ENTERTAINMENT

CORUS ENTERTAINMENT INC.

NOTICE AND
MANAGEMENT INFORMATION CIRCULAR

FOR THE
ANNUAL AND SPECIAL MEETING
OF SHAREHOLDERS
JANUARY 14, 2014

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CORUS ENTERTAINMENT INC.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual and Special Meeting of Shareholders (the ‘‘Meeting’’) of CORUS ENTERTAINMENT INC. (the “Company”) will be held at the Corus Entertainment Inc. Executive Offices: Corus Quay, 25 Dockside Drive, Toronto, Ontario, M5A 0B5, Canada, on Tuesday, the 14th day of January, 2014, at 2:00 p.m. (Eastern 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, 2013, together with the report of the auditors thereon;
2. to fix the number of directors, within the minimum and maximum number, at 11;
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;
5. to ratify unallocated entitlements under the Company's Stock Option Plan (the ‘‘Plan’’) for the ensuing three (3) years; and
6. 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 2013 Annual Report, which includes its audited consolidated financial statements for the fiscal year ended August 31, 2013, 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 22, 2013 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, so that it will 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. A self-addressed envelope is provided for this purpose.

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 13th day of December, 2013.

By Order of the Board of Directors

GARY A. MAAVARA
Secretary

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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 AND SPECIAL MEETING OF SHAREHOLDERS
JANUARY 14, 2014

MANAGEMENT INFORMATION CIRCULAR

Part I — 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 and Special Meeting (the "Meeting") of Shareholders of the Company to be held at 2:00 p.m. (Eastern Time) on Tuesday, January 14, 2014, at the Corus Entertainment Inc. Executive Offices: Corus Quay, 25 Dockside Drive, Toronto, Ontario, M5A 0B5, 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 22, 2013. 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.

DISTRIBUTIONS 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.

DISTRIBUTIONS 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, so that it will 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 11, the election of directors, the appointment of auditors, the authorization of the directors to fix the remuneration of such auditors and the ratification of unallocated entitlements under the Company's Stock Option Plan.**

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 22, 2013, 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 22, 2013, there were 3,430,292 Class A

Voting Shares and 81,220,000 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.

As at November 22, 2013, the only person or company who, to the knowledge of the Company, its directors or officers, 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 JR Shaw, who beneficially owns, controls or directs 2,906,496 Class A Voting Shares, which includes shares held by Heather Shaw and Julie Shaw and which amount represents approximately 84.7% of the issued and outstanding Class A Voting Shares. JR Shaw, members of his family and companies owned and/or controlled by him have entered into a Voting Trust Agreement relating to all Class A Voting Shares of the Company they own and/or control. The voting rights with respect to such shares are exercised by the representative of a committee of five trustees. The Company has been advised that the representative of the trustees will vote FOR the adoption of all the resolutions referred to in the Notice of Meeting, including the fixing of the number of directors at 11, the election of directors, the appointment of auditors, the authorization of the directors to fix such auditors' remuneration and the ratification of unallocated entitlements under the Company's Stock Option Plan.

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, 2013, 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 11. **Management recommends voting in favour of the fixing of the number of directors at 11. 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 11.**

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 and Special 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 — Director Nominees

Fernand Bélisle, BA
Breckenridge, Quebec

Director Since: January, 2009

Age: 68

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 2013 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
2013	—	8,164	12,145	20,309	512,802	Yes
2012	—	7,840	8,642	16,482	381,558	Yes

John M. Cassaday, BA, MBA, CM
Toronto, Ontario

Director Since: September, 1999

Age: 60

Non-Independent

Mr. Cassaday is President and CEO of Corus Entertainment Inc., a position which he has held since the creation of Corus in September 1999. He is a Director of Manulife Financial and Sysco Corporation.

Corporate Directorships

Manulife Financial
Sysco Corporation

Board/Committee Memberships	Fiscal 2013 Attendance	
Board of Directors	6 of 6	100%
Executive Committee	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
2013	20,384	581,211	78,498	680,093	17,172,348	Yes
2012	20,384	585,320	75,262	680,966	15,764,363	Yes

Dennis Erker, CLU, ICD.D
Edmonton, Alberta

Director Since: September, 1999

Age: 68

Independent

Mr. Erker is a Partner in the Fairley Erker Advisory Group, a financial and estate planning company. Mr. Erker is a Director of First Canadian Insurance Company, Millennium Insurance Company and Coal Valley Investment Corporation and serves as a Director of several charitable organizations. Mr. Erker is the Chair of Valour Place Society. He currently serves as Honorary Colonel of the Loyal Edmonton Regiment and National Chair of the Executive Council of Honoraries. He has served as Chair of the Board for Canadian Hydro Developers Inc. and the Edmonton Eskimos, as Governor of the CFL and as Director of the Workers' Compensation Board — Alberta, The Citadel Theatre and the Alberta Securities Commission. Mr. Erker is a graduate of the Institute of Corporate Directors.

Corporate Directorships

First Canadian Insurance Company
Millennium Insurance Company
Coal Valley Investment Corporation

Board/Committee Memberships	Fiscal 2013 Attendance	
Board of Directors	6 of 6	100%
Human Resources and Compensation Committee	7 of 7	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
2013	2,850	56,856	42,715	102,421	2,586,130	Yes
2012	2,850	56,445	37,952	97,247	2,251,268	Yes

Carolyn Hursh, BSW, MSW
Calgary, Alberta

Director Since: December, 2005

Age: 61

Independent

Ms. Hursh is the Chairman of James Richardson & Sons, Limited (JRSL), a family owned and managed conglomerate established in 1857, whose subsidiaries include Richardson International, Richardson Pioneer, Richardson Oilseed Processing, Richardson Nutrition, Tundra Oil & Gas Limited, Lombard Realty Limited, Richardson GMP and Richardson Capital Limited. Ms. Hursh chairs the JRSL Corporate Governance Committee and is a member of the Audit and Compensation Committees. Ms. Hursh is also Chair of the Max Bell Foundation and is a member of the Advisory Boards for the Centre for Entrepreneurship and Family Enterprise at the University of Alberta and the Ohlson Research Initiative at the University of Calgary.

Corporate Directorships

James Richardson & Sons, Limited (JRSL)

Board/Committee Memberships	Fiscal 2013 Attendance	
Board of Directors	6 of 6	100%
Corporate Governance Committee (Chair)	4 of 4	100%
Executive Committee	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
2013	—	10,350	16,427	26,777	676,119	Yes
2012	—	9,973	12,468	22,441	519,509	Yes

Barry James, FCA, ICD.D
Edmonton, Alberta

Director Since: New Nominee

Age: 55

Independent

Mr. James recently retired as a partner of PricewaterhouseCoopers after spending 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. He has served as Chair of the Stollery Children's Hospital Foundation and has been a Director of the Edmonton Space and Science Foundation, the Support Network Foundation and the Shaw Conference Centre. Currently, Mr. James is a Senator of the University of Alberta, a Trustee of the University Hospital Foundation and is on the Executive Committee of the Edmonton Chapter of the Institute of Corporate Directors.

Corporate Directorships

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Board/Committee Memberships	Fiscal 2013 Attendance	
Board of Directors	n/a	n/a

Securities Held[4]

Fiscal Year	Class A Voting Shares (#)	Class B Non-Voting Shares (#)	DSUs (#)	Total Shares, DSUs (#)	Total Shares, DSUs[1] ($)	Meets Share Ownership Guidelines
2013	n/a	n/a	n/a	n/a	n/a	n/a

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

Director Since: July, 2000

Age: 66

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. Ms. Leaney serves on the Board of Canadian Western Bank. 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

Canadian Western Bank

Board/Committee Memberships	Fiscal 2013 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
2013	—	14,000	5,009	19,009	479,977	Yes
2012	—	14,000	3,802	17,802	412,116	Yes

Ronald D. Rogers, BComm, CA
Calgary, Alberta

Director Since: December, 2003

Age: 69

Independent

Mr. Rogers retired as Senior Vice-President and Chief Financial Officer of Shaw Communications Inc. in August 2004. He is a Director for Transforce Inc., Parkland Fuel Corporation and a member of the Alberta Institute of Chartered Accountants. Mr. Rogers also has extensive experience as a senior executive in operations and finance, on both a national and international basis.

Corporate Directorships

Transforce Inc.
Parkland Fuel Corporation

Board/Committee Memberships	Fiscal 2013 Attendance	
Board of Directors	6 of 6	100%
Audit Committee (Chair)	4 of 4	100%
Executive Committee	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
2013	—	13,311	7,176	20,487	517,297	Yes
2012	—	13,000	4,878	17,878	413,876	Yes

Catherine Roozen, BComm, LLD (hon)
Edmonton, Alberta

Director Since: June, 2011

Age: 57

Independent

Following graduation from the University of Alberta with a Bachelor of Commerce degree in 1977, Mrs. Roozen worked with the North West Trust Company until 1981 in the area of Branch Operations and as Vice-President, Investments. 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. 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.
Melcor Developments Ltd.

Board/Committee Memberships	Fiscal 2013 Attendance	
Board of Directors	6 of 6	100%
Human Resources and Compensation Committee	7 of 7	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
2013	343,332	365,726	7,800	716,858	18,100,664	Yes
2012	343,332	365,726	4,476	713,534	16,518,312	Yes

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

Director Since: September, 1999

Age: 65

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 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.

Board/Committee Memberships	Fiscal 2013 Attendance	
Board of Directors (Independent Lead Director)	6 of 6	100%
Corporate Governance Committee	4 of 4	100%
Executive Committee	n/a	n/a
Human Resources and Compensation Committee (Chair)	7 of 7	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
2013	—	11,432	45,781	57,213	1,444,628	Yes
2012	—	11,432	40,190	51,622	1,195,049	Yes

Heather A. Shaw, BComm, MBA
Calgary, Alberta

Director Since: September, 1999

Age: 54

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 Director for Shawcor Ltd., a member of the Richard Ivey School of Business Advisory Board and past Director of Shaw Communications Inc. Ms. Shaw also sits on a number of charitable boards. 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

Shawcor Ltd.

Board/Committee Memberships	Fiscal 2013 Attendance	
Board of Directors (Chair)	6 of 6	100%
Executive Committee (Chair)	n/a	n/a

Securities Held

Fiscal Year	Class A Voting Shares[5] (#)	Class B Non-Voting Shares (#)	DSUs[2] (#)	Total Shares, DSUs (#)	Total Shares, DSUs[1] ($)	Meets Share Ownership Guidelines
2013	725,500	1,831,651	—	2,557,151	64,568,062	Yes
2012	725,500	1,724,637	—	2,450,137	56,720,672	Yes

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

Director Since: September, 1999

Age: 52

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 the Shaw Foundation, also sitting on its Executive Committee. The Shaw 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 2013 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[5] (#)	Class B Non-Voting Shares (#)	DSUs (#)	Total Shares, DSUs (#)	Total Shares, DSUs[1] ($)	Meets Share Ownership Guidelines
2013	725,500	925,639	4,797	1,655,936	41,812,384	Yes
2012	725,500	857,709	3,699	1,586,908	36,736,920	Yes

(1) The total value of the Shares and DSUs held in fiscal 2013 is based on the August 31, 2013 TSX closing share price of $25.25 and, in fiscal 2012, is based on the August 31, 2012 TSX closing share price of $23.15.

(2) Excludes Senior Management Deferred Share Units held by Mr. Cassaday and Ms. H. Shaw as NEOs under the Company's Long-Term Incentive Plan.

(3) Includes Director's Deferred Share Units held as a result of the allocation of a portion of the NEO's annual Short-Term Incentives paid in fiscals 2008 and 2007 to the Director's DSU Plan as permitted under the terms of the Plan.

(4) Mr. James is nominated by Corus' Corporate Governance Committee for election to the Board of Directors of the Company at its Annual and Special Meeting of Shareholders on January 14, 2014.

(5) JR Shaw, members of his family, which include Ms. Heather Shaw and Ms. Julie Shaw, and companies owned and/or controlled by him have entered into a Voting Trust Agreement relating to all Class A Voting Shares of the Company they own or control, as described on page 3 of this Circular. The Class A Share ownership disclosed for Ms. Heather Shaw and Ms. Julie Shaw represent their respective Shares which are included in this Voting Trust Agreement.

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
Enterprise Management — experience as a President or CEO leading an organization.	7
Business Development / M&A / Strategic Planning — management or executive experience with responsibility for identifying value creation opportunities.	7
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.	7
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.	5
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.	6
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.	4
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.	6
Sales and Marketing — senior executive experience in the advertising or marketing sector.	5

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 22, 2013, 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 ending November 22, 2013, 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 ending November 22, 2013, a director, chief executive officer or chief financial officer 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, 2013 and 2012 totaled $1,738,920 and $1,669,336, respectively, as detailed in the following table. All funds are in Canadian dollars:

	Year Ended August 31, 2013 ($)	Year Ended August 31, 2012 ($)
Audit Fees	1,244,000	1,248,000
Audit-Related Fees	277,000	318,700
Tax Fees	41,920	102,636
All Other Fees	176,000	—
TOTAL	1,738,920	1,669,336

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.

SHAREHOLDER RATIFICATION OF UNALLOCATED ENTITLEMENTS UNDER THE STOCK OPTION PLAN

Shareholders are referred to the information on the Company's Stock Option Plan (the "Stock Option Plan") contained on page 47 of the Compensation Discussion and Analysis section of this document. Pursuant to requirements of the Toronto Stock Exchange ("TSX"), the Stock Option Plan must be presented to the shareholders of the Company for ratification of the unallocated entitlements every three years. As such, the Stock Option Plan is herein presented to the shareholders of the Company at this Meeting for the purposes of considering, and if deemed appropriate, approving the unallocated entitlements under the evergreen Stock Option Plan for the ensuing three (3) years.

The Board of Directors has determined that approval of the unallocated entitlements under the Stock Option Plan is in the best interests of the Company and its shareholders. The Board of Directors recommends that shareholders vote in favour of the adoption of the following resolution. Unless contrary instructions are indicated on the proxy form, the persons designated in the accompanying proxy form intend to vote at the Meeting FOR the approval of the unallocated entitlements under the Stock Option Plan.

In accordance with the rules of the TSX, in order to be effective, the resolution must be passed by the affirmative vote of the majority of the Class A Voting Shares cast at the Meeting with respect to such resolution. If approval is not obtained at the Meeting, Stock Options which have not been allocated as of January 14, 2014 and Stock Options which are outstanding as of January 14, 2014 and are subsequently cancelled, terminated or exercised will not be available for a new grant of options. Previously allocated options will continue to be unaffected by the approval or disapproval of the resolution.

Holders of Class A Voting Shares will be entitled to one vote per Class A Voting Share on the following resolution:

WHEREAS

1. the Board of Directors of the Company adopted, on October 25, 2007, a resolution approving amendments to the Company's Stock Option Plan (the "Stock Option Plan") to provide for an overall rolling maximum of 10% of the aggregate number of outstanding Class B Non-Voting Shares of the Company on a non-diluted basis when combined with all of the Company's other security-based compensation arrangements and which, therefore, does not have a fixed maximum number of Class B Non-Voting Shares issuable;
2. the shareholders of the Company approved such amendments by a majority of the votes cast, on January 9, 2008;
3. the rules of the Toronto Stock Exchange ("TSX") provide that all unallocated options under the Stock Option Plan that do not have a fixed maximum number of shares issuable be approved every three years; and
4. at its meeting held on October 24, 2013, subject to shareholder approval, the Board of Directors approved all unallocated options under the Stock Option Plan.

BE IT RESOLVED THAT:

1. all unallocated options under the Stock Option Plan be and the same are hereby approved;
2. the Company have the ability to continue granting options under the Stock Option Plan until January 15, 2017, that is until the date that is three years from the date where shareholder approval is being sought; and
3. any director or officer of the Company be and is hereby authorized to do such things and to sign, execute and deliver all documents that such director and officer may, in their discretion, determine to be necessary in order to give full effect to the intent and purpose of this resolution.

SHAREHOLDER PROPOSALS

There were no proposals brought forward by shareholders of Corus Entertainment Inc. for consideration at the 2013 Annual and Special Meeting of Shareholders.

BOARD OF DIRECTORS COMPENSATION

The Corporate Governance Committee (the "CG Committee") is responsible for reviewing and recommending to the Board for approval, on an annual basis, the level of non-executive director compensation. The CG Committee aims to ensure that the remuneration reflects the responsibilities and time commitment required of its directors, is competitive with the Company's peer group and is sufficient to attract and retain qualified directors. In determining the competitiveness of the remuneration, the CG Committee reviews the publicly disclosed compensation of the Company's peer group and general trends from third party compensation surveys concerning the average director compensation for corporations with a similar market capitalization, but does not use a specific benchmark as a guideline.

The Company's director compensation schedule was reviewed by the CG Committee and approved by the Board in fiscal 2013, with increases effective for fiscal 2014. A comprehensive benchmarking peer group analysis was considered by the CG Committee, taking into account general trends from third party compensation surveys and such other criteria as it deemed appropriate. At the time of the review, the Company's benchmarking 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. A general survey of practices at U.S. companies with a similar market cap and line of business was also provided to the CG Committee for informational purposes, but it did not factor into their overall decision-making process.

Table 2 reflects the compensation schedule for non-executive directors of the Company in fiscals 2013 and 2014.

Table 2 — Director Compensation Schedule for Fiscals 2013 and 2014

Retainers and Fees	Fiscal 2013 Fee Schedule ($)	Fiscal 2014 Fee Schedule ($)
Annual Board Retainer (all Directors)	40,000	50,000
Independent Lead Director / Vice-Chair Retainer	7,500	10,000
Audit Committee Chair Retainer	12,500	15,000
Corporate Governance Committee Chair Retainer	7,000	8,500
Human Resources and Compensation Committee Chair Retainer	10,000	15,000
Board/Committee Meeting Attendance Fee (all Directors)	Fixed annual fee of 25,000	Fixed annual fee of 25,000
Committee Member	n/a	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 10,000	Up to 12,500

Directors may elect to receive their compensation in the form of Deferred Share Units ("DSUs"), cash or a combination of the two. In fiscal 2013, all eligible directors were enrolled in the DSU Plan and received either a portion or all of their compensation in DSUs as outlined in Table 4a — Directors' Compensation for fiscal 2013.

The Company does not set aside funds for pension benefits or health costs and there is no retirement plan or mandatory retirement requirement 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.

Table 3 provides a summary of Board and Committee meetings, including in-camera sessions, held during fiscal 2013.

Table 3 — Summary of Meetings for Directors in Fiscal 2013

Board / Committee Meetings	Number of Meetings Held	In-Camera Sessions Held
Board	6	4
Board — Independent Directors	3	n/a
Audit Committee	4	4
Corporate Governance Committee	4	4
Executive Committee	0	n/a
Human Resources and Compensation Committee	7	5
Total Number of Meetings Held	**24**	**13**

Table 4a reflects compensation paid to individual non-executive directors in fiscal 2013.

Table 4a — Directors' Compensation for Fiscal 2013

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	—	75,000	—	—	—	—	75,000
Dennis Erker	—	75,000	—	—	—	—	75,000
Carolyn Hursh	—	82,000	—	—	—	—	82,000
Wendy Leaney	45,000	25,000	—	—	—	—	70,000
Ronald Rogers	37,500	50,000	—	—	—	—	87,500
Catherine Roozen	—	75,000	—	—	—	—	75,000
Terrance Royer	—	92,500	—	—	—	—	92,500
Julie Shaw	54,500	22,500	—	—	—	—	77,000
TOTAL	**137,000**	**497,000**	**—**	**—**	**—**	**—**	**634,000**

(1) John Cassaday, President and CEO, and Heather Shaw, Executive Chair, are both 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 Deferred Share Units ("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, as described under "Directors' Deferred Share Unit ("DSU") Plan on page 18. 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 2013.

Table 4b reflects the market value of all outstanding fees paid to individual non-executive directors in the form of DSUs to August 31, 2013.

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	—	—	—	—	—	—	306,655
Dennis Erker	—	—	—	—	—	—	1,078,566
Carolyn Hursh	—	—	—	—	—	—	414,788
Wendy Leaney	—	—	—	—	—	—	126,479
Ronald Rogers	—	—	—	—	—	—	181,188
Catherine Roozen	—	—	—	—	—	—	196,938
Terrance Royer	—	—	—	—	—	—	1.155,958
Julie Shaw	—	—	—	—	—	—	121,135

(1) Based on the TSX closing share price of $25.25 per Class B Non-Voting Share as at August 31, 2013. 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, 2013.

There are no vesting criteria for fees paid as DSUs to non-executive directors. As such, the value vested in fiscal 2013 for DSUs held by each individual non-executive director is equivalent to their respective individual directors fees paid in the form of DSUs as outlined in Table 4a. 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, 2013.

Directors' Deferred Share Unit ("DSU") Plan

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

DSU Plan Highlights

Each director may elect to have his or her annual retainer(s) and attendance fees paid entirely in cash or, under the terms of the Plan, up to 100% paid in DSUs. 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 put in place by the Company to promote increased DSU ownership.

DSUs are accumulated on a quarterly basis by directors who participate in the 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 the redemption takes place. 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

Redemption

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.

Compensation Governance

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 fair and competitive compensation.

The members of the HRC Committee are:

Terrance Royer (Chair)
Dennis Erker
Catherine Roozen

All members of the HRC Committee are independent within the meaning of Section 1.4 of National Instrument 52-110 *Audit Committees* and have the relevant skills and experience in human resources, compensation and risk management which enables the members to make decisions on the suitability of the Company's compensation policies and practices.

Terrance Royer (Chair)

Mr. Royer has gained extensive human resources and compensation experience over the past 36 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 14 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.

Dennis Erker

Mr. Erker has extensive experience with corporate compensation matters, including employee and executive benefit plans, and retirement savings plans, as part of his practice at Fairley Erker Advisory Group. In this advisory capacity, he has been active in counseling both public and private companies on compensation design which facilitates the attraction and retention of employees. His director experience includes chairing the Human Resources and Compensation Committees of companies such as Canadian Hydro Developers Inc., where he was Chairman and a member of the Human Resources Committee for over a decade. Mr. Erker has also provided assistance with the educational program on executive compensation for the Institute of Corporate Directors.

The HRC Committee is responsible for reviewing the design and competitiveness of the Company's overall compensation and benefits program, and for reviewing and recommending to the Board for approval the Company's executive compensation policies. The HRC Committee, in particular, reviews, approves and reports to the Board the compensation of the senior executives of the Company, including the NEOs.

Additional responsibilities include reviewing the Company's management development and succession planning for its senior executives and reviewing and recommending to the Board the appointment of all executive officers.

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

Approach to Risk Oversight

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. This includes oversight of the implementation of enterprise risk management procedures and the development of entity level controls.

In fiscal 2012, the Company partnered with an independent third party to develop and implement a formalized Enterprise Risk Management ("ERM") process through its Risk Management Committee ("RMC"), which is mandated to identify, assess, manage and monitor business risks that impact the Company.

The RMC is comprised of eleven senior managers from across the organization, with all key operating divisions and functions represented. The Committee meets on a quarterly basis to review financial, hazard, operational and strategic risks to the Company. The likelihood and impact of these risks are ranked on a high, medium and low basis. These risks are reviewed with the Company's Disclosure Committee, the Chief Financial Officer and Chief Executive Officer and finally, with the Board as part of the quarterly risk review process.

In addition, entity level controls, including the Company's Code of Conduct (which is required to be reviewed and signed to confirm compliance annually by directors and officers of the Company), financial controls and other governance processes are in place and monitored regularly by the Company's Risk and Compliance group and external auditors (Ernst & Young LLP), who report to the Audit Committee on a quarterly basis.

Compensation Risk Management

The Company has designed its Compensation programs in a standardized and balanced manner to appropriately incent employees and to discourage excessive risk taking, while at the same time recognizing that some level of risk is necessary to increase long-term shareholder value. In addition to risk oversight by the HRC Committee, assessment of compensation risk falls within the overall risk oversight process as described above.

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

- The Company's strategic multi-year plan and annual operating plan, which are reviewed and approved by the Board, are supported by a thorough review of operating and industry risks which are carefully considered by the Board during their decision-making process.
- The Company's entity level controls include a Board approved Authorization Policy that provides predetermined 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.
- A strong team culture is in place and individual performance objectives are aligned with the Board approved performance objectives of the CEO, which limits excessive individual risk taking.
- Total direct compensation is benchmarked against the Company's peer group by the HRC Committee's independent external compensation consultant and is balanced between base salary, short-term and long-term incentives, with a significant weighting on long-term incentives to mitigate the risk of achieving short-term goals at the expense of long-term performance. The compensation plans are relatively consistent between members of senior management, with increased emphasis on long-term compensation for executives with higher levels of responsibility.
- Compensation is stress tested with the aim of providing a strong link between pay and performance, and the HRC Committee can use its discretion to ensure payouts are not overly influenced by an unusual result in a particular performance metric.
- 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. These incentive achievements are capped at 200% of target, which can only be realized upon a 30% overachievement of targeted financial performance metrics, while a 0% payout is possible if minimum performance thresholds are not achieved. Achievement of financial performance metrics are generally determined based on audited financial statements.
- Stock Options vest over a 4 year period with a 7.5 year term, which encourages a long-term focus on shareholder value.
- Performance Share Units ("PSUs") are designed to reward total shareholder return ("TSR") over a three year period based on pre-determined share price targets. These targets must be maintained over a specified period of time to achieve vesting, as described on page 34 of this document under the heading "*Performance Share Unit Plan*", which deters decisions with a short-term focus. The

payout under this plan is capped at 100% and a 0% payout is possible if minimum performance thresholds are not achieved.

- Deferred Share Units ("DSUs") are designed to encourage long-term focus on shareholder value, as they cannot be redeemed until termination of employment occurs. In addition, key executives may choose to have their short-term performance incentives paid as DSUs under the Directors' DSU Plan, further encouraging personal long-term ownership in the Company.
- The Company's share ownership guidelines further align executives with the interests of shareholders, requiring them to achieve and maintain a high level of personal financial commitment to the Company.

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.

Share Ownership Guidelines

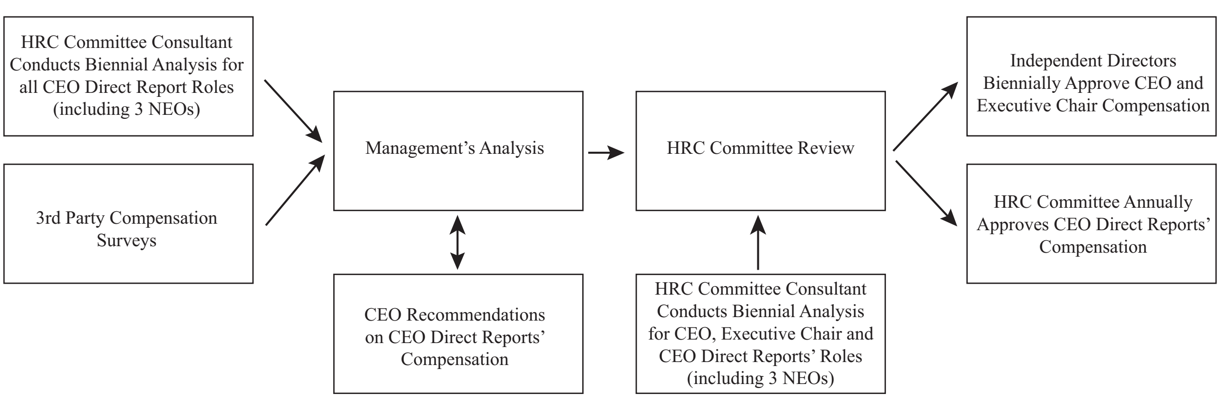
Eligible employees participating in the Company's long-term incentive plans are required to make a financial commitment towards ownership of the Company's stock. The Company has established specific thresholds that each current and future employee must attain within five years to remain eligible for participation. The following threshold ranges are based on a multiple of base salary or base commissioned income:

Key Employee Position	Share Ownership Guideline
Executive Chair and Chief Executive Officer	5 times annual base salary
COO, Divisional President Radio and Chief Financial Officer	2 times annual base salary
Executive Vice Presidents, Vice Presidents and General Managers of Large Operational Assets	1 times annual base salary
General Managers, Vice Presidents, Directors	0.75 times annual base salary

All NEOs of the Company have met or exceeded their applicable share ownership guideline.

Compensation Review and Approval Process

Compensation provided to the CEO and the Executive Chair is recommended by the HRC Committee following a comprehensive review of peer group benchmarks, general compensation trends and achievement of performance objectives over the performance period, and approved by the independent members of the Board of Directors on a biennial basis. The compensation for other NEOs is recommended by the CEO and reviewed and approved by the HRC Committee following a similar review process on an annual basis, although benchmarking is completed on a biennial basis by the HRC Committee's compensation consultant. The HRC Committee retained the services of Hugessen Consulting Inc. as its primary independent compensation consultant. The NEOs do not participate in HRC Committee or Board decisions regarding LTIP plans, nor do they vote relating to any elements of their individual compensation arrangements.



Executive Compensation Consulting Fees

The HRC Committee has retained Hugessen Consulting Inc. since 2009 for advice and counsel on executive compensation trends, benchmarking comparative analysis, information on new executive compensation disclosure requirements and pension plan governance issues. Hugessen may provide services directly to the Company, its directors, its management or its affiliated or subsidiary entities at the Company's request following pre-approval of these services by the HRC Committee.

Key Activities — Fiscal 2013

- Review the Company's Benchmarking Peer Group and recommend appropriate changes, as necessary
- Biennial executive compensation benchmarking, including base salary, short-term and long-term incentive plans, and pension
- Annual executive compensation review and recommendations
- Executive compensation disclosure review and recommendations
- Review proposed amendments to the retirement, change of control and termination provisions of the Company's long-term incentive plans
- Review executive compensation for certain of the Company's subsidiaries (this work comprises "all other fees" as per below).

Key Activities — Fiscal 2012

- Annual executive compensation review and recommendations
- Executive compensation disclosure review and recommendations
- Review CEO performance evaluation methodology.

Fee Type	Fiscal 2013	Fiscal 2012
Executive Compensation	229,100	67,000
All Other Fees	22,600	—

Executive Summary — Compensation Program

The Company's vision is to be globally recognized as Canada's most influential entertainment company. The Company is focused on increasing shareholder value by continually growing, both organically and through acquisition.

The Company's Core Values of Accountability, Initiative, Innovation, Knowledge and Teamwork are key components which provide clarity and focus to all employees as they work to deliver superior results for the Company's shareholders.

The Company continually evolves its compensation programs to ensure alignment with its corporate strategy and competitiveness with its peer group. This is accomplished through a strict focus on pay-for-performance, balanced by the Company's peer benchmarking practices.

Named Executive Officers

The Company believes its executive team brings an extraordinary breadth of knowledge, expertise and leadership experience to Corus, with a commitment to demonstrating the Company's core values. The Named Executive Officers ("NEOs") for fiscal 2013 are:

John M. Cassaday
President and Chief Executive Officer ("CEO")

Thomas C. Peddie
Executive Vice President and Chief Financial Officer ("CFO")

Heather A. Shaw
Executive Chair

Douglas D. Murphy
Executive Vice President and Chief Operating Officer

D. Scott Dyer
Executive Vice President, Strategic Planning and Chief Technology Officer ("CTO")

Benchmarking Compensation

Executive compensation is benchmarked relative to a peer group of Canadian consumer discretionary companies whose operations, in terms of revenues, enterprise value, complexity and industry focus, are broadly representative of the talent market for the Company. The benchmarking peer group ("peer group") is used uniformly for all NEOs, using positions that most closely compare to the position being benchmarked with respect to position descriptions and level of responsibility, as not all companies have suitable matches for each position. The ongoing appropriateness of this group is reviewed biennially, in conjunction with the peer group benchmarking analysis that is conducted by the HRC Committee's independent consultant, Hugessen Consulting Inc.

In fiscal 2013, the HRC Committee conducted its biennial peer group review of companies within the S&P/TSX Consumer Discretionary Index to assess whether or not the existing peer group remained appropriate. The HRC Committee determined that prospective peers should have a market capitalization of between 50% to 200% of Corus ($1 billion — $4 billion) and should be an appropriate business match. The prospective peers were also evaluated by revenue, segment profit and enterprise value. Following the review, three companies were removed and six companies were added to the peer group. Due to a growing differentiation between media and publishing companies, the HRC Committee determined that publishing companies were no longer appropriate peers, resulting in the removal of Torstar Corp., Transcontinental Inc. and Yellow Media Inc. from the peer group. The HRC Committee approved the following additions, which were determined to be appropriate peers for the Company: Dollarama Inc., Hudson's Bay Company, IMAX Corporation, Quebecor Inc., Rona Inc., Sirius XM Canada Holdings Inc. It was also determined that Astral Media, Inc. remained an appropriate peer, however, it will be removed from the peer group in future due to its acquisition by Bell in July, 2013.

Benchmarking — Corus Peer Group	
Aimia Inc.	IMAX Corporation
Astral Media, Inc.	Quebecor Inc.
Cineplex Inc.	Rona Inc.
Cogeco Cable Inc.	Sirius XM Canada Holdings Inc.
Dollarama Inc.	TVA Group Inc.
Hudson's Bay Company	

Compensation data from the peer group, in addition to general trends from third party compensation surveys, are used as guidelines to formulate compensation recommendations for all NEOs and members of the executive team. As such, the revised peer group was used to benchmark the compensation of senior management, including the NEOs, in determining the appropriate level of total compensation for fiscal 2014. 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 ("STIP") and the expected value of long-term incentive plan ("LTIP") 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 non-vertically integrated pure play media company in Canada.

Compensation Overview

The following table provides an overview of all key elements of the Company's compensation program for fiscal 2013:

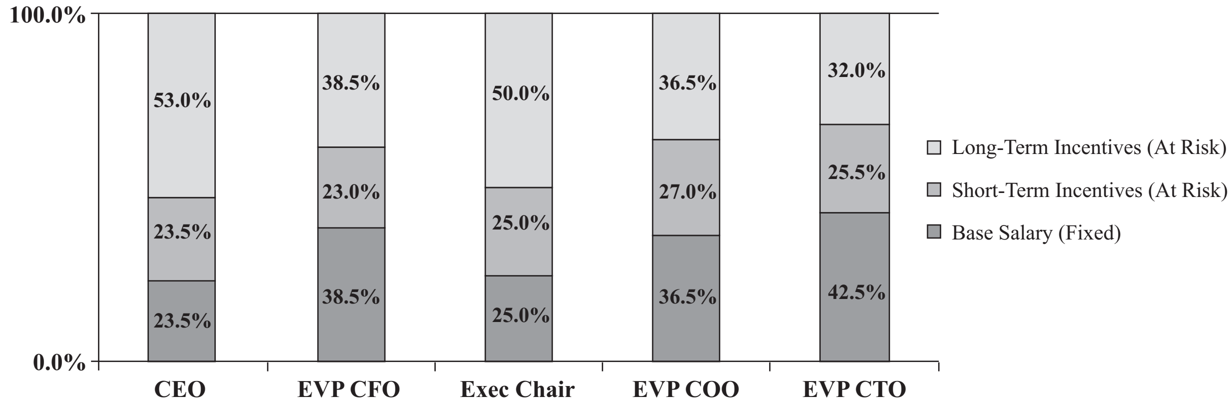
The discussion in this section refers to the compensation of the NEOs, however, in some instances descriptions contain references to how the compensation policies work across the Company's broader employee base.

Key Elements of Compensation Program

The Company's executive compensation program for NEOs currently includes the following:

	Compensation Element	Link to Compensation Objectives	Link to Performance Objectives
Fixed Compensation	**Base Salary** • Annual cash compensation	• Attract and retain • Motivate and reward	Competitive base salary enables the attraction and retention of talented executives who will contribute to the success of Corus. Salaries are determined following an analysis of peer group benchmarks, general compensation trends and individual performance, including contributions to financial results.
At Risk Compensation	**Short-Term Incentive Awards (STIP)** • Annual cash award based on consolidated budgeted earnings or divisional budgeted segment profit, budgeted cash flow measures and individual objectives	• Attract and retain • Motivate and reward	Designed to motivate constantly improving financial and operating performance on an annual basis to increase profitability and shareholder value. STIP awards are generally based on each individual participant's target award as a percentage of base salary times the performance factor achieved each fiscal year, requiring achievement of at least minimum threshold for payout.
	Long-Term Incentive Awards (LTIP) • 50% in the form of PSUs • 25% in the form of Stock Options • 25% in the form of DSUs	• Attract and retain • Motivate and reward • Align interests of executives and shareholders	Designed to motivate significant Total Shareholder Return ("TSR") and alignment with shareholder interests on an ongoing basis. Grants are generally awarded annually based on each individual participant's target award level as a percentage of base salary.
Other	**Discretionary Incentive (LTIP) and/or Retention Awards** • Restricted Share Units ("RSUs")	• Attract and retain • Motivate and reward	May be granted to senior executives on a discretionary basis, solely at the HRC Committee's discretion, to reward superior performance and/or as a retention tool.
	Retirement Arrangements and Perquisites • Defined Benefit ("DB") Supplemental Executive Retirement Plan ("SERP")	• Attract and retain	Designed to provide supplemental retirement benefits and to assist in retaining key executives.

Compensation Targets — Percentage of Total Direct Compensation for Fiscal 2014



2013 Corporate Performance

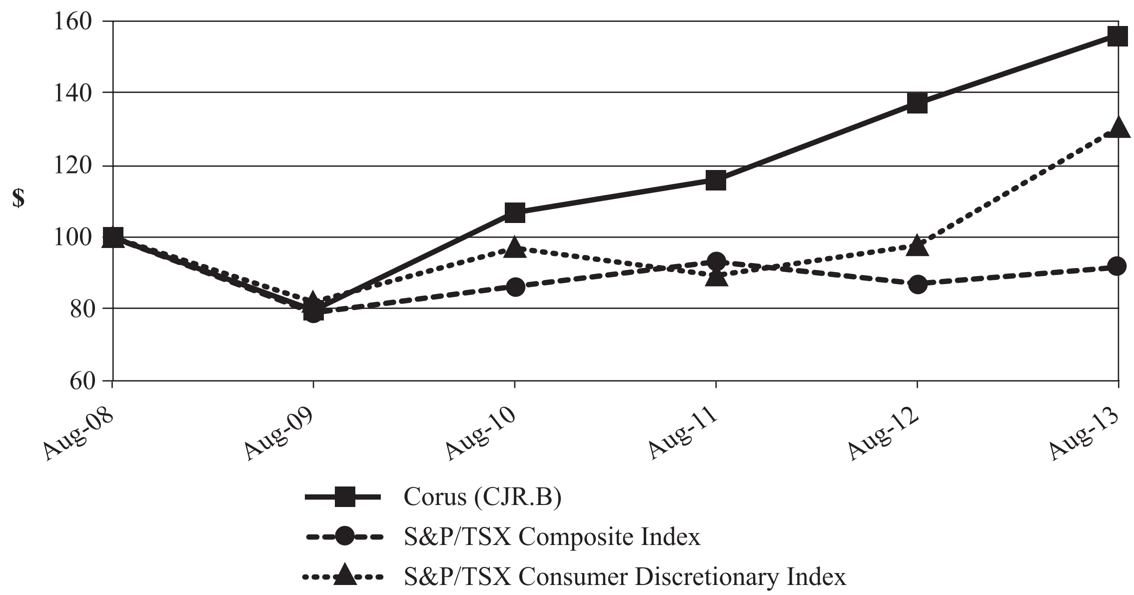
Fiscal 2013 was a very challenging year, with a continuation of the global economic uncertainty and its overall impact on the condition of the Canadian economy and the advertising market. In this environment, the Company's consolidated segment profit for the year was $270.0 million, down 7% from $290.0 million in the prior year and below its financial guidance. Fiscal 2013 segment profit for the Television division was $248.8 million, down 5% versus $262.1 million in the prior year, while segment profit for the Radio division was $55.1 million, down 4% from $57.4 million in the prior year. The Television and Radio divisions both missed their budgets, mainly as a result of lower than expected merchandising revenues and a soft radio advertising market in fiscal 2013. On a consolidated basis, the Company delivered free cash flow from continuing operations ("FCF") of $154.1 million, which was above target and above its financial guidance for the year of $140 million+. The Company delivered basic earnings per share attributable to shareholders ("EPS") of $1.90, which was up 6% from $1.79 last year and 23% ahead of budget, largely as a result of a significant gain on the sale of the Company's minority interest in the Food Network (Canada). In terms of annualized total shareholder return ("TSR") for the five year period ended August 31, 2013, the Company performed in the 75th percentile of its fiscal 2013 peer benchmarking group.

In fiscal 2013, the Company strengthened its competitive position, announcing agreements to purchase, subject to regulatory approval, the remaining 50% interests in TELETOON, TELETOON Retro/TÉLÉTOON Retro, Cartoon Network (Canada), and 100% of Historia and Séries+, as well as two Ottawa Radio stations. The Company also acquired the remaining minority interest in ABC Spark and a significant gain was realized on the divestiture of the Company's minority interest in the Food Network Canada. The Company successfully refinanced its debt at very attractive interest rates, which will allow Corus to effectively finance its acquisitions with minimal incremental interest expense. Lastly, excellent operating margins of 40% and 30% for the fiscal year were achieved in the Television and Radio divisions, respectively.

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, 2008 with the cumulative TSR of the S&P/TSX Composite Index and the S&P/TSX Consumer Discretionary Index for the period of September 1, 2008 to August 31, 2013, and assumes the reinvestment of dividends.

Relative Total Return Performance: Corus vs. S&P/TSX Composite and Consumer Discretionary Indices
September 1, 2008 to August 31, 2013



FOR THE FISCAL YEARS	2008	2009	2010	2011	2012	2013
Corus (CJR.B)	100	80	107	116	137	156
S&P/TSX Composite Index	100	79	87	93	87	92
S&P/TSX Consumer Discretionary Index	100	82	97	89	98	130

The Company believes that its compensation policies support a strong relationship between shareholder returns and compensation earned by the NEOs. As illustrated by the performance graph and table, the Company has outperformed the S&P/TSX Composite Index and the S&P/TSX Consumer Discretionary Index for the five year period ended August 31, 2013, with an annualized TSR of 9.3%, assuming the reinvestment of dividends, versus (1.7%) for the S&P/TSX Composite Index and 5.4% for the S&P/TSX Consumer Discretionary Index. During the year ended August 31, 2013, the return on the Company's shares, including dividends, increased by 13.4% compared to a 5.9% increase in the S&P/TSX Composite Index and a 32.8% increase in the S&P/TSX Consumer Discretionary Index. During the five year period ended August 31, 2013, the Company has increased the base salary of the NEOs by a five year compound annual growth rate of 2.7% for John Cassaday, 2.8% for Heather Shaw and 2.0% for Thomas Peddie. Douglas Murphy has received base salary increases at a five year compound annual growth rate of 6.8% due to an increase in scope and responsibilities, and to be more competitive with the Company's peer group for that position. D. Scott Dyer, an NEO for the past four years, has received base salary increases at a five year compound annual growth rate of 3.8% due to an increase in scope and responsibilities, and to be more competitive with the Company's peer group for that position. Short-term incentives are linked to budgeted annual performance targets and, as a percentage of base pay, have remained fundamentally unchanged over the five year period for John Cassaday, Thomas Peddie and Heather Shaw. However, STIP percentages increased for Douglas Murphy in fiscal 2011 (to 60% from 50% of base salary) to reflect an increase in scope and responsibilities, and for D. Scott Dyer in fiscal 2012 (to 60% from 50% of base salary) to be more competitively positioned with the Company's peer group and to ensure the STIP is aligned with other members of the Company's executive management team. For comparative purposes over the five year period, consolidated segment profit has increased from $251 million to $270 million, net income attributable to shareholders has increased from -$57 million to $160 million, and consolidated free cash flow has increased from $93 million to $154 million. Long-Term Incentive Plan ("LTIP") percentages as a percentage of base pay have also remained fundamentally unchanged over the five year period for John Cassaday, Thomas Peddie and Heather Shaw. However, LTIP percentages increased for Douglas Murphy in fiscal 2011 (to 100% from 50% of base salary) to reflect an increase in scope and responsibilities, and for D. Scott Dyer in fiscal 2012 (to 75% from 50% of base salary) to be more competitively positioned with the Company's peer group and to ensure the LTIP is aligned with other members of the Company's executive management team. In fiscal 2008, the Company introduced an LTIP which is allocated between three components: stock options, performance share units ("PSUs") and deferred share units ("DSUs") as outlined on page 24 under *Key Elements of Compensation Program*. LTIP payments are tied to TSR as outlined on page 33 under *Overview of Long-Term Incentive Plans and Employee Share Purchase Plans* and PSUs, which comprise a minimum of 50% of the LTIP, only vest if the performance criteria are achieved during the performance period.

Key Changes to Compensation Program in Fiscal 2013

i. Total Direct Compensation Adjustments

Management recommended to the HRC Committee that a base salary freeze be implemented for all NEOs and senior management of the Company in fiscal 2013 as part of a temporary cost containment initiative. The HRC Committee approved Management's recommendation and determined that a detailed review of total direct compensation provided to the Company's executives would next be completed in fiscal 2014.

2013 Total Direct Compensation — No Adjustments

NEO	Base Salary	Target STIP	Target LTIP	Rationale for Changes
John Cassaday	Unchanged from fiscal 2012	Unchanged at 90% of base salary	Unchanged at 200% of base salary	No change.
Thomas Peddie	Unchanged from fiscal 2012	Unchanged at 60% of base salary	Unchanged at 100% of base salary	No change.
Heather Shaw	Unchanged from fiscal 2012	Unchanged at 90% of base salary	Unchanged at 175% of base salary	No change.
Douglas Murphy	Unchanged from fiscal 2012	Unchanged at 60% of base salary	Unchanged at 100% of base salary	No change.
D. Scott Dyer	Unchanged from fiscal 2012	Unchanged at 60% of base salary	Unchanged at 75% of base salary	No change.

ii. PSU Annualized Total Shareholder Return (TSR) Target

In fiscal 2013, the HRC Committee reviewed market conditions to assess if the existing annualized 13.5% TSR target under the PSU Plan remained appropriate. Following this review, the HRC Committee approved a new annualized TSR target of 9%, which more appropriately reflects current market conditions. This change was effective for the fiscal 2013 PSU grants.

iii. Benchmarking Peer Group

In fiscal 2013, the HRC Committee and its compensation advisor, Hugessen Consulting Inc., conducted a biennial benchmarking peer group review of companies within the S&P/TSX Consumer Discretionary Index to assess whether or not the existing peer group remained appropriate. Three companies were removed and six companies were added to the peer group effective fiscal 2014. Further details can be found on page 23 under *Benchmarking Compensation*.

iv. 2013 Amendments to the LTIP and RSU Plans

The Company effected a number of amendments to the Stock Option Plan, the DSU Plan, the PSU Plan and the RSU Plan, which were approved by the HRC Committee in fiscal 2013. These amendments (the "Amendments") followed a review of the plans by the HRC Committee and its compensation advisor, Hugessen Consulting Inc., with the assistance of external legal counsel. The aims of the Amendments included (i) increasing the consistency among the various plans, particularly involving retirement and change of control scenarios; (ii) introducing non-competition and non-solicitation conditions to certain scenarios involving retirement from the Company by executives, including the NEOs, while providing for continued vesting following retirement at age 65; and (iii) moving generally from an automatic "single-trigger" acceleration of vesting to greater discretion on the part of the Board, which provides the ability to respond as appropriate in the event of an impending or actual change of control of the Company. Further details of the revised termination and change of control provisions of each plan following implementation of the Amendments can be found on page 44 under *"Table 11 — Termination and Change of Control Arrangements"*.

As part of the review and adoption process for the Amendments, the HRC Committee and the Board considered carefully the appropriate implementation and transition process, particularly with respect to each of the NEOs. As a result of that review, the HRC Committee and the Board concluded that it would be inappropriate to impose the new non-competition and non-solicitation provisions relevant to certain retirement scenarios to senior officers of long service that are already within two years of their potential retirement from the Company. Following a review of the particular circumstances of the NEOs and other senior officers, it was decided that the relevant non-competition and non-solicitation provisions will not apply to the CEO and CFO, as they are within 2 years of their potential retirement, but the provisions will apply to the remaining NEOs. Accordingly, the Company has provided each of the CEO and CFO with a waiver of the relevant provisions under the Amendments.

v. Director's Compensation

In fiscal 2013, the CG Committee conducted a review of director's compensation. A comprehensive benchmarking peer group analysis 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 revised directors compensation schedule will be effective fiscal 2014. Further details can be found on page 15 under "*Board of Directors Compensation"*.

Key Proposed Changes to Compensation Programs for Consideration in Fiscal 2014

Following are the known key changes to the fiscal 2014 compensation program as at November 22, 2013:

i. Total Direct Compensation Adjustments

Base salaries for the NEOs and senior executives were reviewed by the HRC Committee in conjunction with a comprehensive peer benchmarking analysis. The following total direct compensation adjustments for fiscal 2014 were approved for the NEOs by the HRC Committee and, for Mr. Cassaday and Ms. Shaw, by the Board:

2014 Total Direct Compensation Adjustments

NEO	Base Salary	Target STIP	Target LTIP	Rationale for Changes
John Cassaday	Increased 4.7% from fiscal 2012	Increased to 100% of base salary	Increased to 225% of base salary	Inflationary and merit-based increase which covers the two year period of 2012-2013
Thomas Peddie	Increased 3% from fiscal 2012	Unchanged at 60% of base salary	Unchanged at 100% of base salary	Inflationary and merit-based increase
Heather Shaw	Increased 4.7% from fiscal 2012	Increased to 100% of base salary	Increased to 200% of base salary	Inflationary and merit-based increase which covers the two year period of 2012-2013
Douglas Murphy	Increased 20% from fiscal 2012	Increased to 75% of base salary	Unchanged at 100% of base salary	Promoted to Chief Operating Officer with increased responsibilities. Newly created position oversees Radio division, Television studio and broadcast operations in addition to current Television division responsibilities. STIP metrics will be changed to Earnings per Share and Free Cash Flow, in line with the other NEOs
D. Scott Dyer	Increased 3% from fiscal 2012	Unchanged at 60% of base salary	Unchanged at 75% of base salary	Inflationary and merit-based increase

2013 Compensation Decisions

Base Salary Increases

Base salary reviews were not conducted in fiscal 2013 due to a temporary cost containment initiative as disclosed in the "*Total Direct Compensation Adjustments*" table on page 28.

Short-Term Incentive Plan (STIP) Payments

Fiscal 2013 STIP payments were based on the achievement of annual Operating Plan financial thresholds and individual performance objectives in the fiscal year. Consolidated fiscal 2013 Operating Plan financial thresholds were exceeded, resulting in above target STIP payments for John Cassaday, Thomas Peddie, Heather Shaw and D. Scott Dyer. The Television division marginally missed its operating target, resulting in a below target payment on that measure for Douglas Murphy. See page 33 under *Short-Term Incentive Awards* for further information.

Long-Term Incentive Plan (LTIP) Grants

Fiscal 2013 LTIP grants were based on each individual Participant's target award level as a percentage of base salary. See page 28 under *2013 Total Direct Compensation* for further information on the target award levels for each NEO. The HRC Committee did not exercise its discretion with respect to the fiscal 2013 stock option, PSU and DSU grants. There were no discretionary RSUs issued to the NEOs in the fiscal year.

See page 33 under *Overview of Long-Term Incentive Plans and Employee Share Purchase Plans* for further information on the fiscal 2013 LTIP grants.

Short-Term Incentive Plan Overview

Short-term incentive plan ("STIP") awards are designed to deliver constantly improving operating performance on an annual basis, which increases shareholder value. The Company's short-term incentive awards are paid as cash bonuses on an annual basis. Plan participants range from the NEOs to individual managers, with an amount payable based on a percentage of the executive's base salary within a range of 90% to 60% for the NEOs and 50%–15% for the broader employee base. Short-term incentive achievements are capped at 200%, which can only be realized upon a 30% overachievement of each of the financial target performance metrics. Minimum performance thresholds require achievement of at least 95% of financial target performance metrics and failure to meet the minimum threshold will result in no payout.

The amount of the short-term award payable is tied to the achievement of annual Operating Plan (the "Plan") financial thresholds, which are designed to increase the level of the Company's financial performance over time to create shareholder value. The Plan is approved annually by the Board in July, based on the economic outlook at that time. The HRC Committee also concurrently approves and reports to the Board the annual objectives for the upcoming year.

Bonuses for personal objectives achieved are tied directly to 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, and are paid to the individual NEOs only if the financial target thresholds are met at minimum, even though the NEO may have achieved or exceeded their personal objectives during the fiscal year. Personal objectives are subject to a maximum payout of 100% of target. The Committee may use its discretion to increase or decrease the weighting on the amount based on individual performance measures.

STIP Thresholds as a Percentage of Base Salary

Participant	Payout at Min. Threshold (95% of Target)	Payout at Target Threshold (100% of Target)	Payout at Max. Threshold (130% of Target)
John Cassaday	45%	90%	170%
Thomas Peddie	30%	60%	110%
Heather Shaw	45%	90%	170%
Douglas Murphy	30%	60%	110%
D. Scott Dyer	30%	60%	110%

2013 STIP Performance Factors

For fiscal 2013, John Cassaday, Thomas Peddie, Heather Shaw and D. Scott Dyer were incented on the achievement of budgeted Earnings per Share (45%), budgeted consolidated free cash flow (45%) and individual objectives (10%). Douglas Murphy was incented on the achievement of budgeted divisional segment profit (60%), budgeted consolidated free cash flow (30%) and individual objectives (10%). The Company believes that free cash flow, segment profit and earnings per share are strong indicators of shareholder value. Free cash flow is a non-GAAP measure and is defined by the Company as cash provided by operating activities less cash used in investing activities, excluding cash used for business combinations and strategic investments, as reported in the Company's consolidated statements of cash flows. The Company calculates segment profit as revenues less direct cost of sales, general and administrative expenses as reported in the Company's consolidated statements of income and retained earnings. The Company provides reconciliation of free cash flow to GAAP in its quarterly and annual Management's Discussion and Analysis. The consolidated targets were approved by the Board of Directors prior to the commencement of the fiscal year.

The Company's Board of Directors approves annual budgeted consolidated, not segmented, financial targets for the short-term incentive plan during its review of the Company's annual Operating Plan. Segmented financial targets, which are based on economic growth forecasts, competitive market conditions and expected broadcast ratings, are approved by the CEO prior to submitting the annual Operating Plan to the Board of Directors. These financial targets are designed to incent the Company's business segments to drive superior performance and can be impacted by business or economic conditions which are materially different than expected. For competitive reasons, the Company does not disclose annual budgeted divisional segment profit for its individual business segments and will rely on the serious prejudice exemption in this instance. As the only non-vertically integrated, pure play media company in Canada, disclosure of this information would seriously prejudice the Company's interests, as none of its vertically integrated direct competitors, whose main businesses are the provision of cable and/or telecommunications services, are required to disclose this level of information for their media segments.

2013 Performance Overview

Earnings per Share were up 7% from last year and 23% above budget, largely as a result of a significant gain on the sale of the Company's minority interest in the Food Network (Canada), which resulted in a payment of 123% of target for John Cassaday, Thomas Peddie, Heather Shaw and D. Scott Dyer.

Television segment profit was below last year and slightly below budget, resulting in payment of an amount corresponding to a range of 95%–100% of target achievement for Douglas Murphy.

Free cash flow from continuing operations was above budget, which resulted in a payment of 123% of target for all of the NEOs.

Each NEO satisfied their respective personal objectives and were paid out at 100% of target as the minimum required financial performance target thresholds were exceeded in 2013. Personal objectives in 2013, which were based upon achieving the principal financial performance measures of budgeted EPS, free cash flow and, for Mr. Murphy, divisional segment profit, were generally tied to initiatives related to mergers and acquisition activity, ratings improvements in the Television and Radio divisions, development of overall business growth strategies, roll-out of new product offerings, continued focus on organizational development and succession planning and identification of cost reduction opportunities.

The short-term incentive award targets and the payout achievement of these targets in fiscal 2013 for the NEOs of the Company are as follows:

Short-Term Incentive Awards — Corporate

Targets	Weighting	Budgeted Target Approved by Board	Fiscal 2013 Achievement as % of Target (Max. 200%)	Participant Name	Fiscal 2013 Payout as % of Base Salary
Budgeted Earnings Per Share	45%	$1.55	123%	John M. Cassaday	153%
Budgeted Consolidated Free Cash Flow	45%	$125M	123%	Thomas C. Peddie	102%
				Heather A. Shaw	153%
Personal Objectives	10%		100%	D. Scott Dyer	102%

Short-Term Incentive Awards — Business Segment

Targets	Weighting	Budgeted Target Approved by Board	Fiscal 2013 Achievement as % of Target (Max. 200%)	Participant Name	Fiscal 2013 Payout as % of Base Salary
Budgeted Divisional Segment Profit	60%	(1)	Within range of 95%–100%	Douglas D. Murphy	63%
Budgeted Consolidated Free Cash Flow	30%	$125M	123%		
Personal Objectives	10%		100%		

(1) For competitive reasons, the Company does not disclose annual budgeted divisional segment profit.

Overview of Long-Term Incentive Plans and Employee Share Purchase Plans

The Company's Long-Term Incentive Plans ("LTIP") are designed to encourage and reward outstanding performance by plan participants, including the NEOs, when certain performance measures are met, with the overall objective of creating significant Total Shareholder Return ("TSR") on an ongoing basis. The LTIP is also designed to facilitate the attraction and retention of senior management. There are three components of the Company's Annual LTIP: Stock Options, Performance Share Units ("PSUs"), Deferred Share Units ("DSUs") and one component of the Company's discretionary LTIP: Restricted Share Units ("RSUs"). Individual stock option, PSU and DSU grants are based on each individual Participant's target award level as a percentage of base salary. 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 its relative weightings for each executive from year to year.

Stock Option Plan

The Company's Stock Option Plan, implemented on November 23, 1999, is designed to provide an incentive, in the form of a proprietary interest in the Company, to Participants who are in a position to contribute materially to the successful operation of the Company, to increase their interest in the Company's welfare and to provide a means through which the Company can attract and retain outstanding executive talent. For further details on the Company's Stock Option Plan, please see page 47 entitled *Stock Option Plan*.

Stock Option Awards Granted — Fiscal 2013

In fiscal 2013, the NEOs were granted Stock Options, as disclosed in the Summary Compensation Table, based on each individual Participant's target award level as a percentage of base salary.

Performance Share Unit Plan ("PSU Plan")

Effective September 1, 2007, the Company implemented a new component to its long-term incentive award program in the form of Performance Share Units ("PSUs"). The purpose of the PSU Plan is to align the Participants' long-term incentives with TSR and to provide a means to attract and retain outstanding executive talent. PSUs are granted on an annual basis at a "starting market price" which is normally based on the 20 day volume weighted average price on the TSX of the Company's shares for the period ending August 31 of each fiscal year. 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 Dividend Reinvestment Plan of the Company. 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.

The PSU Plan share price targets for fiscals 2012 and 2011 are based on a three year annualized TSR target of 13.5%. The maximum payout for the PSU Plan is capped at 100%. If a performance target is reached within the three year performance period, based on the best consecutive 20 day volume weighted average share price for each year's measurement period, the PSUs can achieve partial vesting. The fiscal 2013 PSU Vesting Schedule is an illustration of how partial vesting is reached in any year of the plan with the only variable being the share price targets determined for each fiscal year.

In fiscal 2013, the HRC Committee reviewed market conditions to assess if the original annualized 13.5% TSR target under the PSU Plan remained appropriate. Following this review, the HRC Committee approved a new annualized TSR target of 9%, which more appropriately reflects current market conditions. The change was effective starting with the fiscal 2013 PSU grant for which the Participants were granted PSUs, as disclosed in the Summary Compensation Table, based on each individual Participant's target award level as a percentage of base salary. The 9% TSR share price targets for the fiscal 2013 PSU grant were determined to be $25, $26 and $28, in accordance with the PSU Plan. At the annual dividend rate of $1.02 as at August 31, 2013, it is estimated that the dividend equivalent for vested PSUs would be $3.04/PSU at the end of the 3 year vesting period. The Company achieved a 20 day volume weighted average share price, including $0.49 in dividend equivalents to-date for the PSU grant, of $25.27 on February 21, 2013, meeting the first share price performance target. The performance period for the fiscal 2013 grant ends August 31, 2015 and, to date, it is projected that the award will be paid out to the Participants at 33.3% of the total PSU grant.

PSU Vesting Schedule — Fiscal 2013 Grant

Performance Measure ***TSR Share Price Target***	**Year 1**	**Year 2**	**Year 3**
$25.00	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)
$26.00		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)
$28.00			Up to 3⁄3 of PSUs vest (if not achieved in Year 1 or 2)
Maximum Total Payout			**Up to 100% of PSU grant**

In fiscal 2012, the Participants were granted PSUs, as disclosed in the Summary Compensation Table, based on each individual Participant's target award level as a percentage of base salary. The share price targets for the PSU grant of $24, $27 and $30 were determined based on a TSR of 13.5%, in accordance with the terms of the PSU Plan. At the annual dividend rate of $1.02 as at August 31, 2013, it is estimated that the dividend equivalent for vested PSUs would be $2.94/PSU at the end of the 3 year vesting period. The Company achieved a 20 day volume weighted average share price, including $1.49 in dividend equivalents to-date for the PSU grant, of $27.06 on March 20, 2013, meeting the second share price performance target. The performance period for the fiscal 2012 grant ends August 31, 2014 and, to date, it is projected that the award will be paid out to the Participants at 66.7% of the total PSU grant.

In fiscal 2011, the Participants were granted PSUs, as disclosed in the Summary Compensation Table, based on each individual Participant's target award level as a percentage of base salary. The share price targets for the PSU grant were $22, $24 and $27, and were determined based on a TSR of 13.5% in accordance with the PSU Plan. The Company achieved a 20 day volume weighted average share price, including $2.14 in dividend equivalents to-date for the PSU grant, of $27.01 on February 15, 2013, meeting the third share price performance target. The performance period for the fiscal 2011 grant ended on August 31, 2013 and the award was paid out to the Participants at 100% of the total PSU grant based on a 20 day VWAP on the TSX as at August 31, 2013 of $25.00. The dividend equivalent received of $2.65 per PSU is disclosed in the share-based awards vested column in Table 7 for fiscal 2013.

Deferred Share Units ("DSUs")

Senior Management's Deferred Share Unit Plan ("DSU Plan")

Effective September 1, 2007, the Company implemented a new component to its long-term incentive award program in the form of Deferred Share Units ("DSUs"). The purpose of the DSU Plan is to provide a retention incentive and enhance retirement benefits which also align with share price performance over the long term. DSUs are granted, on an annual basis, at the 20 day volume weighted average share price of the Company's shares on the TSX for the period ending August 31 of each fiscal year. 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 Dividend Reinvestment Plan of the Company. 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 or, in the case of John Cassaday, age 62.

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 addition, the vested DSUs are not eligible for redemption until termination of employment or retirement occurs. The first DSU grant issued under the Plan vested on September 1, 2012 for Participants of the Plan.

In fiscal 2013, the Participants were granted DSUs, as disclosed in the Summary Compensation Table, based on each individual Participant's target award level as a percentage of base salary. The DSU grant price for fiscal 2013 is based on the 20 day volume weighted average share price of the Company's shares on the TSX as at August 31, 2012, of $22.83. At the annual dividend rate of $1.02 as at August 31, 2013, it is estimated that the dividend equivalent would be $5.08/DSU at the end of the 5 year vesting period.

Directors Deferred Share Unit Plan: Officer Participation

On October 26, 2006, the Board amended the Directors' DSU Plan to include senior officers of the Company. Under the amendment, senior officers could allocate a portion of their potential annual performance incentive to the DSU Plan. The amendment was made to promote increased share ownership in the Company. Four senior officers currently participate in the Directors' DSU Plan.

Restricted Share Units ("RSUs")

Restricted Share Unit Plan ("RSU Plan")

Effective October 21, 2009, the Company implemented, for certain senior executives including the NEOs ("the Participants"), a new component to its long-term incentive award program in the form of restricted share units ("RSUs"). The RSUs are granted on a discretionary basis, and solely at the discretion of the Board, to attract and retain senior executives and to reward exceptional performance during the fiscal year. The RSU Plan provides for 100% vesting of the RSUs on December 15th of the third calendar year following the date of the grant unless an earlier date is established by the Board at their discretion. The value of an RSU is equivalent to the 20 Day Volume Weighted Average Price ("VWAP") of the Company's shares on the TSX as at the vesting date and the RSUs do not attract dividend equivalents over the vesting period. The RSU 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 2013, there were no RSUs granted to the NEOs or other members of executive management and there are currently no outstanding grants for the NEOs under the RSU Plan.

Employee Share Purchase Plan

An employee share purchase plan (the "ESPP") was introduced by the Company to provide employees of the Company ("Participants") with an incentive to increase the operating performance of the Company and as a means to participate in that increased profitability. Generally, all non-unionized full-time employees of the Company and certain of its subsidiaries are eligible to enroll in the ESPP. Officers of the Company, including the NEOs, are entitled to participate in the ESPP on the same basis as all other employees of the Company.

Under the ESPP, each Participant contributes, through payroll deductions, a minimum of $25.00 per semi-monthly pay period or $50.00 per monthly pay period to a maximum of 5% of the Participant's monthly basic compensation. For management employees in job grades 1 through 5, the Company contributes an amount equal to 25% of the Participant's contributions for that month. For employees in non-management job grades 6 through 12, the Company contributes an amount equal to 35% of the Participant's contributions that month. Solium Capital, as trustee under the ESPP, acquires Class B Non-Voting Shares solely at market price for the benefit of Participants through the facilities of the TSX using monies contributed to the ESPP. A Participant may withdraw up to 100% of the shares vested in his or her account once in any 12-month period without penalty.

Registered Retirement Savings Plan ("RRSP")

The Company has in place a voluntary RRSP for all employees, including the NEOs, which is funded solely by direct employee contributions. There is no eligibility for any contribution from the Company under this plan.

Pension Plans

The Company has implemented several pension plans for its employees as follows:

Defined Benefit Plan ("SERP")

The Company has in place a Supplementary Executive Retirement Plan ("SERP") for certain executives, including four NEO's, Thomas Peddie, Heather Shaw, Douglas Murphy, D. Scott Dyer and three other members of executive management. The SERP provides a defined benefit pension calculated as the product of 2.0% of the Participant's highest average base salary earnings times credited service where highest average base salary earnings is defined as the highest average base monthly earnings over the most recently completed 36 consecutive months. SERP benefits began accruing for the Original Participants (Thomas Peddie and Heather Shaw) on September 1, 2007 and for the New Participants (Douglas Murphy, D. Scott Dyer and three other members of executive management) on September 1, 2010 and vest, for the Original Participants, on the later of age 55 or September 1, 2010 and, for the New Participants, 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. Participants will receive credit for past service while they are a member of the Company's executive management 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. Past service is calculated for the eligible NEOs as follows: Thomas Peddie, eight years; Douglas Murphy, six years and; D. Scott Dyer, six years and, to date, only Thomas Peddie's past years of service have vested. 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.

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

In addition to the SERP, the Participants are members of a defined contribution plan (the "DC Plan") which is available to all employees. The SERP benefits for Participants of the Plan are offset by contributions with interest made by the Company to the DC Plan.

Defined Benefit Plan ("CEO SERP")

The Company implemented a CEO Supplementary Executive Retirement Plan ("CEO SERP") 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 vest 100% when the Participant attains age 62. The normal form of payment is a lifetime pension guaranteed for ten years.

The key purpose of the CEO SERP is to provide retirement benefits and to assist in retaining the Participant. This latter goal is to be achieved through a graded vesting schedule of 0% vesting prior to age 60, 25% vesting at age 60, 50% vesting at age 61 and 100% vesting at age 62. In fiscal 2013, the Participant reached age 60 which resulted in 25% vesting of the CEO SERP.

In addition to the CEO SERP, the Participant is a member of a defined contribution plan (the "DC Plan") which is available to all employees. The CEO SERP benefits for the Participant of the Plan are offset by contributions with interest made by the Company to the DC Plan since August 1, 1997.

Defined Contribution Plan ("DC Plan")

The Company provides all eligible non-unionized employees (collectively, "the Participants"), including the NEOs and certain members of executive management who participate in the SERP until such time as their SERP vests (collectively, the "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 5% of each Participant's eligible earnings to the annual maximum as determined under the *Income Tax Act*, which 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 SERP, are used to fund the individual Participant's SERP once vested.

The Company also has defined benefit plans in place for union employees in Ontario.

EXECUTIVE COMPENSATION

The following table sets forth the total compensation of the Chief Executive Officer, the Chief Financial Officer and the three other most highly compensated executive officers of the Company (collectively, the Named Executive Officers "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(4) ($)	Non-Equity Incentive Plan Compensation ($) Long-term Incentive Plans ($)	Pension Value(5) ($)	All Other(6) Compensation ($)	Total Compensation ($)
John M. Cassaday	2013	955,325	1,432,988	477,663	1,459,741	—	466,000	144,900	4,936,617
President and Chief	2012	955,325	1,433,102	477,192	1,278,567	—	435,000	162,046	4,741,232
Executive Officer	2011	901,250	1,350,841	450,775	1,222,799	—	143,000	183,271	4,251,936
Thomas C. Peddie	2013	480,000	360,000	120,000	488,961	—	108,000	6,000	1,562,961
Executive Vice President	2012	478,312	359,137	120,006	428,275	—	102,000	5,979	1,493,709
and Chief Financial Officer	2011	467,592	351,211	117,325	425,010	—	730,000	5,845	2,096,983
Heather A. Shaw	2013	907,559	1,191,171	397,057	1,386,754	—	185,000	93,215	4,160,756
Executive Chair	2012	907,559	1,191,109	396,480	1,214,639	—	183,000	93,168	3,985,955
	2011	849,750	1,161,317	382,850	1,152,925	—	149,000	10,931	3,706,773
Douglas D. Murphy(7)	2013	500,000	375,000	125,000	317,042	—	173,000	6,250	1,496,292
Executive Vice President	2012	491,667	375,000	124,962	339,736	—	119,000	6,146	1,456,511
and Chief Operating Officer	2011	438,045	1,088,184	112,575	344,360	—	320,000	5,476	2,308,640
D. Scott Dyer	2013	425,000	239,063	79,668	432,935	—	72,000	5,312	1,253,978
Executive Vice President,	2012	418,447	238,276	79,650	379,202	—	114,000	5,231	1,234,806
Strategic Planning and Chief Technology Officer	2011	383,212	144,391	47,975	290,716	—	359,000	4,790	1,230,084

(1) Base salary increases are effective, on a biennial basis, as at September 1 for John Cassaday and Heather Shaw and, on an annual basis, as at November 1 for Thomas Peddie, Douglas Murphy and D. Scott Dyer. In fiscal 2013, base salaries were frozen as part of a temporary cost containment initiative.

(2) Represents the aggregate of the award of performance-based units under the Performance Share Unit ("PSU") Plan and the Deferred Share Unit ("DSU") Plan in each of fiscals 2013, 2012 and 2011. The grant date fair value for these awards is generally determined based on the 20 day volume weighted average price ("VWAP") on the TSX as at August 31 of each year, which corresponds to the end of the Company's fiscal year and generally represents the starting date for the vesting period. In fiscal 2012, the grant date fair value for the PSUs was based on the VWAP on the TSX as at August 3, 2012, which was a date determined by the HRC Committee at the time of the grant. The accounting fair value for these awards is based on the closing market price on the TSX as at the end of the fiscal quarter, generally November 30 of each year, which follows the actual grant date. Details of key estimates and assumptions for each grant is as follows:

PSUs: The grant date fair value is determined using the following key assumptions and estimates:

i. The 20 day volume weighted average price ("VWAP") on the TSX as at August 31, 2012 was $22.83, as at August 3, 2011 was $21.54, and as at August 31, 2010 was $19.15. The PSU grant price of $18.26 for fiscal 2013, $17.23 for fiscal 2012 and $15.32 for fiscal 2011 includes a 20% discount to the VWAP, which was approved by the HRC Committee and reflects the challenging performance vesting criteria of the annualized total shareholder return ("TSR") on the actual date of the grant.

ii. The PSU value 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 equivalents for fiscals 2013 and 2012 would be $3.04, and $2.94, respectively, per PSU at the end of the 3 year vesting period. For fiscal 2011, the actual dividend equivalent at the August 31, 2013 vesting date was $2.65.

DSUs: The grant date fair value is determined using the following assumptions and estimates:

i. The DSU grant price is based on the 20 day volume weighted average price ("VWAP") on the TSX as at August 31, 2012 of $22.83 for fiscal 2013, as at August 31, 2011 of $19.94 for fiscal 2012 and as at August 31, 2010, of $19.15 for fiscal 2011.

ii. The DSU value 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 equivalents for fiscals 2013, 2012 and 2011 would be $5.08, $4.98 and $4.69, respectively, per DSU at the end of the 5 year vesting period.

(3) Option-Based award values are based on the estimated grant date fair value multiplied by the number of options actually awarded to the NEOs. The HRC Committee retained the services of independent compensation consultants, Hugessen Consulting, to arrive at an estimated grant date fair value using Black-Scholes methodology for stock option grants. The number of stock options to be granted is recommended to the HRC Committee by the consultants based on the individual NEO's targeted LTIP percentage for stock options divided by the estimated grant date fair value on the date the recommendation is made. The Company uses Black-Scholes methodology to arrive at an accounting fair value for stock option grants based on estimates at the actual time of the grant, as this methodology is considered to provide a meaningful and reasonable estimate of fair value. The variance of Accounting Fair Value to Grant Date Fair Value principally arises from 1) the average ("expected") historical life of the options in the overall stock option plan being shorter than the average used by the HRC Committee's executive compensation consultants; and 2) the Company's methodology under IFRS for calculating the expected volatility being the historical volatility over the expected life of the options versus the 3 year volatility which is used by the HRC Committee's executive compensation consultants. Under IFRS, to determine the Accounting Fair Value, each tranche of options is valued separately for each stock option vesting date (25% of the option grant vests on the anniversary of the grant date and each is considered a separate tranche), so the Accounting Fair Value for the option grants is presented as a range which covers the four vesting dates. The assumptions for each are as follows:

	Fiscal 2013		Fiscal 2012		Fiscal 2011	
Assumptions	**Grant Date Fair Value**	**Accounting Fair Value Range**	**Grant Date Fair Value**	**Accounting Fair Value Range**	**Grant Date Fair Value**	**Accounting Fair Value Range**
Expected Life in years	7.5	5.4 - 6.6	7.5	5.2 - 6.7	7.5	5.1 - 6.6
Risk-free Interest Rate	1.49%	1.42% - 1.52%	1.64%	1.72% - 1.95%	2.06%	1.92% - 2.13%
Expected Volatility	19.76%	27.17% - 29.41%	29.27%	27.97% - 30.55%	32.45%	28.59% - 29.57%
Expected Dividend Yield	4.45%	4.36%	4.11%	4.43%	3.91%	3.76%
Stock Price / Exercise Price	$23.02	$22.00	$19.25	$19.59	$21.27	$22.31
Fair Value	$2.24	$3.43 - $3.76	$3.54	$3.18 - $3.52	$4.75	$4.13 - $4.29
Variance to Grant Date Fair Value		$1.19 - $1.52		$(0.36) - $(0.02)		$(0.62) - $(0.46)

(4) The fiscal 2013 achievement of short-term incentive targets is detailed under the "Short-Term Incentive Award" section of the Compensation Disclosure & Analysis ("CD&A").

(5) Includes amounts contributed to the CEO SERP for Mr. Cassaday, SERP for Mr. Peddie, Ms. Shaw, Mr. Murphy and Mr. Dyer in fiscals 2013, 2012 and 2011. In fiscal 2013, Mr. Cassaday vested 25% in the CEO SERP. In fiscal 2013, Mr. Peddie's prior service in the SERP vested.

(6) Aggregate "Other Compensation" is based on actual costs and taxable benefits in fiscals 2013, 2012 and 2011 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 is entitled to perquisites and other benefits, including personal life insurance costs in the amount of $50,000 and Company vehicle costs in the amount of $37,105 for fiscal 2013, in accordance with the terms of his employment agreement. Ms. Shaw received perquisites and other benefits, including Club membership costs in the amount of $50,995 and Company vehicle costs in the amount of $30,875 for fiscal 2013. All other NEOs are entitled to perquisites and other benefits according to Company policy.

(7) Mr. Murphy was awarded a "special key employee grant" of Deferred Share Units ("DSUs") in fiscal 2011. The vesting schedule for the grant is 10%, 10%,15%, 15%, 25% and 25%, respectively over a 7 year vesting period, otherwise the terms of the grant are the same as those applied to grants under the Company's Deferred Share Unit Plan. The grant date fair value is determined using the following assumptions:

i. The DSU grant price is based on the closing price of $22.31 on the TSX as at October 28, 2010.

ii. The DSU value 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 for the fiscal 2011 grant would be $6.80 per DSU at the end of the 7 year vesting period.

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 and outstanding as at August 31, 2013.

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] ($)	Market or Payout Value of Vested Share-Based Awards not Paid Out or Distributed[3] ($)
John M. Cassaday	213,200	22.000	24-Apr-2020	692,900	229,283	4,442,592	449,450
	134,800	19.590	25-Apr-2019	762,968			
	94,900	22.310	26-Apr-2018	279,006			
	3,273	18.950	13-Jul-2017	20,620			
	109,100	17.500	22-Apr-2017	845,525			
	126,700	17.620	21-Apr-2016	966,721			
	73,000	22.650	09-Jul-2015	189,800			
Thomas C. Peddie	53,600	22.000	24-Apr-2020	174,200	58,100	1,129,482	111,100
	33,900	19.590	25-Apr-2019	191,874			
	24,700	22.310	26-Apr-2018	72,618			
	28,400	17.500	22-Apr-2017	220,100			
	33,000	17.620	21-Apr-2016	251,790			
	18,000	22.650	09-Jul-2015	46,800			
Heather A. Shaw	177,300	22.000	24-Apr-2020	576,225	190,100	3,679,652	373,700
	112,000	19.590	25-Apr-2019	633,920			
	80,600	22.310	26-Apr-2018	236,964			
	90,000	17.500	22-Apr-2017	697,500			
	104,500	17.620	21-Apr-2016	797,335			
	60,200	22.650	09-Jul-2015	156,520			
Douglas D. Murphy	55,800	22.000	24-Apr-2020	181,350	100,651	2,188,735	548,515
	35,300	19.590	25-Apr-2019	199,798			
	23,700	22.310	26-Apr-2018	69,678			
	15,600	17.500	22-Apr-2017	120,900			
	18,300	17.620	21-Apr-2016	139,629			
	10,200	21.825	21-Jul-2015	34,935			
D. Scott Dyer	35,600	22.000	24-Apr-2020	115,700	27,900	480,569	—
	22,500	19.590	25-Apr-2019	127,350			
	10,100	22.310	26-Apr-2018	29,694			
	15,300	17.500	22-Apr-2017	118,575			
	17,900	17.620	21-Apr-2016	136,577			
	10,000	21.825	21-Jul-2015	34,250			

(1) Based on the TSX closing share price of $25.25 per Class B Non-Voting Share as at August 31, 2013.

(2) Represents unvested performance-based units granted under the Performance Share Unit ("PSU") Plan in fiscals 2013 and 2012, unvested units granted under the Deferred Share Unit ("DSU") Plan in fiscals 2013, 2012, 2011, 2010 and 2009 and unvested special DSUs granted to Doug Murphy under the DSU Plan in fiscals 2011 and 2010. The PSU prices were $18.26 in fiscal 2013 and $17.23 in fiscal 2012. PSUs granted in fiscal 2013 reached their first performance target threshold of $25.00 during the year and are assumed, for the purposes of this table, to payout at 33.3% on their vesting date of August 31, 2015. PSUs granted in fiscal 2012 reached their second performance target threshold of $27.00 during the year and are assumed, for the purposes of this table, to payout at 66.7% on their vesting date of August 31, 2014. The value for all outstanding PSUs is based on the TSX closing price of $25.25 per Class B Non-Voting Share as at August 31, 2013 times the expected performance factor achieved for the respective fiscal 2013 and 2012 PSUs on that date. 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 $3.04 and $2.94 per PSU for the fiscal 2013 and 2012 PSUs, respectively. The DSU grant price was $22.83 for fiscal 2013, $19.94 for fiscal 2012, $19.15 for fiscal 2011, $14.86 for fiscal 2010 and $19.12 for fiscal 2009. The DSU grant prices for Doug Murphy's special DSU grants from fiscals 2011 and 2010 were $22.31 and $17.50, respectively. The value shown for the DSUs is based on the TSX closing price of $25.25 per Class B Non-Voting Share as at

August 31, 2013 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 $5.08, $4.98, $4.69, $4.27 and $3.85 per DSU for the fiscal 2013, 2012, 2011, 2010 and 2009 DSUs, respectively, at the end of the 5 year vesting period and, for Doug Murphy, $6.80 and $6.38 per DSU for his special DSU grants in fiscals 2011 and 2010, respectively, at the end of the 7 year vesting period.

(3) Vested share-based awards as at August 31, 2013 are comprised of all DSUs granted under the DSU Plan in fiscal 2008 with a grant price of $24.51 and Doug Murphy's special DSU grants from fiscal 2011 with a grant price of $22.31 and fiscal 2010 with a grant price of $17.50, which are 35% and 20% vested, respectively.

Table 7 sets out the values vested or earned during fiscal 2013 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 2013.

Table 7 — Short-Term and Long-Term Incentive Awards Value Vested or Earned

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) ($)
John M. Cassaday	392,177	2,119,421	1,459,741
Thomas C. Peddie	100,194	543,333	488,961
Heather A. Shaw	320,594	1,815,811	1,386,754
Douglas D. Murphy	66,869	630,180(4)	317,042
D. Scott Dyer	57,026	176,400	432,935

(1) Aggregate value is based on the TSX closing share price on the Option vesting dates: $22.76 per Class B Non-Voting Share as at October 22, 2012, $22.31 per Class B Non-Voting Share as at October 23, 2012, $22.35 per Class B Non-Voting Share as at October 26, 2012 (for Oct 26'12 and Oct 27'12 vesting dates), $24.14 per Class B Non-Voting Share as at January 9, 2013, $24.10 per Class B Non-Voting Share as at January 11, 2013 (for Jan 13'13 vesting date) and $24.58 per Class B Non-Voting Share as at January 21, 2013.

(2) PSUs granted in fiscal 2011 with a performance period ended August 31, 2013 have vested, and the value vested includes a PSU dividend equivalent of $2.65 per PSU. The PSUs reached the maximum TSR share price target of $27.00 and were paid out, according to the terms of the PSU Plan, based on achieving a performance factor of 100% of target, using the TSX 20 Day VWAP as at August 31, 2013 of $25.00. DSUs granted in fiscal 2008 vested on September 1, 2012 and the value vested is based on the closing share price on the TSX of $23.15 as at August 31, 2012 plus a dividend equivalent of $3.42.

(3) The value of Non-Equity Incentive Plan Compensation represents Short-Term Incentive Plan compensation earned for fiscal 2013.

(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 from fiscal 2010 with a grant price of $17.50, which vested 10% and 15%, respectively, in fiscal 2013. The value is based on the TSX closing share price on the anniversary of the grant dates: $22.31 per Class B Non-Voting Share as at October 23, 2012 and $22.35 per Class B Non-Voting Share as at October 26, 2012 (for Oct 27'12 vesting date). Mr. Murphy's special DSUs vested in fiscal 2011 resulted in a value vested for that year of $150,418 and in fiscal 2012 resulted in a value vested for the year of $93,171.

Table 8 sets forth securities authorized for issuance under all equity compensation plans as at August 31, 2013.

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	2,158,073	19.78	6,227,946
Equity compensation plans not approved by security holders	—	—	—
Total	2,158,073	19.78	6,227,946

Table 9 estimates the total benefits accrued under the Defined Benefit (SERP and CEO SERP) and Defined Contribution Pension Plans for each NEO as at August 31, 2013 and is based on assumptions and methods used for reporting in the Company's financial statements.

Table 9 — Defined Benefit Pension Plan — SERP and CEO SERP ("DB Plan")

Name	Number of Years of Credited Service(1) (#)	Annual Benefits Payable(2) ($)		Accrued Obligation at Start of Year(1) ($)	Compensatory Change ($)	Non-Compensatory Change ($)	Accrued Obligation at Year End ($)
		At Year End	At Age 65				
John M. Cassaday	16.1	437,000	584,000	5,185,000	466,000	213,000	5,864,000
Thomas C. Peddie	14.0	133,000	133,000	1,551,000	108,000	(8,000)	1,651,000
Heather A. Shaw	6.0	107,000	309,000	892,000	185,000	130,000	1,207,000
Douglas D. Murphy	9.0	86,000	240,000	567,000	173,000	114,000	855,000
D. Scott Dyer	9.0	74,000	170,000	637,000	72,000	86,000	796,000

(1) Includes prior service granted in the SERP on September 1, 2010 for Mr. Peddie (8 years), Mr. Murphy (6 years) and Mr. Dyer (6 years) and prior service granted in the CEO SERP on January 13, 2010 for Mr. Cassaday (10.1 years).

(2) Mr. Peddie is 100% vested in SERP benefits, including prior service benefits. Ms. Shaw and Mr. Murphy's total benefits do not vest until age 55. Mr. Dyer's benefits accrued since September 1, 2010 do not vest until age 55 and his prior service benefits will vest at age 57. Mr. Cassaday's benefits vested 25% during 2013 and will be 50% vested at age 61 and 100% vested at age 62.

Table 10 provides the Defined Contribution 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 Douglas Murphy and D. Scott Dyer, all of whom are eligible members of the Defined Benefit Pension Plan (SERP) as at August 31, 2013.

Table 10 — Defined Contribution Pension Plan ("DC Plan")

Name	Accumulated Value at Start of Year ($)	Compensatory ($)	Accumulated Value at Year-End ($)
John M. Cassaday	0	0	0
Thomas C. Peddie	0	0	0
Heather A. Shaw	312,000	0	351,000
Douglas D. Murphy	14,000	0	15,000
D. Scott Dyer	72,000	0	82,000

Employment Agreements

The Company entered into an amended and restated employment agreement (the "Agreement") effective January 13, 2010 with John M. Cassaday, President and Chief Executive Officer. The Agreement confirms Mr. Cassaday's annual base salary is to be reviewed every two years, commencing September 1, 2011. In accordance with the Agreement, Mr. Cassaday's base salary was last reviewed in fiscal 2013 and an increase to $1,000,000, effective September 1, 2013, was approved by the Board. The Agreement also provides for a targeted short-term incentive bonus at 90% of his annual base salary, however, Mr. Cassaday's targeted short-term incentive bonus was increased to 100% of his annual base salary effective September 1, 2013. The Agreement provides for long-term compensation and retirement benefits in accordance with the terms of the executive incentive and retirement plans currently in place for executive management, namely the Stock Option Plan, Performance Share Unit Plan ("PSU Plan"), Deferred Share Unit Plan ("DSU Plan") and the Defined Contribution Pension Plan ("DC Plan") which are described on page 33 under *Overview of Long-Term Incentive Plans*. However, the Agreement stipulates that Mr. Cassaday agrees to waive any entitlement under the Supplementary Executive Retirement Plan ("SERP") and, instead, he will participate in another Supplementary Executive Retirement Plan for the CEO ("CEO SERP") effective January 13, 2010. The target percentages for each element of total direct compensation for the President and Chief Executive Officer are detailed under the section entitled *Compensation Targets — Percentage of Total Direct Compensation* on page 25. There is a provision for certain perquisites under the terms of the Agreement, including the payment of life and disability premiums which are additional to those provided to the Company's employees, up to a yearly maximum of $50,000. The Agreement provides for severance payments in the event of termination of Mr. Cassaday's services by the Company (for reasons other than cause) or for a termination within 6 months of change of control (which is defined in the agreement as the acquisition of greater than 50.1% of the Company's Class A Voting Shares), equal to two times the aggregate amount of his annual salary and short-term incentive bonus at target and a provision for the vesting of all previously awarded but unvested LTIP incentives granted under the Stock Option Plan, which are to be exercised within the greater of 60 days or 60 days from the end of the required blackout period in effect at the time of termination or termination within 6 months of change of control. The Agreement also specifies that on termination or termination within 6 months of change of control, all LTIP incentives granted under the DSU Plan and PSU Plan will be distributed to Mr. Cassaday in accordance with the applicable terms of the DSU Plan and PSU Plan, as may be amended from time to time, and that Mr. Cassaday will be subject to the vesting provisions as defined under the CEO SERP. The Agreement does not provide for the continuation of any perquisites or other employment benefits following the termination date. In the event of termination, payment and benefit levels are determinable according to the above mentioned terms of Mr. Cassaday's Agreement and are payable as a lump sum payment by the Company on termination. In addition, upon termination without cause or a change of control, the CEO SERP would immediately vest and Mr. Cassaday would accrue up to two years of additional service to a maximum age of 62. Mr. Cassaday committed to a non-solicitation agreement for a two year period following his termination or retirement from Corus. The term of the Agreement is until March 2015, when Mr. Cassaday reaches his permitted retirement age of 62.

Termination and Change of Control Arrangements

Except for the President and Chief Executive Officer, no other NEO has an employment agreement or any other contractual arrangement in place with the Company in connection with any termination or change of control event, other than the conditions provided in the compensation plans of the Company, as summarized in Table 11 — Termination and Change of Control Arrangements.

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)(2)	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.	Options are 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: Options continue to vest until the earlier of the fourth anniversary of retirement and the expiry of the options.(3)	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.
Performance Share Units (PSUs)	PSUs that are not vested are forfeited.	PSUs that are not vested are forfeited.	If vesting occurs during the applicable notice period, PSUs vest in the ordinary course. All remaining PSUs are forfeited.	Early: PSUs continue to vest until the completion of the performance period. Payable amount is prorated to date of retirement based on achievement of vesting targets.(2) Late: PSUs 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.(2)	Grants prior to fiscal 2014: PSUs vest on a prorated basis to date of completion of change of control transaction. Payment is based on performance period ending on change of control date unless the Board exercises its discretion. Grants on or after fiscal 2014: 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.(4) If no vesting acceleration is implemented and termination without cause occurs within 12 months of change of control, PSUs vest immediately.

	Resignation	Termination for Cause	Involuntary Termination	**Retirement** **Early (age 55-64)** **Late (age 65+ unless otherwise determined by the Board)(2)**	Change of Control
Deferred Share Units (DSUs)	DSUs that are not vested are forfeited.	DSUs that are not vested are forfeited.	If vesting occurs during the applicable notice period, DSUs vest in the ordinary course. All remaining DSUs are forfeited.(1)	Early: Unvested DSUs vest on a pro rata basis to the date of retirement.(3) Late: All outstanding DSUs 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.
Restricted Share Units (RSUs)	RSUs that have not vested are forfeited.	RSUs that have not vested are forfeited.	If RSUs vest during the applicable notice period, RSUs vest in the ordinary course. All remaining RSUs are forfeited.	Early: All outstanding RSUs continue to vest in the ordinary course. Payable amount is prorated to date of retirement.(3) Late: All outstanding RSUs continue to vest in the ordinary course.(3)	The Board may take actions as it deems appropriate, including the assumption or substitution of RSUs by the relevant entity, accelerated vesting of the RSUs or surrender of the RSUs for cash. If no vesting acceleration is implemented and termination without cause occurs within 12 months of change of control, RSUs vest immediately.
Defined Benefit Pension Plan (SERP)	Payment of vested benefits. Reduction of 5% per year if resignation is prior to age 65.	SERP benefits are 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.	SERP benefits immediately vest, including credit for past service if involuntary termination occurs within six months of change of control.(5)
Defined Benefit Pension Plan (CEO — SERP)	Payment of vested benefits. If resignation is prior to age 60, reduction of 5% per year and entitlement to the annual vested pension benefits that would have accrued under previous SERP. If resignation is at age 60, 25% of entitlement under the CEO SERP would be vested and at age 61, 50% of entitlement under CEO SERP would be vested.	CEO SERP benefits are forfeited.	CEO SERP benefits immediately vest and two additional years of service accrue to a maximum age of 62.	Payment of vested benefits. If retirement is prior to age 60, reduction of 5% per year and entitlement to the annual vested pension benefits that would have accrued under previous SERP. If retirement is at age 60, 25% of entitlement under the CEO SERP would be vested and at age 61, 50% of entitlement under CEO SERP would be vested.	CEO SERP benefits immediately vest and two additional years of service accrue to a maximum age of 62.

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

(2) A late retirement date for Mr. Cassaday is considered to be age 62, as per the terms of his employment agreement with the Company.

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

(4) 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.

(5) 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. Cassaday would be determined in accordance with applicable common law requirements. The following table illustrates the value of any incremental benefits which would be payable by the Company, dependent upon the various scenarios outlined in Table 11, under the Company's long-term incentive plans, pension and other compensation and benefits plans as at August 31, 2013. The Company may elect to pay these awards/benefits in a lump sum, unless otherwise determined as at the date of termination or change of control.

Table 12: Potential Value of Incremental Benefits Payable at Termination or Change of Control(1)

Name	Resignation ($)	Termination for Cause ($)	Involuntary Termination(2) ($)	Retirement(3) ($)	Change of Control(4) ($)
John M. Cassaday(5)	4,510,337	875,963(8)	19,434,319	7,414,846	21,290,568
Thomas C. Peddie(6)	2,550,450	447,508(8)	3,706,874	4,414,422	4,414,422
Heather A. Shaw	2,684,922(7)	930,980(8)	6,457,412(7)	5,087,244(7)	9,594,055(10)
Douglas D. Murphy	1,142,163(7)	792,136(8)	3,482,781(7)(9)	1,624,677(7)	4,659,821(10)
D. Scott Dyer	579,443(7)	273,000(8)	1,084,847(7)	871,793(7)	1,941,134(10)

(1) Incremental benefits at Termination or Change of Control are determined according to entitlements disclosed in Table 11 (Termination and Change of Control Arrangements) and based on the TSX closing share price of $25.25 on August 31, 2013.

(2) Assumes the notice period under involuntary termination is 2 years and all PSU performance targets are met during the notice period, which would result in the vesting of 100% of the PSUs.

(3) The PSUs issued in fiscal 2013 achieved the first performance target and the PSUs issued in fiscal 2012 achieved the second performance target during fiscal 2013. The theoretical value for the purposes of this table only is based on achieving the 33.3% and 66.7% performance thresholds, respectively, as at August 31, 2013. Under an early retirement scenario (prior to age 65 (or age 62 for Mr. Cassaday), DSUs would vest on a prorated basis to the retirement date. As at August 31, 2013, only one of the NEOs, Mr. Peddie, has reached the permitted retirement age and all of his grants from the DSU Plan would vest on retirement.

(4) Assumes that Involuntary Termination will occur coincident with change of control, the notice period is 2 years and all PSU performance targets are met during the notice period, which would result in the vesting of 100% of the PSUs. Assumes the acceleration of all stock options on change of control, which is at the Board's discretion.

(5) The CEO SERP does not vest 100% for Mr. Cassaday until age 62, thus the pension value is based on his vested benefit in the CEO SERP (25%). Under the involuntary termination and change of control scenario, the CEO SERP benefits vest 100% and Mr. Cassaday accrues two additional years of service up to age 62. Does not include Mr. Cassaday's salary increase to $1,000,000 and STIP target % increase to 100% of base salary, which were effective September 1, 2013.

(6) Mr. Peddie is 100% vested in his SERP benefits, including prior service benefits, as he reached the permitted retirement age during fiscal 2013.

(7) Ms. Shaw and Mr. Murphy's total SERP benefits do not vest until age 55 and; Mr. Dyer's benefits accrued since September 1, 2010 do not vest until age 55 and his prior service benefits will vest at age 57, thus the only pension benefit payable upon voluntary or involuntary termination is from the Defined Contribution Plan, which is vested as at August 31, 2013.

(8) Under the termination for cause scenario, the NEOs would only be entitled to benefits from the Defined Contribution Plan, which is vested as at August 31, 2013 and the vested DSUs to August 31, 2013.

(9) Under the involuntary termination scenario, Doug Murphy's special grant of DSUs would fully vest.

(10) Ms. Shaw and Mr. Murphy's total SERP benefits do not vest until age 55 and; Mr. Dyer's benefits accrued since September 1, 2010 do not vest until age 55 and his prior service benefits will vest at age 57, thus the pension amount provided is the value earned but not vested as at August 31, 2013, and would be payable only in the event of change of control.

Stock Option Plan

The Board adopted a proposed stock option plan (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 2010 Annual and Special Meeting. As such, the Stock Option Plan is herein presented, in the Business of the Meeting section of this document under the heading "Shareholder Ratification of Unallocated Entitlements under the Stock Option Plan". Thereafter, the Stock Option Plan will 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.

In fiscal 2013, a number of amendments were made to the change of control provisions, retirement provisions and treatment on death provisions of the Stock Option Plan. The change of control provisions were amended such that there is no "single trigger" vesting in the case of future option awards. Instead, the Board may take such actions as it deems appropriate in the event of a pending change of control of the Company including the assumption or substitution of the options by the entity triggering a change of control, acceleration of the vesting of outstanding options or the arranging for cash or other compensation in exchange for a surrender of outstanding options. If the Board elects not to accelerate the vesting of unvested options, all unvested options held by participants terminated without cause within 12 months following a change of control will fully vest and be exercisable for 90 days following termination. The retirement provisions were amended such that a distinction is made between early retirement (age 55 but prior to age 65) and late retirement (age 65 and older or such age as the Board determines is appropriate at their discretion). The prior vesting provisions for retirement will now apply to early retirement and upon late retirement, options will continue to vest until the earlier of the fourth anniversary of retirement and the expiry date of the options. Late retirement is subject to new non-competition and non-solicitation provisions in the Stock Option Plan which provide for a two-year period during which a breach of the conditions may result in forfeiture and cancellation of any outstanding options. Finally, the treatment on death provisions were amended such that upon death, all unvested options immediately vest and the participant's estate may exercise all outstanding options until the earlier of one year following the date of death and the expiry date of the options.

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.

Under the Stock Option Plan, Options to purchase Class B Non-Voting Shares may be granted from time to time by the Board to directors, officers and employees of and consultants to the Company and its subsidiaries (collectively, the "Participants"). The purpose of the Stock Option Plan is to provide an incentive, in the form of a proprietary interest in the Company, to Participants who are in a position to contribute materially to the successful operation of the Company, to increase their interest in the Company's welfare and to provide a means through which the Company can attract and retain outstanding executive talent. Generally, Options are granted to certain members of senior management, including the NEOs, on an annual basis as part of the Company's annual compensation review process. The HRC Committee retains the services of external compensation consultants to arrive at a grant date fair value which is estimated, based on Black-Scholes methodology for Option grants, as disclosed in the notes to Table 5 — Summary Compensation Table. The size of the Option grant, if any, which is approved by the HRC Committee, is based on this estimate. The Company uses the Black-Scholes method to determine the accounting fair value of Options and the key assumptions and estimates for this calculation are disclosed in the notes to Table 5 — Summary Compensation Table.

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.

The Stock Option Plan is administered by the Board with delegated authority to the HRC Committee of the Board and the Options granted may not have terms exceeding 10 years from the date of grant. 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. In the event of termination or Change of Control, all Options would expire or vest, according to the provisions of the Stock Option Plan which are summarized in Table 11 — Termination and Change of Control Arrangements. 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.

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.

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.

Since the inception of the Stock Option Plan, 12,356,247 Options have been granted, of which 3,504,392 have either expired or been forfeited and 6,058,882 have been exercised. As at November 22, 2013, 2,792,973 options are currently outstanding, representing 3.4% 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 is currently 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 does not bear interest and is repayable to the Company in annual installments. Should termination of employment occur for any reason, the full amount outstanding would immediately be due and payable. The Company has obtained a mortgage on the personal residence of the Officer in the full amount of the loan to such Officer as security for this indebtedness. The aggregate amount of such indebtedness as of the date hereof was $190,000 as detailed in Table 13. No other director or officer of the Company is or has been indebted to the Company in fiscal 2013. Table 14 sets forth details of individual indebtedness to Corus.

Table 13 — Aggregate Indebtedness During the Twelve Months Ended November 22, 2013

Purpose	To the Company or its Subsidiaries	To Another Entity
Share Purchases	$ 0	Nil
Other	$190,000	Nil

Table 14 — Indebtedness Under Securities Purchase Program and Other Programs

Name and Principal Position	Involvement of Company or Subsidiary	Largest Amount Outstanding During Fiscal 2013 ($)	Amount Outstanding as at November 22, 2013 ($)	Financially Assisted Securities Purchases During Fiscal 2013 (#)	Security for Indebtedness	Amount Forgiven During Fiscal 2013 ($)
John M. Cassaday President and Chief Executive Officer	Lender	210,000	190,000	Nil	(1)	Nil
Total Other Programs			**190,000**			

Notes:

(1) Secured by a residential mortgage, with annual installments.

DIRECTORS' AND OFFICERS' SHAREHOLDINGS

As of November 22, 2013, the directors and senior officers of the Company beneficially own, directly or indirectly, or exercise control or direction over 53.2% of the issued and outstanding Class A Voting Shares and 5.0% of the issued and outstanding Class B Non-Voting Shares. The Class A Voting Shares held by Heather Shaw and Julie Shaw are included in the total of JR Shaw's holdings pursuant to the Voting Trust Agreement.

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 2013 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. $146,000.

DIVIDEND REINVESTMENT PLAN

In fiscal 2009, the Company implemented a Dividend Reinvestment Plan ("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.

NORMAL COURSE ISSUER BID

The Company had a Normal Course Issuer Bid in place for the purchase of up to 4,000,000 or approximately 5% of its Issued and Outstanding Class B Non-Voting Shares as at June 14, 2012. In fiscal 2013, the Company acquired 64,104 Class B Non-Voting Shares at an average price of $22.84. The Normal Course Issuer Bid expired June 21, 2013 and was not renewed.

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.

2014 SHAREHOLDER PROPOSALS

Shareholder proposals must be submitted no later than October 3, 2014, to be considered for inclusion in next year's Management Information Circular for the purposes of the Company's 2014 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, 2013, 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.

Financial information for the fiscal year ended August 31, 2013, for the Company is provided in the Company's comparative consolidated financial statements and MD&A.

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 13, 2013.

By Order of the Board of Directors

JOHN M. CASSADAY
President and Chief Executive Officer

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, 2013, 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, Carolyn Hursh, Wendy Leaney, 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: John Cassaday, the President and Chief Executive Officer 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.

The Company is indirectly controlled by JR Shaw, the significant shareholder of the Company, who beneficially owns, controls or directs, through a Voting Trust Agreement, 2,906,496 Class A Voting Shares, which includes shares held by Heather Shaw and Julie Shaw and which amount to approximately 84.7% of the issued and outstanding Class A Voting Shares of the Company.

Disclose whether a majority of directors are independent.

The Board has determined that seven of the ten 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 2013.

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 2013, the number of such meetings is disclosed in Table 3 — Summary of Meetings for Directors in fiscal 2013.

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 of 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 Chief Executive Officer 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 2013.

The Board meeting attendance record for each director of the Company in fiscal 2013 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 2013, the Board reviewed the strategy each quarter in light of current business and other conditions as well as reviewing and approving the Company's proposed acquisitions of media assets from Shaw Media and Bell and disposition of the Company's minority interest in Food Network Canada. Its next strategic planning session is scheduled for early fiscal 2014.

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.

See page 19 under *"Approach to Risk Oversight"* for further details.

Succession Planning

The Board is responsible for choosing the President and Chief Executive Officer, 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 an Annual 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 Chief Financial Officer'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 CEO. The Board reviewed and approved this position description. In addition, the CEO establishes annual objectives which are reviewed and subsequently approved by the Human Resources and Compensation 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 Committee reviews performance against these objectives at least annually.

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 2013 are noted in the table below:

Fiscal 2013 Board Education

Subject	Attendees	Timing
Corporate governance updates including emerging best practices and developments in securities regulations. In fiscal 2013, specific topics covered were changes in executive compensation 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
CRTC Policy	Entire Board	October 2012
Nelvana Kids International Update	Entire Board	January 2013
Program Acquisitions	Entire Board	April 2013
Succession Planning	Entire Board	July 2013

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 2013. 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 Carolyn Hursh (Chair), Terrance

Royer and Julie Shaw. Two members of the Committee, Carolyn Hursh and Terrance Royer, 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. 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 15 under "*Board of Directors Compensation*"

Officers: See page 21 under "*Compensation 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), Dennis Erker and Catherine Roozen. All members of the Committee are independent.

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

See page 19 under "*Compensation Governance*" 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 2013, 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 22 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 Ronald Rogers (Chair), Wendy Leaney and Fernand Bélisle. 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), John Cassaday, Terrance Royer, Carolyn Hursh and Ronald Rogers. Ms. Shaw and Mr. Cassaday 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.

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 Chief Executive Officer (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 10 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.
- 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

(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.

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 Chief Executive Officer.
- 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 Chief Executive Officer 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 Chief Executive Officer.

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 Chief Executive Officer against predetermined goals and criteria and to recommend to the Board the amount of compensation to be paid to the Chief Executive Officer.
3. Annually review the Chief Executive Officer's evaluation of the performance of the other executive officers of the Company and the Chief Executive Officer'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. Assist the Board by reviewing the effectiveness of the Company's human resource development, succession planning and performance evaluation programs.
8. 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 Chief Executive Officer.
9. 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.
10. Review and/or approve such other matters relating to human resource issues as are specifically delegated to it by the Board.
11. 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.
12. Review and approve any public disclosure requirements regarding executive compensation and related matters as may be required by securities regulatory authorities or others.
13. The Committee shall perform an evaluation of its performance at least biennially to determine whether it is functioning effectively.

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Printed In Canada
13-25569-1