeting. The person named in the enclosed form of proxy will vote the shares with respect to any such amendment, variation or other matter which may properly come before the meeting in accordance with his judgement. The management of the Corporation, at the date hereof, knows of no such amendments, variations or other matters to come before the meeting, other than the matters referred to in the Notice of Meeting.

VOTING OF SHARES

As at the date hereof, 1,996,638 common shares of the Corporation, each carrying the right to one vote per share, are outstanding. Only shareholders of record at the close of business on April 28, 2010, will be entitled to vote at the meeting or adjournments thereof, except to the extent that subsequent transferees of common shares of the Corporation become entitled to vote by complying with subsection 100(2) of the *Business Corporations Act* (Ontario). The McGraw-Hill Companies, Inc. beneficially owns 1,400,000 common shares of the Corporation, being approximately 70.1% of the outstanding shares. No other company or person is known to management to beneficially own, directly or indirectly, or exercise control or direction over more than 10% of the outstanding shares of the Corporation.

VOTING BY NON-REGISTERED SHAREHOLDERS

If your shares are held in the name of a nominee (such as a securities dealer or broker) your nominee will seek instructions as to how to vote your shares. Please carefully follow the instructions provided to you.

ELECTION OF DIRECTORS

Unless authority to vote is withheld, the persons named in the enclosed form of proxy will vote in favour of the election to the Corporation's board of directors (the "Board of Directors" or "Board") of the eight nominees set forth in the table below. Management does not contemplate that any of such nominees will be unable to serve as a director but, if that should occur for any reason prior to the meeting, the persons named in the enclosed form of proxy reserve the right to vote for one or more other nominees in their discretion (unless the authority to vote on the election of directors is withheld). Each director elected will hold office until the next annual meeting or until his successor is duly elected, unless his office is earlier vacated in accordance with the By-laws of the Corporation.

Nominee	Principal Occupation	Became a Director	Common Shares of McGraw-Hill Ryerson Limited Beneficially Owned (6)	Common Shares of The McGraw- Hill Companies, Inc. Beneficially Owned (6)
Robert J. Bahash New Jersey, USA (5)	Executive Vice President Chief Financial Officer The McGraw-Hill Companies, Inc.	1988	--	440,204
Susan M. Armstrong Ontario, Canada (2) (3) (4)	President, CDSPI	2005	200	--
J. Mark DesLauriers Ontario, Canada (1) (4)	Partner Osler, Hoskin & Harcourt LLP Barristers & Solicitors	2001	--	--
David Swail Ontario, Canada (1) (5)	President and Chief Executive Officer McGraw-Hill Ryerson Limited	2006	--	--
Hendrik Kranenburg New York, USA (1) (4)	President Higher Education, Professional and International Publishing The McGraw-Hill Companies, Inc.	2005	--	67,866
Kevin Kane Illinois, USA (3)	President McGraw-Hill / Irwin, Business & Economics The McGraw-Hill Companies, Inc.	2007	--	2,200
H. Ian Macdonald O.C., LL.D. Ontario, Canada (1) (2) (3) (4) (5)	President Emeritus and Professor of Economics and Public Policy York University	1985	200	--
Manon R. Vennat, C.M. Quebec, Canada (2) (3) (4)	Principal, Manon Vennat & Associés, Montreal	1988	200	--

Notes:

- (1) Member of the Executive Committee.
- (2) Member of the Audit Committee.
- (3) Member of the Corporate Governance and Nominating Committee.
- (4) Member of the Human Resources Committee.
- (5) Member of the Finance Committee.
- (6) Directly or indirectly or over which control or direction is exercised.

Each of the nominees served on the Board of Directors and was elected to the Board of Directors at a prior annual meeting of shareholders.

EXECUTIVE COMPENSATION DISCUSSION & ANALYSIS

The Human Resources Committee of the Board of Directors reports to the Board of Directors on a regular basis. The Committee, subject to approval of the Board of Directors, has responsibility for all compensation matters with respect to the Corporation's senior management, including the named executive officers ("NEOs"), and also evaluates the performance of senior management.

The Compensation Discussion and Analysis provides information regarding all significant elements of compensation paid, payable, awarded, granted, given or otherwise provided by the Corporation to its named executive officers as of December 31, 2009. The Corporation's compensation strategy is carefully designed to attract, retain and motivate executive officers.

What Are Our Main Compensation Objectives?

The main objectives of our executive compensation program are as follows:

- To enable us to hire and retain high caliber executive talent;
- To provide appropriate incentives for both individual and business performance; and
- To build value for shareholders by linking a significant portion of compensation to the Corporation's performance.

What Are the Elements of Our Executive Compensation Program?

Our executive compensation program for our named executive officers consists of the following elements:

- Base salary;
- Annual cash incentives under our bonus plan;
- Stock-based long-term incentives (restricted performance shares and stock options);
- Retirement and other post-employment benefits under our Pension Plan and Supplemental Executive Retirement Plan;
- Health and welfare benefits under our group benefits plans; and
- Limited perquisites and other fringe benefits.

How Do We Link Our Executives' Compensation to Our Performance?

A significant portion of the compensation paid to our named executive officers is aligned closely with shareholder interests since it is payable based on achievement of divisional and company-wide financial measures such as net income and cash flow from operations. These criteria are reviewed on an annual basis. The Corporation believes the design of this bonus plan provides strong motivation to create shareholder value.

ELEMENTS OF EXECUTIVE COMPENSATION

How Do We Set Base Salaries?

The base salaries of our named executive officers are reviewed on an annual basis. Increases to base salary are based on an assessment of each executive's individual performance evaluated under the Corporation's Performance Management Process, and the increase guidelines established for merit increases. We use a global Performance Management Process that measures performance against goals, behaviours and competencies to determine individual performance ratings. Those rated at lower levels are not eligible for base salary increases or annual incentive payments unless and until performance improves to meet their manager's expectations.

The base salary increases for our CEO and our other named executive officers are effective on April 1 of each year. The Human Resources Committee evaluates the performance of our CEO and reports its findings and recommendations to the Chairman of the Board of Directors each January. Base salary merit increases for our other named executive officers are recommended annually by the CEO and are reviewed and approved by the Human Resources Committee.

In formulating his base salary recommendations for our other named executive officers for the following year, the CEO reviews each named executive officer's current year base salary, individual achievements and contributions, financial results, competitive market data and his expectations for each named executive officer for the year. The criteria used to evaluate financial performance include, among other criteria, net income growth and revenue growth. The CEO makes his recommendations for adjustments to the other named executive officers' base salaries for the following year based on this assessment and the annual base salary merit increase guidelines that are approved by the Human Resources Committee. For 2009, the merit budget for Corporate employees was set at 3.0% of the prior year's annual base salaries, down from 3.5% in 2008.

The individual increases for our named executive officers were in the range between 0% and 5%. Independently, the Human Resources Committee reviews the CEO's annual base salary adjustment each year, which together with his target annual incentive and stock-based awards, is benchmarked against the market, taking into account differences in pay mix and his individual performance for the applicable year. These market comparators are taken from several professionally-conducted salary surveys, including one that is specific to the Canadian publishing industry containing direct competitors such as Cengage (Nelson) and Pearson. Other comparator executive positions are found in surveys conducted by the Toronto Board of Trade, Sobeco and the Central Ontario Industrial Relations Institute. Participating organizations in these surveys cross a wide variety of industries in the private and public sectors.

Based on individual achievements and in recognition of their leadership and expertise in their respective areas of responsibility, our named executive officers were granted salary increases in 2009 as shown in the table below.

	<u>Salary Jan. 1/2009</u>	<u>Salary Dec. 31/2009</u>	<u>% Increase</u>
David Swail	\$346,689	\$357,090	3.0%
Gordon Dyer	\$191,856	\$197,613	3.0%
Pat Ferrier	\$212,047	\$217,349	2.5%
Nancy Gerrish	\$163,436	\$170,792	4.5%
Marshall Morris	\$186,167	\$191,753	3.0%

Between October 2008 and August 2009, Mr. Swail assumed responsibility for The McGraw-Hill Companies' Latin American publishing division in addition to his responsibilities in Canada and 50% of Mr. Swail's salary, bonus and benefits was charged to The McGraw-Hill Companies during this time period.

Salaries earned during 2009 and 2008 are also shown in Summary Compensation Table on page 7 of this Circular.

How Do We Set Annual Bonuses?

Performance-based compensation is paid in the form of a bonus to provide incentives to senior management to achieve desired corporate results. Bonus awards are determined on an individual basis as an escalating percentage of base salary and are paid upon the achievement of preset performance targets. Depending upon the individual, targets are based on a combination of corporate and divisional performance. For the CEO in 2009, the bonus criteria included net income before tax and total company sales. For all other NEOs, corporate and divisional performance targets included total net income before tax, divisional net income before tax, sales, inventory management and, in some cases, cash flow. Required growth rates are established based on an acceptable improvement on the prior year's performance and industry benchmarks.

At 100% achievement, the Chief Executive Officer's bonus is 20% of salary. The bonus payment can range from 0% to 80% of salary. For all other named executive officers, at 100% achievement of all targets, the bonus payment is 30% of salary. Bonus payments can range from 0% to 60% of salary.

The 2009 annual bonuses were as follows:

David Swail	\$95,000
Gordon Dyer	\$55,029
Patrick Ferrier	\$77,510
Nancy Gerrish	\$9,522
Marshall Morris	\$53,397

How Do We Determine the Amount and Type of Our Long-Term Stock-Based Incentives?

The Chief Executive Officer and the Corporation's other NEOs are eligible to participate in the long-term incentive compensation program of The McGraw-Hill Companies, Inc., subject to the approval of the Compensation Committee of the Board of Directors of The McGraw-Hill Companies, Inc. The program consists of two types of annual awards — restricted performance shares and stock

options. The shares underlying the restricted share program are shares of The McGraw-Hill Companies, Inc. Restricted performance shares vest at the end of a three-year award cycle and are subject to certain performance goals. Amounts awarded are based on the individual's performance and achievement in prior year. In 2009, each of Mr. Swail, Mr. Dyer, Mr. Ferrier, Ms. Gerrish and Mr. Morris were awarded restricted performance shares.

Stock option awards provide option holders with the right to purchase common stock of The McGraw Hill Companies, Inc. at the fair market value on the date of grant. These grants are awarded under pre-established guidelines that relate the number of shares granted to salary grade levels. Larger grants are made to executives at higher grade levels. Each stock option becomes exercisable in two equal installments commencing one year after grant and has a 10 year maximum term. In 2009, each of Mr. Swail, Mr. Ferrier and Ms. Gerrish were awarded stock options under The McGraw-Hill Companies, Inc. stock option plan.

At the end of each year, the CEO reviews individual performance factors in developing his compensation recommendations for the named executive officers for the following year. These factors include growth in revenue and market share, operational effectiveness and efficiencies, growth of new products and services, and development of individual competencies. Individual long-term incentive payments from preceding years are not used as factors in determining recommendations for the long-term compensation opportunity for an upcoming year. The CEO then reviews his recommendations with Rik Kranenburg, who is a member of the Human Resources Committee of the Corporation and President of Higher Education, Professional and International Publishing for The McGraw-Hill Companies, Inc. for approval. Each February, Mr. Kranenburg determines the CEO's long-term stock-based incentive for the following year.

The 2009 stock award mix guidelines, based on award value as of the grant date, were as follows:

David Swail	75% Restricted Shares	25% Stock Options
Gordon Dyer	100% Restricted Shares	0% Stock Options
Patrick Ferrier	75% Restricted Shares	25% Stock Options
Nancy Gerrish	75% Restricted Shares	25% Stock Options
Marshall Morris	100% Restricted Shares	0% Stock Options

The 2009 award price was established on April 1, 2009 based on the closing stock price of The McGraw-Hill Companies shares on the NYSE, which is the first business day of April, and the date annual stock awards are granted. Dollar awards from the equity pool are converted to share awards using the stock award mix guidelines above, the fair market value of The McGraw-Hill Companies Inc. common stock on the grant date to determine the number of restricted performance shares awarded, and the stock option's "fair value" on the grant date using a lattice-based stock option pricing model to determine the number of option award shares.

Based on this process, the Corporation determined the 2009 long-term equity incentives for each of the Corporation's named executive officers as set forth in the table below:

<u>Name</u>	<u>2009 Award Value</u>	<u>% Increase/(Decrease) 2009 vs 2008</u>
David Swail	\$128,073	(30%)
Gordon Dyer	\$ 9,536	(53%)
Patrick Ferrier	\$ 36,600	(10%)
Nancy Gerrish	\$ 58,558	(4%)
Marshall Morris	\$ 9,536	(53%)

The award value is impacted by the number of shares awarded, the McGraw-Hill Companies Inc. share price at the time of the award and the \$Cdn/\$US exchange rate.

What Health and Welfare Benefits Do We Provide to Our Executives and Why?

The Corporation provides an extended healthcare benefits program for all Canadian employees, including the named executive officers, to provide security for employees and their families. The Corporation provides no supplemental healthcare benefits to NEOs other than an incremental Health Care Spending Account (to a maximum of \$4,200 per year). This incremental Health Care Spending Account benefit was terminated in mid-2009.

What Perquisites and Other Fringe Benefits Do We Provide to Our Executives and Why?

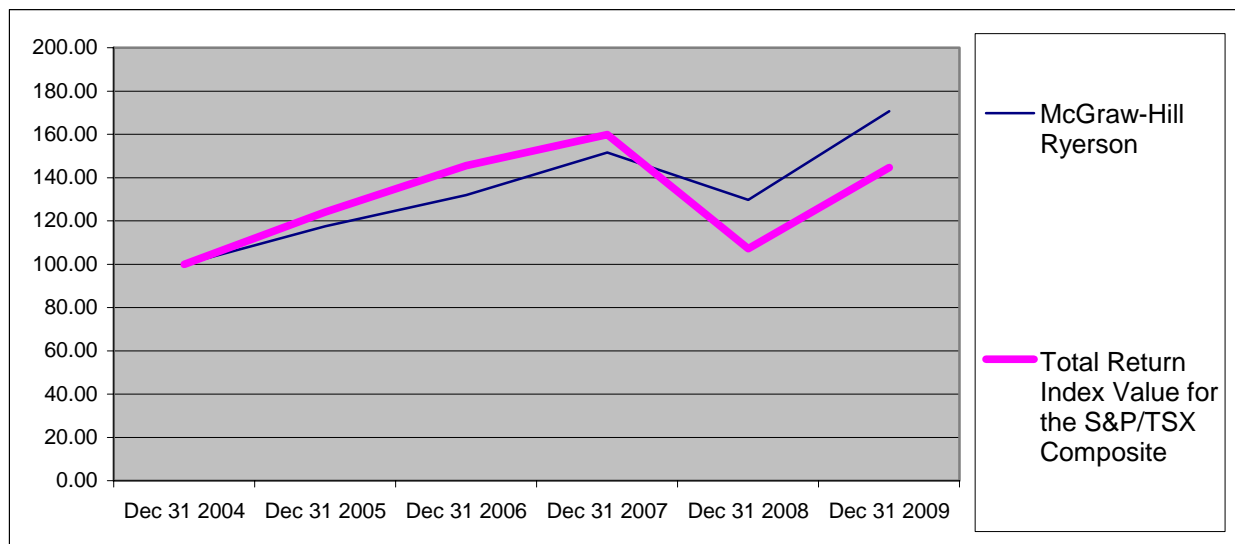
The Human Resources Committee reviews all benefits offered to NEOs to ensure they are appropriate. The Corporation provides the following perquisites, which are believed to be reasonable and competitive, to the named executive officers in order to enable them to conduct the Corporation's business more effectively and to allow greater focus on the demands of their position.

- Corporation car;
- Annual reimbursement for club membership.

Shareholder Return Performance Graph

The following graph compares the financial returns to the shareholders of the Corporation for the period which commenced on December 31, 2004 and ended on December 31, 2009 to the total financial returns index of the S&P/TSX Composite assuming reinvestment of dividends at 100% of the market price on each of the dividend payment dates.

Five-Year Total Return on \$100 Investment (Dividends Reinvested)
(December 31st 2004 to December 31st 2009)



While the Corporation's share price declined in 2008 and then increased in 2009, the Board recognizes that the Corporation's focus is on long-term shareholder value growth. The graph above reflects a total return of 70% for McGraw-Hill Ryerson Limited during this five-year timeframe, compared to a 45% return for the S&P/TSX Composite.

During this same timeframe:

- Annual salary increases for NEOs were lower than the Corporation's returns;
- Bonus increases for NEOs were lower than the Corporation's returns;
- The number of options granted to NEOs decreased, while the number of restricted performance shares granted increased, reflecting a change in emphasis of The McGraw-Hill Companies Inc.

Summary Compensation Table

The following table sets forth the annual and long-term compensation of the individuals who were, at December 31, 2009, the Chief Executive Officer, the Chief Financial Officer, and the three other most highly compensated executive officers of the Corporation (collectively, the “Named Executive Officers” or “NEOs”) for the 2007, 2008 and 2009 financial years of the Corporation. Specific aspects of this compensation are dealt with in further detail in the tables and narrative elsewhere in this Executive Compensation Disclosure and Analysis.

Name and Principal Position	Year	Salary \$	(1) Share-based Awards \$	(1) Option-based Awards \$	Non-equity Incentive Plan Compensation \$		Pension Value \$	(4) All Other Compensation \$	Total Compensation \$
					(2) Annual Incentive Plans	Long Term Incentive Plans			
David L. Swail President and Chief Executive Officer	2009(3)	354,490	96,331	31,742	95,000	—	42,624	—	620,187
	2008(3)	320,021	137,472	44,395	120,000	—	37,654	—	659,542
	2007	299,787	94,610	31,540	95,000	—	33,908	—	554,845
Gordon Dyer Executive Vice- President and Chief Financial Officer	2009	196,174	9,536	—	55,029	—	26,454	—	287,193
	2008	190,012	20,294	—	97,764	—	23,912	—	331,982
	2007	182,704	22,936	—	75,039	—	22,652	—	302,331
Patrick Ferrier, President, Higher Education Division	2009	216,022	27,531	9,069	77,510	—	25,013	—	355,145
	2008	210,755	30,441	10,151	60,286	—	23,840	—	335,473
	2007	205,369	41,284	13,759	52,931	—	22,476	—	335,819
Nancy Gerrish President, School Division	2009	168,953	44,049	14,509	9,522	—	22,886	—	259,919
	2008	161,677	45,662	15,217	85,363	—	21,036	—	328,954
	2007	155,260	41,284	13,759	70,762	—	19,528	—	300,593
Marshall Morris Executive Vice President, Customer Satisfaction	2009	190,357	9,536	—	53,397	—	31,335	—	284,625
	2008	185,033	20,294	—	94,865	—	28,070	—	328,262
	2007	172,893	—	—	69,812	—	26,027	—	268,732

(1) Share-based awards and option-based awards are awarded in U.S. dollars. Amounts have been converted to Canadian dollars in the table above using exchange rates in effect in the month the award was made. Dollar amounts are based on the grant date fair value of the award for the covered financial year.

(2) Annual incentive plan figures are the amounts awarded for the year indicated and were actually paid at the beginning of the following calendar year.

(3) Between October 1, 2008 and August 31, 2009, 50% of David Swail's total compensation was charged to The McGraw-Hill Companies Inc. During that time, Mr. Swail assumed responsibility for McGraw-Hill Companies Latin American publishing division in addition to his responsibilities in Canada.

(4) The value of perquisites and other personal benefits paid to named executive officers did not exceed more than \$50,000 and did not constitute 10% or more of any named executive officer's total salary.

INCENTIVE PLAN AWARDS

The Corporation's NEOs are eligible to participate in the option and restricted share programs of The McGraw-Hill Companies Inc. The Corporation itself does not have any compensation plans in place pursuant to which equity securities of the Corporation may be issued. A summary of all outstanding option-based and share-based awards as of December 31, 2009 is shown in the table below. Awards are originally made in U.S. dollars. Amounts have been converted to Canadian dollars in the table below using the exchange rate in effect as of December 31, 2009.

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
David Swail	1,657	\$54.48	5/31/2016	\$0	8,346	\$140,054
	1,733	\$65.75	4/01/2017	\$0		
	3,205	\$40.79	3/31/2018	\$0		
	1,437	\$32.83	9/30/2018	\$3,607		
	4,487	\$24.25	3/31/2019	\$49,792		
Gord Dyer	1,000	\$46.21	5/17/2015	\$0	1,174	\$13,864
Pat Ferrier	1,500	\$41.82	5/02/2014	\$0	2,323	\$40,027
	5,000	\$45.62	3/31/2015	\$0		
	581	\$60.98	4/02/2016	\$0		
	756	\$65.75	4/01/2017	\$0		
	1,026	\$40.79	3/31/2018	\$0		
	1,282	\$24.25	3/31/2019	\$14,226		
Nancy Gerrish	1,500	\$27.40	4/30/2010	\$11,914	3,293	\$64,044
	249	\$60.98	4/02/2016	\$0		
	756	\$65.75	4/01/2017	\$0		
	1,538	\$40.79	3/31/2018	\$0		
	2,051	\$24.25	3/31/2019	\$22,760		
Marshall Morris	—	—	—	—	853	\$13,864

A summary of share-based incentives that vested in 2009 and non-equity incentives paid for 2009 is shown in the table below. Share-based awards are denominated in U.S. dollars. Amounts have been converted to Canadian dollars in the table below using the exchange rate in effect on vesting date.

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
David Swail	\$0	\$48,712	\$95,000
Gordon Dyer	\$0	\$13,188	\$55,029
Patrick Ferrier	\$0	\$17,304	\$77,510
Nancy Gerrish	\$0	\$7,432	\$9,522
Marshall Morris	\$0	\$0	\$53,397

A description of the significant terms of all plan-based awards is set out on page 5.

EMPLOYMENT AGREEMENTS

The Corporation has entered into employment contracts and/or arrangements with each of its NEOs which provide for a specified base salary and bonus, reviewable from time to time, and certain benefits including car or car lease and participation in the Corporation's benefit and pension plans. Mr. Swail is the only NEO with a termination provision in his employment agreement (as described on page 9).

PENSION PLAN BENEFITS

In connection with their retirement or other termination of employment, the named executive officers will generally be eligible to receive benefits under our savings and retirement plans and, depending on the circumstances of an executive's termination, severance benefits and accelerated vesting of annual share-based incentive awards.

The Corporation has a pension plan available to all employees. This is a defined contribution plan whereby both the Corporation and the employee make monthly contributions. The Corporation's contributions are to a maximum of 6% of pensionable earnings (salary plus bonus). The Corporation also has a supplemental executive retirement plan (SERP), offered only to its executive officers. Under this plan, the executive officers accrue additional amounts (between 3% and 5% of pensionable earnings) each year that are paid out upon their retirement or upon the termination of their employment.

Name	Accumulated Value at Start of Year (\$)	Compensatory (\$)	Non-Compensatory (\$)	Accumulated Value at Year-end (\$)
David Swail	\$89,206	\$42,624	\$31,811	\$163,641
Gordon Dyer	\$140,582	\$26,454	\$23,693	\$190,729
Patrick Ferrier	\$201,129	\$25,013	\$42,826	\$268,968
Nancy Gerrish	\$168,065	\$22,886	\$53,709	\$244,660
Marshall Morris	\$322,453	\$31,335	\$117,519	\$471,307

The table above shows 2009 pension information including employer contributions (shown as "Compensatory") and employee contributions and investment earnings (shown as "Non-Compensatory"). All amounts in the table above include both the defined contribution pension plan and the SERP.

TERMINATION AND CHANGE OF CONTROL BENEFITS

David Swail's employment agreement entitles him to salary and benefits continuance and the use of a company vehicle for 6 months if he is terminated within the first 12 months of his start date, and for 12 months if he is terminated after more than 12 months of service. Mr. Swail's salary as of December 31, 2009 is \$357,090. For all other NEOs, employment contracts and/or arrangements do not include any termination provisions, and therefore, termination payments would be calculated according to applicable common law. In addition, NEO's would be eligible for restricted performance shares and vesting of stock options as described below.

Termination Impact of Restricted Performance Shares/Stock Options

Restricted Performance Shares. If the named executive officer terminates employment due to retirement, disability or death, or the Corporation terminates the executive other than for cause, the NEO is eligible to receive a portion of the shares that are covered by outstanding awards.

If the executive terminates due to retirement or disability, the executive receives the number of shares that would be payable under the terms of the award based on actual performance for the three-year performance period, prorated for the number of years during the performance period (including the year of termination) that the executive was employed. Delivery of the awarded shares is made in the year following the end of the performance period for the award.

In the event of termination by the Corporation other than for cause, the executive receives the number of shares that would be payable under the terms of the award based on the actual performance for the three-year performance period, prorated for the number of full months during the performance period that the executive was employed. Delivery of the awarded shares is made in the year following the end of the performance period for the award.

If not already paid, the cash payment described above will be made to the executive in a lump sum upon termination of the executive's employment due to retirement, disability or death, or by the Corporation other than for cause.

Stock Options. If a named executive officer terminates employment due to death, disability or normal retirement, the executive's stock options will vest in full. In addition, in the case of death, the options will be exercisable for one year following the date of death, and, in the case of disability or retirement, until the end of the option term. If the executive terminates employment due to early retirement, generally, the vesting of the executive's stock options will not accelerate, but, to the extent they are vested at the time of retirement and the executive is 55 or older with 10 years of continuous service, the options will be exercisable until the end of the option term.

In the event of change-in-control, all outstanding stock options will vest in full and will either be converted into awards based on the common stock of the surviving company, or paid to the executive in cash. Cash payments under options will be equal to the value of the option shares, generally the highest price per share paid in the change-in-control, less the exercise price of the shares.

DIRECTOR COMPENSATION

Directors are compensated for their services as such through a combination of retainer fees and meeting attendance fees. These fees are reviewed on an annual basis. In 2009, the Chairman of the Board received an annual retainer of \$27,200 and the other members of the Board received \$8,000 annually. The Chair of the Audit Committee also received an additional \$2,500 special retainer. A fee of \$1,000 per meeting attended was paid to each Director, including the Chairman, with respect to meetings of the Board and all of its committees. Expenses incurred in attending meetings are reimbursed to outside directors. No meeting fees are paid to any director who is also a full-time officer of the Corporation or The McGraw-Hill Companies, Inc.

Name	Fees Earned \$	Share-based awards \$	Option-based awards \$	Non-equity incentive plan compensation \$	Pension value \$	All other compensation \$	Total \$
H. Ian Macdonald	48,450	—	—	—	—	—	48,450
Susan M. Armstrong	23,750	—	—	—	—	—	23,750
J. Mark DesLauriers	14,250	—	—	—	—	—	14,250
Manon R. Vennat	25,250	—	—	—	—	—	25,250

Conclusion

The Corporation believes that the caliber and motivation of its named executive officers, other executives and key employees and the quality of their leadership make a significant difference in the performance of the Corporation. Further, the Corporation believes that compensation should vary with the Corporation's financial performance so that executives are well rewarded when performance exceeds the performance goals established by the Human Resources Committee, and that there should be commensurate risks to compensation when performance does not meet these goals. The Corporation believes that the Corporation's executive compensation program is meeting the goals and objectives outlined above.

This report was furnished by J. Mark DesLauriers (Chairperson), Hendrik J. Kranenburg, H. Ian Macdonald, Manon R. Vennat and Susan M. Armstrong.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Background and Introduction

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101") of the Canadian Securities Administrators (the "CSA") requires the Corporation to disclose, on an annual basis, its approach to corporate governance with reference to the governance guidelines provided in National Policy 58-102 – *Corporate Governance Guidelines* of the CSA (the "Guidelines"). The Guidelines provide that they are not intended to be prescriptive; however, issuers are encouraged to consider the Guidelines in developing their own corporate governance practices. The focus of the CSA is on the importance of each issuer addressing the governance issue in its own context and the receipt by the investment community of an explanation for the issuer's approach to governance.

In establishing and assessing its approach to corporate governance, the Corporation is mindful of the fact that one shareholder owns approximately 70.1% of the Corporation's outstanding Common Shares. Accordingly, any changes to the Corporation's approach to corporate governance in order to respond to investors' needs and to adopt certain Guidelines must be made while considering the impact of this fact.

The Board has constituted the Corporate Governance and Nominating Committee in order to review and, if deemed necessary, to recommend changes to the corporate governance practices of the Corporation. The Board itself, however, has also considered the Guidelines and has concluded that its current approach to corporate governance is both appropriate for its circumstances and is working effectively for the Corporation and its shareholders.

The Corporation's corporate governance disclosure is as follows:

Board of Directors

Independence of Directors

The Corporation is required to disclose the members of its Board of Directors that are "independent" and those who are not independent, as determined in accordance with the definition in Multilateral Instrument 52-110 – *Audit Committees* of the CSA (the "Audit Committee Rule"). The Board of Directors currently consists of eight members, three of whom the Board has determined to be independent, being Susan M. Armstrong, Manon R. Vennat, and H. Ian Macdonald. The remaining directors, Robert H. Bahash, Hendrik J. Kranenburg, Kevin Kane, J. Mark DesLauriers and David Swail are not independent.

Robert Bahash, Hendrik Kranenburg and Kevin Kane are not "independent" as they currently serve as officers of The McGraw-Hill Companies, Inc., which owns 70.1% of the Corporation's common shares. Mark DesLauriers is not considered to be "independent" as he is a partner of Osler, Hoskin & Harcourt LLP, a law firm that the Corporation retains as its regular external legal. David Swail is not considered to be "independent" as he currently serves as an officer of the Corporation.

The Board of Directors believes that the representation of The McGraw-Hill Companies, Inc. on the Board of Directors is appropriate in light of its ownership of approximately 70.1% of the outstanding common shares of the Corporation and provides a long-term perspective on decisions affecting the Corporation.

The Board of Directors believes that its relationship with management in supervising the business and affairs of the Corporation is appropriate. The significant contributions by the non-independent members of the Board of Directors to the continued growth of the Corporation is a factor supporting the Board of Director's opinion that the current number of independent and non-independent directors is appropriate and in the Corporation's best interests. However, in order to assist the Board of Directors in ensuring that the Corporation's system of corporate governance continues to suit its needs, as indicated above, the Board of Directors constituted the Corporate Governance and Nominating Committee in 1995 which monitors the performance of the Board of Directors in light of the Guidelines and will recommend modifications where appropriate.

In the past, where circumstances have warranted, the independent directors have met without the non-independent directors present. There was one such meeting in 2009.

The Chairman of the Board of Directors is H. Ian Macdonald, who is an independent director. In this role, Mr. Macdonald often consults with other Board members to ensure that the independent members of the Board are satisfied with the manner in which Board meetings are held, information is made available to the Board and questions are addressed. Mr. Macdonald has held this position since July 25, 1996, and prior to that The Honourable E. Jacques Courtois, an unrelated director, had held the position since April 1984. The Board also has access to senior management of the Corporation on a regular basis, as David Swail, President and Chief Executive Officer serves as a Director and Gordon Dyer, the Executive Vice President, Chief Financial Officer and Secretary-Treasurer acts as Secretary to the Board of Directors.

H. Ian Macdonald also serves as a director of the AGF Group of Funds, a reporting issuer.

Attendance Record

The Board of Directors held 5 meetings between January 1, 2009 to December 31, 2009. Attendance was as follows:

H. Ian Macdonald	5 of 5
J. Mark DesLauriers	3 of 5
Manon R. Vennat	5 of 5
Kevin Kane	4 of 5
David L. Swail	5 of 5
Susan M. Armstrong	4 of 5
Hendrik J. Kranenburg	2 of 5
Robert J. Bahash	0 of 5

Board Mandate

The Board has a written mandate which is attached as Appendix A.

Position Descriptions

The Board has developed a written position description for the chair of the Board.

The Board has approved mandates for each of its Committees. The chairs of the Committees are expected to supervise the activities of such Committees and to ensure that they are taking all steps necessary to fulfill their respective mandates.

The Board has developed a written position description for the Chief Executive Officer. The Board also sets annual objectives for the Chief Executive Officer and reviews performance against these objectives. These objectives include the general mandate to implement the Corporation's strategic business plan.

Orientation and Continuing Education

The Board believes that it is important to orient new directors to the operations of the Corporation's business and their role as a director and committee member, if applicable, and to ensure that its current Board members keep abreast of current developments through continuing education.

In light of the very low levels of turnover on the Board, no formal orientation and education program has been implemented. The Corporate Governance and Nominating Committee does, however, ensure that all new elected directors receive appropriate briefings from executives of all divisions of the Corporation, as well as education sessions with The McGraw-Hill Companies, Inc.

To ensure that the members of the Board remain fully informed about the Corporation's operations on a continuing basis, management presentations are made to the Board regarding the Corporation's activities and long-term strategy on an ongoing basis during regularly scheduled Board meetings. In addition, presentations are made to the Board on a variety of topics including legal developments and pension-related issues. In doing so, the Corporation believes that the directors are assisted in maintaining the skill and knowledge necessary to meet their obligations as directors.

Ethical Business Conduct

The Board has adopted a written Code of Business Ethics that is reviewed and signed each year by the Corporation's directors and employees. The Corporation has also adopted a Whistleblower Policy and has established a hotline to encourage and assist the reporting of conduct which appears to be unethical. The policy has been distributed to all employees.

Nomination of Directors

The Corporate Governance and Nominating Committee assists the Board in identifying the characteristics required in new Board members, although the Board as a whole approves any nomination. The Board

identifies individuals who it believes bring the attributes necessary to ensure a Board consisting of individuals with the strengths in a number of different areas required to meet the Corporation's needs. The Board carefully selects qualified Board members who understand the nature of the Corporation's business generally and, in certain circumstances, have a specific area of expertise that they can contribute to the Board. The Corporate Governance and Nominating Committee is currently composed of H. Ian Macdonald, Manon R. Vennat, Kevin Kane and Susan Armstrong, of whom Mr. Macdonald, Ms. Vennat and Ms. Armstrong are independent directors.

Corporate Governance and Nominating Committee

The Corporate Governance and Nominating Committee has general responsibility for developing the Corporation's approach to governance issues including recommending to the Board limits to management's responsibilities. As a matter of practice, all significant decisions affecting the Corporation are approved by the Board prior to their implementation.

The Corporate Governance and Nominating Committee also has responsibility for recommending to the Board internal guidelines on corporate governance issues in the context of the Corporation's particular circumstances and for recommending the making of appropriate adjustments as necessary to accommodate the changing needs of investors and the Corporation in the context of the Guidelines and other regulatory changes in the corporate governance area. The assessment of Board performance is within the mandate of this committee and is conducted at least once a year. Commencing in 1999, the Corporate Governance and Nominating Committee has conducted an annual survey of directors on the operations of the board and its respective committees and an annual self-evaluation checklist of directors' responsibilities and attributes.

The Corporate Governance and Nominating Committee will, from time to time, task an independent third party to review the Corporation's director fees, and benchmark these fees against those paid to directors of comparable companies. The Chair of the Corporate Governance and Nominating Committee will present all findings and recommendations to the Board for the Board's review and approval. Please refer to the disclosure under the heading "Compensation Discussion and Analysis" for a discussion of how the Board determines the compensation of the President and Chief Executive Officer, other executive officers and directors.

Human Resources Committee

The Corporation's Human Resources Committee was formed in 1994 and is responsible for:

- Overseeing the creation and monitoring the implementation and effectiveness of compensation policies to enable the Corporation to recruit, retain, and motivate performance-oriented executives whose interests are aligned with the interests of the Corporation's shareholders;
- Overseeing the compensation policies as they pertain to all staff members;
- Reviewing the performance of the senior officers of the Corporation and approving their compensation packages;
- Monitoring succession plans for the CEO and his/her direct reports;
- Reviewing and recommending the appropriate compensation level for the President and Chief Executive Officer of the Corporation based upon the review and evaluation of his performance; and
- Reviewing and recommending to the Board substantive changes to the Corporation's pension, benefit, and incentive compensation plans.

The Human Resources Committee currently has five members: Hendrik Kranenburg, Manon Vennat, Susan Armstrong, Ian Macdonald and Mark DesLauriers. Two of these members (Hendrik Kranenburg and Mark DesLauriers) are non-independent directors. The Human Resources Committee, from time to time, requests an industry compensation analysis (prepared by a third party) in order to ensure an objective process is in place for determining compensation levels.

Other Board Committees

In addition to the Corporate Governance and Nominating Committee and the Human Resources Committee, the Board has three other standing committees: the Audit Committee, the Finance Committee, and the Executive Committee.

Audit Committee

Charter

The mandate of the Audit Committee is included in the Corporation's Annual Information Form for its fiscal year ended December 31, 2009.

Composition of the Audit Committee

The Audit Committee members are H. Ian Macdonald, Manon R. Vennat, and Susan M. Armstrong, each of whom is "independent" and "financially literate", as such terms are defined in Multilateral Instrument 52-110 of the CSA. Each of the committee members has many years of experience in various industries, which has given them the ability to understand the accounting principles used by the Corporation in preparing its financial statements and the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves. These experiences have been with companies and businesses presenting a breadth and level of complexity of accounting issues generally comparable to those reasonably expected to be raised by the Corporation's financial statements and have provided them with an understanding of internal controls and procedures for financial reporting.

Mr. Macdonald who has been a director of the Corporation for over 20 years, is President Emeritus and Professor of Economics and Public Policy at York University. He is a former Deputy of Treasury, Economics and Intergovernmental Affairs in the Government of Ontario. He served for many years as the Chairman of the Board of Governors of the Commonwealth of Learning and is an Officer of the Order of Canada. H. Ian Macdonald also serves as a director of the AGF Group of Funds, a reporting issuer.

Madame Vennat has been a director of the Corporation for over 20 years, has served as the Chairperson of SpencerStuart Montreal, and Vice President Administration and General Counsel at AES Data, and currently also serves as a director of Greiche & Scaff, and is a Commissioner of the Public Service Commission of Canada.

Ms. Armstrong is President of CDSPI, a not-for-profit organization that administers investment, insurance and other benefits for members of the dental community in Canada. Ms. Armstrong is a chartered accountant and an Institute of Corporate Directors certified Director (ICD.D). She has held senior-level finance positions in several companies, including Chief Financial Officer of Swiss Reinsurance Company Canada.

Finance Committee

The Finance Committee meets quarterly to review operating results and anticipated cash flow requirements. Based upon this committee's recommendations, the Board of Directors may approve and declare dividends as it deems appropriate.

The Finance Committee has three members: H. Ian Macdonald, who is independent, and Robert J. Bahash and David L. Swail, who are not independent.

Executive Committee

The Executive Committee is permitted to exercise all of the powers of the Board except as may be restricted by the Board itself or by legislation. The Executive Committee generally is responsible for considering major corporate business issues to implement plans approved by the full Board of Directors of the Corporation.

The Executive Committee has four members: H. Ian Macdonald, who is independent, and David Swail, Hendrik Kranenburg and J. Mark DesLauriers, who are not independent.

BOARD EXPECTATIONS OF MANAGEMENT

The Board looks to management to be responsible for the efficient management of the Corporation's business within the strategic framework set by the Board. It does not seek to be involved in the direct day-to-day functioning of the Corporation.

The Board also looks to management to provide it with the information needed to carry out its mandate. The accuracy, completeness, and timeliness of such information are critical to Board functioning. Directors must have confidence in the data gathering, analysis, and reporting functions of management. The Corporation's Governance and Nominating Committee, in addition to its other functions, monitors the nature of the information provided to, and requested by, the Board to determine if the Board can be more effective in identifying problems and opportunities for the Corporation.

RESPONSE TO SHAREHOLDERS

Management is available to shareholders to respond to questions and concerns on a prompt basis. The Board believes that its communications with shareholders and the avenues available for shareholders and others interested in the Corporation to have their inquiries about the Corporation answered are responsive and effective.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

None of the directors, executive officers, or senior officers was indebted to the Corporation or its subsidiaries during the fiscal period ended December 31, 2009.

INSURANCE FOR DIRECTORS AND OFFICERS

The McGraw-Hill Companies Inc. has for many years had an insurance program in place that provides Directors' and Officers' liability insurance coverage. McGraw-Hill Ryerson Limited participates in this program. The current insurance coverage was purchased for the period May 15, 2009 to May 15, 2010 for a premium of approximately \$2,800,000. This insurance is provided by a consortium of carriers, which includes: National Union Fire Insurance Company of Pittsburgh, PA; Federal Insurance Co.; Great American Insurance Co.; Scottsdale Indemnity Company; AXIS Insurance Company; St. Paul Mercury Insurance Co.; and Arch Insurance Co. This program also includes additional capacity dedicated to providing excess coverage for Directors and certain of our executive officers when the Company cannot indemnify them. The additional capacity is provided by: RLI Insurance Company; Continental Casualty Company; and Carolina Casualty Insurance Company. No sums have been paid under this coverage to The McGraw-Hill Companies, Inc. or the Corporation, or any directors or officers of either company, nor have any claims for reimbursement been made under this policy.

APPOINTMENT OF AUDITORS

The persons named in the enclosed form of proxy intend to vote for the reappointment of Ernst & Young LLP, Chartered Accountants, of Toronto, Ontario, as auditors of the Corporation to hold office until the close of the next annual meeting of shareholders and to authorize the directors to fix their remuneration.

ADDITIONAL INFORMATION

Additional financial information, including the Corporation's comparative financial statements for the financial year ended December 31, 2009 and Management Discussion & Analysis with respect thereto, are available at www.sedar.com and will be included in the 2009 Annual Report of the Corporation to be sent to shareholders. Additional information relating to the Corporation is contained in the Corporation's other public disclosure documents, available at www.sedar.com.

The Corporation will provide to any person, upon request to the Investor Relations Coordinator, a copy of this Management Information Circular, together with a copy of any documents, or the pertinent pages of any document, incorporated by reference herein, a copy of the comparative financial statements of the Company for the year ended December 31, 2009 together with the accompanying report of the auditors and a copy of any interim financial statements of the Corporation subsequent to such financial statements and a copy of the Annual Information Form. If the securities of the Corporation are in the course of a distribution pursuant to a short form prospectus or a preliminary short form prospectus has been filed in respect of a distribution of the Corporation's securities, the Corporation will provide to any person (without charge), upon request to the Secretary of the Corporation, any of the documents referred

to above and a copy of any other document not referred to above that is incorporated by reference into the preliminary short form prospectus or the short form prospectus.

OTHER BUSINESS

Management does not know of any matters to be brought before the meeting other than those set forth in the Notice of Meeting. If, however, other matters are properly brought before the meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented by such proxy in accordance with their best judgement.

CERTIFICATION

The Board of Directors of McGraw-Hill Ryerson Limited has approved the contents and the sending of this Management Information Circular.

A handwritten signature in cursive script, appearing to read "G. Dyer".

Gordon Dyer
Executive Vice President,
Chief Financial Officer and
Secretary-Treasurer
McGraw-Hill Ryerson Limited
Whitby, May 3, 2010

BOARD OF DIRECTORS MANDATE

The principal mandate of the Board of Directors, which is elected by the shareholders, is to act as an advisor and counselor to senior management and to define and enforce standards of accountability – all with a view to enabling senior management to execute their responsibilities fully and in the interests of the shareholders.

In carrying out its mandate, the Board meets regularly and a broad range of matters are discussed and reviewed. The agenda for the meeting and the meeting materials shall be provided to members before each Board meeting in sufficient time to provide adequate opportunity for their review. Following are the Board's primary responsibilities, some of which may be carried out by one or more Committees of the Board:

- Reviewing and approving the Company's strategic plan;
- Monitoring on a quarterly basis the achievement of current year's operating plan;
- Approving audited financial statements, interim financial statements (and notes) and Management's Discussion and Analysis accompanying such statements and all other regulatory filings, including press releases;
- Reviewing and approving proposed dividend payments;
- Overseeing the accurate reporting of the financial performance of the Company to shareholders and regulators on a timely and regular basis;
- Overseeing the processes that are in place to safeguard the Company's assets and mitigate risks;
- Overseeing the Company's pension plan;
- Ensuring that the Board is properly informed, on a timely basis, of all important issues;
- Appointing, evaluating and compensating the President and CEO, and ensuring that a succession plan is in place;
- Nominating directors for election at the Annual General Meeting and establishing Board Committees and defining committee mandates;
- Reviewing and discussing the integrity of the Corporation's internal control systems and disclosure control systems and procedures;
- Establishing and monitoring compliance with the policies and procedures of the Corporation. These include, but are not limited to, communications policy, financial reporting, relationship with shareholders and the Corporation's Code of Business Ethics;
- Reviewing and addressing conflicts of interest between minority and majority shareholders;
- Satisfying itself, to the extent feasible, as to the integrity of the CEO and other executive officers and that they create a culture of integrity throughout the Company.

In performing its oversight function, the Board can rely on the advice and opinions of management, counsel, auditors and outside experts.

The Board shall review and reassess the adequacy of this Mandate at least annually and otherwise as it deems appropriate. The performance of the Board shall be evaluated with reference to this Mandate annually.

The Board shall ensure that this Mandate or a summary of it which has been approved by the Board is disclosed in accordance with all applicable securities laws or regulatory filings.