CORUS ENTERTAINMENT

CORUS ENTERTAINMENT INC.

NOTICE AND MANAGEMENT INFORMATION CIRCULAR

FOR THE ANNUAL MEETING OF SHAREHOLDERS JANUARY 13, 2016

CORUS ENTERTAINMENT INC.

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual Meeting of Shareholders (the "Meeting") of CORUS ENTERTAINMENT INC. (the "Company") will be held at the The Westin Calgary, Bow Valley Room, 320 4th Avenue SW, Calgary, Alberta, T2P 2S6, Canada, on Wednesday, the 13th day of January, 2016, at 2:00 p.m. (Mountain Time) for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Company for its financial year ended August 31, 2015, together with the report of the auditors thereon;
2. to fix the number of directors, within the minimum and maximum number, at 10;
3. to elect directors for the ensuing year;
4. to appoint auditors for the ensuing year and authorize the directors to fix the auditors' remuneration; and
5. to transact such further and other business as may properly be brought before the Meeting and any adjournment(s) or postponement(s) thereof.

A copy of the Management Information Circular accompanies this Notice. Details of all matters proposed to be put before the Meeting are set forth in the accompanying Management Information Circular. Copies of the Company's 2015 Annual Report, which includes its audited consolidated financial statements for the fiscal year ended August 31, 2015, and the Company's current Annual Information Form may be obtained by writing to the Company at the following address: Corus Entertainment Inc., Corus Quay, 25 Dockside Drive, Toronto, Ontario, M5A 0B5, by visiting the Company's page on SEDAR at www.sedar.com, or by visiting the Investor Relations section of the Company's website at www.corusent.com.

Only Class A participating shareholders of record at the close of business on November 24, 2015 will be entitled to vote at the Meeting, except to the extent that a shareholder of record has transferred any shares after that date and the transferee of such shares establishes proper ownership and requests, not later than 10 days before the Meeting, that the transferee's name be included in the list of shareholders entitled to vote at the Meeting.

Class A participating shareholders who do not expect to attend the Meeting in person are requested to complete the accompanying proxy and mail it to CST Trust Company, P.O. Box 721, Agincourt, Ontario, M1S 0A1. A self-addressed envelope is provided for this purpose. Alternatively, shareholders may, with the control number listed on the form of proxy, vote online at www.cstvotemyproxy.com, by telephone at 1-888-489-5760 (toll-free Canada and U.S.) or by smartphone using the QR code provided. The form of proxy must be in the possession of the Company not later than 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or an adjournment or postponement thereof, to be used at the Meeting or an adjournment or postponement thereof. Holders of Class A participating shares of the Company will be entitled to vote separately as a class on any resolution put forward at the Meeting. Holders of Class B non-voting participating shares are entitled to attend and speak at the Meeting, but are not entitled to vote on any matter proposed for consideration.

DATED at Toronto, Ontario, this 11th day of December, 2015.

By Order of the Board of Directors

GARY A. MAAVARA
Secretary

TABLE OF CONTENTS

FORWARD-LOOKING STATEMENTS

To the extent any statements made in this report contain information that is not historical, these statements are forward-looking statements and may be forward-looking information within the meaning of applicable securities laws (collectively, "forward-looking statements"). These forward-looking statements are related to, among other things, our objectives, goals, strategies, intentions, plans, estimates and outlook, including advertising, distribution, merchandising and subscription revenues, operating costs and tariffs, taxes and fees, and can generally be identified by the use of words such as "believe," "anticipate," "expect," "intend," "plan," "will," "may" and other similar expressions. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements. Although Corus believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied in making forward-looking statements, including without limitation, factors and assumptions regarding advertising, distribution, merchandise and subscription revenues, operating costs and tariffs, taxes and fees and actual results may differ materially from those expressed or implied in such statements. Important factors that could cause actual results to differ materially from these expectations include, among other things: our ability to attract and retain advertising revenues; audience acceptance of our television programs and cable networks; our ability to recoup production costs; the availability of tax credits and the existence of co-production treaties; our ability to compete in any of the industries in which we do business; the opportunities (or lack thereof) that may be presented to and pursued by us; conditions in the entertainment, information and communications industries and technological developments therein; changes in laws or regulations or the interpretation or application of those laws and regulations; our ability to integrate and realize anticipated benefits from our acquisitions and to effectively manage our growth; our ability to successfully defend ourselves against litigation matters arising out of the ordinary course of business; and changes in accounting standards. Additional information about these factors and about the material assumptions underlying such forward-looking statements may be found in our Annual Information Form. Corus cautions that the foregoing list of important factors that may affect future results is not exhaustive. When relying on our forward-looking statements to make decisions with respect to Corus, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Unless otherwise required by applicable securities laws, we disclaim any intention or obligation to publicly update or revise any forward-looking statements whether as a result of new information, events or circumstances that arise after the date thereof or otherwise.

CURRENCY

Corus Entertainment Inc. reports in Canadian dollars. Unless otherwise specified, all amounts contained within this Management Information Circular are reported in Canadian dollars.

CORUS ENTERTAINMENT INC.

ANNUAL MEETING OF SHAREHOLDERS
JANUARY 13, 2016

MANAGEMENT INFORMATION CIRCULAR

VOTING

PROXY SOLICITATION

This Management Information Circular (the "Circular") is furnished in connection with the solicitation of proxies by or on behalf of management of CORUS ENTERTAINMENT INC. (the "Company" or "Corus") for use at the Annual Meeting (the "Meeting") of Shareholders of the Company to be held at 2:00 p.m. (Mountain Time) on Wednesday, January 13, 2016, at the The Westin Calgary, Bow Valley Room, 320 4th Avenue SW, Calgary, Alberta, T2P 2S6, or any postponement(s) or adjournment(s) thereof, for the purposes set forth in the accompanying Notice of Meeting. Except as otherwise stated, the information contained herein is given as of November 24, 2015. This solicitation is made by management of the Company.

The solicitation will be primarily by mail, but proxies may also be solicited personally by regular employees of the Company, for which no additional compensation will be paid. The cost of preparing, assembling and mailing this Circular, the Notice of Meeting, the form of proxy and any other material relating to the Meeting, has been or will be borne by the Company.

Distribution to NOBOs

The Company is taking advantage of provisions of NI 54-101 that permit it to deliver proxy-related materials directly to you as a non-objecting beneficial owner ("NOBO"). This Management Information Circular with related materials is being sent to both registered and non-registered owners of Shares of the Company. If you are a non-registered owner and the Company or its agent has sent these materials directly to you, your name, address and information about your Shares have been obtained according to applicable securities regulatory requirements from the intermediary that holds your Shares on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary) has assumed responsibility for:

(i) delivering these materials to you; and

(ii) completing your proper voting instructions.

Please return your voting instructions as specified in the request for the Voting Instruction Form ("VIF") enclosed with the mailing to you as a NOBO.

Distribution to OBOs

The Company will have caused CST Trust Company to deliver copies of its proxy- related Meeting materials to clearing agencies and other intermediaries for onward distributions to objecting beneficial owners ("OBOs"). These intermediaries are required to forward the materials to OBOs unless that OBO has waived its right to receive them. Generally, those OBOs that have not waived the right to receive proxy-related Meeting materials will either:

(i) be given a form of proxy that has already been signed by the intermediary as the Registered Shareholder (usually by a stamped fax signature) that is restricted as to the number of Shares owned by that OBO but is otherwise not completed. This form of proxy does not have to be signed by you (as an OBO) but is used to instruct the intermediary on how to vote the Shares. You should properly complete the form of proxy and deposit it with CST Trust Company as described in this Management Information Circular; **OR**

(ii) more typically, be given a voting registration form that has not been signed by the intermediary but must be properly completed and signed by the OBO and then returned to the intermediary. In Canada, most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("Broadridge"). Broadridge typically mails a scanable VIF instead of the form of proxy. The VIF will name the same persons as the Company's proxy to represent the OBOs' Shares at the Meeting. As an OBO, you have the right to appoint a person (who does not have to be a Beneficial Shareholder) other than the person designated in the VIF to represent your Shares. The person that you appoint as a proxy may be yourself. To exercise this right, you should insert the name of the designated representative (which could be yourself) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile. Alternatively, you can follow specific telephone or other voting procedures to vote the Shares held by you as an OBO. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting.

APPOINTMENT OF PROXIES

The persons named in the enclosed form of proxy are officers of the Company and will represent management of the Company at the Meeting. A shareholder desiring to appoint some other person to represent him or her at the Meeting may do so either by inserting the name of such other person, who need not be a shareholder, in the space provided in the form of proxy and striking out the names of the specified persons, or by completing another form of proxy. In either case, the shareholder must deliver or send the form of proxy to: Proxy Department, CST Trust Company, P.O. Box 721, Agincourt, Ontario, M1S 0A1. Alternatively, shareholders may, with the control number listed on the form of proxy, vote online at www.cstvotemyproxy.com, by telephone at 1-888-489-5760 (toll-free Canada and U.S.) or by smartphone using the QR code provided. The form of proxy must be received not later than 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or an adjournment or postponement thereof, but prior to the use of the proxy at the Meeting or an adjournment or postponement thereof.

REVOCATION OF PROXIES

A shareholder who has submitted a proxy may revoke it at any time insofar as it has not been exercised. A proxy may be revoked, as to any matter on which a vote shall not already have been cast pursuant to the authority conferred by such proxy, by instrument in writing executed by the shareholder or by his or her attorney duly authorized in writing or, if the shareholder is a company, by an officer or attorney thereof duly authorized in writing and deposited with the Company, as the case may be, at any time up to and including the last business day preceding the date of the Meeting or with the Chair of the Meeting on the date of the Meeting prior to the commencement of the Meeting and upon either of such deposits the proxy is revoked. A proxy may also be revoked if a shareholder personally attends the Meeting and votes his or her shares, or in any other manner permitted by law.

VOTING OF PROXY

The management representatives designated in the enclosed form of proxy will vote or withhold from voting the shares in respect of which they are appointed by proxy on any ballot that may be called for in accordance with the instructions of the shareholder as indicated on the proxy 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 directions, it is intended that such shares will be voted FOR the adoption of all resolutions referred to in the Notice of Meeting, including the fixing of the number of directors at 10, the election of directors, the appointment of auditors and the authorization of the directors to fix the remuneration of such auditors.**

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Circular, management of the Company 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. If any such amendment, variation or other matter which is not now known should properly come before the Meeting, then the persons named in the form of proxy will vote on such matters in accordance with their best judgment with respect to the shares represented by such proxy.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

Only the holders of Class A participating shares ("Class A Voting Shares") of the Company of record at the close of business on November 24, 2015, the record date fixed by the directors of the Company, will be entitled to vote on all matters at the Meeting. Each holder of Class A Voting Shares is entitled to one vote for each such share held. As at November 24, 2015, there were 3,425,792 Class A Voting Shares and 83,952,854 Class B non-voting participating shares ("Class B Non-Voting Shares") outstanding. The Class B Non-Voting Shares are publicly traded on the Toronto Stock Exchange (the "TSX") under the symbol CJR.B.

Voting control of the Company is held by the Shaw Family Living Trust ("SFLT"). The sole trustee of SFLT is a private company owned by JR Shaw and having a board comprised of seven directors, including as at November 24, 2015, JR Shaw as chair and five other members of his family. Entities owned by SFLT hold 2,885,530 Class A Voting Shares, representing approximately 84% of the outstanding Class A Voting Shares, for the benefit of descendants of JR and Carol Shaw. JR Shaw controls these shares and controls 4,500 additional Class A Voting Shares. The only other person or company, to the knowledge of the Company, its directors or officers, who owns beneficially, directly or indirectly, or exercises control or direction over in excess of 10% of any class of the voting securities of the Company is Cathton Investments Ltd., a company controlled by Catherine Roozen, a director of Corus. Cathton Investments Ltd. holds 343,332 Class A Voting Shares, representing approximately 10% of the outstanding Class A Voting Shares.

The Company has been advised that all of such Class A Voting Shares will be voted FOR the adoption of all the resolutions referred to in the Notice of Meeting, including the fixing of the number of directors at 10, the election of directors, the appointment of Auditors and the authorization of the directors to fix such auditors' remuneration.

RESTRICTIVE SHARES

Holders of Class B Non-Voting Shares are not entitled to vote at meetings of shareholders of the Company except as provided by law and will not be entitled to vote on any matter at the Meeting. In certain circumstances (an Exclusionary Offer as detailed in the Company's most recently filed Annual Information Form), if a takeover bid is made for the Class A Voting Shares of the Company, exclusive of the Class B Non-Voting Shares, a holder of Class B Non-Voting Shares may, at his or her option, and only for the purpose of such takeover bid, convert any or all Class B Non-Voting Shares then held by such holder into Class A Voting Shares on the basis of one Class A Voting Share for each Class B Non-Voting Share so converted during a specified period of time. Under the Company's Articles of Incorporation, the Company is required to give notice of the occurrence of an event entitling the holders of Class B Non-Voting Shares to exercise such conversion right not later than 14 days prior to the expiry of the period relating to such event.

FINANCIAL STATEMENTS

The audited Consolidated Financial Statements for the year ended August 31, 2015, are included in the Annual Report, which may be obtained by writing to the Company at the following address: Corus Entertainment Inc., Corus Quay, 25 Dockside Drive, Toronto, Ontario, M5A 0B5, or by visiting the Investor Relations section of the Company's website at www.corusent.com.

NUMBER OF DIRECTORS

The Articles of Incorporation of the Company provide for a minimum of 3 and a maximum of 15 directors. It is proposed that the number of directors to be elected at the Meeting be fixed at 10. **Management recommends voting in favour of the fixing of the number of directors at 10. Unless specified in a form of proxy that the Class A Voting Shares represented by the proxy shall be voted otherwise, the management representatives designated in the enclosed form of proxy intend to vote FOR the fixing of the number of directors at 10.**

ELECTION OF DIRECTORS

Proposed Nominees

The following are the nominees proposed for election as directors of the Company to hold office until the next Annual Meeting of Shareholders or until their successors are elected or appointed. **Management recommends voting in favour of each nominee. The Shareholders will elect each nominee separately based on a majority of votes cast at such Annual Meeting of Shareholders. Unless specified in a form of proxy that the Class A Voting Shares represented by the proxy shall be voted otherwise, the management representatives designated in the enclosed form of proxy intend to vote FOR the election as directors the proposed nominees whose names are set out below.**

The term of office for each person will be until the next Annual Meeting or until his or her successor is elected or appointed. In the event that, prior to the Meeting, any of the nominees listed below decline, or are unable to stand for election as directors, it is intended that discretionary authority shall be exercised to vote the proxy hereby solicited (unless otherwise directed as aforesaid) for the election of any other person or persons as directors. Management is not now aware that any of such nominees would be unwilling or unable to serve as a director if elected.

Table 1 reflects the profiles of the Director Nominees and outlines their securities personally held in the Company for the fiscal years ended August 31, 2015 and 2014, including Class A Voting Shares, Class B Non-Voting Shares and Director's Deferred Share Units ("DSUs").

Table 1 — Director Nominees

Fernand Bélisle, BA
Breckenridge, Quebec

Director Since: January, 2009

Age: 70

Independent

Mr. Bélisle is a consultant to Canadian broadcast companies. Mr. Bélisle served as Vice Chair (Broadcasting) of the Canadian Radio-television and Telecommunications Commission (CRTC). This followed a series of senior positions at the CRTC and the Department of Communications which is now known as the Department of Canadian Heritage. Mr. Bélisle's business career has included positions with Télémedia Communications Ltd. and in audit and tax specialist roles at Coopers & Lybrand. Mr. Bélisle previously served as a Director of Corus Entertainment Inc. from December, 2003 to February, 2005.

Corporate Directorships

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Board/Committee Memberships	Fiscal 2015 Attendance	
Board of Directors	6 of 6	100%
Audit Committee (to Jan. 13, 2015)	2 of 2	100%
Human Resources and Compensation Committee (from Jan. 13, 2015)	2 of 2	100%

Securities Held

Fiscal Year	Class A Voting Shares (#)	Class B Non-Voting Shares (#)	DSUs (#)	Total Shares, DSUs (#)	Total Shares, DSUs[1] ($)	Meets Share Ownership Guidelines
2015	—	9,007	22,509	31,516	450,364	Yes
2014	—	8,516	16,306	24,822	606,898	Yes

John Frascotti, BA, J.D.
Needham, MA

Director Since: New Nominee

Age: 54

Independent

Mr. Frascotti is President, Hasbro Brands at Hasbro, Inc., a global branded play company. He previously held the position of Executive Vice President and Chief Marketing Officer of Hasbro from 2008 to 2014. Mr. Frascotti serves on the boards of Discovery Family Channel, a joint venture between Hasbro and Discovery Communications, and Backflip Studios, a digital gaming company 70% owned by Hasbro. He is also Chair of Hasbro's IP Security Committee and serves on Hasbro's Global Information Systems Steering Committee, as well as the board of SeriousFun Children's Network. Mr. Frascotti received a Bachelor of Arts (Economics) from Yale, where he graduated Phi Beta Kappa and Summa Cum Laude, and a law degree from Harvard.

Corporate Directorships

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Board/Committee Memberships	Fiscal 2015 Attendance	
New Nominee	n/a	n/a

Securities Held

Fiscal Year	Class A Voting Shares (#)	Class B Non-Voting Shares (#)	DSUs (#)	Total Shares, DSUs (#)	Total Shares, DSUs[1] ($)	Meets Share Ownership Guidelines
n/a	n/a	n/a	n/a	n/a	n/a	n/a

Mark Hollinger, J.D.
Washington, DC

Director Since: July, 2014

Age: 56

Independent

Mr. Hollinger recently retired from Discovery Communications after a 24-year career at the company. During his tenure at Discovery, he served as the President and CEO of Discovery Networks International, Chief Operating Officer, General Counsel and head of international business development. Mr. Hollinger continues to serve on the board of the Discovery Learning Alliance, a non-profit focused on media-based educational opportunities in developing countries. Prior to joining Discovery, Mr. Hollinger practiced entertainment law at the New York law firm Paul, Weiss, Rifkind, Wharton & Garrison. Mr. Hollinger is a graduate of Colgate University and obtained his law degree from the Yale Law School.

Corporate Directorships

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Board/Committee Memberships	**Fiscal 2015 Attendance**	
Board of Directors	6 of 6	100%
Corporate Governance Committee (from Jan. 13, 2015)	2 of 2	100%

Securities Held

Fiscal Year	Class A Voting Shares (#)	Class B Non-Voting Shares (#)	DSUs (#)	Total Shares, DSUs (#)	Total Shares, DSUs[1] ($)	Meets Share Ownership Guidelines
2015	—	6,245	—	6,245	89,241	Yes
2014	—	6,245	—	6,245	152,690	Yes

Barry L. James, B. Comm, FCPA, FCA, ICD.D
Edmonton, Alberta

Director Since: January, 2014

Age: 57

Independent

Mr. James is President of Barry L. James Advisory Services Ltd., a private consulting firm. Mr. James was a partner of PricewaterhouseCoopers and retired after 36 years with the firm. He became a partner in the tax practice in 1989 and subsequently became a partner in the audit group. Mr. James was Office Managing Partner in Edmonton for 10 years, from 2001 to 2011. Currently, Mr. James is a Senator and Board member of the University of Alberta, a Board member of ATB Financial and AutoCanada Inc., a Trustee of the University Hospital Foundation and Acting Chair of the Provincial Audit Committee of the Government of Alberta.

Corporate Directorships

ATB Financial
AutoCanada Inc.

Board/Committee Memberships	**Fiscal 2015 Attendance**	
Board of Directors	6 of 6	100%
Audit Committee (Chair effective July, 2015)	4 of 4	100%

Securities Held

Fiscal Year	Class A Voting Shares (#)	Class B Non-Voting Shares (#)	DSUs (#)	Total Shares, DSUs (#)	Total Shares, DSUs[1] ($)	Meets Share Ownership Guidelines
2015	—	5,555	—	5,555	79,381	On track to meet within 3 years
2014	—	3,055	—	3,055	74,695	On track to meet within 3 years

Wendy A. Leaney, BA (Hon)
Toronto, Ontario

Director Since: July, 2000

Age: 68

Independent

Ms. Leaney is President of Wyoming Associates Ltd., a private investment and consulting firm based in Toronto. Prior to that, Ms. Leaney was Managing Director and Co-Head Global Communications Finance for TD Securities Inc. She holds a Bachelor of Arts (Hon.) degree from the University of Toronto and is a graduate of the Advanced Management Course at the University of Western Ontario. Ms. Leaney is also a graduate of the Canadian Securities Course and a Fellow of the Institute of Canadian Bankers.

Corporate Directorships

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Board/Committee Memberships	**Fiscal 2015 Attendance**	
Board of Directors	6 of 6	100%
Audit Committee	4 of 4	100%

Securities Held

Fiscal Year	**Class A Voting Shares (#)**	**Class B Non-Voting Shares (#)**	**DSUs (#)**	**Total Shares, DSUs (#)**	**Total Shares, DSUs[1] ($)**	**Meets Share Ownership Guidelines**
2015	—	14,000	8,607	22,607	323,054	Yes
2014	—	14,000	6,452	20,452	500,051	Yes

Doug Murphy, HBA, MBA (with Distinction)
Toronto, Ontario

Director Since: April, 2015

Age: 52

Non-Independent

Mr. Murphy is President and CEO of Corus Entertainment Inc. He joined Corus in 2003 and has held numerous senior management positions at the company, most recently serving as Executive Vice President and Chief Operating Officer. Before joining Corus, Mr. Murphy spent ten years with the Walt Disney Company in a variety of senior executive positions in Canada, the United States and Japan. Mr. Murphy serves as a Director on the boards of Danier Leather Inc. and Woodbine Entertainment Group and is a member of the Canadian Council of Chief Executives. He holds an MBA (with Distinction) from the Harvard Business School and an HBA from the Ivey Business School, University of Western Ontario.

Corporate Directorships

Danier Leather Inc.
Woodbine Entertainment Group

Board/Committee Memberships	**Fiscal 2015 Attendance**	
Board of Directors (as of April 2015)	2 of 2	100%
Executive Committee (as of April 2015)	n/a	n/a

Securities Held

Fiscal Year	**Class A Voting Shares (#)**	**Class B Non-Voting Shares (#)**	**DSUs[2][3] (#)**	**Total Shares, DSUs (#)**	**Total Shares, DSUs[1] ($)**	**Meets Share Ownership Guidelines**
2015	2,000	29,628	152,786	184,414	2,635,276	On track to meet within 3 years
2014	2,000	27,496	127,874	157,370	3,847,697	Yes

Catherine Roozen, BComm, LL.D. (hon)
Edmonton, Alberta

Director Since: June, 2011

Age: 59

Independent

Mrs. Roozen worked with the North West Trust Company until 1981 in the area of Branch Operations and as Vice-President, Investments, following graduation in 1977 from the University of Alberta with a Bachelor of Commerce degree. In 1981, Mrs. Roozen joined Cathton Holdings Ltd., a private investment company with interests in banking, broadcasting, ranching and real estate development. Currently, Mrs. Roozen is a Director and Secretary of the Allard Foundation Ltd., Chair and Director of Cathton Investments Ltd., Director of Epcor Utilities Inc. and Director of Melcor Developments Ltd. Mrs. Roozen previously served as a Director of Corus Entertainment Inc. from July, 2001 to January, 2010.

Corporate Directorships

Cathton Investments Ltd.
Epcor Utilities Inc.
Melcor Developments Ltd.

Board/Committee Memberships	**Fiscal 2015 Attendance**	
Board of Directors	6 of 6	100%
Human Resources and Compensation Committee	4 of 4	100%

Securities Held

Fiscal Year	Class A Voting Shares (#)	Class B Non-Voting Shares (#)	DSUs (#)	Total Shares, DSUs (#)	Total Shares, DSUs[1] ($)	Meets Share Ownership Guidelines
2015	343,332	372,734	17,683	733,749	10,485,273	Yes
2014	343,332	377,834	11,766	732,932	17,920,187	Yes

Terrance Royer, BASc, MBA, ICD.D, LL.D. (hon)
Calgary, Alberta

Director Since: September, 1999

Age: 67

Independent

Mr. Royer is Chairman of Royco Hotels Ltd., a hotel management company. Mr. Royer retired as Executive Vice-Chairman of the Calgary-based Royal Host REIT in December 2005. He is also retired President, CEO and founder of Royal Host Corp., a hotel and resort ownership, franchising and management company. Mr. Royer serves on the Board of Revera Inc. and served on the Board of Royal Host REIT from January 1998 to June 2006. Mr. Royer is Chairman Emeritus of the University of Lethbridge (Chairman from January 2001 to July 2006) and Chairman of the Alberta “Access to the Future Fund” for post-secondary institutions in Alberta.

Corporate Directorships

Royco Hotels Ltd.
Revera Inc.

Board/Committee Memberships	**Fiscal 2015 Attendance**	
Board of Directors (Independent Lead Director)	6 of 6	100%
Corporate Governance Committee (to Jan. 13, 2015)	2 of 2	100%
Executive Committee	n/a	n/a
Human Resources and Compensation Committee (Chair)	4 of 4	100%

Securities Held

Fiscal Year	Class A Voting Shares (#)	Class B Non-Voting Shares (#)	DSUs (#)	Total Shares, DSUs (#)	Total Shares, DSUs[1] ($)	Meets Share Ownership Guidelines
2015	—	11,432	62,268	73,700	1,053,173	Yes
2014	—	11,432	52,396	63,828	1,560,595	Yes

Heather A. Shaw, BComm, MBA
Calgary, Alberta

Director Since: September, 1999

Age: 56

Non-Independent

Ms. Shaw is the Executive Chair of Corus Entertainment Inc., and has held the position since its inception in September 1999. Ms. Shaw is a past Director of Shawcor Ltd. and Shaw Communications Inc. Ms. Shaw holds a Bachelor of Commerce degree from the University of Alberta and an MBA from the Richard Ivey School of Business at the University of Western Ontario.

Corporate Directorships

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Board/Committee Memberships	**Fiscal 2015 Attendance**	
Board of Directors (Chair)	6 of 6	100%
Executive Committee (Chair)	n/a	n/a

Securities Held

Fiscal Year	Class A Voting Shares (#)	Class B Non-Voting Shares (#)	DSUs[2] (#)	Total Shares, DSUs (#)	Total Shares, DSUs[1] ($)	Meets Share Ownership Guidelines
2015	4,000[4]	2,184,326[5]	187,123	2,375,449	33,945,166	Yes
2014	725,500	1,948,027	156,906	2,830,433	69,204,087	Yes

Julie M. Shaw, BSD, ICD.D
Calgary, Alberta

Director Since: September, 1999

Age: 54

Non-Independent

Ms. Shaw is the Vice Chair of Corus Entertainment Inc., and has held the position since April 2008. Ms. Shaw is the Vice President, Facilities, Design and Management, Shaw Communications Inc. ("Shaw") and has been employed at Shaw since 1986. Ms. Shaw is a graduate of the Institute of Corporate Directors and holds a Bachelor of Design Science degree from Arizona State University. Ms. Shaw is a Director and Secretary of Shaw Family Foundation, also sitting on its Investment Committee. Shaw Family Foundation is a philanthropic organization founded in 1970. Ms. Shaw is the founder and Managing Director of The SA Foundation, a Calgary-based philanthropic organization.

Corporate Directorships

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Board/Committee Memberships	**Fiscal 2015 Attendance**	
Board of Directors (Vice-Chair)	6 of 6	100%
Corporate Governance Committee	4 of 4	100%

Securities Held

Fiscal Year	Class A Voting Shares (#)	Class B Non-Voting Shares (#)	DSUs (#)	Total Shares, DSUs (#)	Total Shares, DSUs[1] ($)	Meets Share Ownership Guidelines
2015	4,800[4]	1,386,352[5]	8,067	1,399,219	19,994,840	Yes
2014	725,500	999,700	6,109	1,731,309	42,330,505	Yes

(1) The total value of the Shares and DSUs held in fiscal 2015 is based on the TSX closing share price of $14.29 as at August 31, 2015 and, in fiscal 2014, is based on the TSX closing share price of $24.45 as at August 31, 2014.

(2) Includes Senior Management DSUs held by Mr. Murphy and Ms. H. Shaw as NEOs under the Company's Long-Term Incentive Plan and Mr. Murphy's special DSU grants from fiscals 2011 and 2010.

(3) Includes Directors' DSUs held by Mr. Murphy as a result of the allocation of a portion of the NEO's annual Short-Term Incentives paid in fiscal 2008 to the Directors' DSU Plan as permitted under the terms of the Plan.

(4) JR Shaw is the father of Ms. H. Shaw and Ms. J. Shaw. The entity holding 2,885,530 Class A Voting Shares (representing approximately 84% of the outstanding Class A Voting Shares) that was owned by Ms. H. Shaw, Ms. J. Shaw and other members of the

Shaw family became a wholly-owned subsidiary of the Shaw Family Living Trust ("SFLT") on November 6, 2015. The sole trustee of SFLT is a private company owned by JR Shaw and having a board comprised of seven directors, including as at November 24, 2015, JR Shaw as chair and five other members of his family. SFLT holds these shares for the benefit of descendants of JR and Carol Shaw. JR Shaw controls these shares and controls 4,500 additional Class A Voting Shares. See "*Voting Shares and Principal Holders Thereof*".

(5) The entity holding Class B Non-Voting Shares that was owned by Ms. H. Shaw, Ms. J. Shaw and other members of the Shaw family became a wholly-owned subsidiary of SFLT on November 6, 2015. As this transaction was not yet complete as at August 31, 2015, Class B Non-Voting Shares held by Ms. H. Shaw and Ms. J. Shaw are represented in the share ownership table as at the record date of November 24, 2015 to more accurately reflect their current level of ownership.

DIRECTOR NOMINEES — SKILLS AND EXPERIENCE MATRIX

The Company maintains a skills matrix for its Directors, with the goal of ensuring that key areas of expertise are represented on its Board, both for current and future members. The current composition of skills and experience for the Company's nominated directors is as follows:

Board of Directors: Skills and Experience Matrix	Number of Directors with Experience (out of 10)
Enterprise Management — experience as a President or CEO leading an organization.	8
Business Development / M&A / Strategic Planning — management or executive experience with responsibility for identifying value creation opportunities.	8
Financial Literacy — ability to critically read and analyze financial statements.	10
Financial Expertise — executive experience in finance or accounting, or professional certification in accounting, or other comparable experience that results in financial sophistication.	6
Corporate Governance — understanding of the requirements of good corporate governance, usually gained through experience as a senior executive officer or a board member of a public organization.	10
Change Management — experience leading a major organizational change or managing a significant merger.	6
Operations — management or executive experience with IT, entertainment or media companies.	7
Health, Safety & Environment Management — understanding of the regulatory environment surrounding workplace health, safety, environment and social responsibility.	3
Global Experience — management or executive experience in a multi-national organization, providing an understanding of the challenges faced in a different cultural, political or regulatory environment.	5
Human Resources — management or executive experience with responsibility for human resources and compensation.	7
Risk Evaluation — management or executive experience in evaluating and managing the variety of risks faced by an organization.	7
Legal and Regulatory — direct experience in the regulatory environment, for example, with CRTC, OSC, SEC or other such regulated environments which require an understanding of public administration regulation and policy. Member of a provincial or state bar.	5
Sales and Marketing — senior executive experience in the advertising or marketing sector.	4

COMMITMENT TO DIVERSITY

The Company has a strong track record of providing a diverse and inclusive work environment, both at the Board level and throughout the organization. This is reflective of a standing commitment to engage highly qualified candidates with a diverse set of skills, experience and expertise which are relevant to the Company's operations, ensuring there is strong stewardship in the development and achievement of long-term goals and strategies. The Company has several policies in place and senior executives responsible for ensuring that these policies are applied uniformly across the organization.

The Company's broadcasting assets in radio and television are federally regulated by statute and by related policies governing on air depiction and employment diversity. As part of its compliance with these, the Company files annual reports which describe its corporate performance and that of its television and radio segments.

Board Diversity

The Corporate Governance Committee has the mandate to recommend new candidates for the Board and conducts an annual review of the composition, size, structure and expertise required by the Board and its Committees, taking into consideration age, racial and cultural backgrounds, geography and gender. In identifying candidates for election or appointment to the Board, the Corporate Governance Committee follows its policies, recognizes the benefits of diversity and carefully considers all aspects of the candidates' qualifications to ensure the needs of the Board and its Committees are fulfilled. The candidates must demonstrate noteworthy accomplishments in their business or professional careers, and significant experience and ability in those areas of business expertise identified by the Corporate Governance Committee as required to meet the objectives of its diverse Board skills matrix. The Board does not have a formal policy or targets in place for the specific identification and nomination of women directors, as the processes that are currently in place have successfully encouraged strong historical representation of women on the Company's Board. The Executive Chair and Vice Chair of the Board are both women, contributing to a 36% representation of women on the current Board, or 4 of the 11 directors in fiscal 2015. In fact, the Board has operated with representation as high as 50% women in prior years.

The Board has not adopted formal term limits for Board members as the Company is family controlled, but aims to ensure that there is an appropriate balance of longer-term, experienced directors who have in-depth knowledge of the business and newer directors who can bring fresh ideas and perspectives to the stewardship of the Company. The Board believes that this philosophy is more effective than term limits as it ensures there is continuity from strong long-term contributors while at the same time providing a mechanism for Board renewal. For fiscal 2016, the term length of the director nominees represents a strong mix of tenure and experience:

Three directors have served on the Board for one to three years;

Two directors have served on the Board for four to seven years; and

Four directors have served on the Board for more than seven years.

One new director has been nominated for election at the January 2016 Annual Meeting as outlined in Table 1 "*Director Nominees*".

The Corporate Governance Committee assesses the need for new directors during its annual review and may retain any such external director recruitment firm it deems appropriate to assist in fulfilling its objectives. Candidates undergo a rigorous interview process with the Executive Chair, the Chair of the Corporate Governance Committee and other stakeholders to ensure that only the most qualified candidate that can fulfil the Board's needs is engaged.

Management Diversity

The Company is federally regulated and has a comprehensive program in place to promote diversity at the executive officer level, including the representation of women. This program is grounded in the Company's policies such as the Respect in the Workplace Policy; the Code of Business Conduct; and the Diversity and Inclusiveness Policy. As this program has been highly successful in encouraging diversity in the workforce, particularly with respect to the development and recruitment of strong women employees for executive officer positions, the Company has not adopted a formal target in this regard. As at August 31, 2015, 4 of 12 of the Executive Leadership Team are women, as is the Executive Chair, for a total of 38% women at the executive level. At the senior management level, 40.4% of these employees are women. Initiatives in place to promote diversity within the Company and the advancement of women, both internally and externally, are as follows:

- The Company has implemented a rigorous annual succession planning process at all levels of the organization, with emphasis on the most senior levels and a focus on diversity, which identifies high potential candidates and their development needs. This ensures that there is a strong pool of internal candidates with on-going opportunities for career growth. The key metrics which are monitored include the number of women in senior level roles and in the high-development pipeline.

- Recruitment practices require a diverse slate of candidates, including women.
- The Company is committed to the career progression of women of all cultures and backgrounds through its support of the Corus Entertainment Chair in "Women in Management" at the Richard Ivey School of Business at the University of Western Ontario.
- The Company developed a "Corus Women's Leadership Network", an internal program aimed at creating networking and development opportunities for all female employees.
- The Company funds bursaries for five senior leaders to attend the Women in Film and Television Convergent Media Program, an in-depth training opportunity.
- The Company has in place leadership programs which provide high potential leaders, including women at various career stages, with access to top caliber business school faculty members. In fiscal 2015, the Company had in place an "Accelerator" program and has previously offered a "President's Council" program.
- The Company maintains an ongoing Job Evaluation Program which illustrates Corus' commitment to the principle of equal pay for work of equal value.

The Company has been recognized, for seven consecutive years, as one of Canada's Best Diversity Employers, a testament to its strong track record in this area.

SHARE OWNERSHIP GUIDELINE

Directors are required to meet the Company's share ownership threshold, to be attained within three years of the date of their appointment as a Director, equal in value to three times the annual Directors' retainer. The first share ownership threshold value is to be calculated at the higher of the current share price or the cost base of the Company's shares. The share ownership threshold is to be retained thereafter during such Director's term and may be revised by a change in the amount of the annual Director's retainer. In the event that the retainer is increased so that the threshold is not met, the Director is to acquire additional shares within one year.

Information as to shares beneficially owned by each proposed nominee or over which each proposed nominee exercises control or direction, directly or indirectly, not being within the Company's knowledge, has been furnished by the respective proposed nominees individually.

INTERLOCKING DIRECTORSHIPS

As at November 24, 2015, no directors served together on the board of directors of other publicly traded companies.

CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

To the knowledge of the Company and based upon information furnished to it by the proposed nominees for election to the Board of Directors, no such nominee is or has been, during the 10 years ended November 24, 2015, a director or executive officer of any issuer which, while that person was acting in that capacity or within a year of ceasing to act in that capacity, became bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

To the knowledge of the Company and based upon information furnished to it by the proposed nominees for election to the Board of Directors, no such nominee is or has been, during the 10 years ended November 24, 2015, a director, Chief Executive Officer "CEO" or Chief Financial Officer "CFO" of any issuer that was subject to a cease trade order, or an order similar to a cease trade order, or an order that denied the relevant company access to exemption under securities legislation, and that was in effect for a period of more than 30 consecutive days, that was issued while that director was acting in such capacity, or that was issued after the director ceased to be acting in such capacity and which resulted from an event which occurred while the director was acting in such capacity.

APPOINTMENT AND REMUNERATION OF AUDITORS

Management proposes to nominate Ernst & Young LLP, Chartered Accountants, the present auditors, as the auditors of the Company to hold office until the close of the next Annual Meeting of Shareholders. Ernst & Young LLP have been the auditors of the Company since its inception and no portion of their annual fees are for consulting services. **It is intended that on any ballot that may be called for relating to the appointment of auditors, the Class A Voting Shares represented by proxies in favour of management nominees will be voted FOR the appointment of Ernst & Young LLP as auditors of the Company to hold office until the next Annual Meeting of Shareholders, unless authority to do so is withheld.**

Information on the Company's auditors can also be found in the "*Audit Committee*" section of the Company's most recently filed Annual Information Form (AIF).

PRINCIPAL ACCOUNTING FEES AND SERVICES — INDEPENDENT AUDITORS

Fees payable to the Registrant's independent auditor, Ernst &Young LLP, for the years ended August 31, 2015 and 2014 totaled $1,679,500 and $1,834,000, respectively, as detailed in the following table. All funds are in Canadian dollars:

	Year Ended August 31, 2015	Year Ended August 31, 2014
Audit Fees	$1,414,000	$1,303,000
Audit-Related Fees	$ 0	$ 459,000
Tax Fees	$ 155,500	$ 57,000
All Other Fees	$ 110,000	$ 15,000
Total	**$1,679,500**	**$1,834,000**

The nature of the services provided by Ernst & Young LLP under each of the categories indicated in the table is described below.

Audit Fees

Audit fees were for professional services rendered by Ernst & Young LLP for the audit of the Company's annual financial statements and services provided in connection with statutory and regulatory filings or engagements.

Audit-Related Fees

Audit-related fees were for assurance and related services reasonably related to the performance of the audit of the consolidated financial statements and are not reported under "Audit Fees" above. These services consisted of employee benefit plan audits, assistance with adoption of International Financial Reporting Standards (IFRS), non-statutory audits of wholly owned subsidiaries, fees in relation to the prospectus and system conversion audits.

Tax Fees

Tax fees were for tax compliance, tax advice and tax-planning professional services. These services consisted of tax planning and advisory services relating to common forms of domestic and international taxation as well as assistance with various tax audit matters.

All Other Fees

Fees disclosed in the table on this page under the item "all other fees" represent products and services other than the audit fees, audit-related fees and tax fees described above.

The Company's Audit Committee has implemented a policy restricting the services that may be provided by the auditors and the fees paid to the auditors. Prior to the engagement of the auditors, the Audit Committee pre-approves the provision of the service. In making their determination regarding non-audit services, the Audit Committee considers the compliance with the policy and the provision of non-audit services in the context of avoiding impact on auditor independence. Each quarter, the Audit Committee reviews the non-audit services performed by the auditors on a year-to-date basis, and any proposed assignments pre-approval, if appropriate.

Auditor Assessment

Each year the Audit Committee performs an assessment of the performance of Ernst & Young LLP as part of their reappointment recommendation. In assessing their performance, the Committee is focused on three key areas:

- Independence, objectivity and professional skepticism
- Quality of the engagement team
- Quality of communication and interaction with the external auditors

The assessment process includes interviews with all Audit Committee members and senior management of the Company, to ensure that service quality levels and areas of audit focus meet with the expectations of the Audit Committee.

In addition, the Audit Committee meets quarterly with the external and internal auditors and Management to ensure that appropriate audit quality and timeliness of reporting is maintained on a consistent basis.

As a result of this assessment process, the Audit Committee recommends the reappointment of Ernst & Young LLP as the auditors of the Company.

SHAREHOLDER PROPOSALS

There were no proposals brought forward by shareholders of Corus Entertainment Inc. for consideration at the 2015 Annual Meeting of Shareholders.

DIRECTOR COMPENSATION

The Corporate Governance Committee (the "CG Committee") is responsible for reviewing and recommending the level of non-executive director compensation to the Board for approval, generally on a biennial basis.

The CG Committee ensures director remuneration is reflective of the responsibilities and time commitment required, competitive with the Company's peer group, and sufficient to attract and retain qualified directors. The CG Committee reviews publicly disclosed compensation and general trends, as well as average director compensation of corporations with similar market capitalization from third party compensation surveys, but does not use a specific benchmark as a guideline.

In fiscal 2015, the CG Committee did not conduct a review of director's compensation, as this is typically completed on a biennial basis. The current fee structure was implemented in fiscal 2014 following a comprehensive benchmarking peer group analysis which was considered by the CG Committee, taking into account general trends from third party compensation surveys and such other criteria as it deemed appropriate. The peer group was comprised of Aimia Inc., Astral Media Inc., Cineplex Inc., Cogeco Cable Inc., Rogers Communications, Torstar Corp., TVA Group Inc., Transcontinental Inc. and Yellow Media Inc. at the time of the last review. In fiscal 2016, the CG Committee conducted a review of director's compensation based on the same peer group that is used for benchmarking the Company's executive level compensation. See "*Compensation Benchmarking"* on page 25 for further details on the benchmarking peer group. As a result of this review, there will be no changes to the fee schedule in fiscal 2016.

Table 2 — Director Compensation Schedule for Non-Executive Directors in Fiscal 2015

Retainers and Fees	Fiscal 2015 Fee Schedule
Annual Board Retainer *(all Directors)*	$50,000
Independent Lead Director / Vice-Chair Retainer	$10,000
Audit Committee Chair Retainer	$15,000
Corporate Governance Committee Chair Retainer	$8,500
Human Resources and Compensation Committee Chair Retainer	$15,000
Board/Committee Meeting Attendance Fixed Annual Fee *(all Directors)*	$25,000
Committee Member Retainer	$5,000
DSU top-up on any portion of the Annual Board Retainer which a director elects to have paid in the form of DSUs *(up to a maximum of 25% of the value of the Annual Board Retainer)*	Up to $12,500
Note: Directors may elect to receive their compensation in the form of DSUs, cash or a combination of the two	

The Company does not set aside funds for pension benefits or health costs and there are no retirement plans, mandatory retirement requirements or term limits in place for its non-executive directors. Furthermore, the Company does not provide compensation by way of options or non-equity incentive plans to its non-executive directors.

Directors' Deferred Share Unit Plan

On July 26, 2001, the Board adopted a DSU Plan for the directors of the Company, effective September 1, 2001. The purpose of the Plan is to promote a greater alignment of interests between the individual directors and the shareholders of the Company.

Each director may elect to have his or her annual retainer(s) and attendance fees paid entirely in cash or up to 100% paid in DSUs under the terms of the DSU Plan. Effective September 1, 2010, directors may receive up to

25% of the value of the portion of their Annual Board Retainer they elect to be paid in DSUs in the form of additional DSUs; an incentive designed to promote greater DSU ownership.

DSUs are accumulated on a quarterly basis by directors who participate in the DSU Plan. The number of DSUs that a director is entitled to receive in any particular quarter is based upon the percentage that the director has elected to receive in DSUs multiplied by one quarter of such director's annual retainer(s), meeting attendance fees plus DSU top up, as applicable, for the quarter divided by the closing price on the TSX of the Class B Non-Voting Shares on the last trading day of the fiscal quarter. The value of a DSU when converted to cash is equivalent to the closing market value of the Company's Class B Non-Voting Shares on the TSX at the time of redemption. DSUs accrue notional dividends in the form of additional DSUs at the same rate as dividends on the Company's Class B Non-Voting Shares as if they were enrolled in the Dividend Reinvestment Plan ("DRIP"). The DSUs are redeemable in cash when the director ceases to be a director of the Company. A director cannot convert DSUs to cash until the director ceases to be a member of the Board, an employee, and/or an officer of the Company and its affiliates. In fiscal 2015, eight eligible directors were enrolled in the DSU Plan and received either a portion or all compensation in DSUs.

Table 3 — Summary of Board and Committee Meetings for Directors in Fiscal 2015

Board / Committee Meetings	Number of Meetings Held	In-Camera Sessions Held
Board	6	5
Board — Independent Directors	4	4
Audit Committee	4	4
Corporate Governance Committee	4	4
Executive Committee	0	n/a
Human Resources and Compensation Committee	4	4
Total Number of Meetings Held	**22**	**21**

Table 4a — Directors' Compensation for Fiscal 2015

Director Name(1)	Fees Received in Cash	Share-Based Awards — Fees Received in DSUs(2)	Option-Based Awards	Non-Equity Incentive Plan Compensation	Pension Value	All Other Compensation	Total
Fernand Bélisle	—	$92,500	—	—	—	—	$92,500
Dennis Erker	—	$92,500	—	—	—	—	$92,500
Mark Hollinger(3)	$113,338	—	—	—	—	—	$113,338
Carolyn Hursh(4)	—	$48,000	—	—	—	—	$48,000
Barry James	$83,750	—	—	—	—	—	$83,750
Wendy Leaney	$55,000	$31,250	—	—	—	—	$86,250
Ronald Rogers	$36,250	$62,500	—	—	—	—	$98,750
Catherine Roozen	—	$92,500	—	—	—	—	$92,500
Terrance Royer	—	$117,500	—	—	—	—	$117,500
Julie Shaw	$67,500	$28,125	—	—	—	—	$95,625
TOTAL	**$355,838**	**$564,875**	**—**	**—**	**—**	**—**	**$920,713**

(1) Doug Murphy and Heather Shaw are officers of the Company and receive no compensation for serving on the Board.

(2) Directors may elect to receive up to 100% of their remuneration in DSUs and are eligible to receive a top-up of up to 25% of the value of the portion of their Annual Board Retainer they elect to be paid in DSUs in the form of additional DSUs. The amount shown reflects the aggregate of the amounts credited to DSU accounts, as applicable, on the dates for payment of Directors' fees during fiscal 2015.

(3) Compensation for Mr. Hollinger was paid in U.S. dollars. Cash amounts were translated from Canadian dollars to U.S. dollars based on the exchange rates at the time of payment. Mr. Hollinger joined the Board in July, 2014 but received his first payment in fiscal 2015.

(4) Ms. Hursh retired from the Board on January 13, 2015.

Table 4b — Outstanding Option-Based and Share-Based Awards (Fees paid as DSUs)

	Option-Based Awards				Share-Based Awards (Fees)		
Name	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	Market or Payout Value of Vested Share-Based Awards (Fees) not Paid Out or Distributed(1)
Fernand Bélisle	—	—	—	—	—	—	$321,647
Dennis Erker	—	—	—	—	—	—	$806,779
Mark Hollinger	—	—	—	—	—	—	—
Carolyn Hursh	—	—	—	—	—	—	—
Barry James	—	—	—	—	—	—	—
Wendy Leaney	—	—	—	—	—	—	$122,992
Ronald Rogers	—	—	—	—	—	—	$200,872
Catherine Roozen	—	—	—	—	—	—	$252,692
Terrance Royer	—	—	—	—	—	—	$889,816
Julie Shaw	—	—	—	—	—	—	$115,280

(1) Based on the TSX closing share price of $14.29 per Class B Non-Voting Share as at August 31, 2015. Reflects all cumulative fees and notional dividends paid to directors in the form of DSUs which have not been paid out as at August 31, 2015.

There are no vesting criteria for fees paid as DSUs to non-executive directors, as these DSUs are simply an elective form of payment. As such, the value vested in fiscal 2015 for DSUs held by each individual non-executive director is equivalent to their respective individual directors fees paid in the form of DSUs. The non-executive directors have no outstanding option-based awards, nor have they received any form of non-equity incentive plan compensation up to and including August 31, 2015.

EXECUTIVE SUMMARY

The following highlights the Company's fiscal 2015 key performance accomplishments and decisions made in respect of the compensation of Named Executive Officers ("NEOs"). The remainder of the Compensation Discussion & Analysis ("CD&A") provides additional detail on the Company's executive compensation program and approach to compensation governance.

FISCAL 2015 KEY PERFORMANCE HIGHLIGHTS

Background

In fiscal 2015, the Company adopted strategic priorities which are designed to increase shareholder value through organic growth initiatives and acquisitions.

There is an ongoing shift in media consumption habits, driven by consumers' appetite for more high quality content across a variety of platforms. To achieve its growth objectives, the Company must ensure that its top-tier brands and content are everywhere that its audiences are. An intense focus will be placed on optimizing and monetizing these audiences, both at home and abroad; by executing on the Company's key strategic priorities:

1. **Own and Control More Content**

   Increase production of owned content and secure rights to world-class branded content to compete effectively in the domestic and international marketplace.

2. **Expand into New and Adjacent Markets**

   Pursue growth in unregulated and regulated businesses, both domestically and internationally.

3. **Engage Our Audiences**

   Build a two-way relationship with audiences, both viewers and listeners.

These strategic priorities will be advanced by deepening the Company's extensive domestic and global partnerships, deploying opportunistic, targeted merger and acquisition activities and through ongoing excellence in execution.

As an integrated media and content company, the Company has the right assets for success — premium brands, global partnerships, award-winning content, and the technology and distribution partners to reach consumers wherever they are. The Company plans to successfully translate these strategies into action to drive sustainable growth.

Key Performance Highlights

After years of careful succession planning by the Board, the Company completed a seamless leadership transition, with the departure of founding President and CEO, John Cassaday, and the appointment of new President and CEO, Doug Murphy (former COO). As well, to ensure that the Company and its shareholders continue to benefit from the existing deep bench strength and stability of its leadership, a new executive leadership team was announced which ensures continuity, alignment and a focus around Corus' strategic priorities. Succession planning is of paramount importance to the Company, particularly given its unique position in the market, and will continue to be a top priority for the Board.

In March, 2015, the Canadian Radio-television and Telecommunications Commission ("CRTC") announced its Let's Talk TV decisions, which represent a significant shift in the regulations governing the television landscape in Canada. For more information, see the Company's Annual Information Form 2015 under *Canadian Communications Industry — Regulatory Environment.*

Following the release of these decisions and the appointment of Doug Murphy as CEO, the Company immediately turned its focus to the formulation of its fiscal 2016 Operating Plan and five year Strategic Plan, which were endorsed by the Board in July 2015. The Board is confident that the right plans are in place to enable the Company to compete effectively in the changing media landscape.

In the midst of the activities outlined above, excellent progress was made on the Company's strategic priorities as follows:

- Secured Kids content pipeline, inking landmark deals with Nickelodeon and Disney that allow the Company to control their world-renowned programming in the Canadian market. These deals come with a broad range of linear and digital rights in Canada.
- Optimized the Company's portfolio of highly differentiated Kids brands to leverage its investments in superior quality, "must-have" content across platforms.
- Launched the first in the Company's suite of Kids TV Everywhere apps, TreehouseGo.
- Expanded owned production slate to meet opportunities arising from the global demand for Kids, Women and Family-oriented programming.
- Made significant progress on re-positioning key large market Radio stations to recapture audience share.

On the operating front, fiscal 2015 was a challenging year for the Company, with financial results which were below expectations. Earnings Per Share ("EPS") results of ($0.29) loss per share were below the budgeted target of $1.94 per share largely due to a $130 million impairment of goodwill and broadcast licenses in the radio segment, program rights and film investment charges of $51.8 million, business acquisition, integration and restructuring charges of $19.0 million, an underachievement of consolidated segment profit due to a soft advertising environment and the loss of market share in the Radio segment. Removing the impact of one-time items results in an adjusted earnings per share of $1.14 per share for short-term incentive performance purposes. The Company was able to exceed its free cash flow guidance of in excess of $180 million for the year, delivering $201.2 million in free cash flow through effective management of its working capital and a gain on a strategic investment.

The Company's executive compensation program is designed to ensure alignment between compensation and the Company's performance against key financial performance indicators, including Earnings Per Share (EPS), Free Cash Flow (FCF) and Total Shareholder Return (TSR). Fiscal 2015 performance results and NEO compensation were closely aligned as follows:

- EPS target was not achieved, resulting in a 0% payout of short-term incentives for the performance measure.
- Free Cash Flow target was exceeded, resulting in a 54% payout of short-term incentives for the performance measure.
- Fiscal 2013 PSU TSR share price hurdles were met at the required intervals during the three year performance period ended August 31, 2015 and, in accordance with the Plan, PSUs were paid out at 100% of target on the vesting date.

FISCAL 2015 COMPENSATION DECISIONS

The following pay decisions were made in respect of NEO compensation for fiscal 2015:

- Mr. Peddie, Mr. Dyer and Mr. Maavara received modest merit-based salary increases of 3.2%, 2.8% and 3.9%, respectively, and Mr. Murphy received an increase of 16.7% reflecting both a merit-based increase as well as his promotion to CEO effective March 30, 2015. Ms. Shaw did not receive an increase in fiscal 2015 and her salary will next be reviewed in fiscal 2017.
- There were no changes to target short-term or long-term incentives as a percentage of base salary for Mr. Peddie, Mr. Dyer, Mr. Maavara or Ms. Shaw. Mr. Murphy's targeted award percentages were increased upon his promotion to CEO, and on a pro-rated basis for fiscal 2015, to 100% from 75% of base salary for short-term incentives and to 225% from 100% for long-term incentives.
- Actual short-term incentive compensation was earned at 64% of target based on a 54% payout level related to the Company's financial performance and a 100% payout level related to individual

performance, given that the Company did not meet the EPS threshold and FCF was achieved at 106% of target.
- Long-term incentives in the form of stock options, deferred share units and performance share units were granted to NEOs at target levels as a percentage of base salary, the eventual value of which will depend on future share price and total shareholder return performance.

For additional detail on these compensation decisions, see "*2015 Compensation Decisions*" on page 26.

FISCAL 2016 PROGRAM CHANGES

The Company continually evolves its compensation programs to ensure alignment with its corporate strategy and competitiveness with its peer group, which is accomplished by a strict focus on pay-for-performance as well as on peer benchmarking and compensation governance practices. The HRC Committee undertook a review of its executive compensation program in fiscal 2015 and proposed changes which were approved by the Board and will be effective fiscal 2016, including:

- Short-term Incentives ("STI"): The performance measurement approach will be adjusted by (i) replacing the current EPS performance measure with consolidated segment profit to provide enhanced focus on operational earnings and alignment with key performance indicators of each business segment; (ii) increasing the weight on individual performance from 10% to 20% to emphasize personal accountability and reward for individual contributions to the Company's strategic objectives, as outlined under "*Fiscal 2015 Key Performance Highlights*" on page 19; (iii) adjusting financial performance target ranges to 90% — 110% from 95% — 130% to reflect the probability of achievement and to account for differences in the volatility of each performance measure.
- Long-term Incentives ("LTI"): The Performance Share Unit (PSU) plan will be enhanced by adding a relative TSR metric (weighted 50%) based on the Company's ability to outperform the S&P/TSX Composite Index over a 3 year period. No payouts will be made if the Company fails to achieve a minimum level of absolute TSR. In addition, performance standards are being revised to align with an overall payout opportunity ranging from 0% — 150% of target, up from the fiscal 2015 levels of 0%-100% of target.

For additional detail on these incentive plan changes, see "*Fiscal 2016 Compensation Program*" on page 34.

INTRODUCTION

NAMED EXECUTIVE OFFICERS

The Company believes its executive team brings an extraordinary breadth of knowledge, expertise and leadership experience to Corus. These leaders are firmly committed to demonstrating the Company's core values of Accountability, Initiative, Innovation, Knowledge and Teamwork, and delivering on the Company's strategic priorities.

On March 30, 2015, John Cassaday retired as President and CEO after serving in this capacity since September 1, 1999. Following his retirement, Doug Murphy was appointed President and CEO from his previous role as the Company's Executive Vice President and Chief Operating Officer. As such, the NEOs for fiscal 2015 are as follows:

NEO	Title
Doug D. Murphy	President and CEO ("CEO")
John M. Cassaday	Former President and CEO ("Former CEO")
Thomas C. Peddie	Executive Vice President and CFO ("CFO")
Heather A. Shaw	Executive Chair
D. Scott Dyer	Executive Vice President, Chief Technology Officer and President, Nelvana ("CTO")
Gary A. Maavara	Executive Vice President and General Counsel

COMPENSATION GOVERNANCE

ROLE OF THE HUMAN RESOURCES AND COMPENSATION COMMITTEE

Purpose: The Human Resources and Compensation Committee ("HRC Committee") has a mandate to oversee the effectiveness of the Company's compensation policies and processes in fostering equitable and competitive compensation.

Accountability: The HRC Committee is responsible for reviewing the design and competitiveness of the Company's overall compensation and benefits program, including compensation risk oversight, and for reviewing and recommending executive compensation policies to the Board for approval. The HRC Committee specifically reviews, approves and reports the compensation of the Company's senior executives to the Board. Additionally, the HRC Committee is responsible for reviewing the Company's management development and succession plans for senior executives and recommending the appointment of all executive officers to the Board.

Members: All members of the HRC Committee are independent within the meaning of Section 1.4 of National Instrument 52-110 *Audit Committees*. Members all have relevant expertise in human resources, compensation governance and risk management as well as a strong financial acumen, which enables them to evaluate and make decisions on the suitability of the Company's compensation policies and practices.

The members of the HRC Committee are Terrance Royer (Chair), Catherine Roozen and Fernand Bélisle.

Terrance Royer (Chair)	Mr. Royer has gained extensive human resources and compensation experience over the past 38 years through his various professional roles including Chairman of Royco Hotels Ltd., Executive Vice-Chairman of Royal Host REIT, President, CEO and founder of Royal Host Corp., and Chief Operating Officer of Chartwell Leisure Company. In these roles, Mr. Royer was responsible for oversight of a broad range of human resources and compensation matters, for executives and up to 8,000 employees. In addition, Mr. Royer, in his prior role as Chairman of the University of Lethbridge, was directly involved with implementation and oversight of government compensation policy for all senior executives, including the President and his direct reports.
Catherine Roozen	Mrs. Roozen has served as a member of the Human Resources Committee of several Boards over the past 16 years, including in her capacity as Governor of the University of Alberta, as a director of the Alberta Cancer Board, and as former Vice Chair of the Alberta Health Services Board, which employs approximately 100,000 workers. In these capacities, Mrs. Roozen has developed expertise in the area of executive compensation policy oversight, including pensions and pay-at-risk programs, recruitment of senior executives and setting strategic targets for the respective Presidents. These roles also developed her expertise in employee human resources oversight matters such as setting the mandate for negotiations with union employees, reviewing employee benefit and pension plans, staff engagement and human resources policies.
Fernand Bélisle	Mr. Bélisle has gained broad expertise in human resources and compensation during his past roles as Secretary General of the CRTC, Chairman of Cabovisa-Televisao por Cabo, SA (Portugal) and as Trustee on a number of occasions for various entities. In these positions, he developed in-depth knowledge in government compensation, negotiations with unionized employees, and implementation of staff hiring and human resources policies.

The full Charter of the HRC Committee is available in Schedule B on page B-1 of this Management Information Circular.

EXECUTIVE COMPENSATION CONSULTING FEES

The HRC Committee engaged compensation consultants Hugessen Consulting Inc. (“Hugessen”) beginning in fiscal 2009 to provide advice to the HRC Committee on executive compensation matters.

In fiscal 2015, Management retained Towers Watson Inc. (“Towers”) and their engagement included the provision of advice to the HRC Committee on executive compensation matters, including competitive trends, benchmarking comparative analysis, proxy circular development and pension plan governance issues.

The table below summarizes the key activities performed by Hugessen and Towers in each of fiscals 2015 and 2014, and the fees incurred by the Company in respect of these consulting services.

	Fiscal 2015			**Fiscal 2014**		
Key Activities	• Annual executive LTI award and stock option valuation recommendations • Biennial executive compensation benchmarking, including base salary, short-term and long-term incentive plans, and pension • Executive compensation disclosure review and recommendations • Succession planning and compensation terms related to the retirement of founding CEO, John Cassaday and promotion of former COO, Doug Murphy to CEO • Review executive STI and LTI award programs and finalize design changes			• Annual executive LTI award recommendations • Executive compensation disclosure review and recommendations • Review and finalize amendments to the retirement, change of control and termination provisions of the Company’s long-term incentive plans • Review and finalize executive compensation for certain of the Company’s subsidiaries (this work comprises “all other fees” as per below)		
Fees	Hugessen	Executive Compensation:	$85,450	Hugessen	Executive Compensation:	$45,800
	Hugessen	All Other Fees:	$0	Hugessen	All Other Fees:	$6,200
	Towers	Executive Compensation:	$162,000	Towers	Executive Compensation:	—
	Towers	All Other Fees(1):	$80,000	Towers	All Other Fees:	—

(1) Includes fees related to an independent review of sales incentive programs at the Company’s request

COMPENSATION DECISION MAKING — REVIEW AND APPROVAL PROCESS

To inform compensation decisions for NEOs, the HRC Committee conducts a comprehensive review of peer group benchmarks and compensation trends, at least on a biennial basis, and also considers the achievement of performance objectives over the performance period. Pay decisions in respect of the CEO and Executive Chair are made by the HRC Committee and approved by the Board of Directors. Compensation is reviewed and benchmarked by the Board of Directors on a biennial basis. With the CEO transition in March, 2015, the HRC Committee and the Board approved increases in Mr. Murphy’s compensation effective March 30, 2015 and September 1, 2015. The biennial review of the CEO and Executive Chair compensation will next occur in fiscal 2017. The CEO is responsible for conducting performance evaluations for other NEOs and providing compensation recommendations to the HRC Committee on an annual basis. The HRC Committee is ultimately responsible for determining all pay decisions in respect of NEOs and will consult compensation consultants, as required, to provide an external market perspective.

The NEOs do not participate in or vote on HRC Committee or Board decisions regarding any element of their individual compensation arrangements.

The Board is responsible for overseeing and monitoring the principal risks of the Company, including potential risks arising from the design of the compensation program. The Company has designed its compensation programs to appropriately incent employees and discourage excessive risk taking, recognizing that some level of risk is necessary to increase long-term shareholder value. To assist the Board in fulfilling its mandate, the HRC Committee regularly reviews the inherent risks as they relate to compensation, in consideration of the Company’s overall risk.

The Company has the following features in place to oversee, manage and mitigate risks associated with its compensation plans:

Strategic Multi-year Plan	The compensation program is designed to align with the Company's Board-approved long-term strategic operating plan, which incorporates a thorough review of operating and industry risks.
Entity Level Controls	The Board-approved Authorization Policy provides pre-determined limits to the authority of individuals to make financial and operating decisions, which contributes to the mitigation of undue risk-taking by any one individual.
Balanced Pay Mix	On average, two-thirds of NEO compensation is "at-risk" based on metrics aligned with strategic goals. Of this variable at-risk compensation, approximately 60% is based on long-term performance to discourage undue reliance on short-term decision making.
Compensation Benchmarking	Compensation plans and pay levels are regularly benchmarked to the external market by an independent third-party consultant.
Stress Testing and HRC Committee Discretion	Pay outcomes are regularly reviewed in the context of Company performance to ensure there is a strong link between pay and performance. The HRC Committee can use its discretion to ensure payouts are not overly influenced by significant one-time events.
Multiple Performance Metrics	Short-term performance is measured using several financial and individual performance metrics to determine incentive payouts, which balances the risks associated with relying on any one performance metric.
Payout Caps and Minimum Performance Thresholds	Payouts under the Company's STI plan and PSU plan are capped at 190% and 150% of target (effective fiscal 2016), respectively, and a 0% payout is possible if minimum performance thresholds are not achieved.
Balanced mix of long-term incentive vehicles	NEOs receive long-term incentive awards based on a combination of stock options, deferred share units ("DSUs") and PSUs, all of which are linked to long-term shareholder value.
Long-term vesting of LTI Awards	Stock options vest over a 4 year period with a 7.5 year term, while DSUs vest over a 5 year period and cannot be redeemed until termination of employment. This focuses executives on creating and sustaining long-term shareholder value.
Relative Performance Measurement	Effective fiscal 2016, the PSU long-term incentives will include a relative performance component to strengthen alignment between pay and performance relative to the external market.
Share Ownership Guidelines	Aligns NEO interests with those of shareholders by requiring that they maintain a high level of personal financial commitment to the Company. The Company has established specific ownership guidelines as a percentage of base salary (5x for Executive Chair and CEO, 2x for CFO and 1x for EVPs, VPs and General Managers of Large Operational Assets) that each current and future executive must attain within five years. At the date of this circular, all NEOs have met or exceeded their applicable share ownership guideline. For the purposes of the guideline, share ownership may include shares owned through personal holdings and/or the Company's Employee Share Purchase Plan as well as Company-issued DSUs. In addition, executives can elect to receive a portion of their short-term incentive award under the Director's Deferred Share Unit Plan, which facilitates additional alignment with shareholders over the long-term. These units have no vesting criteria but can only be paid out upon termination.
Equity Compensation Hedging Policy	The Company's Code of Conduct, which applies to all Directors and Employees, expressly prohibits the purchase of financial instruments (including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, units of exchange funds, puts, options or calls) that are designed to hedge or offset a decrease in the market value of equity securities granted as compensation or held, directly or indirectly, by a Director or Employee.

COMPENSATION BENCHMARKING

The benchmarking peer group ("peer group") is used uniformly for all senior management, including the NEOs, based on benchmark matches which are most closely reflective of each role. The HRC Committee engages a third-party consultant to review the ongoing appropriateness of the peer group and conduct benchmarking analysis, generally on a biennial basis. The following selection criteria are used to develop the peer group:

- Canadian companies participating in the S&P/TSX Consumer Discretionary Index
- Comparable size as measured by revenue, segment profit, enterprise value and market capitalization
- Similar business operations and industry focus
- Competitors for talent

The compensation data and general trends from third-party compensation surveys are used as one input to formulate compensation recommendations, given there are limited direct peers that meet the peer group criteria. The peer group used to assess NEO pay levels for purposes of determining fiscal 2015 compensation remained unchanged from fiscal 2014, with the exception of Astral Media, which was removed given its acquisition by BCE Inc in July 2013.

Peer Group:

Aimia Inc.	IMAX Corporation
Cineplex Inc.	Quebecor Inc.
Cogeco Cable Inc.	Rona Inc.
Dollarama Inc.	Sirius XM Canada Holdings Inc.
Hudson's Bay Company	TVA Group Inc.

TARGET TOTAL DIRECT COMPENSATION

The Company targets base salary levels for all NEOs at or above the 50th percentile of the peer group. Overall total direct compensation (i.e. base salary, short-term incentive plan ("STI") and the expected value of long-term incentive plan ("LTI") awards) is targeted at or above the 75th percentile. This targeted position reflects the Company's focus on driving superior performance and is designed to attract strong talent with media-industry specific skills that are not necessarily found within the peer group. As well, the personal skill set and background of many of the NEOs is unique, particularly in light of the fact that the Company is the only pure play media company in Canada.

Target Compensation Mix — Percentage of Total Direct Compensation for Fiscal 2015

A significant percentage of NEO compensation is based on "at-risk" compensation to ensure strong pay-for-performance alignment. The target pay mix for NEOs in fiscal 2015 is listed in the table below.

	Fixed	At-Risk	
NEO	Base Salary	Short-term Incentives	Long-term Incentives
Doug D. Murphy(1)	23.5%	23.5%	53.0%
John M. Cassaday (former CEO)	23.5%	23.5%	53.0%
Thomas C. Peddie	38.5%	23.0%	38.5%
Heather A. Shaw	25.0%	25.0%	50.0%
D. Scott Dyer	42.5%	25.5%	32.0%
Gary A. Maavara	42.5%	25.5%	32.0%

(1) Mr. Murphy's target compensation mix has been pro-rated to the date of his promotion to CEO in fiscal 2015

COMPENSATION PROGRAM OVERVIEW

Key Elements of the 2015 Compensation Program

The following table provides an overview of the key elements of NEO compensation in fiscal 2015. Following a review of the Company's incentive programs in fiscal 2015, the HRC Committee approved certain changes to the design of the STI and LTI programs to ensure continued alignment with market and best governance practices. See "*Fiscal 2016 Compensation Program*" on page 34 for additional details.

	Compensation Element	Program Objectives
Fixed	**Base Salary** Annual cash compensation	• Attract and retain • Motivate and reward for individual contributions and growth in role
At Risk	**Short-Term Incentive Awards (STI)** Annual cash award based on achievement of annual targets: • Consolidated budgeted earnings per share (45%) • Consolidated budgeted free cash flow (45%) • Individual performance objectives (10%)	• Attract and retain • Motivate and reward • Supports pay-for-performance philosophy • Focus on consistent improvement in profitability and shareholder value creation

At Risk	**Long-Term Incentive Awards (LTI)**
	• PSUs (50%)
	  • 3 year vesting period based on achievement of pre-defined TSR share price targets
	  • Payout capped at 100% (increased to 150% in Fiscal 2016) and value is dependent on TSR share price at the time of payout
	• Stock Options (25%)
	  • 7.5 year term
	  • 4 year ratable vesting period (25% per year)
	• DSUs (25%)
	  • 5 year vesting period
	  • Can only be redeemed at cessation of employment and value is dependent on share price at the time of payout
		• Attract and retain
		• Motivate and reward
		• Align interests of executives and shareholders
		• Reward for growth in shareholder value through share price
		• Supports pay-for-performance philosophy

Other	**Employee Share Purchase Plan (ESPP)** • NEOs are eligible to participate in the ESPP on the same basis as all other employees • The Company contributes an amount equal to 25% of the Participant's contributions each month, up to a maximum of 5% of base salary	• Provides cost effective means of acquiring company shares • Facilitates shareholder alignment
Other	**Retirement Arrangements and Perquisites** • Defined Benefit ("DB") Supplemental Executive Retirement Plan ("SERP or, for Mr. Cassaday, CEO SERP") • Select perquisites consistent with market practice	• Attract and retain • Provides supplemental retirement benefits • Perquisites are linked to business need

2015 COMPENSATION DECISIONS

BASE SALARY

Fair and competitive salaries are determined following an analysis of peer group benchmarks, internal equity, general compensation trends and individual experience, expertise and performance, including contributions to financial results. Changes have generally been made based on merit, inflation or role changes. Base salary reviews, including a comprehensive peer benchmarking analysis, were conducted in late fiscal 2014 and increases were approved for fiscal 2015. An additional base salary review was conducted for Mr. Murphy prior to his appointment to CEO on March 30, 2015.

The following table provides the fiscal 2015 NEO salaries as well as the salaries determined for fiscal 2016 based on the Company's annual compensation review conducted in fiscal 2015.

NEO	2015	2016	2014-2015 Change	2015-2016 Change
Doug D. Murphy	$ 700,000(1)	$800,000	16.7%	14.3%
John M. Cassaday (former CEO)	$1,000,000	—	0%	—
Thomas C. Peddie	$ 510,000	$523,000	3.2%	2.5%
Heather A. Shaw	$ 950,000	$950,000	0%	0%
D. Scott Dyer	$ 450,000	$461,000	2.8%	2.5%
Gary A. Maavara	$ 385,100	$395,100	3.9%	2.5%

(1) Mr. Murphy's increase in fiscal 2015 reflects both a merit-based increase as well as his promotion to CEO effective March 30th, 2015.

SHORT-TERM INCENTIVES

The short-term incentive plan ("STI") rewards NEOs for the achievement of certain financial performance targets as outlined in the Company's annual Operating Plan (the "Plan") and individual performance results. The Plan is approved annually by the Board in July of each year, based on the economic outlook and business conditions at that time. The HRC Committee also concurrently approves and reports to the Board the STI financial objectives for the upcoming year in alignment with the Plan.

Individual performance objectives for NEOs are based on Company or specific business segment plans, targets and strategies in the areas of Organizational Development, Business Development, Long-Term Strategic Initiatives, Corporate Governance and Other Initiatives. At least one of the STI financial thresholds must be met in order for any bonus to be paid under the individual performance component. In fiscal 2015, the individual performance component was subject to a maximum payout factor of 100% of target, however, the HRC Committee may use its discretion at any time to increase or decrease the weighting on the amount based on individual performance measures.

STI Thresholds as a Percentage of Base Salary

The HRC Committee annually reviews and determines target STI award levels for NEOs, expressed as a percentage of base salary. In fiscal 2015, the target STI as a percentage of base salary remained unchanged for all NEOs. Actual STI awards can range from 0% — 190% of target based on financial and individual performance, as illustrated below.

Participant	Minimum Payout % of Base Salary	Threshold Payout % of Base Salary	Target Payout % of Base Salary	Maximum Payout % of Base Salary
Doug D. Murphy(1)	0%	50%	100%	190%
John M. Cassaday	0%	n/a	n/a	n/a
Thomas C. Peddie	0%	30%	60%	110%
Heather A. Shaw	0%	50%	100%	190%
D. Scott Dyer	0%	30%	60%	110%
Gary A. Maavara	0%	30%	60%	110%

(1) For fiscal 2015, Mr. Murphy's STI award target was prorated such that 7⁄12 of his STI was based on a target award level of 75% during his tenure as COO and the remaining 5⁄12 of his STI was based on a target award level of 100%, upon his promotion to CEO on March 30, 2015.

2015 STI Performance Measures

For fiscal 2015, NEO STI awards were determined based on the following performance measurement approach:

Budgeted consolidated Earnings Per Share (“EPS”) **45%**	+	Budgeted consolidated Free Cash Flow (“FCF”) **45%**	+	Individual Performance **10%**

Budgeted consolidated EPS and FCF were selected as STI financial objectives as the Company believes that these measures are strong indicators of performance and shareholder value creation. FCF is a non-GAAP measure and is defined by the Company as cash provided by operating activities less cash used in investing activities, as reported in the Company’s consolidated statements of cash flows, and then adding back cash used specifically for business combinations and strategic investments. The Company provides reconciliation of free cash flow to GAAP in its quarterly and annual Management’s Discussion and Analysis.

Fiscal 2015 STI Awards

The Board of Directors approve annual budgeted consolidated financial STI targets during its review of the Plan. At the completion of the fiscal year, performance is assessed against these financial targets to determine an overall payout factor for the financial component, which can range from 0% to 200%. No payout is earned for a given measure if threshold performance is not achieved.

In fiscal 2015, Earnings Per Share (“EPS”) results of ($0.29) loss per share was below the budgeted target of $1.94 earnings per share largely due to a $130 million impairment of goodwill and broadcast licenses in the Radio segment and an underachievement of consolidated segment profit due to a soft advertising environment and a loss of market share in the Radio segment. Removing the impact of one-time items results in an adjusted EPS for STI purposes of $1.14 per share. The Company was able to exceed its budgeted free cash flow target of $190 million and guidance of in excess of $180 million for the year, delivering $201.2 million in free cash flow through effective management of its working capital and a gain on a strategic investment.

Measures	Weight	Threshold (95% of Target)	Target	Maximum (130% of Target)	Fiscal 2015 Actual Performance Achieved (% of target)	Payout Factor % of Target
EPS	45%	$1.84	$1.94	$2.52	$1.14 (59%)	0%
FCF (Millions)	45%	$180.5	$190.0	$247.0	$201.2 (106%)	54%
Payout Factor — Financial Component						54%

NEO individual performance objectives in fiscal 2015 were generally tied to initiatives related to the delivery of ratings in the Television and Radio segments, development of a five year strategic plan, increasing the Company’s slate of high-quality owned and controlled content, roll out of new product offerings, continued focus on organizational development and succession planning, and identification of cost reduction opportunities. The HRC Committee considered the performance reviews and recommendations of the CEO in respect of his direct reports in determining awards under the individual performance component. For fiscal 2015, all NEOs successfully achieved their personal objectives, resulting in an individual performance score of 100% of target.

Based on financial and individual performance results, fiscal 2015 STI awards were earned at approximately 64% of target, as illustrated below.

Participant	Financial Component (% of Target)	Individual Component (% of Target)	Weighted Total Score (% of Target)
Doug D. Murphy	54%	100%	64%
John M. Cassaday	54%	100%	64%
Thomas C. Peddie	54%	100%	64%
Heather A. Shaw	54%	100%	64%
D. Scott Dyer	54%	100%	64%
Gary A. Maavara	54%	100%	64%

LONG-TERM INCENTIVES

The Company's annual long-term incentive ("LTI") opportunity for NEOs consists of target awards of Stock Options, Performance Share Units ("PSUs"), and Deferred Share Units ("DSUs"). The HRC Committee does not take into account the amount or terms of previously issued long-term incentive awards when determining the amount of long-term incentive awards, if any, granted to senior executive officers in each year. The HRC Committee may, at its discretion, vary the relative emphasis of each vehicle in the overall LTI mix from year to year.

The Company's DSU and PSU Plans have a grant date fair value which is based on the 20-Day Volume-Weighted Average Price ("VWAP") of the Company's Class B Non-Voting Shares on the TSX as at August 31 of the prior fiscal year, the end of the fiscal year for which the performance units are granted. The payout value of the units is also determined using the 20-Day VWAP immediately prior to the end of the performance period.

The VWAP methodology was approved by the HRC Committee for these Plans as it was determined that the use of 20-Day VWAP minimizes the impact of short-term volatility in the share price and results in a more accurate representation of the true value of the shares at both the time of the grant and the end of the performance period.

In fiscal 2015, NEOs received target LTI awards expressed as a percentage of base salary which included a mix of 25% Stock Options, 50% PSUs and 25% DSUs. The target award levels and mix remained unchanged from fiscal 2014.

Participant	Target LTI (% of base salary)
Doug D. Murphy	225%
John M. Cassaday	n/a
Thomas C. Peddie	100%
Heather A. Shaw	200%
D. Scott Dyer	75%
Gary A. Maavara	75%

Mr. Murphy received additional PSUs, DSUs and Stock Options upon his promotion to CEO, given the corresponding increases in his base salary and target LTI award from 100% of base salary to 225% of base salary.

Stock Options

The Company's Stock Option Plan was originally implemented on November 23, 1999, the key terms of which are outlined in further detail on page 45. In fiscal 2015, the NEOs were granted Stock Options based on each NEOs' target award level, expressed as a percentage of base salary. The number of Stock Options granted is based on each NEOs' target award level divided by the estimated grant date fair value of the award, calculated in accordance with standard stock option valuation methodology. See the "*Summary Compensation Table*" on page 35 for the value of Stock Options granted to each NEO and additional detail on the Company's valuation methodology.

Performance Share Units

The PSU Plan was implemented and effective September 1, 2007. For fiscal 2015, the vesting of PSU awards is dependent upon the Company achieving pre-defined TSR share price targets over a three year performance period. If a TSR share price target is reached within the three year performance period, based on the best consecutive 20 day volume weighted average TSR share price for each year's measurement period, the PSUs can achieve partial vesting. If performance targets are not reached within the three year performance period, the PSUs are forfeited. Vested PSUs (if any) are paid out to Participants at the end of the three year performance period. The maximum payout for the PSU Plan is 100% of target for fiscal 2015 awards.

In fiscal 2015, the TSR share price targets were determined based on the Company's objective of providing 9% annualized TSR, resulting in the following targets and vesting opportunities:

TSR Share Price Target	Year 1	Year 2	Year 3
$19.48	⅓ of PSUs vest	⅓ of PSUs vest (if not achieved in Year 1)	⅓ of PSUs vest (if not achieved in Year 1 or 2)
$21.23		Up to ⅔ of PSUs vest (if not achieved in Year 1)	Up to ⅔ of PSUs vest (if not achieved in Year 1 or 2)
$23.14			Up to 3⁄3 of PSUs vest (if not achieved in Year 1 or 2)
Max. Total Payout			**Up to 100% of PSU grant**

PSU grants are eligible to accrue "dividend equivalent" units over the life of the PSU, when a cash dividend is paid on Class B Non-Voting Shares, as if they were enrolled in the DRIP of the Company, subject to same performance and vesting conditions as original granted units. The PSU Plan is not considered a security-based compensation arrangement under Section 613 of the TSX Company Manual, as awards are settled solely in cash and payable only if the vesting criteria are achieved.

In fiscal 2015, the NEOs were granted PSUs based on each NEOs' target award level, expressed as a percentage of base salary. The number of PSUs granted is based on each NEOs' target award level divided by the estimated grant date fair value of the award, which is calculated based on the 20 day VWAP on the TSX of the Company's shares for the period ended August 31 of the prior fiscal year. See the "*Summary Compensation Table"* on page 35 for the value of PSUs granted to each NEO and details on the Company's valuation methodology.

Deferred Share Units

The Senior Management DSU Plan was implemented and effective September 1, 2007. The DSUs vest 100% on the earlier of (a) the fifth anniversary of the date of the grant or (b) the date on which the Participant turns 65, and are not eligible for redemption until termination of employment or retirement occurs.

DSU grants are eligible to accrue "dividend equivalent" units over the life of the DSU, when a cash dividend is paid on Class B Non-Voting Shares, as if they were enrolled in the DRIP of the Company. The DSU Plan is not considered a security-based compensation arrangement under Section 613 of the TSX Company Manual, as vested awards are settled solely in cash and payable only if the vesting criteria are achieved.

In fiscal 2015, the NEOs were granted DSUs based on each NEOs' target award level, expressed as a percentage of base salary. The number of DSUs granted is based on each NEOs' target award level divided by the estimated grant date fair value of the award, which is calculated based on the 20 day VWAP on the TSX of the Company's shares for the period ended August 31 of the prior fiscal year. See the "*Summary Compensation Table*" on page 35 for the value of DSUs granted to each NEO and details on the Company's valuation methodology.

In addition to annual DSU awards, as part of the LTI program, senior officers may voluntarily participate in the Director's Deferred Share Unit Plan, as described in further detail on page 16 labelled "*Director Deferred Share*

Unit Plan". The Plan was first implemented for Directors and was expanded to allow senior officers to elect, prior to the beginning of the fiscal year, to receive a portion of their annual short-term incentive payout (if any) in the form of DSUs. For fiscal 2015, no NEOs elected to be paid a portion of their annual incentive awards in the form of DSUs.

EMPLOYEE SHARE PURCHASE PLAN (ESPP)

Under the ESPP, NEOs may contribute a maximum of 5% of their monthly base salary and receive a Company contribution equal to 25% of the contributions for that month. Solium Capital, as trustee under the ESPP, acquires Class B Non-Voting Shares solely at market price for the benefit of NEOs through the facilities of the TSX using monies contributed to the ESPP. NEOs may withdraw up to 100% of the shares vested in his or her account once in any 12-month period without penalty.

PENSION PLANS

Each of the NEOs participates in the Company's Defined Benefit Supplementary Executive Retirement Plan ("DB SERP"). In addition, NEOs are members of a DC Plan which is available to all employees. The DB SERP benefits for Participants are offset by contributions with interest made by the Company to the DC Plan once the DB SERP vests. Additional detail on each of these plans is provided below.

DB SERP

The key purpose of the DB SERP is to provide retirement benefits and to assist in retaining key executives. This latter goal is achieved through early retirement reductions of 5% per year before age 65 and the vesting schedule, as described below.

	Original Participants (Effective September 1, 2007)	**New Participants (Effective September 1, 2010)**
Eligible NEOs	Thomas Peddie and Heather Shaw	Doug Murphy, D. Scott Dyer, Gary Maavara
Vesting	On the later of age 55 or September 1, 2010	On the later of 10 years of service as a member of executive management, age 55 or after September 1, 2013, but in any event, no later than age 65
Calculation	Product of 2.0% of the Participant's highest average base salary earnings times credited service (highest average base salary earnings defined as the highest average base monthly earnings over the most recently completed 36 consecutive months)	
Maximum Pension Earnings	Maximum pension earnings will be capped at 40% of the final three year average base salary earnings. The normal form of payment is a lifetime pension guaranteed for ten years.	

DC Plan

The Company provides Participants, including the NEOs and certain members of executive management who participate in the DB SERP until such time as their DB SERP vests (collectively, the "DB SERP Participants"), with a defined contribution pension plan (also known as a money purchase plan). Under this plan, once Participants have reached their second anniversary of employment, the Company begins making annual contributions equal to 3% and matches each Participant's voluntary contributions up to 3%, for a maximum total contribution of 6% of each Participant's eligible earnings. These contributions are made up to the annual maximum as determined under the *Income Tax Act* and vest immediately. Funds are accumulated and invested in a personalized choice of funds under the Participant's name. On retirement, the funds are used to purchase one of several types of financial instruments at the option of the Participant.

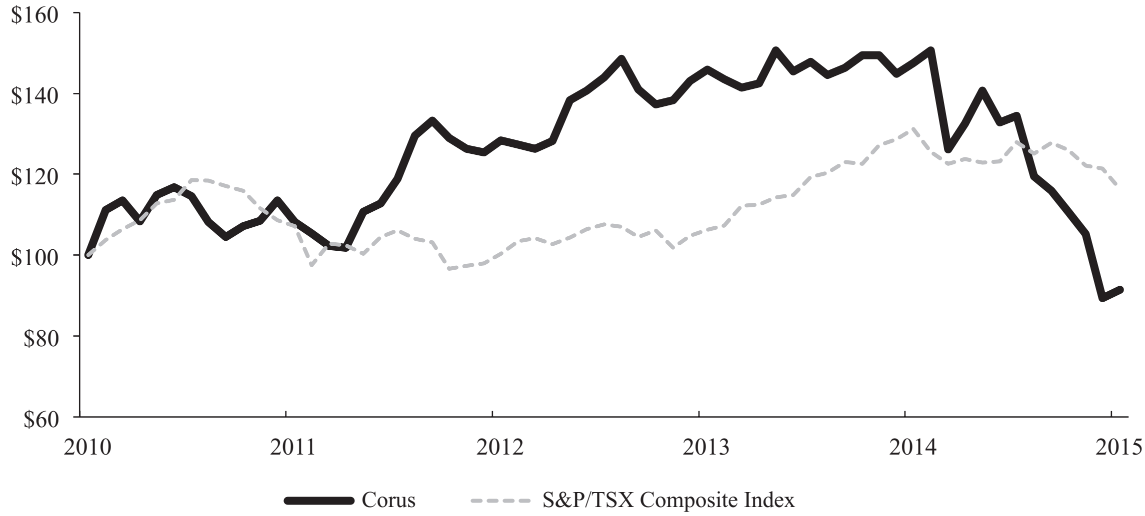
The Company's contributions to the Participant's DC Plan, which includes contributions made after the past service credit dates for the purposes of the DB SERP, are used to fund the individual Participant's DB SERP once vested.

2015 CORPORATE PERFORMANCE

PERFORMANCE GRAPH

The Class B Non-Voting Shares of the Company are listed on the TSX under the symbol "CJR.B". The following chart compares the cumulative TSR on $100 invested in Class B Non-Voting Shares of the Company on September 1, 2010 with the cumulative TSR of the S&P/TSX Composite Index over a five year period and assumes the reinvestment of dividends.

TSR Performance: Corus vs. S&P/TSX Composite Index
September 1, 2010 to August 31, 2015



Fiscal Year	2010	2011	2012	2013	2014	2015	Change[(1)]
Corus	$100	$108	$128	$146	$147	$ 91	−2%
S&P/TSX Composite Index	$100	$107	$100	$106	$131	$116	3%

(1) Change reflects the compound annualized growth rate over the five year period

Although TSR over the 5 year period has decreased 2%, from 2010 to 2014, the Company delivered an annualized shareholder return of 10.2%, greater than that of the S&P/TSX Composite Index at 7.0%. In fiscal 2015, the Company's performance was impacted by macroeconomic and regulatory factors which resulted in a material share price decline, particularly in calendar 2015. On the macroeconomic front, the recession in Canada during the first half of 2015 and the closure of large retail stores, such as Target Canada, had a significant impact on advertising demand, particularly from the retail and consumer products sectors. On the regulatory front, the CRTC's Let's Talk TV decisions, released in March, 2015, resulted in a substantial pullback in the share price due to the perceived negative impact of the new regulations on the Company's business. In fiscal 2015, concurrent with the release of its second quarter results, the Company announced that its consolidated segment profit for the year was expected to be below its previously announced guidance of $300 million to $320 million, but its free cash flow guidance of in excess of $180 million was maintained. For fiscal 2015, the Company delivered actual segment profit of $277.2 million and free cash flow of $201.2 million.

The Company believes that its compensation policies support a strong relationship between the compensation earned by NEOs and the Company's financial performance, including shareholder returns. The following table compares financial performance on key performance indicators and NEO compensation over the last five fiscal year periods, and also provides fiscal 2010 as a base year.

Fiscal Year	Corus 5 Year Financial Performance[1] ($ Millions)						Corus 5 Year Total NEO Compensation ($ Millions)	
	Consolidated Segment Profit	Change[2]	Free Cash Flow	Change[2]	Net Income Attributed to Shareholders	Change[2]	Total Direct Compensation[3]	Change[2]
2010	$264.1		$ 22.9[4]		$126.7		$11.5	
2011	$285.4		$133.3		$141.3		$11.7	
2012	$290.0		$155.1		$148.7		$14.1	
2013	$270.0	1.0%	$154.1	54.4%	$159.9	−172.4%	$12.2	−5.1%
2014	$289.6		$175.3		$150.4		$11.1	
2015	$277.2		$201.2		$(25.2)		$ 8.8	

(1) Financial performance is stated as reported in the Annual Report for each fiscal year, reflecting the actual results used for performance measurement purposes.

(2) Change reflects the compound annualized growth rate over the five year period

(3) Total Direct Compensation reflects Total Compensation as reported in the Summary Compensation Table, excluding Pension and All Other Compensation. Total compensation for fiscal 2015, reflects a new NEO, Mr. Maavara, but does not reflect Mr. Cassaday, who retired from the Company on March 30, 2015. Total compensation for Mr. Murphy, Ms. Shaw, Mr. Peddie and Mr. Dyer is reflected through the full period ended August 31, 2015, and for Mr. Cassaday, is reflected through the period ended August 31, 2014.

(4) Free cash flow for fiscal 2010 reflects the Company's significant investment in its new corporate office facility, Corus Quay.

During the five year period ended August 31, 2015, the combined NEO total compensation decreased at a compound annualized rate of −5.1%. The decrease in compensation is attributed to modest increases in base salaries to reflect growth in NEO responsibilities and market competitiveness, as well as increases in target incentive levels to provide a greater emphasis on at-risk compensation and promote a better long-term focus, offset by actual levels of performance-based STI achieved for each fiscal year and a change in the composition of NEOs reported for fiscal 2015. Over the 5 year period ended August 31, 2015, actual STI award achievement ranged from 64% – 170% of target, reflecting above target performance on budgeted earnings per share in certain years and budgeted consolidated free cash flow in all years.

Total NEO compensation decreased over the 5 year period ended August 31, 2015 from a Summary Compensation Table perspective. In particular, the actual compensation realized by NEOs decreased significantly in fiscal 2015 due to the 42% decline in the Company's share price for the year ended August 31, 2015. Given the Company's philosophy to emphasize long-term, variable compensation, the value of outstanding equity-based compensation held by NEOs declined meaningfully during fiscal 2015. Due to the erosion in the Company's share price for the year ended August 31, 2015, all outstanding NEO stock options have a value of $0, while the value of outstanding DSUs and vested PSUs have decreased in line with the share price decline. This reflects a significant decrease from the grant date value of long-term incentives disclosed in the *Summary Compensation Table*. The HRC Committee believes that the executive compensation program provides clear alignment between NEO realized compensation and shareholder returns.

FISCAL 2016 COMPENSATION PROGRAM

In fiscal 2015, Management retained Towers, the engagement of which included the provision of advice on executive compensation matters to the HRC Committee. A review of the Company's STI and LTI programs was conducted for the HRC Committee by Towers to ensure continued alignment with market practice and best governance standards. Based on the outcome of this review, the HRC Committee approved certain changes to the design of the STI and LTI programs, as described in further detail below.

Key Change	Rationale / Objective
Short-term Incentive Plan	
Replaced the EPS measure with segment profit for NEOs (weighted 40% of the STI award)	• Provides focus on corporate operational earnings
Amended the weighting of the free cash flow measure (weighted 40% of the STI award)	• Provides continued focus on free cash flow • Weighting reduced slightly to provide greater emphasis on individual performance measures
Increased the weight and upside opportunity of the individual performance component from 10% to 20%, and 100% to 150% of target, respectively	• Provides greater ability to reward and differentiate for individual contributions to the Company's long-term business strategy • Motivates performance achievement above target in alignment with the Company's pay for performance philosophy • Stronger alignment with competitive market practice
Introduced an EPS measure to CEO/CFO individual performance component (weighted 50% EPS, 50% individual performance)	• Maintains focus on a key financial measure for the CEO/CFO
Adjusted financial target performance range (90% to 110% targets for fiscal 2016, amended from 95% to 130% targets for fiscal 2015)	• Provides a reasonable target in light of the Company's historical performance and future business outlook • Stronger alignment with competitive market practice
Long-term Incentive Plan: PSUs	
Replaced share price targets with 50% absolute TSR and 50% relative TSR at the end of a 3 year performance period Introduced relative TSR performance component compared to a broad market index	• Reflects the value delivered through the Company's dividend • Stronger alignment with market practice • Ensures that the Company's TSR reflects true outperformance relative to the broader market • Rewards NEOs for achieving shareholder returns in excess of the broader market which aligns with shareholder objectives • Strengthens pay for performance alignment
Increased the PSU performance range payout opportunity from 100% to 150%	• Motivates performance achievement above target in alignment with the Company's pay for performance philosophy • Stronger alignment with market practice

The HRC Committee is confident that these changes support the Company's future strategic direction and pay-for-performance philosophy and will continue to review the executive compensation program on a regular basis to ensure continued alignment with Company objectives. A detailed discussion of the fiscal 2016 compensation program will be provided in the Company's fiscal 2016 management information circular.

SUMMARY COMPENSATION TABLE

The following table includes total compensation for each of the NEOs for the three most recently completed fiscal years.

Table 5 — Summary Compensation Table

Name and Principal Position	Fiscal Year	Salary[1]	Share-Based Awards[2]	Option-Based Awards[3]	Non-Equity Incentive Plan Compensation: Annual Incentive Plans	Non-Equity Incentive Plan Compensation: Long-term Incentive Plans	Pension Value[4]	All Other[5] Compensation	Total Compensation
Doug D. Murphy President and CEO (from March 30, 2015)	2015 2014 2013	$ 650,556 $ 583,333 $ 500,000	$1,181,723 $ 450,000 $ 375,000	$254,506 $150,000 $125,000	$ 357,939[6] $ 320,832 $ 317,042	— — —	$311,000 $ 95,000 $173,000	$ 8,132 $ 7.292 $ 6,250	$2,763,856 $1,606,457 $1,496,292
John M. Cassaday Former President and CEO (to March 30, 2015)	2015 2014 2013	$ 579,861 $1,000,000 $ 955,325	$ 0[7] $1,687,500 $1,432,988	$ 0[7] $562,500 $477,663	$ 0 $ 712,960 $1,459,741	— — —	$206,000 $365,000 $466,000	$4,551,378[8] $ 185,182 $ 144,900	$5,337,239 $4,513,142 $4,936,617
Thomas C. Peddie Executive Vice President and CFO	2015 2014 2013	$ 507,400 $ 492,000 $ 480,000	$ 382,154 $ 370,800 $ 360,000	$127,600 $123,600 $120,000	$ 195,340 $ 211,492 $ 488,961	— — —	$133,000 $118,000 $108,000	$ 6,343 $ 6,150 $ 6,000	$1,351,837 $1,322,042 $1,562,961
Heather A. Shaw Executive Chair	2015 2014 2013	$ 950,000 $ 950,000 $ 907,559	$1,424,706 $1,425,000 $1,191,171	$474,904 $475,000 $397,057	$ 606,448 $ 677,312 $1,386,754	— — —	$195,000 $201,000 $185,000	$ 4,453 $ 11,875 $ 93,215	$3,655,511 $3,740,187 $4,160,756
D. Scott Dyer Executive Vice President, CTO and President, Nelvana	2015 2014 2013	$ 403,098 $ 435,625 $ 425,000	$ 253,128 $ 246,234 $ 239,043	$ 84,448 $ 82,078 $ 79,668	$ 172,359 $ 187,259 $ 432,935	— — —	$110,000 $ 88,000 $ 72,000	$ 5,039 $ 5,445 $ 5,312	$1,028,072 $1,044,641 $1,253,958
Gary A. Maavara Executive Vice President, General Counsel and Corporate Secretary	2015 2014 2013	$ 382,650 $ 369,000 $ 360,000	$ 215,208 $ 210,000 $ 135,134	$ 72,152 $ 69,549 $ 45,024	$ 147,469 $ 158,619 $ 305,601	— — —	$108,000 $ 82,000 $ 71,000	$ 4,783 $ 4,613 $ 4,500	$ 930,262 $ 893,781 $ 921,259

(1) Base salary increases are effective on a biennial basis as at September 1 for Doug Murphy and Heather Shaw and on an annual basis as at November 1 for Thomas Peddie, D. Scott Dyer and Gary Maavara. In fiscal 2015, Doug Murphy received an additional 'out-of-cycle' increase upon his promotion to President and CEO on March 30, 2015.

(2) Represents the aggregate award of units granted under the PSU and DSU Plans.

PSU Assumptions: The 20 day VWAP on the TSX as at August 31, 2014, 2013 and 2012 was $24.62, $25.00 and $22.83, respectively. A 20% discount to the VWAP is applied to determine the grant date fair value, which reflects the challenging performance vesting criteria attached to the award and lack of upside opportunity above target. The grant date fair value for these awards is based on the 20 day VWAP on the TSX as at August 31 of each prior fiscal year. The accounting fair value for these awards is based on the closing market price on the TSX per Class B Non-Voting Share as at the end of the fiscal quarter, generally November 30 of each year, which follows the actual grant date. The difference between the grant date fair values and accounting values provided in the table below reflects the 20% discount to VWAP and the aforementioned 3 month difference in timing in the valuation dates.

	Fiscal 2015		Fiscal 2014		Fiscal 2013	
	Grant Date Fair Value	Accounting Fair Value	Grant Date Fair Value	Accounting Fair Value	Grant Date Fair Value	Accounting Fair Value
Fair Value/PSU	$19.70	$21.70	$20.00	$24.40	$18.26	$22.86
Variance to Grant Date Fair Value		$2.00		$4.40		$4.60

In addition to the annual PSU grant, Doug Murphy received a special PSU award upon his promotion to President and CEO. The grant date fair value of $19.70 for the award was based on the 20 day VWAP on the TSX as at August 31, 2014 and a 20% discount as described above, as it was determined by the HRC Committee that the award should be granted at the same value as the original annual grants. The accounting fair value of $17.64 was based on the closing share price on the TSX per Class B Non-Voting Share as at May 29, 2015.

DSU Assumptions: The 20 day VWAP on the TSX as at August 31 2014, 2013 and 2012 was $24.62, $25.00 and $22.83, respectively. The grant date fair value for these awards is based on the 20 day VWAP on the TSX as at August 31 of each prior fiscal year. The accounting fair value for these awards is based on the closing share price on the TSX per Class B Non-Voting Share as at the end of the fiscal quarter, generally November 30 of each year, which follows the actual grant date. The difference between the grant date fair values and accounting values provided in the table below reflects the aforementioned 3 month difference in timing in the valuation dates.

	Fiscal 2015		Fiscal 2014		Fiscal 2013	
	Grant Date Fair Value	**Accounting Fair Value**	**Grant Date Fair Value**	**Accounting Fair Value**	**Grant Date Fair Value**	**Accounting Fair Value**
Fair Value/DSU	$24.62	$21.70	$25.00	$24.40	$22.83	$22.86
Variance to Grant Date Fair Value		$(2.92)		$(0.60)		$0.03

In addition to the annual DSU grant, Doug Murphy received a special DSU award upon his promotion to President and CEO. The grant date fair value of $24.62 for the award was based on the 20 day VWAP on the TSX as at August 31, 2014, as it was determined by the HRC Committee that the award should be granted at the same value as the original annual grants. The accounting fair value of $17.64 was based on the closing share price on the TSX per Class B Non-Voting Share as at May 29, 2015.

(3) Option-Based award values are based on the estimated grant date fair value of the award, calculated by an independent third-party for the purposes of determining the number of options granted to each NEO. Prior to 2015, the estimated grant date fair value was calculated based on a Black-Scholes valuation model. Beginning with the fiscal 2015 grants, the estimated grant date fair value is calculated based on a Binomial option valuation model, as the HRC Committee determined that this method best reflects the high-yield and low volatility characteristics of the Company's Class B Non-Voting Shares. The Company continues to use a Black-Scholes valuation model to determine the accounting fair value of the awards.

The variance of Accounting Fair Value to estimated Grant Date Fair Value principally arises from differences in assumptions related to 1) the average ("expected") historical life of the options and 2) the expected volatility over the life of the options. The key assumptions used to determine the Estimated Grant Date Fair Value and the Accounting Fair Value of option awards are as follows:

	Fiscal 2015		Fiscal 2014		Fiscal 2013	
Assumptions	**Estimated Grant Date Fair Value**	**Accounting Fair Value Range**	**Estimated Grant Date Fair Value**	**Accounting Fair Value Range**	**Estimated Grant Date Fair Value**	**Accounting Fair Value Range**
Expected Life in years	7.5	6.0 - 7.0	7.5	6.0 - 7.0	7.5	5.4 - 6.6
Risk-free Interest Rate	1.82%	1.6%	2.18%	1.8% - 2.0%	1.49%	1.42% - 1.52%
Expected Volatility	15.04%	22.5% - 26.2%	17.35%	24.9% - 27.3%	19.76%	27.17% - 29.41%
Expected Dividend Yield	4.41%	4.7%	4.24%	4.3%	4.45%	4.36%
Stock Price / Exercise Price	$24.87	$23.27	$25.00	$23.67	$23.02	$22.00
Fair Value	$2.32	$2.63 - $3.31	$2.39	$3.50 - $3.86	$2.24	$3.43 - $3.76
Variance to Estimated Grant Date Fair Value		$0.31 - $0.99		$1.11 - $1.47		$1.19 - $1.52

In addition to the annual stock option grant, Doug Murphy received a special stock option award upon his promotion to President and CEO. The key assumptions used to determine the Estimated Grant Date Fair Value and the Accounting Fair Value of Mr. Murphy's option awards are as follows:

	Fiscal 2015	
Assumptions	**Estimated Grant Date Fair Value**	**Accounting Fair Value Range**
Expected Life in years	7.5	6.0 - 7.0
Risk-free Interest Rate	0.99%	1.0% - 1.1%
Expected Volatility	20.83%	21.8% - 27.2%
Expected Dividend Yield	6.48%	6.5%
Stock Price / Exercise Price	$17.58	$17.58
Fair Value	$1.85	$1.20 - $1.79
Variance to Estimated Grant Date Fair Value		($0.06 - $0.65)

(4) Includes amounts contributed to the CEO SERP for Mr. Cassaday, SERP for Mr. Murphy, Mr. Peddie, Ms. Shaw, Mr. Dyer and Mr. Maavara in fiscals 2015, 2014 and 2013. In fiscal 2015, Mr. Cassaday vested 100% in the CEO SERP.

(5) Aggregate "Other Compensation" is based on actual costs and taxable benefits in fiscals 2015, 2014 and 2013 for the Company's portion of the NEO's Employee Share Purchase Plan contributions and the amount of perquisites received by the NEOs if the perquisites exceeded $50,000 for the respective fiscal years. Mr. Cassaday was entitled to perquisites and other benefits during his period of employment in fiscal 2015, including personal life insurance costs in the amount of $50,000 and financial planning advice costs in the amount of $56,159, in accordance with the terms of his employment agreement. All NEOs are entitled to perquisites and other benefits according to Company policy, and for Mr. Murphy, also according to the terms of his employment agreement.

(6) In fiscal 2015, Mr. Murphy's short-term incentive ("STI") award was pro-rated to reflect his promotion to CEO on March 30, 2015. As such, Mr. Murphy received 7/12 of his STI based on his COO target of 75% and 5/12 of his STI based on his CEO target of 100%.

(7) Upon Mr. Cassaday's retirement on March 30, 2015, the Stock Options, PSUs and DSUs which were previously granted to him in accordance with his target long-term incentive ("LTI") for fiscal 2015 (225% of base salary) were cancelled and forfeited. These awards were replaced by a lump sum payment for the value of 7/12 of his fiscal 2015 long-term incentives at target, as valued in notes 2 and 3 above, the amount of which is included in the "All Other Compensation" column of this Summary Compensation table.

(8) Upon Mr. Cassaday's retirement on March 30, 2015, he received a retirement allowance in a lump sum of $4,141,500 which included an amount equivalent to two times his base salary, 7/12 of his fiscal 2015 STI at target, 7/12 of his fiscal 2015 LTI at target, the retirement of his outstanding Company loan and an administrative allowance. Following his retirement, he also began receiving his CEO SERP in monthly installments, totaling $201,771 for fiscal 2015.

INCENTIVE PLAN AWARDS

Table 6 sets out Options to purchase Class B Non-Voting Shares and share-based awards (PSUs, DSUs) granted by the Company to the NEOs which remain outstanding as at August 31, 2015.

Table 6 — Outstanding Option-Based and Share-Based Awards

	Option-Based Awards				Share-Based Awards		
Name	Number of Securities Underlying Unexercised Options	Option Exercise Price	Option Expiration Date	Value of Unexercised In-The-Money Options(1)	Number of Shares or Units of Shares that have not Vested	Market or Payout Value of Share-Based Awards that have not Vested(2)	Market or Payout Value of Vested Share-Based Awards not Paid Out or Distributed(3)
Doug D. Murphy	53,800	$17.58	17-Oct-2022	$0	122,213	$1,222,523	$699,513
	66,800	$23.27	23-Apr-2022	$0			
	62,900	$23.67	24-Apr-2021	$0			
	55,800	$22.00	24-Apr-2020	$0			
	35,300	$19.59	25-Apr-2019	$0			
	23,700	$22.31	26-Apr-2018	$0			
	15,600	$17.50	22-Apr-2017	$0			
	18,300	$17.62	21-Apr-2016	$0			
John M. Cassaday	235,800	$23.67	30-Mar-2019	$0	56,300	$ 268,149	—
	213,200	$22.00	30-Mar-2019	$0			
	134,800	$19.59	30-Mar-2019	$0			
	94,900	$22.31	26-Apr-2018	$0			
	3,273	$18.95	13-Jul-2017	$0			
Thomas C. Peddie	55,000	$23.27	23-Apr-2022	$0	52,800	$ 513,475	$258,649
	51,800	$23.67	24-Apr-2021	$0			
	53,600	$22.00	24-Apr-2020	$0			
	33,900	$19.59	25-Apr-2019	$0			
	24,700	$22.31	26-Apr-2018	$0			
	28,400	$17.50	22-Apr-2017	$0			
Heather A. Shaw	204,700	$23.27	23-Apr-2022	$0	191,300	$1,821,929	$828,820
	199,100	$23.67	24-Apr-2021	$0			
	177,300	$22.00	24-Apr-2020	$0			
	112,000	$19.59	25-Apr-2019	$0			
	80,600	$22.31	26-Apr-2018	$0			
D. Scott Dyer	36,400	$23.27	23-Apr-2022	$0	33,500	$ 318,659	—
	34,400	$23.67	24-Apr-2021	$0			
	35,600	$22.00	24-Apr-2020	$0			
	22,500	$19.59	25-Apr-2019	$0			
	10,100	$22.31	26-Apr-2018	$0			
	15,300	$17.50	22-Apr-2017	$0			
	17,900	$17.62	21-Apr-2016	$0			
Gary A. Maavara	31,100	$23.27	23-Apr-2022	$0	26,600	$ 243,876	—
	9,700	$25.40	15-Jul-2021	$0			
	19,400	$23.67	24-Apr-2021	$0			
	20,100	$22.00	24-Apr-2020	$0			
	12,700	$19.59	25-Apr-2019	$0			
	9,300	$22.31	26-Apr-2018	$0			
	14,000	$17.50	22-Apr-2017	$0			
	16,500	$17.62	21-Apr-2016	$0			

(1) Based on the TSX closing share price of $14.29 per Class B Non-Voting Share as at August 31, 2015.

(2) Represents unvested performance-based units granted under the PSU Plan in fiscals 2015 and 2014 (fiscal 2014 for Mr. Cassaday) and unvested units granted under the DSU Plan from fiscals 2011 – 2015 (no DSUs are outstanding for Mr. Cassaday), including a special DSU grant to Doug Murphy in fiscals 2011 and 2010. The value for all outstanding PSUs is based on the TSX closing share price of $14.29 per Class B Non-Voting Share as at August 31, 2015 times the expected performance factor achieved for the respective grant. For

the purposes of this table, PSUs granted in fiscals 2015 and 2014 are assumed to payout at 33.33% of target, reflecting performance achievement to-date as at August 31, 2015. The value shown for the PSUs does not include the "dividend equivalent" which is payable, according to the terms of the PSU Plan, only at such time as the PSUs vest. It is estimated that the dividend equivalent would be $3.40 and $3.32 per PSU for the fiscal 2015 and 2014 PSUs, respectively.

The value for all outstanding DSUs is based on the TSX closing share price of $14.29 per Class B Non-Voting Share as at August 31, 2015 and does not include the "dividend equivalent" which is payable, according to the terms of the DSU Plan, only at such time as the DSUs vest. It is estimated that the dividend equivalent would be $5.68, $5.60, $5.45, $5.24 and $4.83 per DSU for the fiscal 2015, 2014, 2013, 2012 and 2011 DSUs, respectively. The estimated dividend equivalent would be $6.06 and $5.52 per DSU in respect of Doug Murphy's special DSU grants in fiscals 2011 and 2010, respectively.

(3) Vested share-based awards as at August 31, 2015 are comprised of all DSUs granted under the DSU Plan in fiscals 2008, 2009 and 2010 and Doug Murphy's special DSU grants from fiscals 2011 and 2010, which are 50% and 75% vested, respectively. The value for these DSUs is based on the TSX closing share price of $14.29 per Class B Non-Voting Share as at August 31, 2015.

Table 7 sets out the values vested or earned during fiscal 2015 for options to purchase Class B Non-Voting Shares and share-based incentive awards granted by the Company to the NEOs. Also included is the non-equity incentive plan compensation earned by the NEOs in fiscal 2015.

Table 7 — Incentive Plan Awards — Value Vested or Earned During the Year

Name	Option-Based Awards — Value Vested During the Year(1)	Share-Based Awards — Value Vested During the Year(2)	Non-Equity Incentive Plan Compensation — Value Earned During the Year(3)
Doug D. Murphy	$ 9,443	$ 629,564(4)	$357,939
John M. Cassaday(5)	$36,059	$3,760,687	$583,000
Thomas C. Peddie	$ 9,068	$ 422,176	$195,340
Heather A. Shaw	$29,960	$1,365,394	$606,448
D. Scott Dyer	$ 6,019	$ 133,305	$172,359
Gary A. Maavara	$ 3,397	$ 75,080	$147,469

(1) Aggregate value is based on the TSX closing share price per Class B Non-Voting Share on the Option vesting dates: $24.40 as at October 22, 2014, $23.27 as at October 23, 2014, $21.51 as at October 24, 2014 (for October 24, 25 and 26, 2014 vesting dates), $20.66 as at October 27, 2014, $22.49 as at January 13, 2015 and $21.63 as at January 15, 2015.

(2) PSUs granted in fiscal 2013 with a performance period ended August 31, 2015 have vested, and the value vested includes a PSU dividend equivalent of $3.17 per PSU. The PSUs exceeded the third TSR share price target of $28.00 and were paid out, according to the terms of the PSU Plan, based on achieving a performance factor of 100% of the maximum target of 100%, using the TSX 20 Day VWAP as at August 31, 2015 of $13.37. DSUs granted in fiscal 2010 vested on September 1, 2014 and the value vested is based on the closing share price on the TSX of $24.45 per Class B Non-Voting Share as at August 29, 2014 (for September 1, 2014 vesting date) plus a dividend equivalent of $4.31.

(3) The value of Non-Equity Incentive Plan Compensation represents Short-Term Incentive Plan compensation earned for fiscal 2015.

(4) Also includes the value of Mr. Murphy's partially vested special DSU grants from fiscal 2011 with a grant price of $22.31 and fiscal 2010 with a grant price of $17.50, which vested 15% and 25%, respectively, in fiscal 2015. The value is based on the TSX closing share price on the anniversary of the grant dates: $23.27 per Class B Non-Voting Share as at October 23, 2014 and $20.66 per Class B Non-Voting Share as at October 27, 2014 plus dividend equivalents of $3.79 and $4.39 for the fiscal 2011 and 2010 grants, respectively.

(5) Mr. Cassaday retired from the Company on March 30, 2015 on his permitted "late" retirement date. As per the terms of the Company's LTI plans, Mr. Cassaday's outstanding fiscal 2014 PSUs will continue to vest until the end of the performance period, all outstanding DSUs vested on retirement and all outstanding stock options will continue to vest until the earlier of the fourth anniversary of the retirement and the expiry of the options. Share-based awards vested includes all DSUs granted in fiscals 2011 – 2014 plus dividend equivalents of $1.70, $2.70, $3.62 and $4.36 for fiscal 2014, 2013, 2012 and 2011 grants, respectively, in addition to PSUs and DSUs vested in the normal course as per note (2) above. Mr. Cassaday also received non-equity incentive plan compensation equivalent to 7⁄12 of his fiscal 2015 STI entitlement at target.

Table 8 sets forth securities authorized for issuance under all equity compensation plans as at November 24, 2015.

Table 8 — Securities Authorized for Issuance Under Equity Compensation Plans

Plan Category	**Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights** **(a)**	**Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights** **(b)**	**Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))** **(c)**
Equity compensation plans approved by security holders	2,560,873	$21.65	5,834,412
Equity compensation plans not approved by security holders	—	—	—
Total	2,560,873	$21.65	5,834,412

PENSION PLAN BENEFITS

Table 9 estimates the total benefits accrued under the DB (SERP and CEO SERP) and DC Pension Plans for each NEO as at August 31, 2015 based on assumptions and methods used in the Company's financial statements.

Table 9 — DB Plan — SERP and CEO SERP

Name	Number of Years of Credited Service(1)	Annual Benefits Payable(2)		Accrued Obligation at Start of Year	Compensatory Change	Non-Compensatory Change	Accrued Obligation at Year End
		At Year End	At Age 65(3)				
Doug D. Murphy	11.0	$132,000	$336,000	$1,238,000	$311,000	$ 19,000	$1,568,000
John M. Cassaday(4)	17.7	$484,000	$484,000	$7,398,000	$206,000	$(295,000)(5)	$7,309,000
Thomas C. Peddie	16.0	$158,000	$158,000	$1,975,000	$133,000	$ (20,000)	$2,088,000
Heather A. Shaw	8.0	$150,000	$323,000	$1,804,000	$195,000	$ 46,000	$2,045,000
D. Scott Dyer	11.0	$ 96,000	$180,000	$1,120,000	$110,000	$ 26,000	$1,256,000
Gary A. Maavara	10.0	$ 74,000	$100,000	$ 896,000	$108,000	$ 27,000	$1,031,000

(1) Participants receive credit for past service while they are a member of the Company's executive leadership team, but past service will only vest when the participant either completes the same number of years of current service on a cliff vested basis or reaches age 65. Credited service amounts include prior service granted in the SERP on September 1, 2010 for Mr. Murphy (6 years), Mr. Peddie (8 years), Mr. Dyer (6 years) and Mr. Maavara (5 years) and prior service granted in the CEO SERP on January 13, 2010 for Mr. Cassaday (10.1 years).

(2) Mr. Peddie, Ms. Shaw and Mr. Maavara are 100% vested in all benefits. Mr. Murphy's total benefits do not vest until age 55. Mr. Dyer's benefits accrued since September 1, 2010 are 100% vested as of last year (age 55) and he will fully vest in his prior service benefits at age 57.

(3) Annual benefit payable at age 65 or attained age, if later.

(4) Mr. Cassaday retired on March 30, 2015 and is currently receiving a pension from general revenues. His CEO SERP pension was offset by his DC balance of $459,594 that was paid out at his retirement.

(5) Reflects the payment of Mr. Cassaday's DC balance after his retirement as referenced in note (4).

Table 10 provides the DC Pension Plan balances only for contributions made prior to September 1, 2007, for Heather Shaw and for contributions made prior to the past service credit dates for the purposes of the SERP for Doug Murphy and D. Scott Dyer, all of whom are eligible members of the DB Pension Plan (SERP) as at August 31, 2015.

Table 10 — DC Plan

Name	Accumulated Value at Start of Year	Compensatory	Accumulated Value at Year-End
Doug D. Murphy	$ 19,000	$0	$ 17,000
John M. Cassaday	$ 0	$0	$ 0
Thomas C. Peddie	$ 0	$0	$ 0
Heather A. Shaw	$414,000	$0	$446,000
D. Scott Dyer	$ 95,000	$0	$101,000
Gary A. Maavara	$ 0	$0	$ 0

EMPLOYMENT AGREEMENTS

John Cassaday (Former CEO)

The term of John Cassaday's Agreement was until March 2015, when he reached his permitted retirement age. On March 30, 2015, Mr. Cassaday retired from Corus Entertainment. Mr. Cassaday received retirement payouts in lump sum according to the termination provisions, including a retirement allowance equivalent to two times his base salary, the pro-rated portion (7⁄12) of his targeted short-term incentive bonus for fiscal 2015, the pro-rated portion (7⁄12) of the value of his targeted long-term incentive award for fiscal 2015, certain administrative allowances, and long-term compensation and retirement benefits in accordance with the terms of the executive incentive plans. Mr. Cassaday also began receiving retirement benefits in monthly installments after the date of his retirement under the terms of the CEO SERP effective January 13, 2010. In fiscal 2015, Mr. Cassaday received certain perquisites prior to his retirement under the terms of his employment agreement which are additional to those provided to the Company's employees, including the payment of life and disability premiums, up to a yearly maximum of $50,000 and the reimbursement of costs for financial planning advice. Actual compensation received for Mr. Cassaday is reflected in the "*Summary Compensation Table*" on page 35. Mr. Cassaday committed to a non-solicitation agreement for a two year period following his retirement from Corus and he also agreed to a non-compete for a one year period following his retirement, with a provision that the retirement allowance would be repayable for any breach of this agreement.

CEO SERP Overview

The Company implemented a CEO SERP solely for John Cassaday ("the Participant"), effective January 13, 2010. The CEO SERP provides a defined benefit pension calculated as the product of 2.0% of the Participant's highest average earnings times credited service where highest average earnings is defined as the highest average of base monthly earnings plus 50% of annual short-term incentive bonus at target over 36 consecutive months in the previous 120 months. CEO SERP benefits accrue from August 1, 1997 and they vested 100% prior to Mr. Cassaday's retirement on March 30, 2015. The normal form of payment is a lifetime pension guaranteed for ten years and the benefits are offset by contributions with interest made by the Company to the DC Plan since August 1, 1997.

Doug Murphy (Current CEO)

The Company entered into an employment agreement (the "Agreement") effective January 12, 2015 with Doug Murphy, President and Chief Executive Officer. The term of the Agreement commenced March 30, 2015 and will end on the retirement date of April 30, 2028. The Agreement confirmed Mr. Murphy's base salary of $700,000 until September 1, 2015, when it would increase to $800,000. Thereafter, Mr. Murphy's base salary will be reviewed every two years. The Agreement provides for continued participation in the Company's existing short-term and long-term incentive and retirement plans as set out in this CD&A. This includes a targeted short-term incentive bonus at 90% of base salary and targeted long-term incentive awards which are equal to 225% of base salary. Mr. Murphy will continue to participate in the Company's SERP under the same terms as he was previously entitled to. The Agreement also includes a provision for certain perquisites which are estimated to be less than $50,000 on an annual basis.

Mr. Murphy is entitled to certain incremental benefits under a termination "without cause" or "within six months of a change in control" scenario. The separation package would include a lump sum payment equal to two times the aggregate of Mr. Murphy's annual base salary at the time of separation plus his targeted short-term incentive bonus at 90%, with pro-rata reductions applicable if separation occurs within two years of the retirement date. In addition, all options granted under the Company's stock option plan would immediately vest. Other LTI incentives granted to Mr. Murphy over his period of employment would be distributed according to the terms of the PSU and DSU Plans, as may be amended from time to time. Under the terms of the agreement, two additional years of credited service would apply for the purposes of calculating the SERP benefits. If termination occurs prior to the age of 55, SERP benefits would vest in respect of Mr. Murphy's continuous service and all prior service. The Agreement provides for the continuation of certain employment benefits until the earlier of two years from the date of termination or the retirement date. The separation package is conditional on compliance with certain non-competition, non-solicitation and non-interference provisions that, if breached, would result in a requirement to return any payments already made and the immediate cessation of payments not yet made.

TERMINATION AND CHANGE OF CONTROL ARRANGEMENTS

Except for the President and CEO, no other NEO has an employment agreement or any other contractual arrangement in connection with any termination or change of control event, other than the conditions provided in the compensation plans of the Company, as summarized below.

Table 11 — Termination and Change of Control Arrangements

	Resignation	Termination for Cause	Involuntary Termination	Retirement Early (age 55-64) Late (age 65+ unless otherwise determined by the Board)	Change of Control
Stock Options	Exercise of vested options within 30 days of termination. The Board may extend the time period for exercise or accelerate the vesting of outstanding options at its discretion.	Immediately forfeited unless otherwise determined at the discretion of the Board.	Exercise of vested options within 30 days of termination. The Board may extend the time period for exercise or accelerate the vesting of outstanding options at its discretion.	*Early*: Exercise of vested options within 36 months of retirement. *Late*: Continue to vest until the earlier of the fourth anniversary of retirement and the expiry of the options.(2)	The Board may take actions as it deems appropriate, including the assumption or substitution of options by the relevant controlling entity, accelerated vesting of the options or surrender of the options for cash. If no vesting acceleration is implemented and termination without cause occurs within 12 months of change of control, options vest immediately and are exercisable for 90 days following termination.
PSUs	Forfeited	Forfeited	If vesting occurs during the applicable notice period, PSUs vest in the ordinary course. Remaining PSUs are forfeited.	*Early:* Continue to vest until the completion of the performance period. Payable amount is prorated to date of retirement based on achievement of vesting targets. *Late:* Continue to vest until the completion of the performance period. Vested units are paid out at the end of the performance period based on achievement of vesting targets.	The Board may take actions as it deems appropriate, including the assumption or substitution of PSUs by the relevant controlling entity, accelerated vesting of the PSUs or surrender of the PSUs for cash.(3) If no vesting acceleration is implemented and termination without cause occurs within 12 months of change of control, PSUs vest immediately.
DSUs	Forfeited	Forfeited	If vesting occurs during applicable notice period, vest in the ordinary course; remainder forfeited.(1)	*Early*: Vest on a pro rata basis to the date of retirement.(2) *Late*: Vest on retirement.	*Grants prior to fiscal 2014*: All outstanding DSUs vest. *Grants on or after fiscal 2014*: The Board may take actions as it deems appropriate, including the assumption or substitution of DSUs by the relevant controlling entity, accelerated vesting of the DSUs or surrender of the DSUs for cash.
SERP	Payment of vested benefits. Reduction of 5% per year if resignation is prior to age 65.	Forfeited	Payment of vested benefits. Participant may receive credit for past service at the discretion of the Company. Reduction of 5% per year if termination is prior to age 65.	Payment of vested benefits. Reduction of 5% per year if retirement is prior to age 65.	Vest immediately, including credit for past service if involuntary termination occurs within six months of change of control.(4)

(1) If there is an Involuntary Termination for Doug Murphy, his special retention grant of DSUs would become 100% vested and payable.

(2) Continued vesting is generally subject to two year non-competition and non-solicitation provisions, subject to transitional arrangements.

(3) In the event that the price per common share offered to shareholders under the change of control transaction in question is equal to or exceeds the performance conditions contained in a particular PSU grant, the PSUs in question shall vest in their entirety upon the occurrence of the change of control transaction.

(4) If there is an Involuntary Termination within 6 months following a change in the Company's leadership, which is defined as a change in the current CEO or if the Class B Non-Voting Shares of the Company are no longer publicly traded, SERP benefits immediately vest, including credit for past service.

Generally, severance entitlements, including short-term incentives, payable to NEOs other than Mr. Murphy, who has an employment agreement with the Company, would be determined in accordance with applicable common law requirements. Based on the treatment of other compensation elements described above, certain incremental benefits would be payable by the Company based on the scenarios outlined in Table 11. The benefits described below are valued based on the TSX closing share price for Class B Non-Voting Shares of $14.29 as at August 31, 2015.

Incremental benefits would be payable to Mr. Murphy, in accordance with the terms of his employment agreement, for involuntary termination, including involuntary termination within 6 months of a change in control. As at August 31, 2015, Mr. Murphy would be entitled to an amount of $3,542,573, which is equivalent to two times his base salary, his STI award at 90% of target and the vesting of his SERP, including current and past service entitlements, as well as the vesting of Mr. Murphy's unvested special DSUs under the terms of his special DSU grants.

In the event of a change of control as at August 31, 2015, unvested DSUs granted in fiscals 2013, 2012 and 2011 would vest, including the related dividend equivalents. As such, the following incremental benefits would be realized: Mr. Murphy ($324,695), Ms. H. Shaw ($1,052,165), Mr. Dyer ($182,470) and Mr. Maavara ($121,193). Mr. Peddie's DSU benefits are not considered incremental under the terms of the plan.

In the event of an involuntary termination, only within 6 months of a change of control, Mr. Dyer would be entitled to all past service benefits under the SERP. As at August 31, 2015, the value of the past service is $561,000.

The Board used its discretion to recognize founding CEO John Cassaday's significant leadership contribution to the creation and growth of the Company during his 15 years of service. As such, Mr. Cassaday received benefits upon his retirement on March 30, 2015 which were incremental to those received in the normal course from the Company under Table 11. These incremental 'retirement allowance' benefits are reflected in the "*Summary Compensation Table*" on page 35 and were paid in a lump sum of $4,141,500.

LONG-TERM INCENTIVE PLAN DETAILS

STOCK OPTION PLAN

Administration	The Stock Option Plan is administered by the Board with delegated authority to the HRC Committee.
Eligibility	Board of Directors, officers and employees of and consultants to the Company and its subsidiaries (collectively, the "Participants").
Vesting and Expiry	Options have a maximum ten year term. Unless otherwise determined by the Board, the Options are not immediately exercisable, but rather 25% of the original grant vests and is exercisable on each of the first, second, third and fourth anniversary of the date of grant. Options granted to Participants expire on the later of the expiry date or ten trading days following the expiration of a black-out period, should the expiry date fall within a black-out period or within nine trading days immediately following a black-out period.
Exercise Price	The exercise price of each Option issued must be at not less than their fair market value, which is defined as being the closing price of the Class B Non-Voting Shares on the TSX on the trading day immediately preceding the date on which the Option is granted or, if such shares are not then listed and posted for trading on the TSX, such other exchange or published market selected by the Board upon which the Class B Non-Voting Shares may be listed and posted for trading. If the Class B Non-Voting Shares did not trade on such date, then the fair market value will be the closing price of the Class B Non-Voting Shares on the relevant exchange on the last previous day on which a sale is reported.
Financial Assistance	The Company does not provide any financial assistance to Participants to facilitate the purchase of Class B Non-Voting Shares under the Stock Option Plan.
Assignment of Awards	Options may not be assigned or transferred by a Participant, otherwise than by will or the laws of descent and distribution during the lifetime of the Participant.

The Board adopted the Stock Option Plan on November 23, 1999, which was subsequently amended and ratified by the shareholders of the Company at the 2007 Annual and Special Meeting. On February 1, 2008, the Company divided each issued and outstanding Class A participating share and Class B non-voting participating share in the capital of the Company on a two-for-one basis, which resulted in the doubling of the number of stock options outstanding as at February 1, 2008, while the strike price for existing options was reduced by one-half.

As required by the TSX, the Stock Option Plan must be presented to the shareholders of the Company for ratification of the unallocated entitlements under an evergreen plan every three years and such ratification was last obtained at the Company's 2013 Annual and Special Meeting. The Stock Option Plan will next be presented to the shareholders of the Company for ratification of the unallocated entitlements under its evergreen plan at the Company's 2016 Annual and Special Meeting.

The Board may amend the Stock Option Plan at its discretion and shareholder approval will not be required for any amendments to the Plan, save and except for any amendments related to:

1) Amendments to the amendment provisions of the Stock Option Plan;
2) the maximum number of Shares which are reserved for issuance under the Stock Option Plan (and under any other security based compensation arrangement); and
3) a reduction in the exercise price for Options held by insiders and/or an extension to the term of Options held by insiders.

Any other amendment can be made by the Board without shareholder approval and may include, without limitation, amendments relating to:

1) the vesting provisions of the Plan or any Option granted thereunder;
2) the exercise price or option period of the Plan or any Option granted thereunder for non-insiders;
3) the early termination provisions of the Plan or any Option;
4) the addition of any form of financial assistance by the Company for the acquisition of shares by all or certain categories of participants; and
5) the subsequent amendment of any such provision whether or not the same is more favourable to the participants, the curing of any ambiguity, error or omission in the Plan, the suspension or termination of the Plan or any other amendment, whether fundamental or otherwise, not requiring shareholder approval under applicable law.

In fiscal 2015, no amendments were made to the Stock Option Plan.

The Stock Option Plan provides that the maximum number of Class B Non-Voting Shares issuable upon the exercise of Options shall not exceed such number which represents ten (10%) of the issued and outstanding Class B Non-Voting Shares. As a result, should the Company issue additional Class B Non-Voting Shares in the future, the number of Class B Non-Voting Shares issuable under the Stock Option Plan will increase accordingly. The Stock Option Plan of the Company is considered an "evergreen" plan, since the Class B Non-Voting Shares covered by Options which have been exercised shall be available for subsequent grants under the Stock Option Plan. Pursuant to amendments made to the Stock Option Plan, the participation by insiders pursuant to the Stock Option Plan is restricted such that the aggregate number of Class B Non-Voting Shares issuable under the Stock Option Plan, combined with all Class B Non-Voting Shares issuable under all other security based compensation arrangements, to insiders, cannot exceed ten (10%) percent of the issued and outstanding Shares at any time; and the number of Shares issued to insiders in the aggregate within any one year period under the Stock Option Plan and all other security based compensation arrangements cannot exceed ten (10%) percent of the issued and outstanding Shares. The number of Shares issuable under Options granted to any eligible individual, within a one year period, under the Stock Option Plan and all other security compensation arrangements, cannot exceed five (5%) percent of the issued and outstanding Shares at any time.

Since the inception of the Stock Option Plan, 13,119,047 Options have been granted, of which 3,927,292 have either expired or been forfeited and 6,630,882 have been exercised. As at November 24, 2015, 2,560,873 options are currently outstanding, representing 3.1% of the issued and outstanding Class B Non-Voting Shares. There are currently no entitlements under the Stock Option Plan which were previously granted but subject to ratification by the shareholders of the Company.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

An Officer of the Company was indebted to the Company in connection with a relocation housing loan, which was granted prior to July 31, 2002. The loan granted by the Company to such Officer did not bear interest and was repayable to the Company in annual installments. In fiscal 2015, the Officer retired from the Company and the remaining balance of $170,000 was retired by the Company as part of his retirement arrangements. The aggregate amount of such indebtedness as of the date hereof was $nil as detailed in Table 12. No other director or officer of the Company is or has been indebted to the Company in fiscal 2015. Table 13 sets forth details of individual indebtedness to Corus.

Table 12 — Aggregate Indebtedness During the Twelve Months Ended November 24, 2015

Purpose	To the Company or its Subsidiaries	To Another Entity
Share Purchases	$0	Nil
Other	$0	Nil

Table 13 — Indebtedness Under Securities Purchase Program and Other Programs

Name and Principal Position	Involvement of Company or Subsidiary	Largest Amount Outstanding During Fiscal 2015	Amount Outstanding as at November 24, 2015	Financially Assisted Securities Purchases During Fiscal 2015	Security for Indebtedness	Amount Forgiven During Fiscal 2015
John M. Cassaday President and CEO	Lender	$170,000	$0	Nil	n/a	$170,000
Total Other Programs			**$0**			

DIRECTORS' AND OFFICERS' SHAREHOLDINGS

As of November 24, 2015, the directors and senior officers of the Company beneficially own, directly or indirectly, or exercise control or direction over 10.6% of the issued and outstanding Class A Voting Shares and 5.1% of the issued and outstanding Class B Non-Voting Shares.

DIRECTORS' AND OFFICERS' INSURANCE

Corus has purchased an insurance policy for its directors and officers and for the directors and officers of its controlled subsidiaries which covers any liability incurred by them while acting in their capacity as such in respect of wrongful acts, errors or omissions. The aggregate policy limit in fiscal 2015 was U.S. $30 million with a corporate retention limit of U.S. $250,000 million on Indemnifiable Losses and U.S. $500,000 million on U.S. Securities Claims. The annual premium is approximately U.S. $105,000.

DIVIDEND REINVESTMENT PLAN ("DRIP")

In fiscal 2009, the Company implemented a DRIP, for registered holders of its Class A Voting Shares and Class B Non-Voting Shares who are residents of Canada ("eligible participants"). The DRIP allows eligible participants to acquire additional Class B Non-Voting Shares through reinvestment of the cash dividends paid on their respective shareholdings.

On September 29, 2009, the Company announced that its Board of Directors had approved the issuance of shares from treasury at a two percent discount from the average market price, pursuant to the terms of its DRIP, effective November 1, 2009. No changes to the discount or the issuance of shares from treasury have been made since that time.

PARTICULARS OF OTHER MATTERS

Management knows of no matters to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matters which are not now known to management should properly come before the Meeting, the proxy will be voted upon such matters in accordance with the best judgment of the person voting the proxy.

2016 SHAREHOLDER PROPOSALS

Shareholder proposals must be submitted no later than October 3, 2016, to be considered for inclusion in next year's Management Information Circular for the purposes of the Company's 2016 Annual Meeting of Shareholders.

ADDITIONAL INFORMATION

Corus will provide to any person or company, upon written request to the Manager, Investor Relations, of the Company, at Corus Quay, 25 Dockside Drive, Toronto, Ontario, M5A 0B5, a copy of:

(a) its latest Annual Information Form, together with one copy of any document or pertinent pages of any documents incorporated therein by reference;

(b) its comparative audited consolidated financial statements for the year ended August 31, 2015, together with the report of its auditors thereon and related Management's Discussion and Analysis ("MD&A"), and any interim statements filed subsequently and related MD&As;

(c) its Notice and Management Information Circular for its last Annual Meeting of Shareholders, together with one copy of any document or pertinent pages of any documents incorporated therein by reference; and

(d) its Annual Report for its last Annual Meeting of Shareholders.

This information and any material press releases relating to the Company can be found on SEDAR at www.sedar.com.

CERTIFICATE

The contents of this Circular and the sending thereof to the Shareholders of the Company have been approved by the Board.

Toronto, Ontario, December 11, 2015.

By Order of the Board of Directors

DOUGLAS D. MURPHY
President and CEO

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Board of Directors of the Company (the "Board") endorses the principle that sound corporate governance practices ("Corporate Governance Practices") are important to the proper functioning of the Company and the enhancement of the interests of its shareholders. The Board regularly assesses emerging best Corporate Governance Practices and is committed to adopting any such practices that are relevant to the Company.

The Company, as a Canadian reporting issuer with securities listed on the Toronto Stock Exchange ("TSX"), has adopted Corporate Governance Practices which comply with rules adopted by the Canadian Securities Administrators ("CSA").

This statement of Corporate Governance Practices, prepared as at August 31, 2015, is made in accordance with National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101") and was prepared by the Corporate Governance Committee of the Board and approved by the Board.

Board of Directors

Disclose the identity of directors who are independent.

The independent directors of the Company are Fernand Bélisle, Dennis Erker, Mark Hollinger, Wendy Leaney, Barry James, Ronald Rogers, Catherine Roozen and Terrance Royer. None of these directors are employees or executive officers of the Company, are party to any material contracts with the Company or receive any material fees from the Company other than as directors. In addition, the Board believes that all of these directors are independent and free from any interests in or relationships with the significant shareholder or any of its affiliates.

Disclose the identity of directors who are not independent and describe the basis for that determination.

The Board is responsible, through the Corporate Governance Committee, for determining whether or not each director is independent. An analysis of all direct and indirect relationships of the directors with the Company and its subsidiaries is conducted to determine whether any material relationships, as defined in National Instrument 52-110 *Audit Committees* ("NI 52-110"), exist in making this determination. On that basis, three directors of Corus have been identified as non-independent due to a direct material relationship with the Company as follows: Doug Murphy, the President and CEO of the Company, Heather Shaw, the Executive Chair and a daughter of JR Shaw and Julie Shaw, Vice-Chair, an employee of Shaw Communications Inc. and a daughter of JR Shaw.

Voting control of the Company is held by the Shaw Family Living Trust ("SFLT"). The sole trustee of SFLT is a private company owned by JR Shaw and having a board comprised of seven directors, including as at November 24, 2015, JR Shaw as chair and five other members of his family. Entities owned by SFLT hold 2,885,530 Class A Voting Shares, representing approximately 84% of the outstanding Class A Voting Shares, for the benefit of descendants of JR and Carol Shaw. JR Shaw controls these shares and controls 4,500 additional Class A Voting Shares. The only other person or company, to the knowledge of the Company, its directors or officers, who owns beneficially, directly or indirectly, or exercises control or direction over in excess of 10% of any class of the voting securities of the Company is Cathton Investments Ltd., a company controlled by Catherine Roozen, an independent director of Corus. Cathton Investments Ltd. holds 343,332 Class A Voting Shares, representing approximately 10% of the outstanding Class A Voting Shares.

Disclose whether a majority of directors are independent.

The Board has determined that eight of the eleven directors of the Company are independent.

If a director is presently a director of any other issuer that is a reporting issuer in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.

Corporate directorships for each director of the Company are listed in Table 1 — Director Nominees.

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 fiscal 2015.

At each meeting of the Board and its Committees, regular in-camera meetings occur without management present, which allows for private and more open discussions. In addition, at least quarterly or more frequently if required, the independent directors hold meetings at which members of management and non-independent directors are not in attendance. The Independent Lead Director, Terrance Royer, serves as Chair for the Board during in camera sessions and the meetings of independent directors. The independent Chair of each Committee conducts in camera sessions at all regularly scheduled Committee meetings. In fiscal 2015, the number of such meetings is disclosed in Table 3 — Summary of Meetings for Directors in fiscal 2015.

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.

The Corporate Governance Committee is responsible for monitoring the Board's relationship with management, the CEO and the Executive Chair. Heather Shaw, Executive Chair of the Company and Chair of the Board, is not an independent director. The Company has instituted structures and processes to facilitate the functioning of the Board independently from management when needed.

In keeping with the Company's commitment to good Corporate Governance Practices, the Company maintains separation between the positions of Executive Chair and CEO of the Company. In addition, effective January 22, 2004, the Board appointed Terrance Royer as Independent Lead Director for the Company. The Independent Lead Director was appointed to perform, on an interim basis, the duties of the Chair and Vice-Chair of the Board in their absence and to ensure that there is a process available to deal with issues or comments which any director may have in relation to the independence and overall functioning of the Board and its Committees. The Independent Lead Director meets with the President and CEO on an annual basis and chairs all meetings of the Independent members of the Board.

Disclose the attendance record of each director for all board meetings held since the beginning of fiscal 2015.

The Board meeting attendance record for each director of the Company in fiscal 2015 is listed in Table 1 — Director Nominees.

Board Mandate

Disclose the text of the board's written mandate.

The Board of Directors has adopted a written Charter which is attached to this Information Circular as Schedule A.

The Board acts in accordance with:

- The *Canada Business Corporations Act*
- The Company's Articles of Incorporation and By-laws
- The Company's Code of Conduct
- The Charters of the Board and its Committees
- Other applicable laws and Company policies

The Board has explicitly assumed responsibility for the stewardship of the Company and discharges its responsibilities either directly or through its Committees. In addition to fulfilling its statutory requirements, the Board oversees and reviews: (i) the strategic, operating and capital plans, financial budgets and financial performance against goals; (ii) the principal risks and the adequacy of systems and procedures to manage these risks; (iii) management development, succession planning and compensation and benefit policies; (iv) major acquisitions, strategic investments and alliances and business development initiatives; (v) the Company's communications policies; (vi) the Company's Corporate Governance Practices; (vii) the formal written policy articulating executive limitations on the authority of the executives regarding the conduct of the business; and (viii) the integrity of the Company's internal control and management information systems. This mandate is to be carried out in a manner that protects the Company's value and provides ongoing benefit to shareholders.

In addition, all matters of policy and all actions proposed to be taken by the Company which are not in the ordinary course of its operations require prior approval of the Board or of a Board Committee to which appropriate authority has been delegated by the Board. In particular, the Board approves the appointment of all executive officers, the long-term strategic plans of the Company and the annual operating and capital plans.

Strategic Planning Process

The Board of Directors reviews key strategic, operational, competitive and regulatory matters at each quarterly meeting. In addition, the Board of Directors meets every eighteen months to formally approve and confirm the strategic direction of the Company. The Board holds meetings from time to time which focus on specific strategic matters that may arise between formal reviews. In fiscal 2015, the Board held its formal strategic planning review, including a review of strategic priorities in light of the CRTC's Let's Talk TV decisions, and reviewed the strategy each quarter in light of current business and other conditions, including an update on progress made on the strategic plan and a review of strategic initiatives. Its next strategic planning session is scheduled for fiscal 2017.

Identification of Principal Risks

The Board is responsible for oversight and management of the principal risks of the Company and ensuring that there are systems in place to effectively monitor and manage these risks. The Company has a formalized enterprise risk management process in place through its Risk Management Committee, which is mandated to identify, manage and monitor the business risks that impact the Company's business. These principal risks are reviewed by the Board on a quarterly basis.

Succession Planning

The Board is responsible for choosing the President and CEO, appointing senior management and monitoring the performance and development of all senior management employees. The Company has implemented a formal succession planning and performance measurement process which identifies key performers, on an annual basis, throughout all levels of the organization. The results of this process are reviewed at least annually with the Board. Corus believes in the development of its people and furthers that goal through its internally created Corus University and targeted learning and development offerings.

Communications Policy

The Disclosure Committee has been mandated by the Board to ensure that internal procedures are in place to facilitate effective communication between the Company, its stakeholders and the public. The Board approves annual and quarterly reports, including press releases and financial guidance. The Company promptly provides full and plain disclosure of all material information, as required by law. The Company also holds quarterly meetings with analysts and institutional investors by telephone conference call and a periodic Investor Day, all of which are open to the financial press as well as to the public (through simultaneous webcasting). The Company maintains a website at www.corusent.com on which it posts all press releases and other information which shareholders would find helpful. Investor and shareholder concerns are addressed on an ongoing basis by the CFO's office.

Integrity of Internal Control

The Board and Audit Committee are responsible for supervision of the reliability and integrity of the accounting principles and practices, as well as the financial reporting and disclosure practices followed by management. The Audit Committee is responsible for ensuring that management has established an adequate system of internal controls. The Audit Committee maintains practices and processes to ensure compliance with applicable laws. The Company's external auditors report to the Audit Committee and the Board on a regular basis including, at least quarterly, a report on matters relating to internal control.

In fiscal 2004, the Company began the process of documenting and evaluating its internal control processes to enable it to certify the effectiveness of the Company's internal control over financial reporting as of August 31, 2006. The Audit Committee reviews the progress of this process on a quarterly basis. The Company has certified the design and operating effectiveness of its disclosure controls and procedures and its internal control over financial reporting for each fiscal year since fiscal 2006.

Position Descriptions

Disclose whether or not the board has developed written position descriptions for the chair and the chair of each board committee. Disclose whether or not the board and CEO have developed a written position description for the CEO.

The Board has approved position descriptions for the Chairs of the Audit, Corporate Governance and Human Resources and Compensation Committees, as well as the Chairman, Vice-Chair and Independent Lead Director which are reviewed on an annual basis by the Corporate Governance Committee.

A written position description for the CEO was developed by the former CEO. The Board reviewed and approved this position description. In addition, the CEO establishes annual objectives which are reviewed and subsequently approved by the HRC Committee and then reviewed by the full Board. These objectives include the general mandate to maximize shareholder value and to fulfill the strategic and operating plans of the Company. The HRC Committee and the Board reviews performance against these objectives at least annually through formal discussions and a CEO Performance survey which is periodically completed on an anonymous basis by all directors.

Orientation and Continuing Education

Briefly describe what measures the board takes to orient new directors regarding (i) the role of the board, its committees and its directors, and (ii) the nature and operation of the issuer's business.

New directors, and any current directors wishing a refresher course, attend a full day, interactive orientation session and facility tour at which the management team provides a detailed overview of the Company's strategy, business segment operations, finances, technologies, regulatory operating environment and corporate structure. In addition, all Board members are provided with a highly detailed Director's Manual which includes materials such as the Charters of the Board and its Committees, governance practices and compliance, annual continuous disclosure filings, industry regulatory framework, key corporate policies including, but not limited to, the Company's Code of Conduct, Insider Trading and Disclosure Policies and operational information. This manual is updated annually, or more frequently as necessary. As well, all Board members have access to an online archive of Board materials dating back several years, including but not limited to Strategic Plans, Operating Plans and Board Education sessions. The Chair of the Corporate Governance Committee is responsible for ensuring that new directors receive all appropriate materials relating to Board and Committee policies, procedures and the individual's role as a director of the Company in general, and is the key contact for questions from existing and new directors concerning any corporate governance matters.

Briefly describe what measures, if any, the board takes to provide continuing education for its directors.

The Company has a formal and scheduled ongoing education process for its directors, which is reviewed and approved by the Corporate Governance Committee on a quarterly basis, relating to corporate and industry initiatives. The CEO, CFO and other members of executive management also make regular quarterly presentations to the Board on the main areas of the business, covering key strategic, operational, competitive and regulatory matters in addition to reviewing the current performance of the Company. In addition to these ongoing programs directors may be reimbursed, up to a lifetime maximum of $7,500 and with pre-approval from the Executive Chair, for external educational programs to assist in their development as a director of the Company.

Educational opportunities provided to the directors in fiscal 2015 are noted in the table below:

Fiscal 2015 Board Education

Subject	Attendees	Timing
Corporate governance updates including emerging best practices and developments in securities regulations. In fiscal 2015, specific topics covered were changes in governance regulatory disclosure.	Corporate Governance Committee	Quarterly
Audit governance, emerging best practices and IFRS updates	Audit Committee	Quarterly
Compensation trends, benchmark comparative analysis, information on executive compensation disclosure requirements and pension plan governance issues	Human Resources and Compensation Committee	Quarterly
Let's Talk TV — CRTC Submission Review	Entire Board	October 2014
Kids Competitive Overview	Entire Board	January 2015
Let's Talk TV — CRTC Decision Review	Entire Board	April 2015

Ethical Business Conduct

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: (i) disclose how a person or company may obtain a copy of the code; (ii) describe how the board monitors compliance with its code; and (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.

The Company has adopted a Code of Conduct (the "Code") and related policies, including a Respect at the Workplace Policy, which apply to all of its employees, officers and directors. The Company has designated its General Counsel as the key contact for employees, officers and directors to discuss any issues in relation to the Code. The Code and Charters of the Board and its Committees can be found on the Company's website at www.corusent.com in the Investor Relations section. All directors and officers of the Company, including the CFO and CEO, confirm that they have read and are in compliance with the Code on an annual basis. This process is monitored by the Corporate Governance Committee through an annual report from executive management, which includes a review of any issues arising from non-compliance with the Code. There were no waivers of the Code in fiscal 2015. The Company, through a third party, also maintains a confidential, anonymous 24-hour employee telephone hotline for the submission of complaints related to accounting, internal controls or ethical issues. Reports are investigated by management as they occur and reviewed quarterly by the Audit, Corporate Governance and Human Resources and Compensation Committees of the Board.

Describe any steps the board takes to ensure directors exercise independent judgement in considering transactions and agreements in respect of which a director or executive officer has a material interest.

The Company has in place a Related Party Transactions Policy which the Corporate Governance Committee reviews on an annual basis. The Corporate Governance Committee has a quarterly formal review process in place for any transactions and agreements that may occur between the Company and its directors, officers, shareholders and other related parties. In addition, transactions and agreements may be discussed during in camera sessions and meetings of the Independent members of the Board. If a director or executive officer has a material interest in any transaction or agreement with the Company, they do not participate or otherwise interfere with any decisions made by the Company.

Describe any other steps the board takes to encourage and promote a culture of ethical business conduct.

The Company has adopted Disclosure Controls and Procedures, a Disclosure Policy, Respect at the Workplace Policy and Insider Trading guidelines which govern the conduct of employees, officers and directors. These policies and guidelines are reviewed by the appropriate Committees of the Board on an annual basis.

Nomination of directors

Describe the process by which the board identifies new candidates for board nomination.

The Corporate Governance Committee has the mandate to recommend new candidates for the Board, review credentials of nominees for election, recommend candidates for filling vacancies on the Board, recommend candidates for Independent Lead Director and ensure qualifications are maintained. The Corporate Governance Committee may retain, at the expense of the Company, any such external director recruitment firms it deems appropriate to assist with the identification of new candidates.

The Corporate Governance Committee conducts an annual review and makes recommendations to the Board regarding the composition, size, structure and expertise required by the Board and its Committees. In identifying candidates for election or appointment to the Board, the Committee recognizes the benefits of diversity and seeks to select candidates whom, by virtue of their differing skills, areas of expertise, professional and personal backgrounds, geographic location and independence, are best able to contribute to the direction of the business and affairs of the Company.

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 members of the Corporate Governance Committee are Dennis Erker (Chair), Mark Hollinger and Julie Shaw. Two members of the Committee, Dennis Erker and Mark Hollinger, are independent. In considering new nominations to the Board, the Committee reviews names and CVs which are submitted to the Committee by other directors or independent outside advisors and interviews are conducted by one or more Committee members as well as members of management and the Board. To encourage an objective nomination process, the Committee reviews the Company's Board competencies grid to determine if any gaps exist that might be filled by the candidates under consideration. The candidates' background is also scrutinized to determine whether or not there are any interlocking directorships with current directors and to ensure that the candidate does not serve on any other audit committee if they are under consideration for such a position with the Company.

Describe the responsibilities, powers and operation of the nominating committee.

The Corporate Governance Committee has a mandate to develop the Company's approach to all aspects of corporate governance in accordance with emerging best practices and applicable regulatory requirements. The full Charter of the Corporate Governance Committee is available in the Investor Relations section of the Company's website at www.corusent.com.

The Committee is responsible for assessing the effectiveness of the Board, its Committees and individual directors and recommending to the Board any changes, as required. The Committee conducts an annual review of the mandate, size, skills matrix and composition of the Board and its Committees to ensure the appropriate structure is in place to address the Company's governance requirements. A formal survey of the directors, in the form of a confidential questionnaire, is also conducted by an independent third-party advisor every two years and reviewed by the Committee as part of the assessment process.

The Committee recommends appropriate nominees for election to the Board and ensures new directors receive appropriate orientation and materials. Development opportunities are reviewed by the Committee and recommended to the Board with the objective of providing continuing education to existing directors.

The Committee recognizes the desirability of directors being able to consult outside professional advisors and has developed a process to facilitate obtaining such advice at the expense of the Company in appropriate circumstances.

Compensation

Describe the process by which the board determines the compensation for the issuers' directors and officers.

Directors: See page 16 under "*Director Compensation*"

Officers: See page 23 under "*Compensation Decision Making — Review and Approval Process*"

Disclose whether or not the board has a compensation committee composed entirely of independent directors.

The members of the Human Resources and Compensation Committee are Terrance Royer (Chair), Fernand Bélisle and Catherine Roozen. All members of the Committee are independent.

Describe the responsibilities, powers and operation of the compensation committee.

See page 22 under "*Role of the Human Resources and Compensation Committee*" and the Human Resources and Compensation Committee Charter which is attached as Schedule B to this Information Circular.

If a compensation consultant or advisor has, at any time since the beginning of fiscal 2015, 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.

See page 23 under "*Executive Compensation Consulting Fees*".

Other Board Committees

If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.

Audit Committee

The Audit Committee is mandated to oversee the retention, independence, performance and compensation of the Company's independent auditors and the establishment of the Company's risk management, internal controls and information systems. The Audit Committee is permitted and encouraged to consult with management, internal auditors and external auditors on matters related to the Company's annual audit and certain internal procedures.

The Committee's responsibilities include receiving and approving the Company's quarterly consolidated financial statements, financial reporting procedures, internal audit plan and the external audit plan, terms of engagement and fees of the external auditors. The Committee monitors the performance of the Company's internal and external auditors and also, in particular, is responsible for ensuring the adequacy and effectiveness of internal control over financial reporting and information systems. The Committee reviews and recommends for approval, the annual consolidated financial statements prior to their approval by the Board.

The members of the Audit Committee are Barry James (Chair), Ronald Rogers and Wendy Leaney. All of the Committee members are independent and financially literate, as per the CSA requirements of NI 52-110.

The full Charter of the Audit Committee is available in the Company's Annual Information Form (AIF) and in the Investor Relations section of the Company's website at www.corusent.com.

Executive Committee

Subject to the Company's Articles of Incorporation, the Executive Committee has been delegated all of the powers that may be delegated to an Executive Committee under the Company's governing statute, being the *Canada Business Corporations Act*. The Executive Committee meets only on an "as needed" basis to address timely issues when it is not possible to convene a meeting of the entire Board.

The members of the Executive Committee are Heather Shaw (Chair), Doug Murphy, Terrance Royer, Dennis Erker and Ronald Rogers. Ms. Shaw and Mr. Murphy are non-independent directors.

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.

The Corporate Governance Committee is mandated to monitor the quality of the relationship between management and the Board of Directors, to assess the effectiveness of the Board, its Committees and individual directors and to recommend improvements to enhance the effectiveness of the Board. The Corporate

Governance Committee has adopted a formal process in this regard and, every two years, conducts a survey of directors, in the form of a confidential questionnaire which is pre-approved by the Committee, on effectiveness of the operations of the Board and their respective Committees and a director's self-evaluation using an outside and independent resource. The independent resource compiles the survey data and highlights, for the Corporate Governance Committee, areas of strengths and those areas which could be strengthened. The results are shared with the Board following a formal review by the Corporate Governance Committee.

It is also the responsibility of the Chair of the Board to ensure effective operation of the Board in fulfilling its mandate. The Chair of the Board discusses directly with the Chair of each Committee, the mandate and functioning of the respective Committees. Recommendations from the Committees regarding their effectiveness are reviewed with the Corporate Governance Committee.

Director Term Limits and Other Mechanisms of Board Renewal

Disclose whether or not the issuer has adopted term limits for the directors on its board or other mechanisms of board renewal and, if so, include a description of those director term limits or other mechanisms of board renewal. If the issuer has not adopted director term limits or other mechanisms of board renewal, disclose why it has not done so.

See page 12 under "*Board Diversity*"

Policies Regarding the Representation of Women on the Board

Disclose whether the issuer has adopted a written policy relating to the identification and nomination of women directors. If the issuer has not adopted such a policy, disclose why it has not done so.

See page 12 under "*Board Diversity*"

Consideration of the Representation of Women in the Director Identification and Selection Process

Disclose whether and, if so, how the board or nominating committee considers the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board.

See page 12 under "*Board Diversity*"

Consideration Given to the Representation of Women in Executive Officer Appointments

Disclose whether and, if so, how the issuer considers the level of representation of women in executive officer positions when making executive officer appointments.

See page 12 under "*Management Diversity*"

Issuer's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions

Disclose whether the issuer has adopted a target regarding women on the issuer's board. If the issuer has not adopted a target, disclose why it has not done so.

See page 12 under "*Board Diversity*"

Disclose whether the issuer has adopted a target regarding women in executive officer positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so.

See page 12 under "*Management Diversity*"

Number of Women on the Board and in Executive Officer Positions

Disclose the number and proportion (in percentage terms) of directors on the issuer's board who are women.

See page 12 under "*Board Diversity*"

Disclose the number and proportion (in percentage terms) of executive officers of the issuer, including all major subsidiaries of the issuer, who are women.

See page 12 under "*Management Diversity*"

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SCHEDULE A — BOARD OF DIRECTORS CHARTER

Part I: Overview

The *Canada Business Corporation Act* (the "Act"), Corus Entertainment Inc.'s (the "Company" or "Corus Entertainment") governing statute, provides "that the directors shall manage or supervise the management of the business and affairs of a corporation . . .". While the board of directors (the "Board") cannot "manage" a company such as Corus Entertainment in the sense of directing its day-to-day operations, the Board is responsible for approving the overall strategic direction and policy framework for Corus Entertainment. This responsibility is discharged through Board oversight of Corus Entertainment's management, which is responsible for the day-to-day conduct of the business. The Board, through the CEO, sets standards of conduct, including the Company's general moral and ethical tone, compliance with applicable laws, standards for financial practices and reporting, qualitative standards for operations and products and other standards that reflect the views of the Board as to the conduct of the business in the best interests of the Company. The Board also establishes guidelines for its own performance.

In general, then, the Board is responsible for the selection, monitoring and evaluation of the CEO, and for overseeing the ways in which Corus Entertainment's affairs are managed. In this way, the Board assumes responsibility for the stewardship of the Company. Specific responsibilities which facilitate the discharge of the Board's stewardship responsibilities include: the strategic planning process, risk oversight and management, ensuring that an effective stakeholder communication policy is in place, and ensuring the integrity of internal controls and management information systems. These responsibilities, and others, are addressed in more detail in the Board's Mandate, comprising Part III of these Terms of Reference.

The Board of Directors discharges its responsibilities with the assistance of Board Committees. The Committees advise and formulate recommendations to the Board, but except in limited and specifically identified circumstances, do not have the authority to approve matters on behalf of the Board of Directors. Each Committee has a written charter, setting out the scope of its operations, and its key roles and responsibilities.

The CEO of Corus Entertainment is delegated the responsibility for the day-to-day management of the Company and for providing the Company with strategic leadership. The CEO discharges these responsibilities by formulating Company policies and proposed actions, and, where appropriate, presenting them to the Board for approval. The Board has plenary power in all areas, delegates to management, and has the power to specify and modify the authority and duties of management as it sees fit, with a view to Corus Entertainment's best interests and in accordance with current standards. The Act also identifies certain matters, which must be considered by the Board as a whole and may not be delegated, even to a Committee of the Board or to a managing director. These matters include:

- any submission to the shareholders of a question or matter requiring the approval of the shareholders;
- the filling of a vacancy among the directors or in the office of the external auditor;
- the manner of and terms for the issuance of securities;
- the declaration of dividends;
- the purchase, redemption or any other form of acquisition of shares issued by the Company;
- the payment of a commission to any person in consideration of the purchase or agreement to purchase shares of the Company from the Company or from any other person, or procuring or agreeing to procure purchasers for any such shares;
- the approval of management proxy circulars;
- the approval of any take-over bid circular or directors' circular;
- the approval of the audited annual financial statements of the Company; and
- the adoption, amendment or repeal of By-laws of the Company.

One of the key stewardship responsibilities of the Board is to approve the Company's goals, strategies and plans, and the fundamental objectives and policies within which the business is operated, and evaluate the performance of executive management. Once the Board has approved the goals, strategies and plans, it acts in a unified and cohesive manner in supporting and guiding the CEO. The CEO keeps the Board fully informed of the progress of the Company towards the achievement of its goals, strategies and plans, in a timely and candid manner, and the Board of Directors continually evaluates the performance of executive management toward these achievements.

Part II: Guidelines

The following have been adopted by the Board as the guidelines applicable to the Board and its operations:

- These Terms of Reference for the Board of Directors and the mandates of the Board Committees, are approved by the Board and reviewed on a regular basis.
- The responsibilities of the CEO are set by the Board. The CEO is responsible for leading the development of long-range plans for the Company, including its goals and strategies. The Board, both directly and through its Committees, participates in discussions regarding strategy, by responding to the same and contributing ideas. The Board annually reviews and approves the Company's long range plan and annual business plan (including budgets).
- The Board believes that the appropriate size for the Board is between ten and fifteen members. There are currently 11 directors, a number which the Board believes is appropriate and facilitates effective decision-making.
- Directors stand for re-election annually.
- The Board maintains a policy permitting directors to retain outside advisors at the expense of the Company, subject to the written approval of the Board Chair. In exercising this approval authority, the Board Chair will establish, on a case by case basis, reasonable monetary limits and other controls as deemed appropriate.
- The Board is comprised of a majority of unrelated directors(1). The membership of the CEO on the Board of Directors is valuable and conducive to effective decision making, and as a general matter of policy, should continue.
- The Board supports the separation of the role of Chair from the role of CEO.
- The Board will evaluate the performance of the CEO at least annually. The evaluation will be based on criteria which includes the performance of the business and the accomplishment of the CEO's qualitative and quantitative objectives as established at the beginning of each fiscal year of the Company.
- The Chair works with the CEO to establish the agenda for each Board meeting. Each Board member is free to suggest the inclusion of items on the agenda. Whenever feasible, important issues are dealt with over the course of two meetings. The first such meeting would allow for a thorough briefing of the Board, and the second would allow for final discussion and a decision.
- The Board meets at least quarterly, with an additional meeting to be scheduled for approval of the annual proxy circular, annual information form and other annual disclosure documents, as necessary.
- Whenever feasible, the Board receives materials at least one full weekend in advance of meetings. Presentations on specific subjects at Board meetings will only briefly summarize the material sent so that discussion can focus on questions regarding the proposals.

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(1) An unrelated director is a director who is independent of management and free from any interest and any business or other relationship which can, or could reasonably be perceived to, materially interfere with the director's ability to act with a view to the best interests of the Company (including affiliated companies), other interests or relationships resulting from shareholdings in the Company.

In general, this means that an unrelated director is neither a present or former employee of the Company and has no significant financial or personal tie to the Company other than share ownership and the entitlement to director's fees. A director who is a former employee ceases to be a related director three years after cessation of employment with the Company, provided that the director otherwise qualifies at that time as an unrelated director.

- The Board encourages the CEO to bring other executive officers into the Management section of the Board meetings. The presence of such executives is expected to bring additional insights into the discussions, because of the executives' personal involvement in, and knowledge of, specific agenda items. The benefit of exposing the Board to other executives, for succession planning and career development purposes, is recognized.
- The Board is responsible for assessing the performance and effectiveness of Directors on Board Committees and of the Board as a whole. The Board delegates the assessment process to the Corporate Governance Committee. The Corporate Governance Committee reports and makes recommendations to the Board on the assessments. The Chair works with the Corporate Governance Committee to ensure proper Board composition and succession and the Corporate Governance Committee reports to the Board on the same.
- The Corporate Governance Committee will assess Board effectiveness on a biennial basis.
- The Board, through the Corporate Governance Committee, reviews on an annual basis the appropriate skills and characteristics required of Board members in the context of the current make-up of the Board and objectives of the Company. This assessment will include issues of geography, age, experience, gender, independence, and skills all in the context of an assessment of the perceived needs of the Board and the Company at that point in time.
- The Audit Committee will consist entirely of outside and independent directors.
- From time to time the Board may create ad hoc committees to examine specific issues on behalf of the Board. The Chair and CEO are also ex-officio, non-voting members of those Committees of the Board of which they are not a listed member.
- The Human Resources and Compensation Committee reviews and reports to the Board annually on the Corporation's succession plan for senior management positions including the Corporation's succession plan for the position of President and CEO.
- At the conclusion of each Board meeting, the Board of Directors may choose to meet on an "in camera" basis without management. The Chair and the CEO should debrief on the substance of the in camera session.

Part III: Mandate of the Board of Directors

Goals of the Board

The major goals and responsibilities of the Board are to:

- Establish policy direction and the fundamental objectives of the Company;
- Supervise the management of the business and affairs of Corus Entertainment;
- Oversee and manage the principal risks of Corus Entertainment's business, and ensure that there are systems in place to effectively monitor and manage these risks;
- Protect and enhance the assets of the shareholders of the Company and look after their interests in general;
- Ensure the continuity of the Company by assuming responsibility for the appointment of and succession to the office of the CEO, enforcing the Articles and By-laws and by seeing that an effective Board is maintained.
- Make all decisions that are not delegable, as specifically provided for in the Act.

Provide leadership and direction for the Corporation in establishing and maintaining a high standard of corporate ethics and integrity.

Major Duties

The major duties of the Board are to:

1. Foster the long-term success of Corus Entertainment. Honour its fiduciary obligation to shareholders by ensuring that the best interests of Corus Entertainment and its shareholders prevail over any individual business interests of any member of the Board. Represent and safeguard the interests of all shareholders while recognizing that the interests of employees, customers, suppliers, and the general public must also be

taken into account for the enterprise to continue being able to serve its owners. Monitor and work to improve return on, security of, and prospects for enhancement of the value of shareholder investment.

2. Determine and control in broad terms the purposes, goals, activities and general characteristics of Corus Entertainment. These duties range from establishing objectives, the scope of operations, and fundamental strategies and policies, to declaring dividends and approving annual budgets, major capital investments, mergers and acquisitions, the issuance or retirement of stock, and other specific actions that are likely to have a substantial effect on the Company or that the Board is legally required to approve. Review with management the mission of the Company, its objectives and goals, and the strategies it proposes to use to achieve them. Monitor the Company's progress toward its goals and plans, and assume responsibility to revise and alter the Company's direction where warranted.

3. Appoint a CEO, monitor and evaluate the CEO's performance, provide for adequate succession to that position, and replace the CEO when appropriate. Appoint the other senior officers of the Company, and monitor their performance, ensuring that there is adequate succession to their positions, and that they are replaced when appropriate.

4. Ensure that the CEO is achieving acceptable current financial results relative to corporate objectives, budgets, and the economic environment, and is developing the resources necessary for future success. These resources include:

   - management competence, organization and depth;
   - fixed assets;
   - marketing capability — customer loyalty, distribution organization, market knowledge and so on;
   - work force and employee relations;
   - financial resources, including relations with the financial community; and
   - reputation.

5. Establish an overall compensation policy for the Company and monitor its implementation with special attention devoted to the executive group. Review the policy from time to time to ensure that it continues to be appropriate.

6. Oversee corporate financial operations, including:

   - capital structure management, maintaining reasonable financial flexibility and safety while achieving an appropriate return on equity;
   - financial results reporting;
   - allocation of assets, providing for increased investment in areas of high return while withdrawing funds from areas producing inadequate returns;
   - maintaining access to suitable sources of new capital;
   - pension funds and other major employee benefit programs;
   - dividend pay out policy and action;
   - selection of outside auditors for approval by the shareholders; and
   - insurance.

7. Oversee and manage the principal risks of the Company's business and ensure implementation and monitoring of systems to effectively manage these risks.

8. Implement and ensure that systems are in place to monitor and maintain the integrity of the Company's internal control and management information systems.

9. Ensure that the Company has in place appropriate environmental, health and safety policies, having regard to legal, industry and community standards, and ensure implementation of management systems to monitor the effectiveness of those policies.
10. Ensure that systems are in place for communication and relations with stakeholder groups, including, but not limited to, shareholders, the investing public, employees, the financial community, and the communities in which Corus Entertainment operates, as well as the Canadian Radio-television and Telecommunications Commission. Monitor system effectiveness and significant sensitive and legally required communications.
11. Ensure that the Company has systems in place which accommodate stakeholder feedback.
12. Collectively and individually respond constructively to requests for advice and assistance from the CEO.
13. Identify and appoint a Vice Chair.
14. Identify and appoint a lead independent director.
15. Provide leadership and policy direction to management with a view to establishing and maintaining a high standard of legal and ethical conduct for the Company by:
    - taking all necessary steps to ensure that Corus Entertainment complies with applicable laws and regulations, and with its constating documents, including its Articles and By-laws, the Corus Code of Conduct, and that it operates to high ethical and moral standards; — being on the alert for and sensitive to situations that could be considered illegal, unethical or improper, and taking corrective steps;
    - establishing the means of monitoring performance in this area with assistance of legal counsel;
    - approving key operational policies and procedures and monitoring compliance therewith; and
    - complying with legal requirements, including those pursuant to the Act, applicable to corporate boards of directors, including, without limitation, the duty to act honestly and in good faith with a view to the best interests of the Company, and the duty to exercise the care, diligence and skill that reasonably prudent people exercise in comparable circumstances.
16. Manage Board operations, including, without limitation:
    - subject to any required shareholder approval, fix the size of the Board, review its composition and, when appropriate, identify new nominees to the Board;
    - appoint appropriate Committees and Committee Chairs;
    - define the duties and responsibilities of the Committees;
    - influence the structuring of agendas and how meeting time is spent; and
    - meet legal requirements with respect to corporate administration.

SCHEDULE B — HUMAN RESOURCES AND COMPENSATION COMMITTEE CHARTER

Constitution

There shall be a Committee of the Board, to be known as the Human Resources and Compensation Committee (the "Committee") of the Board of Directors (the "Board") of Corus Entertainment Inc. (the "Company").

Purpose

The purpose of the Human Resources and Compensation Committee is to assist the Board in fulfilling its oversight responsibilities. This will be accomplished by reviewing the effectiveness of Corus Entertainment Inc.'s compensation policies and processes in fostering fair and competitive compensation, and in relation to the human resources and pension matters of the Company and, in particular, having regard to the duties, responsibilities, and obligations of the Company.

Membership

Following each Annual Meeting of the Shareholders of the Company, the Board shall elect from its number a Human Resources and Compensation Committee consisting of no fewer than three directors (the "members"), none of whom are employees of the Company or a subsidiary of the Company and all of whom are unrelated directors, who have no direct or indirect material relationship with the Company which could, in the view of the Board, reasonably interfere with the exercise of the member's independent judgement. In addition, each Committee member shall satisfy the independence requirements of applicable securities laws, rules or guidelines, any applicable stock exchange requirements or guidelines, and any other applicable regulatory rules. Determinations as to whether a particular director satisfies the requirements for membership on the Committee shall be made by the full Board.

The Board shall appoint one of the directors elected to the Committee as the Chair of the Committee (the "Chair"). In the absence of the appointed Chair of the Committee from any meeting, the members shall elect a Chair from those in attendance to act as Chair of the meeting.

Any member may be removed from the Committee or replaced at any time by the Board and shall cease to be a member upon ceasing to be a director. Each member shall hold office until the close of the next Annual Meeting of Shareholders of the Company or until the member ceases to be a director, resigns or is replaced, whichever first occurs. Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board. The Board shall fill any vacancy if the membership of the Committee is less than three directors.

Both the Executive Chair and the CEO of the Company shall have status as ex-officio members of the Committee.

Meetings

The Committee shall meet on at least four occasions a year and shall meet at such times during each year as it deems appropriate. In addition, the Chair of the Committee or the Executive Chair or any two members of the Committee may call a meeting of the Committee. The Chair of the Committee shall hold in camera meetings of the directors, without management present, at every Committee meeting.

Committee meetings shall occur in separate, non-management, closed sessions with outside advisors, as needed or appropriate.

Notice of meeting may be given orally or by letter, e-mail, facsimile transmission, or telephone not less than 48 hours before the time fixed for the meeting. Members may waive notice of any meeting before or after the meeting. Notice of each meeting shall be given in advance to each member, and shall also be given to the Chair of the Board and the CEO.

With provision of notice, a duly constituted meeting may be held in person, by tele-conference or video conference.

The powers of the Committee shall be exercisable by a meeting at which a quorum is present. Unless otherwise determined by the Board, a quorum of the Committee shall be two voting members, and the Committee shall have the power to determine as it sees fit, relevant procedures to govern its meetings.

Matters decided by the Committee shall be decided by majority vote. The Chair of the Committee shall have an ordinary vote, and in the event of a tie shall be entitled to a second vote.

The Committee may invite, from time to time, such persons as it may see fit to attend its meetings and to take part in discussion and consideration of the affairs of the Committee. The senior Company executive responsible for the human resources function shall attend any meeting when requested to do so by the Chair of the Committee.

The Committee will appoint a secretary who need not be a director, who shall be the secretary of all meetings of the Committee and shall maintain minutes of all meetings and deliberations of the Committee. In the absence of the secretary at any meeting, the Committee shall appoint another person who may, but need not, be a member of the Committee to be the secretary of that meeting.

The Committee does not have decision-making authority except where, and to the extent that, such authority is expressly delegated by the Board. The Committee conveys its findings and recommendations to the Board for consideration and, where required, decision by the Board.

Authority to Engage Experts

The Committee has the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties, after consultation with the Executive Chair, such engagement to be at the Company's expense.

Roles & Responsibilities

1. Review and recommend to the Board compensation policies and processes, and in particular the compensation policies and processes for the Company's executive officers.
2. Annually evaluate the performance of the CEO against predetermined goals and criteria and to recommend to the Board the amount of compensation to be paid to the CEO.
3. Annually review the CEO's evaluation of the performance of the other executive officers of the Company and the CEO's recommendations with respect to the amount of compensation to be paid to the other executive officers.
4. Annually recommend to the Board the criteria by which the performance for the forthcoming year will be judged for short-term incentive plan purposes and subsequently assess the Company's performance against those criteria.
5. Annually review the level and form of compensation of the Executive Chair of the Company, considering peer practices and the duties and responsibilities of the Executive Chair and recommend any changes to the Board for consideration.
6. Review and report to the Board on recommendations from management for material changes in the form and structure of executive compensation programs (including their design, measurement and proposed payouts/targets), encompassing base salary, short-term and long-term incentive programs, pension, benefits and executive loans.
7. Review and report to the Board on public disclosure regarding the Company's compensation practices and, in particular, the disclosure and explanations contained in the Management Information Circular in the Compensation Discussion and Analysis section.
8. Assist the Board by reviewing the effectiveness of the Company's human resource development, succession planning and performance evaluation programs.
9. Review and report to the Board on the Company's succession plan for senior management positions including the Company's succession plan for the position of President and CEO.

10. Review as required and recommend for approval to the Board any proposed amendments to the Company's pension plans that materially impact costs, benefits, plan eligibility or plan establishment/termination.
11. Review and/or approve such other matters relating to human resource issues as are specifically delegated to it by the Board.
12. Report to the Board on the activities of the Committee with respect to the foregoing matters at each Board meeting and at any other time deemed appropriate by the Committee or upon request of the Board.
13. Review and approve any public disclosure requirements regarding executive compensation and related matters as may be required by securities regulatory authorities or others.
14. The Committee shall perform an evaluation of its performance at least biennially to determine whether it is functioning effectively.

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ENTERTAINMENT

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