Corus Entertainment Inc.

Annual Information Form

Fiscal Year Ended August 31, 2022

October 24, 2022

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All amounts following are expressed in Canadian dollars unless otherwise indicated.

FORWARD-LOOKING INFORMATION

To the extent any statements made in this document 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 information").

This forward-looking information relates to, among other things, Corus Entertainment Inc.'s ("Corus" or the "Company") objectives, goals, strategies, targets, intentions, plans, estimates and outlook, including the adoption and anticipated impact of the Company's strategic plan, advertising and expectations of advertising trends for fiscal 2023; subscriber revenue and anticipated subscription trends and distribution, production and other revenue, the Company's dividend policy and the payment of future dividends; the Company's leverage target; the Company's proposed share purchases, including the number of Class B non-voting shares to be repurchased under its normal course issuer bid, if any, and timing thereof; the Company's ability to manage retention and reputation risks related to its on-air talent; expectations regarding financial performance including capital allocation strategy and capital structure management; and operating costs and tariffs, 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 may be considered forward-looking information.

Although Corus believes that the expectations reflected in such forward-looking information are reasonable, such information involves assumptions, risks and uncertainties and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied with respect to the forward-looking information, including without limitation, factors and assumptions regarding the general market conditions and general outlook for the industry, including the impact of recessionary conditions and continuing supply chain constraints; the potential impact of new competition and industry mergers and acquisitions; changes to applicable tax, inflation and interest rates; licensing and regulatory regimes; stability of the advertising, subscription, production and distribution markets; changes to key supplier or client contracts; operating and capital costs and tariffs; the Company's ability to source, produce or sell desirable content; and the Company's capital and operating results being consistent with the Company's expectations. Actual results may differ materially from those expressed or implied in such information.

Important factors that could cause actual results to differ materially from these expectations include, among other things: our ability to attract, retain and manage fluctuations in advertising and subscriber revenues; audience acceptance of our television programs and cable networks; our ability to manage retention and reputational risks related to on-air talent; our ability to maintain relationships with key suppliers and clients and on anticipated financial terms and conditions; our ability to recoup production costs; the availability of tax credits and the existence of co-production treaties; the availability of expected news, production and related credits, programs and funding; our ability to compete in any of the industries in which we do business, including with competitors that may not be regulated in the same way or to the same degree; the potential impact of new competition and industry mergers and acquisitions; business opportunities (or lack thereof) that may be presented to, or pursued by, us; conditions in the entertainment, information and communications industries and technological developments therein; changes in laws, regulations, and policies or the interpretation or application of those laws, regulations, and policies, including statements, decisions or positions by applicable regulators including, without limitation, the Canadian Radio-television and Telecommunications Commission, Canadian Heritage and Innovation, Science and Economic Development Canada; changes to licensing status or conditions and policies or the interpretation or application of those conditions, regulations and policies; unanticipated or un-mitigatable programming costs; 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 or complaints; failure to meet covenants under our senior credit facility, senior unsecured notes or other instruments or facilities; epidemics, pandemics or other public health crises, including COVID-19; cybersecurity threats to the Company or its key suppliers; and changes in accounting standards. Additional information about these factors and about the material assumptions underlying forward-looking information are set out under the heading "Risks and Uncertainties" in the Management's Discussion and Analysis for the year ended August 31, 2022 (the "2022 MD&A") and under the heading "Risk Factors" in this document. Corus cautions that the foregoing list of important factors that may affect future results is not exhaustive.

When relying on our forward-looking information to make decisions with respect to Corus, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Unless otherwise specified, all forward-looking information in this document speaks as of the date of this document. Unless otherwise required by applicable securities laws, Corus disclaims 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.

INCORPORATION OF CORUS

Organization and Name

Corus Entertainment Inc. ("Corus" or the "Company") is a diversified Canadian-based, integrated media and content company that creates and delivers high quality brands and content across platforms for audiences in Canada and around the world. The Company's portfolio of multimedia offerings encompasses 33 specialty (also known as discretionary) television networks, 15 conventional (also known as basic, over-the-air or free television) television stations, 39 radio stations, digital media assets, a social media digital agency, a social media creator network, technology and media services, and the Corus content business, which includes the production and distribution of films and television programs, merchandise licensing, book publishing and animation software.

The Company was originally incorporated under the *Canada Business Corporations Act* ("CBCA") as 3470652 Canada Inc. on March 3, 1998. Corus amended its articles to change its name to Corus Entertainment Inc. on May 28, 1999 and subsequently amended its articles on August 26, 1999 to create additional classes of shares. Corus commenced operations on September 1, 1999. On that date, pursuant to a statutory plan of arrangement (the "Arrangement"), Corus was separated from Shaw Communications Inc. ("Shaw") as an independently operated, publicly traded company and assumed ownership of Shaw's radio broadcasting, specialty television, digital audio services and cable advertising services businesses, as well as certain investments held by Shaw.

Pursuant to the Arrangement, Class A shareholders of Shaw received one Class A participating share of Shaw ("Shaw Class A Share") and one-third of a Class A participating share of Corus ("Class A Voting Share") for each Shaw Class A Share previously held by them. Class B non-voting shareholders of Shaw received one Class B non-voting participating share of Shaw ("Shaw Class B Share") and one-third of one Class B non-voting participating share of Corus ("Class B Non-Voting Share") for each Shaw Class B Share previously held by them.

On December 18, 2003, the Company amended its articles to state that no Class A Voting Shares may be issued unless the prior written consent of holders of no fewer than two-thirds of existing Class A Voting Shares is obtained. The Company also amended its articles on January 9, 2008 to implement a two-for-one stock split of its Class A Voting Shares and Class B Non-Voting Shares (each such term as defined below under the heading "Capital Structure"), effective February 1, 2008.

Corus' registered office is located at 1500, 850 – 2nd Street SW, Calgary, Alberta T2P 0R8 and its executive office is located at Corus Quay, 25 Dockside Drive, Toronto, Ontario, M5A 0B5.

Subsidiaries

The following table describes the significant operating subsidiaries of Corus as at August 31, 2022, their jurisdiction of incorporation or organization, and the combined percentage of voting securities owned by Corus directly or indirectly.

		Voting interest %	
Name	**Jurisdiction**	**2022**	**2021**
Corus Television Limited Partnership	Manitoba	100.0	100.0
Corus Media Holdings Inc.	Alberta	100.0	100.0
Corus Radio Inc.	Canada	100.0	100.0
Corus Sales Inc.	Canada	100.0	100.0
Food Network Canada Inc.	Canada	80.2	80.2
HGTV Canada Inc.	Canada	80.2	80.2
History Television Inc.	Canada	100.0	100.0
Nelvana Limited	Ontario	100.0	100.0
Showcase Television Inc.	Canada	100.0	100.0
TELETOON Canada Inc.	Canada	100.0	100.0
W Network Inc.	Canada	100.0	100.0
YTV Canada, Inc.	Canada	100.0	100.0

The Company has other subsidiaries, but they have been omitted as each represents 10% or less of total consolidated assets and 10% or less of total consolidated revenues of the Company. These omitted subsidiaries together represent less than 20% of total consolidated assets and revenues of the Company.

GENERAL DEVELOPMENT OF THE BUSINESS

The development of the business over the past three years has been influenced by the continued evolution of the media industry as more fully described under *Description of the Industry*, significant changes in the regulatory environment, as more fully described under *Canadian Communications Industry – Regulatory Environment* and the COVID-19 pandemic that emerged mid-way through fiscal 2020.

FISCAL 2022

In fiscal 2022, the Company advanced its strategic objectives and increased its financial flexibility while navigating an operating environment that continues to be impacted by the COVID-19 pandemic and by a complex macroeconomic environment characterized by a heightened risk of recession, persistently high inflation and supply chain constraints.

On August 9, 2022, the Company announced an amendment to the 2022 NCIB (as defined below) to increase the maximum number of Class B non-voting shares that may be repurchased, from 9,669,705 Class B non-voting shares, representing approximately 5% of the Company's 'public float' as at January 3, 2022, to 19,339,410 Class B non-voting shares, representing approximately 10% of the Company's 'public float' as at January 3, 2022. In deciding to amend the NCIB, the Company believes that, while the macroeconomic environment will likely be challenging in the short to medium term, the market price of the Class B non-voting shares may not, from time to time, fully reflect their long-term value. Accordingly, the purchase of the Class B non-voting shares would be in the best interest of the Company and an attractive and appropriate use of available funds. The Company repurchased 8,141,900 Class B non-voting shares in fiscal 2022 under the 2022 NCIB.

Corus and Paramount Global announced on June 8, 2022 that Pluto TV, the world's leading FAST (free ad-supported streaming television) service, would launch in Canada. At launch, expected in December 2022, Corus will be the advertising sales representative to what is positioned to become one of the largest free premium ad-supported streaming services in the country. In addition, Pluto TV will offer a curated slate of Corus original library series that span a variety of genres.

On February 28, 2022, the Company issued $250.0 million principal amount of 6.0% senior unsecured notes (the "2030 Notes") due February 28, 2030. The Company used the net proceeds therefrom to repay amounts under the senior secured term credit facility (the "Term Facility"). On March 18, 2022, the Company's credit agreement with a syndicate of banks was amended and restated. The maturity date for the Term Facility and the $300.0 million senior secured revolving facility (the "Revolving Facility" and collectively with the Term Facility the "Credit Facility") was extended to March 18, 2027.

On February 9, 2022, the Company announced that it had purchased a majority stake in Academy Award® and Emmy Award® nominated production company Aircraft Pictures Limited ("Aircraft Pictures"), which was founded in 2005 by the Canadian producing team of Anthony Leo and Andrew Rosen. The deal marks an important investment in supporting Aircraft Pictures' and Corus' growth ambitions in producing quality kids and family-focused entertainment for the global marketplace.

On January 13, 2022, Corus announced a Normal Course Issuer Bid (the "2022 NCIB") to purchase for cancellation up to 9,669,705 of its Class B Non-Voting Shares.

As at August 31, 2022, the Company's financial leverage was 3.02 times net debt to segment profit as compared to 2.76 times at August 31, 2021. [1]

FISCAL 2021

In fiscal 2021, the Company advanced its strategic objectives and increased its financial flexibility while navigating an operating environment recovering from the impact of COVID-19.

Corus delivered an increase in paid streaming subscribers for both STACKTV and Nick+ on Amazon Prime Video in Canada, and from the launch of Nick+ on Apple TV, Bell Fibe, Alt TV and Virgin TV during the year.

The Company added six Global News regional streams including Okanagan, Lethbridge, Peterborough, Kingston, Regina and Saskatoon to the Global TV app, increasing the total number of free news streams to 14 within the app.

To help measure and track the Company's progress on this strategic priority, in Q1 fiscal 2021 Corus unveiled a new revenue performance metric that reflects its participation in the rapidly growing over-the-top ("OTT") and digital advertising markets. The new platform revenue metric includes incremental subscriber revenues from streaming initiatives and advertising revenues

[1] In addition to disclosing results in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), the Company also provides supplementary non-IFRS measures as a method of evaluating the Company's performance and to provide a better understanding of how management views the Company's performance. These non-IFRS or non-GAAP measures include: segment profit (loss), segment profit margin, free cash flow, adjusted net income (loss) attributed to shareholders, adjusted basic earnings (loss) per share, net debt to segment profit, optimized advertising revenue and new platform revenue. These are not measurements in accordance with IFRS and should not be considered as an alternative to any other measure of performance under IFRS. Please see additional discussion and reconciliations under the Key Performance Indicators and Non-GAAP Financial Measures section of the 2022 MD&A.

from digital platforms. For the year ended August 31, 2022, new platform revenue[1] represented 8% of the Company's TV advertising and subscriber revenues, up approximately 62% from the prior year.

The Company employs a 'Multi-platform Go to Market' approach across its portfolio to provide strategic solutions for clients. Usage of the Company's automated buying platform CYNCH grew, supported by the ongoing adoption of audience-based buying and common audience segments by advertising clients.

Corus introduced new ways for advertisers to engage with audiences on the Company's platforms, with expanded campaigns from Kin Community and Twitter Shops fueled by so.da. Corus' Kin Community announced it will provide advertisers with access to an expanded roster of Canadian creators covering many vital media categories.

Corus Studios delivered a mix of new shows and returning franchise series, and secured a number of multi-series sales. On November 2, 2020, Corus announced the sale of over 300 hours of its programming to global buyers including Discovery, Inc. On April 9, 2021 Corus Studios announced a sale of over 200 hours of its content to Hulu including titles *Home to Win*, *Backyard Builds*, and *Save my Reno*.

Nelvana delivered new content and secured a number of sales. Nelvana's joint venture with Discovery Kids Latin America, redknot, announced the greenlight of two new series in fiscal 2021.

Corus' animation software company Toon Boom delivered the largest revenue year in its history, building on the global demand for animated content. Two feature films produced using Toon Boom animation software Storyboard Pro and Harmony were nominated for Oscar® awards in 2021. Toon Boom released a new version of Storyboard Pro 20 and Producer 20 in fiscal 2021.

On April 9, 2021, the Company announced a significant reduction in its stated long-term financial leverage objective to below 2.5 times net debt to segment profit from 3.0 times. The Company believes that this revised objective provides a reasonable framework for providing a return to shareholders and is supportive of maintaining the Company's credit ratings.

On May 11, 2021, the Company issued $500.0 million principal amount of 5.0% senior unsecured notes (the "2028 Notes" and, collectively with the 2030 Notes, the "Notes") due May 11, 2028. The Company used the net proceeds to repay amounts under the Term Facility. On May 31, 2021, the Company's credit agreement with a syndicate of banks was amended and restated. The principal amendments effected combined the Term Facility tranches into one facility of $923.7 million and extended the maturity date to May 31, 2025. The maturity date for the $300.0 million Revolving Facility was also extended to May 31, 2025.

On November 26, 2020, Corus announced a Normal Course Issuer Bid (the "2021 NCIB") to purchase for cancellation up to 9,673,416 of its Class B Non-Voting Shares. The Company did not make any purchases under the 2021 NCIB.

Throughout the year the Company focused its efforts on supporting its people, prioritizing safety and well-being, employee engagement and diversity, equity and inclusion. In fiscal 2021, the Company advanced this strategic priority by launching a 'Future of Work' initiative to assess the business needs and employee preferences for future working arrangements.

Key learnings and recommendations from an external, third-party review to identify barriers to inclusion for under-represented groups, formed the basis of the Corus Diversity, Equity and Inclusion Action Plan. Progress against this plan is communicated quarterly to all Corus people internally and externally to the public on the Company's website.

Additionally, the Company launched a series of Employee Resource Groups including Out at Corus, Corus Bold and Corus Create to support Corus employees from the 2SLGBTQ2+, Black, and East and Southeast Asian communities. The Company also expanded its Mental Health offering to its employees and launched an inclusive well-being counselling service for employees.

FISCAL 2020

In fiscal 2020, the Company advanced its strategic objectives and continued to operate with financial discipline while navigating the challenging operating environment brought about by COVID-19.

At the outset of COVID-19 restrictions in Canada, Corus' immediate focus was the swift implementation of its business continuity plan, focusing on the health and safety of employees, delivering news, information and programming as an essential service and serving the needs of audiences and customers. Corus experienced significant advertising revenue declines as businesses paused spending in response to the disruption caused by the pandemic. The Company's ability to produce certain types of programming, which was in various stages of production, was also impacted by the pandemic. Immediate steps were taken to manage the Company's cost structure in a disciplined manner, develop new plans for programming, where necessary, and assist advertising customers as they adapted their strategies for new operating realities. Investments and spending were prioritized to ensure that progress against long-term goals remained on track during the road to recovery and to support Corus' efforts to emerge from the pandemic on a more solid strategic footing.

The onset of COVID-19 resulted in increased demand for timely news, information and entertainment programming. The Company focused its efforts on keeping audiences connected and informed, introducing special news programming segments, ensuring news and entertainment content was accessible in new ways and places, and adapting to the changing needs of audiences as the economy gradually reopened.

On June 23, 2020, the Company announced a comprehensive agreement with NBCUniversal to air marquee Peacock Original programming in Canada. The exclusive deal includes a selection of original scripted and unscripted content, along with movies and specials produced for Peacock and airing across Corus networks and platforms, with full linear and on-demand stacking rights.

Nelvana and Corus Studios' planned production slates for fiscal 2020 were impacted by a production hiatus resulting from the global response to COVID-19. As part of the implementation of Corus' Business Continuity Plan, Nelvana's animation studio quickly shifted production to a work from home model, resulting in minimal impact to its delivery schedule. Corus Studios had a number of lifestyle and factual reality shows in various stages of production and, although certain productions were impacted by the production hiatus, new episodes were delivered and a number of series were greenlit for future production.

As a result of a widespread production hiatus due to COVID-19, Corus Studios witnessed increased global demand for its content as broadcasters and distributors sought to fill their schedules with new shows.

Discovery, Inc. acquired six Corus Studios series representing 85 hours of content for their flagship networks in the U.S. This included the sale of original series *Island of Bryan* Season 1 and Season 2 to Discovery, Inc.'s HGTV. The series was newly titled *Renovation Island* for the U.S. market and its finale was the highest rated 8 p.m. telecast across all nights of the week in HGTV history[2].

In April 2020, Corus Studios secured a global distribution deal with Netflix for the second season of its property *Rust Valley Restorers*.

On March 2, 2020, the Company unveiled its new Global TV App - an all-in-one streaming experience delivering Canadians a groundbreaking TV product with access to many of the Company's top networks and shows, live and on demand, for networks included in customers' television provider subscriptions.

Corus achieved significant growth on its STACKTV service, launched in June 2019 on Amazon Prime Video in Canada. In June 2020, the Company announced that the service had reached an important milestone of more than 200,000 subscribers in its first year.

In June 2020, a new industry solution was announced by ThinkTV for the advertising community in Canada. Corus, Bell Media, Rogers Sports & Media and Quebecor Media will adopt common audience segments.

Corus made further progress on its goal to improve the ease of transacting Television advertising buys through automated platform CYNCH. This self-service platform reached a milestone, delivering live inventory across 20 of Corus' specialty channels for adults, with Global slated for addition as CYNCH evolved. The platform streamlines the advertising buying process, improves reporting timelines and enables integration of other data sources to inform and improve advertising campaigns.

The Company's stated long-term objective prior to April 9, 2021 was financial leverage (net debt to segment profit) below 3.0 times. As at August 31, 2020, the Company's financial leverage was 3.18 times net debt to segment profit as compared to 2.82 times at August 31, 2019. Although Corus made significant progress in paying down bank debt, the net debt to segment profit leverage calculation as at August 31, 2020 did not reflect this. The adoption of International Financial Reporting Standard 16 - Leases ("IFRS 16") had the impact of increasing net debt by adding the Company's lease liabilities. At the same time, segment profit increased by the exclusion of rent expenses as prescribed by IFRS 16, which was offset by the impact of the COVID pandemic on advertising revenues.

On November 12, 2019, Corus announced a Normal Course Issuer Bid (the "2020 NCIB") to purchase for cancellation up to 9,913,940 of its Class B Non-Voting Shares. The Company purchased and cancelled 3,630,000 Class B Non-Voting Shares under the 2020 NCIB.

DESCRIPTION OF THE BUSINESS

Corus' principal business activities are operated through two reporting segments: Television and Radio. The Company also owns Kid Can Press and Toon Boom Animation, as well as a social digital agency, so.da, a lifestyle entertainment company, Nelvana,

2 https://www.pressparty.com/pg/newsdesk/HGTC/view/223640/?isworld=y

Aircraft Pictures, Corus Studios, Kin Community Canada and Quay Media Services. The Company also operates companion websites and other digital platforms, including apps, which are related to its brands.

The Company's fiscal year end is August 31. The breakdown of revenue by business for the two most recent fiscal years is as follows:

(000's) $CDN

Year ended August 31	2022	2021
Television	-	-
Advertising	859,598	842,202
Subscriber	518,482	498,058
Distribution, production and other	114,627	106,036
Total Television	**1,492,708**	**1,446,296**
Total Radio	**105,879**	**97,187**
Total revenue	**1,598,587**	**1,543,483**

In fiscal 2022, the Company's Television segment accounted for 93% of revenue (2021 - 94%), while its Radio segment accounted for the remaining 7% (2021 - 6%).

Revenue in fiscal 2022 was derived primarily from three areas: advertising, subscriber fees and 'distribution, production and other', which represented 60%, 32% and 8%, respectively, of total revenue (2021 - 61%, 32% and 7%, respectively).

COMPETITIVE ENVIRONMENT, FACTORS AND STRENGTHS

Corus has an extensive portfolio of specialty television networks and remains focused on building a portfolio of strong brands and content that engages audiences and is accessible across multiple platforms. With this large portfolio encompassing the kids, women, drama, lifestyle, family, news and general entertainment categories, the Company offers a broad choice of advertising solutions and bundling opportunities, with an efficient platform for cross-promotion.

At the same time, Corus operates in an open and highly competitive marketplace and faces competition from both regulated and unregulated players using existing, new or evolving technologies. The rapid deployment of evolving technologies, services, products and strategic partnerships have reduced the traditional lines between internet and broadcast services, and further expanded the competitive landscape. The Company's regulated properties operate in a competitive environment with both regulated and unregulated competitors. New competition always poses a risk to the Company's revenue streams. For further details, please refer to the *Canadian Communications Industry - Regulatory Environment* section.

Corus has relationships with some of the most influential media companies in the world. These relationships enable Corus to secure high-quality programming for its platforms as well as exclusive access to certain iconic brands for its specialty channel portfolio in Canada.

Corus has fostered strong relationships with key global kids programming companies. The extent and strength of these relationships gives Corus a strategic advantage in its efforts to expand its global distribution and merchandising businesses. Investment in new content gives Corus the opportunity to diversify its sources of revenue by creating its own hit properties for global distribution and domestic consumption.

Corus uses the breadth of its brand portfolio to obtain favourable and cost effective access to a broad spectrum of programming rights for its television and digital properties. This is particularly important when securing linear and digital rights to programming from global content suppliers. By maintaining key relationships with major U.S. studios and content producers, Corus advances its priority of securing long-term access to multiplatform rights.

Corus maintains relationships with a number of Canada's most prominent and experienced independent producers in order to secure its supply of Canadian content. Corus develops and/or commissions original Canadian programming in the drama, documentary/factual, kids and lifestyle genres for distribution through all of its platforms and, in some cases, through syndication. Corus works closely with its Canadian production partners to adhere to strict public health protocols and ensures the extensive use of personal protective equipment to support the resumption and delivery of its productions.

As advertising models and technologies evolve, the ability to precisely target key demographics is becoming increasingly important to the advertising industry. Corus has deployed CYNCH, an automated television-buying platform, as yet another option for advertisers to reach their desired audiences.

Corus is focused on the growing premium VOD advertising market in Canada. Corus has expanded its VOD offering with Broadcast Distribution Undertakings (Canadian multichannel television providers) for its key specialty channels. The Company has also launched dynamic advertising insertion within VOD on STACKTV on Amazon Prime, creating new inventory that can be sold to advertisers.

Corus is working closely with industry organizations to improve audience measurement mechanisms.

Corus directs a certain amount of its required annual Canadian content spending towards television content produced and distributed by its own Nelvana and Corus Studios businesses. Because Corus also taps into other sources of third party production financing, Corus is able to cost effectively produce and own a slate of children's, lifestyle and factual reality programming. This slate is then sold to broadcasters and streamers around the world, providing Corus with an opportunity to diversify its revenue streams. Corus works collaboratively with potential buyers to provide support, sharing scheduling strategies and promotional assets, which help to drive ratings. This is an important differentiator for Corus compared to other distributors of content in the international marketplace.

Corus produces content in association with key, leading international companies. The Company continues to pursue additional production agreements to help meet the increased demand for high quality, long form content. Corus also has exclusive development deals in place with key Canadian producers and uses multi-year, multi-season production commitments with select, high profile on-air talent to foster a pipeline of consistent, high quality content.

The Company has merchandising efforts that focus on building successful brand extensions and consumer products programs both domestically and internationally, that cover major product categories such as toys, apparel, book publishing and interactive products.

TELEVISION SEGMENT

The Company's Television segment is comprised of 33 specialty television networks, 15 conventional television stations, digital media assets, a social digital agency, a social media creator network, technology and media services, and a global content business, which includes the production and distribution of films and television programs, merchandise licensing, book publishing, and animation software.

Description of the Industry

Broadcast Distribution Undertakings ("BDUs") reported collectively to the CRTC that there were approximately 9.9 million subscribers to television programming services in 2021, a 3% decrease from 10.2 million in 2020.[3] There were approximately 8.4 million cable and Internet protocol television ("IPTV") subscribers and 1.5 million direct-to-home satellite subscribers in 2021.[4] For details of the regulatory framework governing BDUs and Broadcasting Undertakings, please refer to the *Canadian Communications Industry – Regulatory Environment* section.

Conventional Television

Conventional basic carriage television stations are licensed by the CRTC and provide over-the-air ("OTA") broadcast television signals to viewers within a local geographical market or on a networked basis. In addition to receiving conventional television signals off-air, the majority of Canadian viewers have access, either directly or through a BDU, to the television signals of U.S. border stations, which are generally affiliated with one of the four U.S. commercial networks (ABC, NBC, CBS and Fox) as well as a Public Broadcasting Service station. The CRTC mandates that Canadian BDUs must distribute the signal of a local or regional conventional station in place of the signal of a foreign television station when the two stations are broadcasting identical programming simultaneously and a request is made for this substitution. This is referred to as simultaneous substitution. Canadian conventional television stations generate revenue from advertising and receive no subscription revenues in the CRTC regulated ecosystem. There is no limit to commercial messages that a conventional television station may broadcast. The success of conventional television is dependent on the quality and popularity of programming that result in audience ratings which, in turn, attract advertisers to a station or network.

Since August 31, 2011, OTA television stations in certain areas stopped broadcasting analog signals and started broadcasting digital signals. On March 1, 2016, certain of the CRTC's revised carriage rules for BDUs came into effect, creating an obligation for BDUs to offer their subscribers an entry level basic service of local conventional broadcast stations and certain mandatory

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3 CRTC – Communications Market Reports – Open Data, Data – BDU, Table 8 2009-2021 (https://crtc.gc.ca/eng/publications/reports/PolicyMonitoring/cmrd.htm)

4 *ibid*

distribution of specialty discretionary services (known as "skinny basic") at a maximum price of $25 retail a month. For further details, please refer to the *Canadian Communications Industry – Regulatory Environment* section.

Discretionary Services: Specialty Television

Specialty television services, along with pay television services, pay-per-view and video-on-demand, generate significant advertising and subscriber revenues.

Canadians who subscribe to the service package of a particular BDU (i.e. cable television, IPTV, or direct-to-home satellite) have specialty television networks made available to them on a discretionary basis, which provide special interest, news, sports, arts, kids, lifestyle, entertainment and other programming.

Specialty television networks obtain revenues by charging a monthly subscriber fee to BDUs and can also generate advertising revenues unless prohibited under their CRTC conditions of license.

The amount of the subscriber fee from a BDU is specified in the network's agreement with the BDU and the number of subscribers for a specialty network depends primarily upon pricing, packaging of services and subscriber preference. A specialty television network's subscriber penetration will also benefit from the extent to which it is packaged or tiered with other popular specialty television networks.

Specialty television networks appeal to advertisers seeking highly targeted demographics. Access to new advertising technology is enabling networks to more precisely target audiences on these networks and the television industry is actively developing these types of offerings for advertisers. The CRTC limits national advertising to 12 minutes or less an hour for specialty television services but does not regulate advertising rates.

While remaining a popular subscription choice for many Canadian households, subscriber revenue from traditional BDUs has begun to shrink modestly.

Production and Distribution

Numerous television networks operate around the world with similar content to Corus' such as children's programming blocks as well as other programming exclusively for children. Lifestyle programming has proven to be increasingly popular in many markets. In addition, OTT platforms including content creators and aggregators such as Netflix, Amazon Prime Video, Disney+, HBO Max, NBCUniversal's Peacock and Hulu, standalone set-top boxes such as Apple TV, online video platforms such as YouTube and authenticated TV Everywhere platforms on mobile devices are becoming more popular with children and adults alike.

The Canadian production industry has enjoyed growth over the past decade. The expansion of OTT platforms and the related growth in viewing is increasing demand from distributors that focus on children's content, while demand for lifestyle content, both in terms of programming and licensing of formats, is growing. As such, these platforms represent an important category of buyers. For more information on Corus' content, see *Other Business*.

Streaming and Digital Technology

Globally, OTT television distribution platforms are emerging, such as vMVPDs (a virtual Multichannel Video Programming Distributor), smart TV platforms, and Android-based device platforms that offer consumers new ways to access and subscribe to content over the internet. The Company has partnered with Amazon Prime Video, the first foreign vMVPD to enter the Canadian market, and launched the Corus STACKTV bundle of channels.

A trend in the television sector is the introduction of innovative products and services tailored to the digital environment. TV broadcasters and BDUs have introduced mobile platforms, commonly referred to as "TV Everywhere" platforms. They are also enhancing their VOD offerings to increase the value proposition of traditional television and reduce the amount of "cord cutting", which is when customers drop their television subscription in favour of accessing content through OTT, over-the-air or other on-demand services. TV Everywhere platforms allow television customers to access content through internet-based services such as apps. Robust next generation cable boxes are also designed to enhance the subscriber experience. These platforms feature voice activated search and seamless navigation across cable, OTT, and other content subscription products.

Advertising Revenues

Corus competes for advertising revenues not only with other conventional stations and specialty networks but also with other forms of media including digital, print, radio and outdoor. Digital advertising has grown significantly and now accounts for the largest share of advertising spending in Canada.

Subscriber Revenues

Competition among specialty television networks in Canada is highly dependent upon the offering of discounted or new customer prices; marketing and advertising support; and other incentives to BDUs for carriage. These offers and incentives are designed to favourably position and package the services to subscribers to ultimately achieve higher distribution levels. Corus competes against other conventional stations and specialty networks to attract subscribers.

Corus' television networks are also competing with OTT players that are not regulated by the CRTC. OTT platforms have gained traction in Canada and are impacting conventional and specialty television networks by increasing competition for programming, subscribers and audience time spent. Corus' television services also compete with a number of foreign programming networks that have been authorized for distribution in Canada by the CRTC such as TLC, A&E and AMC. In 2019, Corus introduced its premium, multi-channel streaming platform, STACKTV, which is a paid subscription product that has the capability to dynamically insert advertising within the Amazon marketplace.

Programming Expenditures

Programming costs are the largest expense for Corus' television business. The Company strategically deploys its spending with the goal of maximizing the return for its programming investments. A number of long-term agreements are in place with Corus' media and channel partners to secure premium programming for its television services. In addition, the Company produces owned content for use on all of its platforms, including its television networks and for sale in the international marketplace.

Conventional Television Stations

Corus owns and operates the Global Television network of 15 conventional stations located in Vancouver, Kelowna, Edmonton, Calgary, Lethbridge, Saskatoon, Regina, Winnipeg, Toronto, Peterborough, Durham, Kingston, Montreal, Saint John and Halifax.

Global Television and Global News

Global Television stations operate in the "Conventional" broadcast sector, which includes government-owned public networks, such as the Canadian Broadcasting Corporation, as well as privately-owned station groups and networks that are available over-the-air to most Canadian households. The Global Television network has wide-coverage across Canada and is included in basic television packages offered by the BDUs as part of the policy/regulatory changes implemented by the CRTC in 2016.

Global News is both a stand-alone news brand and an integral part of the overall Global Television brand, also reaching consumers through a network of 24/7, streaming video news channels. These free, ad-supported channels, localized for different Canadian markets, are delivered direct-to-consumer via the Global TV App, Globalnews.ca, and Amazon Prime Video.

With news bureaus and correspondents in every major Canadian city, Washington, D.C. and London, England, Global *National* provides Canadians with in-depth analysis and perspective on important national and international events.

Specialty Television

Corus' specialty television networks operate in the "Discretionary Services" segment as defined by the CRTC regulations, which include services providing programming such as news, arts, children's, drama, lifestyle and entertainment programming. Corus owns and operates a total of 33 specialty television networks. While the portfolio is highly complementary, each brand has a distinct programming focus within the children's, lifestyle, documentary/factual, drama or news genres, or a mix of these.

As at August 31, 2022, Corus operated the following specialty television networks:

Specialty Channel	% Economic Interest	Summary Description
ABC Spark	100%	Fresh, modern and fun, ABC Spark offers a mix of fan-favourite series, hit movies and popular holiday stunt events.
Adult Swim	100%	From original animated comedies to live action programming, Adult Swim content is an unexpected blend of authenticity, originality, and cleverness. Engaging audiences through a bold and irreverent voice, Adult Swim offers an immersive experience that places fans at the centre, bringing together comedy, gaming, music and live events.
BC 1	100%	24-hour, all news channel that provides breaking news, top headlines, weather, traffic and coverage of community events and happenings that shape British Columbia.
Cartoon Network Canada	100%	Cartoon Network (Canada) offers the best in award-winning animated content and brings a unique and diverse slate of entertainment experiences to kids and families, 24 hours.

Specialty Channel	% Economic Interest	Summary Description
Cooking Channel Canada	71%[2]	Cooking Channel Canada is dedicated to the passionate food lover. It's the answer to a growing hunger for more content devoted to food and cooking in every dimension; from global cuisines to international travel, to history and hidden gems.
CMT Canada	80%	CMT offers a funny, light-hearted programming mix of hit comedies, reality series, and movies.
Crime + Investigation	100%	Crime + Investigation is dedicated to investigating the truth, and confronting life's mysteries through true crime stories and dramatic series. C+I takes viewers on an emotional and gripping journey into the world of criminal investigation - because truth is worth pursuing.
DejaView	100%	DejaView is the channel devoted to TV's ultimate classics with some of the most enduring classic sitcoms of all time, plus a trove of familiar favourites and acclaimed hits from the past 50 years of TV.
Disney Channel Canada	100%	Disney Channel is a 24-hour kid-driven, family-inclusive television network that taps into the world of kids and families through imagination, laughter and optimism with popular TV shows and larger-than-life original movies.
Disney Junior Canada	100%	Disney Junior offers the best and most engaging programming for younger children with magical, musical and heartfelt stories. This is a 24-hour a day network with development-based programming dedicated to little ones.
Disney XD Canada	100%	Disney XD offers a compelling mix of live-action and animated kids programming, transporting viewers into worlds full of humour, unexpected fun and inspiring action-filled adventures.
Magnolia Network Canada	67%[2]	Magnolia Network is a collection of inspiring stories curated by Chip and Joanna Gaines featuring some of the most talented makers, artisans, chefs, designers, and entrepreneurs across home and design, food and gardening, the arts, and more. With something for everyone in the family, it's TV that feels like home.
DTOUR	100%	DTOUR takes viewers on a journey exploring the world and all that it has to offer, with unique points of view and eye-opening experiences. From paranormal mysteries to daring pursuits of the legendary and the unidentified, it's always an adventure on DTOUR.
Food Network Canada	71%[2]	From inspiring food stories to high-stakes culinary competitions, Food Network Canada is the experiential and social epicentre of food entertainment, featuring iconic characters and industry heavy-hitters.
HGTV Canada	67%[2]	HGTV Canada is your true partner for home. We celebrate the spirit of home through inspiring design, renovation and real estate shows. It is the network where the experts are guides and friends, helping viewers realize what's possible.
Historia	100%	A French-language network specializing in programming that brings historical stories from Canada and around the world to life.
The HISTORY Channel	100%	History Made Every Day. The HISTORY Channel explores stories of human endeavour, achievement and progress through award-winning series and specials that are fascinating, inspiring and relevant to today.
H2	100%	HISTORY2 brings you a broader view of history across science, technology and pop culture. There is more to explore, more to know and more to understand, because there is always more to history.

Specialty Channel	% Economic Interest	Summary Description
La chaîne Disney	100%	A kid-driven, family-inclusive French-language network that taps into the world of kids and families through original series and movies.
Lifetime	100%	With exclusive movies, award-winning dramas and exciting reality series, Lifetime empowers women to find their strength through the transformative power and attraction of entertainment.
OWN: Oprah Winfrey Network Canada	100%	Oprah Winfrey Network gives viewers access to a stellar lineup of original series and specials that focus on entertaining, informing and inspiring viewers to live their best lives.
MovieTime	100%	With hundreds of titles each month, MovieTime offers movie lovers unparalleled access to an extensive collection of favourite hits.
National Geographic	50%(1)	National Geographic believes in the power of science, exploration and storytelling. Its award-winning series tell stories of humankind from an up- close perspective.
Nat Geo Wild	50%(1)	Nat Geo Wild excites people's passion for wild animals and wild places by taking viewers on the amazing explorations and adventures that surround us.
Nickelodeon Canada	100%	Kids can watch their favourite Nick shows, all day, every day. Nickelodeon is a destination for side-splitting, kid-friendly fun.
Séries+	100%	A French-language channel that offers a wide range of popular Canadian and American programs, original series, as well as exclusive foreign programming.
Showcase	100%	Showcase is a leading premium drama network with unpredictable stories and unforgettable characters, and serves as the destination for award- winning buzz-worthy series and hit blockbuster movies. SHOWCASE - Beyond Ordinary.
Slice	100%	Slice is the destination for unscripted television showcasing big, buzz- worthy personalities and a glimpse into the lifestyles and relationships of the rich and outrageous.
TELETOON/ TÉLÉTOON	100%	What if the rules of physics didn't apply and the only limit was your imagination? It happens here! Our cartoon-crammed network delivers hilarious comedy, unexpected surprises and edge-of-your-seat action through the best in animated series. TELETOON is where anything is possible, where fun and adventure lives - all day, every day. Télétoon is the ultimate destination for hilarious comedies and the best cartoons! This French language channel offers daily programming that appeals to the young… and the not so young…
Treehouse	100%	For pre-school children, Treehouse represents quality television that is trusted by parents because it is a safe place, 100% devoted to children from breakfast to bedtime. Delivering a strong balance of educational, imaginative and entertaining programs, Treehouse provides high-quality children's series from Canada and around the world.
W Network	100%	W Network celebrates relationships and life's special moments. Through dramatic series, exclusive Hallmark Channel seasonal stunts and movies, W embraces unique, exceptional and meaningful connections that make for great storytelling for women.

Specialty Channel	% Economic Interest	Summary Description
YTV	100%	As Canada’s first dedicated network for Kids, YTV embraces its role as a trailblazer in all things funny for families. With shows like SpongeBob SquarePants, The Loud House, Trolls: TrollsTopia, and The Hardy Boys plus blockbuster movies - YTV’s signature style features made-up words, irreverent jokes and random acts of kindness, making it the best-in-class destination for all things #Funexpected.

(1) Voting interest is 80%

(2) Voting interest is 80.2%

RADIO SEGMENT

The commercial radio industry is dependent upon advertising revenues for economic performance and growth.

Radio is an efficient, cost-effective medium for advertisers to reach specific demographic groups on a local, regional, and national basis. Stations are typically classified by their on-air format, such as news/talk, classic hits, rock, country, and hot adult contemporary /classic hit radio. A station’s format and style of presentation enables it to target certain demographics in a market. By capturing a specific share of the radio listening audience, with particular concentration in a targeted demographic, a station is able to market its audience to advertisers. Advertisers and stations utilize data published by audience measuring services, such as Numeris, to estimate how many people within particular geographic and demographic markets listen to specific stations. The number of advertisements that can be broadcast without jeopardizing listening levels, and the resulting ratings, is determined primarily by the format of a particular station and the local competitive environment. The number of advertisements that can be broadcast is not regulated.

A successful combination of on-air, online and on-site initiatives contribute to increased brand awareness for the radio broadcaster and the advertiser, translating into a rise in ratings and advertising revenues.

Subscription or satellite radio competes for listeners in the market, providing a number of channels of programming for a monthly fee.

Music streaming apps offer listeners ubiquitous access on smartphones, tablets and car audio systems. Furthermore, listeners have the ability to personalize their music content based on their musical preferences. All Corus Radio stations are streamed online in various forms, many of which contribute to the measurable PPM ratings data for each station.

Radio broadcasting is also subject to competition from other media. Potential advertisers can substitute advertising through the broadcast television system (which can offer concurrent exposure on a number of networks to enlarge the potential audience); print, outdoor and digital. Competing media commonly target the customers of their competitors, and advertisers regularly shift dollars from radio to these competing media and vice versa. In markets near the U.S. border, such as Kingston, ON, Corus also competes with U.S. radio stations.

Traditional and satellite radio face increased competition from music streaming apps such as Spotify, Apple Music and Google Play Music, which compete for listening time with radio and are increasingly present in the car, where a large portion of traditional and satellite radio consumption occurs.

Corus Radio Business Overview

The Company’s Radio division is comprised of 39 radio stations (29 FM and 10 AM stations) situated primarily in high-growth urban centres in English Canada, with a concentration in the densely populated area of Southern Ontario.

Corus Radio’s primary method of distribution is over-the-air, analog radio transmission, along with additional delivery platforms including HD Radio, websites, mobile apps and podcasts via its CuriousCast network initiative. Each radio station’s content is available to audiences through traditional analog radio receivers at the particular station’s licensed frequency on the AM or FM band. Corus Radio also delivers its content online and on mobile platforms through apps.

Corus owns a 50% stake in Canadian Broadcast Sales (“CBS”) in partnership with Rogers Sports & Media. CBS is the largest national radio sales organization in Canada and their collective market presence reaches 81% of Canada’s total population. CBS represents 43 broadcasters and more than 400 radio stations (including repeaters) in 222 Canadian markets.

Corus Radio derives the majority of its revenues from advertising sales. The extent to which Corus’ advertising revenues are from local or national advertising depends on each given market.

Radio is not capital intensive and has a proven business model that creates substantial free cash flow. Additionally, Radio has a higher proportion of fixed costs than variable costs, which results in higher operating leverage.

In addition to advertising revenues, Corus Radio derives a smaller portion of its revenues through non-airtime sources. Websites and social platforms are an essential component of Corus Radio's brand awareness strategy, with loyal listeners that continue to be connected to the station for the music, on-air hosts, events and information-entertainment that is featured on these platforms.

Podcasting and Streaming

Live audio streaming and audio on demand/podcasting affords the broadcaster and the advertiser a more personal connection with the listener, which is not available through traditional radio. Corus Radio provides live audio streams for its radio stations across multiple platforms including its owned websites, Tune In, Radioplayer, and a variety of voice-activated platforms like Amazon, Apple, Google and more. In addition, all seven Corus Radio news talk stations and select top music stations are available through Apple Music via a relationship with Apple Canada. All 39 Corus Radio station live streams now offer dynamic ad insertion through a partnership with Canadian Broadcast Sales/Audio Velocity allowing advertisers new ways to reach their customers digitally.

In 2018 Corus launched the podcast network, CuriousCast: "Podcasts for Curious Minds". CuriousCast podcasts offer advertisers the ability to connect with new customers beyond the reach of traditional radio or television. The podcast network provides advertisers a host of advertising options ranging from dynamic ad insertion, to host endorsement, custom integrations, and branded podcasting.

Other business

The market for the production and distribution of television, books and other media content is competitive. There are numerous domestic and international suppliers of media content, including vertically integrated major motion picture studios, television networks, independent television production companies, toy companies and children's book publishers. Many of these competitors are significantly larger than Corus and have substantially greater resources, including easier access to capital. Corus competes with other television and motion picture production companies for ideas and storylines created by third parties, as well as for actors, directors and other personnel required for productions.

Many new digital competitors have entered the streaming and digital market, creating growth in demand from OTT platforms and creating new revenue streams for content creators globally. As an integrated media and content company, Corus produces high-quality content which is distributed on its own portfolio of brands as well as sold to international buyers. This is enabled by Corus' extensive relationships with both the production community and global distributors of content.

Corus creates premium content that is sold around the world. Nelvana, the cornerstone of the Company's kid's content business, is globally recognized as a leading creator, producer and distributor of children's animated content and consumer products.

Nelvana's award-winning animation studio has developed and produced a roster of world-class properties. The programming is sold to many of the world's leading media companies and digital service providers, as well as being deployed across the Company's own media platforms. Corus distributes content via sales and distribution resources located in Toronto, Limerick, Ireland and Paris.

Corus Studios is focused on growing its library of owned and/or distributed unscripted lifestyle and factual programming, which is deployed across the Company's media platforms in Canada and sold to many of the world's leading media companies and networks for distribution on their international platforms. The content is distributed through two sales and distribution offices located in Toronto, Canada and Limerick, Ireland.

Toon Boom is a leader in digital content and animation creation software solutions with a worldwide sales, distribution and support network, selling its products in more than 100 countries. The Company uses this software as part of its content creation process. Toon Boom carries user-friendly applications catering to studios and creative professionals, as well as students, educators and schools.

Kids Can Press publishes high-quality children's books and continues this tradition with its digital publications, custom publishing partnerships and brand marketing initiatives. Canadian book publishers face competitive market conditions. Evolving consumer media habits and an increase in entertainment options are resulting in greater competition for share of leisure time, and for consumers' discretionary spending dollars. Additionally, ongoing consolidation of the industry tends to favour large multinational corporations that realize significant economies of scale.

Aircraft Pictures is a content production company creating high quality, scripted content for kids, families and young adults.

ADDITIONAL INFORMATION CONCERNING CORUS' BUSINESSES

Intangible Properties

Corus uses a number of trademarks, service marks and official marks for its products and services in each of its reporting segments. Many of these brands and marks are owned and registered by Corus, and those trademarks that are not registered are afforded protection by common law. Corus also licenses certain marks from third parties. Corus has taken affirmative legal steps to protect its owned and licensed trademarks. The exclusive rights to trademarks depend upon the Company's efforts to use and protect these rights.

Distribution rights to television programming and motion pictures as well as ancillary rights are granted legal protection under the copyright laws and other laws of Canada, the United States and most foreign countries. These laws impose civil and criminal sanctions for the unauthorized duplication and exhibition of television programming. Corus believes that it takes, and plans to continue taking, all appropriate and reasonable measures to secure, protect and maintain or obtain agreements from licensees to secure, protect and maintain copyright and other legal protections for all of the television programming produced and distributed by Corus under the laws of all applicable jurisdictions.

Corus also licenses copyright materials by way of direct contracting or through blanket licensing regimes. The tariffs for blanket licenses are established by the Copyright Board in Canada. Although the amount of a blanket license is set by this third party regulator, the system provides certainty as to cost and also limited immunity from claims for innocent infringements due to the presumptions of right to use works that flow with the imposition of these tariffs.

The Company operates a comprehensive clearance and rights management system to both protect its rights and to ensure that works that Corus uses have the requisite clearances or licenses from the owners. A key element of contracts for copyright works is the term or time period of the license granted, which in the broadcasting sector can vary, but usually is for a time period such as one to three years. In some circumstances, the time period is combined with a right to only a certain number of "plays" or broadcasts. Rights management in a digital business environment is becoming increasingly complex due to challenges with definitions, semantics and taxonomic issues related to contractual rights.

Seasonality and Cycles

Corus' operating results for each of its reporting segments are subject to seasonal fluctuations that can significantly impact quarter-to-quarter operating results. The Company's advertising revenue is dependent on general advertising revenue and retail cycles associated with consumer spending activity. Based on historical results of the Company, the first and third quarter results tend to be the strongest and the second and fourth quarter results tend to be the weakest in a fiscal year. The Company's merchandising and distribution revenue is dependent on the number and timing of film and television programs delivered as well as the timing and level of success achieved of associated merchandise licensed in the market, which cannot be predicted with certainty. Consequently, the Company's results may fluctuate materially from period-to-period and the results of any one period are not necessarily indicative of results for future periods.

Environmental Protection

Corus' operations, facilities and broadcasting infrastructure are not subject to any environmental protection requirements that would materially impact the capital expenditures, profit or loss and competitive position of the Company.

Employees

As at August 31, 2022, Corus had approximately 3,336 full-time and part-time employees, of which unionized employees represent 28%. The Company is a party to six collective agreements with two unions: Unifor and the Canadian Union of Public Employees.

Lending

Corus does not have any lending operations as a distinct or significant business. Corus may make loan investments in companies involved in the media sector of up to $15 million with the approval of the Company's chief executive officer or chief financial officer and more than $15 million with the approval of the Board of Directors.

Risk Factors

A discussion of risks affecting the Company and its business is set forth under the heading "Risks and Uncertainties" in the 2022 MD&A, as filed at www.sedar.com on October 24, 2022, which discussion is incorporated by reference herein. In addition, the Company is also subject to risks and uncertainties as set forth under *Canadian Communications Industry - Regulatory Environment*.

These descriptions of risks do not include all possible risks, and there may be other risks of which the Company is currently not aware that may arise and have a material adverse effect on the Company's business, operations, results of operations and financial position.

CANADIAN COMMUNICATIONS INDUSTRY-REGULATORY ENVIRONMENT

Canadian Radio-television and Telecommunications Commission (“CRTC”)

Under *the Broadcasting Act (Canada)* (the “*Broadcasting Act*”), the CRTC is responsible for regulating and supervising all aspects of the Canadian broadcasting system with a view to implementing broadcasting policy objectives set forth in the Broadcasting Act. The regulations, policies and decisions of the CRTC can be found at www.crtc.gc.ca. Information contained on, or accessible through, third party websites is not deemed to form a part of, or be incorporated by reference into, this Annual Information Form.

Changes in the regulation of Corus’ business activities, including decisions by regulators affecting the Company’s operations (such as the granting or renewal of licences; decisions as to the rights to programming licences to competitors in the Company’s markets) or changes in interpretations of existing regulations by courts or regulators, could adversely affect the Company’s results of operations. The Company’s CRTC issued broadcasting licences must be renewed from time to time and cannot be transferred without regulatory approval.

Corus recommends that readers review the CRTC source documents at www.CRTC.gc.ca for a complete understanding of the changes. Information contained on, or accessible through, third party websites is not deemed to form a part of, or be incorporated by reference into, this Annual Information Form.

Group Based Licensing

In 2010, the CRTC adopted a “group based licensing” approach for the renewal of the televisions licences of larger groups such as Corus. This established a framework of policy and regulation that is applied on a group basis rather than to individual licensees. The CRTC grouped all services into three licence categories: basic; discretionary; and on-demand services. Radio licensees continue to be renewed on an individual basis.

During the weeks of November 22, 2016 through December 2, 2016, the CRTC held public hearings concerning the renewal of the group based television licences held by the large English- and French-language ownership groups including Corus. On May 15, 2017, the CRTC issued its decisions. All Corus English-language and French-language television services were given new five-year licence terms, which began on September 1, 2017 and were scheduled to conclude on August 31, 2022. The key issues arising from these decisions include the Canadian Programming Expenditure (“CPE”) requirements and expenditure towards programming of public national interest (“PNI”) which for the first time were standardized across all of the large English market media groups. CPE requirements were set at 30% and PNI requirements were set at 5%. The CRTC also removed the vestiges of legacy conditions of licence in accordance with the CRTC’s Let’s Talk TV policy.

Following an appeal of the 2017 GBL decisions to the federal Cabinet, on August 30, 2018, the CRTC released “reconsideration” of decisions for the television services of large English- and French-language private ownership groups, including Corus. Revised and additional conditions came into effect on September 1, 2018 and will apply until August 31, 2022, the end of the current licence term. For the English-language groups, the CRTC established new PNI expenditures based on historical expenditures for each group.

Corus’ English-language group of services are now subject to an 8.5% PNI expenditure requirement of the previous year’s gross revenue and will be required to direct 0.17% of its previous year’s gross revenues to FACTOR, a temporary requirement which will be in effect for the current licence term. The CRTC determined that specific funding for short-form films and documentary content is not necessary. French-language groups will be required to devote at least 75% of their CPE to original French-language programs effective September 1, 2019, and at least 50% of their CPE for the 2018-2019 broadcast year. French-language groups will be required, as a temporary measure, to direct 0.17% of their previous year’s gross revenues to MUSICACTION for the remainder of the current licence term.

On July 4, 2022, the CRTC administratively renewed all Corus English- and French-language television licences for two years on their existing terms and conditions. The licences are now scheduled to expire on August 31, 2024.

Future of Broadcasting Policy

On February 2, 2022, the Government of Canada tabled Bill C-11, which proposed amendments to the *Broadcasting Act*. In the Bill, the Government accepted the principal recommendation of the CRTC’s “Harnessing Change” report and BTLR Panel’s “Time to Act” report - it proposed incorporating “online undertakings” in the Canadian broadcasting regulatory framework.

Bill C-11 largely dovetails the approach taken by previous proposed legislation (Bill C-10), which died on the order paper of the previous Parliament in 2021. Specifically, Bill C-11 proposes eliminating “conditions of licence,” which attach to individual broadcasting licence-holders. In their place, the CRTC would have acquired new powers to issue orders that impose “conditions of service,” to either individual entities, or broader classes of regulated actors. Whereas “conditions of licence” are only applicable to traditional broadcasting licence-holders, “conditions of service” would have applied to all entities captured by the Broadcasting Act, including “online undertakings.”

Notably, Bill C-11 would leave a number of substantive decisions to the CRTC, such as the process for establishing “conditions of service”, and the nature and level of the conditions. As such, further regulatory policy consultation processes would follow passage of the legislation.

To further guide the CRTC in those processes, the Government has promised to issue a separate, binding “policy direction” to the CRTC. The Government plans to release the policy direction around the time of Bill C-11’s passage.

The Bill has yet to receive Royal Assent and become law. In addition, the nature of future, post Bill C-11 regulation is difficult to predict and, as such, Corus is unable to quantify the potential impacts at this time.

The CRTC launched a public consultation on September 17, 2020 to consider possible flexibility measures for licenced broadcasters in respect to their CRTC obligations in response to the COVID-19 pandemic.

In its August 12, 2021 decision, the CRTC provided television broadcasters with the flexibility to repay shortfalls on CPE during the 2019-2020 broadcasting year over an extended period. All large television ownership groups (including Corus’ English- and French-language television services) will have until August 31, 2023 to meet their 2019-2020, COVID-19 affected CPE shortfalls.

More information can be found at www.crtc.gc.ca. Information contained on, or accessible through, third party websites is not deemed to form a part of, or be incorporated by reference into, this Annual Information Form.

Innovation, Science and Economic Development Canada (formerly Industry Canada)

The technical aspects of the operation of radio and television stations in Canada are also subject to the licensing requirements and oversight of Innovation, Science and Economic Development Canada (“ISED”), a Ministry of the Government of Canada. More information can be found at www.ic.gc.ca/eic/site/icgc.nsf/eng/home. Information contained on, or accessible through, third party websites is not deemed to form a part of, or be incorporated by reference into, this Annual Information Form.

On August 14, 2015, the Government of Canada confirmed its intent to proceed with repurposing some of the 600 MHz spectrum band and to jointly establish a new allotment plan in collaboration with the United States. ISED has aligned with the US Federal Communications Commission to participate in a spectrum redistribution plan that will require broadcasters to vacate spectrum in TV channels 37-51 (608-692 MHz), as that will be repurposed for mobile use. The Company reduced exposure by decommissioning a number of sites in remote and rural areas. Accommodating these changes required Corus to install new equipment or reconfigure existing equipment at affected sites. The Company concluded its final mandated site transition in fiscal 2022.

Restrictions on Non-Canadian Ownership

The legal requirements relating to Canadian ownership and control of broadcasting undertakings are embodied in a statutory order (the “Order”) from the Governor in Council (i.e. Cabinet of the Canadian federal government) to the CRTC. The Order is issued pursuant to authority contained in the *Broadcasting Act*. Under the Order, non-Canadians are permitted to own and control, directly or indirectly, up to 33 1/3% of the voting shares and 33 1/3% of the votes of a holding company which has a subsidiary operating company licensed under the *Broadcasting Act*. In addition, up to 20% of the voting shares and 20% of the votes of the operating licensee company may be owned and controlled, directly or indirectly, by non-Canadians. The Order also provides that the chief executive officer and 80% of the members of the board of directors of an operating company must be resident Canadians. In addition, where the holding company is less than 80% Canadian-owned, the holding company and its directors are prohibited from exercising any control or influence over the programming decisions of a subsidiary operating company. There are no restrictions on the number of non-voting shares that may be held by non-Canadians at either the holding company or licensee operating company level. The CRTC, however, retains the discretion under the Order to determine as a question of fact whether a given licensee is controlled by non-Canadians.

The Company’s articles currently give its Board of Directors the authority to restrict the issue, transfer and voting of its Class A participating shares and the transfer of its Class B non-voting participating shares for the purpose of ensuring that Corus remains qualified to hold or obtain licenses to carry on any broadcasting or programming business.

Broadcasting Services

Corus’ radio stations and basic (previously known as “conventional”) television undertakings, and discretionary (previously known as “specialty” and “pay”) television services are subject to licensing and regulation by the CRTC. The Broadcasting Act gives the CRTC the power to issue and renew broadcasting licenses for a maximum term of seven years. Historically, all licenses issued by the CRTC have been consistently renewed except where there have been serious breaches of license conditions or regulations, in which case the licenses have been renewed for less than seven years, or, in a very limited number of instances, not at all. In order to conduct its business, Corus maintains its licenses in good standing. The CRTC has never declined to renew a license held by any broadcasting undertaking in which Corus holds an ownership interest. The CRTC renewed the television licences of the large English- and French-Language broadcasting groups, including Corus, for a five year term, expiring on August 31, 2022. On July 4, 2022, the CRTC administratively renewed all Corus English- and French-language television licences for two years on their existing terms and conditions; they are now scheduled to expire on August 31, 2024. Corus' radio broadcasting licences are held and renewed on staggered seven-year terms.

Licenses issued by the CRTC generally set out the terms and conditions of the broadcaster's program offering, including Canadian content expenditures and signal delivery terms for Corus' basic and discretionary networks. All new discretionary services must now launch with an exempt status and apply for a license upon reaching certain subscriber thresholds. The CRTC also imposes restrictions on the transfer of ownership and effective control of all licensed broadcasting undertakings. Transferees of ownership or control of a licensed undertaking must demonstrate to the CRTC that the transfer is in the public interest, and the purchaser is required, in some instances, to provide a specific package of tangible benefits designed to benefit the Canadian broadcasting system. For transfer of ownership applications involving profitable radio stations, tangible benefits are required to represent a financial contribution equal to 6% of the purchase price and for acquisitions of basic television, or discretionary television services, a financial contribution of 10% of the value of the transaction is expected. In recent decisions, the CRTC has taken a broad definition of what constitutes the "purchase price". A purchaser is also required to demonstrate how the purchase is considered to be in the public interest.

The CRTC's regulations that apply to radio, basic and discretionary television services require these broadcasting undertakings to obtain the prior approval of the CRTC in respect of any act, agreement or transaction that, directly or indirectly, would result in (i) a change in the effective control of a broadcasting undertaking; or (ii) a person together with any associate acquiring control of 30% or more of the issued voting securities, or 50% or more of the common shares, of a broadcasting undertaking or (iii) of a person that has, directly or indirectly, effective control of that broadcasting undertaking. The Commission has augmented these tests through its "Diversity of Voices" policy, which allows it to examine a transaction if certain market share thresholds are met. (Please refer to Broadcasting Public Notice CRTC 2008-4 January 15, 2008.)

Radio Undertakings

The CRTC no longer regulates the formats of commercial FM radio stations except in the case of "specialty" radio licenses which, by definition, require that (i) the language of broadcast is neither French nor English; (ii) more than 50% of the programming is spoken word; or (iii) less than 70% of the musical selections broadcast are not pop, rock, dance, country or country-orientated selections. For non-specialty format English-language FM stations located in Montréal and Ottawa Gatineau, the CRTC continues to require that less than 50% of the musical selections broadcast each week be "hits" which are defined as "any musical selection that, at any time, has reached one of the Top 40 positions in any of the charts recognized by the CRTC".

By regulation, the CRTC requires Canadian popular music content levels broadcast to be 35%. For French-language radio stations, at least 65% of popular, vocal music selections must be in the French language. CRTC rules allow a single owner to operate up to three stations provided only two are in the same band, in a given language in smaller markets and, in markets with eight or more commercial stations in a given language, one owner may hold up to two AM stations and two FM stations (Common Ownership Policy). In assessing transactions involving a change in control or ownership, the CRTC has stated it will examine the impact on diversity of voices, the level of competition and, if the applicant has equity holdings in other local radio stations or media, cross-media ownership levels in a given market. Radio broadcasters derive substantially all of their revenues from advertising revenues. There is no regulatory limit on the number of commercials that can be broadcast. In markets with more than one commercial FM station, FM licensees are required to broadcast at least 42 hours per week of local programming in order to access local advertising.

In 2014, the CRTC conducted a targeted review of the 2006 commercial radio policy. The targeted policy review introduced new financial penalties for radio stations that are repeatedly found in breach of regulations and/or conditions. The Commission initiated a proceeding to review the Commercial radio policy framework in January 2020. The consultation consisted of two phases. Phase I, a conversation with Canadians through public opinion research which was initiated in November 2020 through a Broadcasting Notice of Consultation; and Phase 2, a notice of consultation, which commenced in January 2021 with comments filed in March and April 2021. Among other issues, the Common Ownership Policy is being considered in that review. The CRTC has yet to release a decision in this process. More information can be found at www.crtc.gc.ca. Information contained on, or accessible through, third party websites is not deemed to form a part of, or be incorporated by reference into, this Annual Information Form.

Basic and Discretionary Television Undertakings

Discretionary services derive substantially all of their revenues from subscription and advertising revenues. The maximum wholesale subscriber fee that can be charged to subscribers for the carriage of the service is regulated if it is carried as part of the basic service, but is not regulated if it is carried on a discretionary basis. Subscriber fees payable to discretionary licensees and other commercial terms are regulated by the CRTC's through the Wholesale Code and its dispute resolution framework.

Basic television services have conditions of license related to minimum hours for locally relevant news content and locally reflective news expenditure requirements that came into effect on September 1, 2017. Licence-holders must meet these requirements to retain the right to broadcast local advertising.

For further information, please consult the CRTC web site at www.crtc.gc.ca. Information contained on, or accessible through, third party websites is not deemed to form a part of, or be incorporated by reference into, this Annual Information Form.

Canadian Content Requirement for Broadcasters

As mentioned above, Canadian basic television services, and discretionary television services are required through regulations to devote a certain amount of their programming schedules to Canadian content productions. These requirements provide support for Canadian programs (such as the ones produced through Nelvana) as long as they qualify as Canadian content programs, for purposes of the Canadian Audio Visual Certification Office ("CAVCO"), or are certified as a Canadian content program by the CRTC.

CAVCO and the CRTC determine the criteria for qualification of a program as "Canadian". Generally, a program will qualify if it is produced by an individual Canadian producer with the involvement of individual Canadians in principal functions, and where a substantial portion of the budget is spent on Canadian elements. In addition, the Canadian producer must have full creative and financial control of the project.

Film, Television, and Digital Media Tax Credits and Funding

Various federal and provincial tax credits are available for qualifying productions of television series and feature films. These tax credits are calculated on the basis of each individual production. Additional funding for its productions of television series, feature films and digital media products are also available from various Canadian industry funding sources, including the Canadian Media Fund and Telefilm Canada.

International Treaty Co-Productions

Canada is a party to co-production treaties with many countries throughout the world, excluding the United States. These international co-production treaties allow for the reduction of the risks of production by permitting the pooling of creative, technical and financial resources of Canadian producers with non-Canadian producers under prescribed conditions. Canadian co-production treaty partners include France, United Kingdom, Germany, New Zealand and Australia. A production that qualifies as a co-production for treaty purposes is considered to be a domestic product in each of the participating countries and, as such, is entitled to many aspects of national treatment in each country. More specifically, the co-production usually qualifies for domestic treatment under applicable broadcasting legislation and certain government incentives. The co-producers jointly hold the copyright in the production. Sharing of foreign revenues is based on the respective contribution of each co-producer, subject to negotiation between the co-producers and approval by the appropriate government authorities. Many of Nelvana's productions are produced through international treaty co-productions.

Privacy Protection Legislation

On June 16, 2022, Bill C-27 was tabled by the Minister of Innovation, Science, and Industry in Parliament. If passed, Bill C-27 will establish a new, federal private sector privacy law - the Consumer Privacy Protection Act - and a new Personal Information and Data Protection Tribunal. The Bill has yet to receive Royal Assent and become law.

Copyright Act Requirements

Corus' radio, conventional television and specialty television undertakings rely upon licenses issued under the Copyright Act (Canada) (the "Copyright Act") to make use of the music component of the programming and other uses of works used or distributed by these undertakings. Under these licenses, Corus is required to pay a range of tariff royalties established by the Copyright Board pursuant to the requirements of the Copyright Act to collectives (which represent the copyright owners) and individual copyright owners. These royalties are paid by these undertakings in the normal course of their business.

The levels of the tariff royalties payable by Corus are subject to change upon application by the collective societies and approval by the Copyright Board. The Government of Canada may, from time to time, make amendments to the Copyright Act to implement Canada's international treaty obligations and for other purposes. Any such amendments could result in Corus' broadcasting undertakings being required to pay additional royalties for these licenses.

CAPITAL STRUCTURE

Description of Capital Structure

a) General

The authorized share capital of Corus consists of an unlimited number of Class A Voting Shares; an unlimited number of Class B Non-Voting Shares (together with the Class A Voting Shares, the "Corus Shares"); an unlimited number of Class 1 preferred shares (the "Class 1 Preferred Shares"), issuable in series; an unlimited number of Class 2 preferred shares (the "Class 2 Preferred Shares"), issuable in series; and an unlimited number of Class A preferred shares (the "Class A Preferred Shares"), together with the Class 1 Preferred Shares and the Class 2 Preferred Shares, the "Preferred Shares". As at August 31, 2022, there were 3,371,526 Class A Voting Shares, 196,873,632 Class B Non-Voting Shares and no Preferred Shares outstanding.

b) Class A Voting Shares and Class B Non-Voting Shares

i. Authorized Number of Shares

The authorized number of Class A Voting Shares and Class B Non-Voting Shares is unlimited. No Class A Voting Shares, however, may be issued unless the prior written consent of holders of no fewer than two-thirds of the then outstanding Class A Voting Shares is obtained.

ii. Voting Rights

The holders of Class A Voting Shares are entitled to one vote per share at all meetings of shareholders. The holders of Class B Non-Voting Shares are entitled to receive notice of, to attend, and to speak at all meetings of shareholders but are not entitled to vote thereat except as required by law and except upon any resolution to authorize the liquidation, dissolution or winding up of Corus or the distribution of assets among its shareholders for the purpose of winding up its affairs, in which event each holder of Class B Non-Voting Shares will be entitled to one vote per share.

iii. Dividends

In general, subject to the rights of any preferred shares outstanding from time to time, holders of Class A Voting Shares and Class B Non-Voting Shares are entitled to receive such dividends as the Board of Directors of Corus determines to declare on a share-for-share basis, as and when any such dividends are declared or paid, except that, during each Dividend Period (as defined below), the dividends (other than stock dividends) declared and paid on the Class A Voting Shares will always be $0.005 per share per annum less than the dividends declared and paid in such Dividend Period to holders of the Class B Non-Voting Shares, subject to proportionate adjustment in the event of any future consolidations or subdivisions of Corus Shares and in the event of any issue of Corus Shares by way of stock dividends. A "Dividend Period" is defined as the fiscal year of Corus or such other period not exceeding one year in respect of which the directors of Corus have an announced current policy to declare and pay or set aside for payment of regular dividends

iv. Rights on Liquidation

In the event of the liquidation, dissolution or winding up of Corus or other distribution of assets of Corus for the purpose of winding up its affairs, all property and assets of Corus available for distribution to the holders of Corus Shares will be paid or distributed equally, share for share, between the holders of Corus Shares without preference or distinction.

v. Conversion Privilege

Any holder of Class A Voting Shares may, at any time or from time to time, convert any or all Class A Voting Shares held by such holder into Class B Non-Voting Shares on the basis of one Class B Non-Voting Share for each Class A Voting Share so converted.

Subject to certain exceptions described below, if an "Exclusionary Offer" is made, any holder of Class B Non-Voting Shares may, at any time or from time to time during a Conversion Period, convert any or all of the Class B Non-Voting Shares 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. For the purpose of this paragraph, the following terms have the following meanings:

"Conversion Period" means the period of time commencing on the eighth day after the Offer Date and terminating on the Expiry Date;

"Exclusionary Offer" means an offer to purchase Class A Voting Shares that:

1. must, by reason of applicable securities legislation or the requirements of a stock exchange on which the Class A Voting Shares are listed, be made to all or substantially all holders of Class A Voting Shares who are residents of a province of Canada to which the requirement applies; and
2. is not made concurrently with an offer to purchase Class B Non-Voting Shares that is identical to the offer to purchase Class A Voting Shares in terms of price per share and percentage of outstanding shares to be taken up exclusive of shares owned immediately prior to the offer by the Offeror, and in all other material respects (except with respect to

the conditions that may be attached to the offer for Class A Voting Shares),

and that has no condition attached other than the right not to take up and pay for shares tendered if no shares are purchased pursuant to the offer for Class A Voting Shares, and for the purposes of this definition, if an offer to purchase Class A Voting Shares is not an Exclusionary Offer as defined above but would be an Exclusionary Offer if it were not for sub-clause (B), the varying of any term of such offer shall be deemed to constitute the making of a new offer unless an identical variation concurrently is made to the corresponding offer to purchase Class B Non-Voting Shares;

"Expiry Date" means the last date upon which holders of Class A Voting Shares may accept an Exclusionary Offer; "Offer Date" means the date on which an Exclusionary Offer is made;

"Transfer Agent" means the transfer agent for the time being of the Class A Voting Shares; and

"Offeror" means a person or company that makes an offer to purchase Class A Voting Shares (the "bidder"), and includes any associate or affiliate of the bidder or any person or company that is disclosed in the offering document to be acting jointly or in concert with the bidder.

Subject to certain exceptions, the foregoing conversion right shall not come into effect if:

1. prior to the time at which the offer is made there is delivered to the Transfer Agent and to the Secretary of Corus a certificate or certificates signed by or on behalf of one or more shareholders of Corus owning in the aggregate, as at the time the Exclusionary Offer is made, more than 50% of the then outstanding Class A Voting Shares, exclusive of shares owned immediately prior to the Exclusionary Offer by the Offeror, which certificate or certificates shall confirm, in the case of each such shareholder, that such shareholder shall not:
    a) tender any shares in acceptance of any Exclusionary Offer without giving the Transfer Agent and the Secretary of Corus written notice of such acceptance or intended acceptance at least seven days prior to the Expiry Date;
    b) make any Exclusionary Offer;
    c) act jointly or in concert with any person or company that makes any Exclusionary Offer; or
    d) transfer any Class A Voting Shares, directly or indirectly, during the time at which any Exclusionary Offer is outstanding without giving the Transfer Agent and the Secretary of Corus written notice of such transfer or intended transfer at least seven days prior to the Expiry Date, which notice shall state, if known to the transferor, the names of the transferees and the number of Class A Voting Shares transferred or to be transferred to each transferee; or
2. as of the end of the seventh day after the Offer Date there has been delivered to the Transfer Agent and to the Secretary of Corus a certificate or certificates signed by or on behalf of one or more shareholders of Corus owning in the aggregate more than 50% of the then outstanding Class A Voting Shares, exclusive of shares owned immediately prior to the Exclusionary Offer by the Offeror, which certificate or certificates shall confirm, in the case of each such shareholder:
    a) the number of Class A Voting Shares owned by the shareholder;
    b) that such shareholder is not making the offer and is not an associate or affiliate of, or acting jointly or in concert with, the person or company making the offer;
    c) that such shareholder shall not tender any shares in acceptance of the offer, including any varied form of the offer, without giving the Transfer Agent and the Secretary of Corus written notice of such acceptance or intended acceptance at least seven days prior to the Expiry Date; and
    d) that such shareholder shall not transfer any Class A Voting Shares, directly or indirectly, prior to the Expiry Date without giving the Transfer Agent and the Secretary of Corus written notice of such transfer or intended transfer at least seven days prior to the Expiry Date, which notice shall state, if known to the transferor, the names of the transferees and the number of Class A Voting Shares transferred or to be transferred to each transferee; or
3. as of the end of the seventh day after the Offer Date, a combination of certificates that comply with either clause (A) or (B) from shareholders of Corus owning in the aggregate more than 50% of the then outstanding Class A Voting Shares, exclusive of shares owned immediately prior to the Exclusionary Offer by the Offeror, has been delivered to the Transfer Agent and to the Secretary of Corus.

vi. Modification

Neither class of Corus Shares may be subdivided, consolidated, reclassified or otherwise changed unless contemporaneously therewith the other class of Corus Shares is subdivided, consolidated, reclassified or otherwise changed in the same proportion and in the same manner.

vii. Offer to Purchase

Corus may not make an offer to purchase any outstanding Class A Voting Shares unless at the same time it makes an offer to purchase at the same price and on the same terms as to payment an equivalent proportion of the outstanding Class B Non-Voting Shares.

viii. Redemption

The Corus Shares are not redeemable at the option of either Corus or the holder of any such Corus Shares.

c) Class 1 Preferred Shares

The Class 1 Preferred Shares are issuable in one or more series. The Board of Directors may fix from time to time before such issue the number of shares which is to comprise each series then to be issued and the designation, rights, conditions, restrictions and limitations attaching thereto, including, without limiting the generality of the foregoing, the rate of preferential dividends and whether or not such dividends shall be cumulative, the dates of payment thereof, the redemption price and terms and conditions of redemption, including the rights, if any, of the holders of Class 1 Preferred Shares of such series to require the redemption thereof, conversion rights, if any, and any redemption fund, purchase fund or other provisions to be attached to the Class 1 Preferred Shares of such series.

The holders of Class 1 Preferred Shares of any series shall not be entitled to receive notice of, to attend or vote at any meeting of shareholders of Corus, other than a meeting of holders of Class 1 Preferred Shares, as provided by applicable law.

The shares of each successive series of Class 1 Preferred Shares shall have preference over the Class A Voting Shares and Class B Non-Voting Shares as to dividends of not less than 1/100th of a cent per share, and shall not confer upon the shares of one series a priority over the shares of any other series of the Class 1 Preferred Shares in respect of voting, dividends or return of capital. If any amount of cumulative dividends or any amount payable on return of capital in respect of shares of a series of Class 1 Preferred Shares is not paid in full, the shares of such series shall participate rateably with the shares of all other series of Class 1 Preferred Shares in respect of accumulated dividends and return of capital. The Class 1 Preferred Shares and each series thereof shall rank junior to and be subject to in all respects to the preferences, rights, conditions, restrictions, limitations and prohibitions attached to the Class A Preferred Shares.

d) Class 2 Preferred Shares

The Class 2 Preferred Shares are issuable in one or more series. From time to time before any such issue, the directors may fix the number of shares which is to comprise each series then to be issued and the designation, rights, conditions, restrictions or limitations attaching thereto, including, without limiting the generality of the foregoing, the rate of preferential dividends and whether or not such dividends shall be cumulative, the dates of payment thereof, the redemption price and terms and conditions of redemption, including the rights, if any, of the holders of Class 2 Preferred Shares of such series to require the redemption thereof, conversion rights, if any, and any redemption fund, purchase fund or other provisions to be attached to the Class 2 Preferred Shares of such series.

The holders of Class 2 Preferred Shares of any series shall not be entitled to receive notice of, to attend or vote at any meeting of shareholders of Corus, other than a meeting of holders of Class 2 Preferred Shares, as provided by applicable law.

The shares of each successive series of Class 2 Preferred Shares shall have preference over the Class A Voting Shares and Class B Non-Voting Shares as to dividends in right of payment and shall not confer upon the shares of one series a priority over the shares of any other series of Class 2 Preferred Shares in respect of voting, dividends or return of capital. If any amount of cumulative dividends or any amount payable on return of capital in respect of shares of a series of Class 2 Preferred Shares is not paid in full, the shares of such series shall participate rateably with the shares of all other series of the Class 2 Preferred Shares in respect of accumulated dividends and return of capital. The Class 2 Preferred Shares and each series thereof shall rank junior to and be subject to in all respects to the preferences, rights, conditions, restrictions, limitations and prohibitions attached to the Class A Preferred Shares and the Class 1 Preferred Shares.

e) Class A Preferred Shares

Class A Preferred Shares may be issued as total or partial consideration for the purchase by the Corporation of any assets or the conversion for exchange of any shares. No additional Class A Preferred Shares may be issued by the Corporation at any particular time if, at that time, there are Class A Preferred Shares outstanding. The Class A Preferred Shares may be redeemed (the “Class A Redemption Amount”) at the amount of consideration received therefore as determined by the directors of Corus at the time of issuance. No Class A Preferred Shares shall be issued by Corus at any particular time if, at that time, there are Class A Preferred Shares issued and outstanding.

The holders of the Class A Preferred Shares shall not be entitled to receive notice of, to attend or vote at any meeting of shareholders of Corus, subject to the CBCA.

When and if declared by the directors of Corus, the holders of Class A Preferred Shares shall be entitled to receive out of the net profits or surplus of Corus properly applicable to the payment of dividends, a non-cumulative dividend at such rate as the directors may from time to time determine. Upon the liquidation, dissolution or winding up of Corus, or other distribution of the assets of Corus or repayment of capital to its shareholders for the purpose of winding up its affairs, the holders of Class A Preferred Shares shall be entitled to receive for each such share, in priority of the holders of Class A Voting Shares and Class B Non-Voting Shares, the Class A Redemption Amount per share together with all declared but unpaid dividends thereon (the "Class A Redemption Price"). After such payment, the holders of the Class A Preferred Shares shall have no right or claim to any of the remaining assets of Corus. Class 1 Preferred Shares, Class 2 Preferred Shares, Class A Voting Shares and Class B Non-Voting Shares shall rank junior to and shall be subject in all respect to the preferences, rights, conditions, restrictions, limitations and prohibitions attached to the Class A Preferred Shares. The Class A Preferred Shares are redeemable at the demand of Corus and are retractable at the demand of a holder of Class A Preferred Shares at the Class A Redemption Price.

Share Constraints

The statutes which govern the provision of broadcasting services by Corus and its regulated subsidiaries impose restrictions on the ownership of shares of Corus and its regulated subsidiaries by persons that are not Canadian. (See information under the heading "Canadian Communications Industry Regulatory Environment – Restrictions on Non-Canadian Ownership"). In order to ensure that Corus and its regulated subsidiaries remain eligible or qualified to provide broadcasting services in Canada, the Articles of Incorporation of Corus require the directors of Corus to refuse to issue or register the transfer of any "Voting Shares" (defined as the Class A Voting Shares and any other shares of Corus carrying voting rights under all circumstances or by reason of an event that has occurred and is continuing, and includes a security that is convertible into such a share and a currently exercisable option or right to acquire such a share or such a convertible security) to a person that is not a Canadian if such issue or transfer would result in the total number of such shares held by non-Canadians exceeding the maximum number permitted by applicable law. In addition, the directors of Corus are required to refuse to issue or register the transfer of any Voting Shares to a person in circumstances where such issue or transfer would affect the ability of Corus and its regulated subsidiaries to obtain, maintain, amend or renew a license to carry on any business. The Articles of Incorporation of Corus further provide that if, for whatever reason, the number of Voting Shares held by non-Canadians or other such persons exceeds the maximum number permitted by applicable law or would affect the ability to carry on any licensed business, Corus may, to the extent permitted by corporate or communications statutes, sell the Voting Shares held by such non-Canadians or other persons as if it were the owner of such shares. The Articles of Incorporation of Corus also give the directors of Corus the right to refuse to issue or register the transfer of shares of any class in the capital of Corus if (i) the issue or the transfer requires the prior approval of a regulatory authority unless and until such approval has been obtained; or (ii) the person to whom the shares are to be issued or transferred has not provided Corus with such information as the directors may request for the purposes of administering these share constraints.

For further details about Corus' capital structure, please refer to the 2022 MD&A, which is incorporated by reference herein.

Ratings

The following table sets forth the ratings assigned to Corus' Notes by DBRS Limited ("DBRS") and Standard & Poor's Rating Services ("S&P"):

Security	DBRS [1]	S&P [2]
5.00% Senior Unsecured Notes due 2028	BB	BB
6.00% Senior Unsecured Notes due 2030	BB	BB

Notes:

(1) DBRS' credit ratings are on a long-term debt rating scale that ranges from AAA to D, which represents the range from highest to lowest quality of such securities rated. A rating of BB by DBRS is the fifth highest of ten categories and is assigned to securities that are of speculative, non- investment grade credit quality. The capacity for the payment of financial obligations is uncertain and vulnerable to future events. The assignment of a "(high)" or "(low)" modifier within each rating category indicates relative standing within such category. The "high" and "low" grades are not used for the AAA and D categories.

(2) S&P's credit ratings are on a long-term debt rating scale that ranges from AAA to D, which represents the range from highest to lowest quality of such securities rated. A rating of BB by S&P is the fifth highest of ten major categories. According to the S&P rating system, obligations rated 'BB', 'B', 'CCC', 'CC' and 'C' are regarded as having significant speculative characteristics. An obligation rated 'BB' is less vulnerable in the near term but faces major ongoing uncertainties to adverse business, financial, or economic conditions. Ratings from AA to CCC may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

Credit ratings are intended to provide investors with an independent measure of the credit quality of an issue of securities. The foregoing ratings should not be construed as a recommendation to buy, sell or hold the Notes, in as much as such ratings do not comment as to market price or suitability for a particular investor. Any of the foregoing ratings may be revised or withdrawn at any time by the respective rating organization if, in its judgment, circumstances so warrant. Corus paid fees to credit rating agencies to obtain its credit ratings. Corus may also pay fees for other services from credit rating agencies in the ordinary course of business.

MARKET FOR SECURITIES

Marketplace

Corus' Class B Non-Voting Shares (CJR.B) are listed and posted for trading on the Toronto Stock Exchange ("TSX").

Trading Price and Volume

The following table sets forth the monthly price range and volume traded for the Company's publicly traded securities on the TSX for the fiscal year ended August 31, 2022. All price and volume information is from independent third-party sources.

TSX - CJR.B

Month	High ($)	Low ($)	Close ($)	Average Daily Volume
September 2021	6.31	5.59	5.68	541,526
October 2021	5.99	5.47	5.61	999,405
November 2021	5.86	4.79	4.93	1,175,369
December 2021	5.06	4.34	4.76	1,585,006
January 2022	5.42	4.68	5.03	1,065,565
February 2022	5.35	4.75	5.08	904,616
March 2022	5.15	4.85	4.92	1,038,252
April 2022	4.94	4.20	4.21	1,146,756
May 2022	4.53	3.79	4.47	1,041,175
June 2022	4.55	3.50	3.53	969,511
July 2022	3.82	3.41	3.76	643,103
August 2022	4.06	3.67	3.70	667,270

Prior Sales

On February 28, 2022, the Company issued $250 million in 2030 Notes. See *Material Contracts - Trust Indenture for 6.0% Senior Unsecured Notes due February 28, 2030* for additional information.

DIVIDEND POLICY

a) *Dividend Policy*

The Company's dividend policy is reviewed on a quarterly basis by the Board of Directors and has a quarterly payment schedule. Shareholders are entitled to receive dividends only when any such dividends are declared by the Company's Board of Directors, and there is no entitlement to any dividend prior thereto.

As described previously, the dividends (other than stock dividends) declared and paid on the Class A Voting Shares shall be $0.005 per share per annum less than the dividends declared and paid to holders of the Class B Non-Voting Shares. See *Capital Structure - Description of Capital Structure – Class A Voting Shares and Class B Non-Voting Shares – Dividends* for further details.

The Company has a Dividend Reinvestment Program ("DRIP") through which eligible holders of Class A Voting Shares and

Class B Non-Voting Shares who are residents of Canada may reinvest cash dividends paid on their respective shareholdings into additional Class B Non-Voting Shares. Under the terms of the DRIP, the shares may be issued from treasury or purchased on the open market. The price at which Class B Non-Voting Shares may be issued under the DRIP is determined by the Company in accordance with the DRIP, issued at a 0% to 5% discount from the average market price per Class B Non-Voting Share. Currently shares issuable under the DRIP are satisfied through open-market purchases with no discount from the average market price.

b) *Restrictions on Payment of Dividends*

Certain covenants under Corus' Credit Agreement (as defined under Material Contracts - Senior Secured Credit Facility below) with a syndicate of lenders, as amended, may restrict Corus' ability to pay dividends at certain financial ratios and/or financial performance or if an event of default has occurred and is continuing or would result from the payment of the dividend. Declaration and payment of dividends are subject to compliance with applicable corporate laws.

c) *Dividend Rates and Payment Dates*

The tables below set out the aggregate annual cash dividends declared per Class A Voting Share and Class B Non-Voting Share for each of the past three fiscal years and the dividend amounts and payment dates for the Class A Voting Shares and Class B Non-Voting Shares for the fiscal year ended August 31, 2022:

Fiscal 2022 dividends paid per share		
Date paid	*Class A Voting Shares*	*Class B Non-Voting Shares*
September 29, 2021	$0.058750	$0.060000
December 30, 2021	$0.058750	$0.060000
March 31, 2022	$0.058750	$0.060000
June 30, 2022	$0.058750	$0.060000

Annual dividend payments per share			
	Fiscal 2022	Fiscal 2021	Fiscal 2020
Class A Voting Shares	$0.2350	$0.2350	$0.2350
Class B Non-Voting Shares	$0.2400	$0.2400	$0.2400

DIRECTORS

The following table sets forth information regarding the directors of the Company as of August 31, 2022.

Name and municipality of residence	Director since:	Principal occupation
Fernand Bélisle Luskville, Quebec, CA	January 2009 (and previously December 2003 – February 2005)	Corporate director
Michael Boychuk Baie d'Ufré, Quebec, CA	January 2019	Corporate director
Stephanie Coyles Toronto, Ontario, CA	March 2020	Corporate director
Charmaine Crooks Vancouver, British Columbia, CA	March 2022	Independent consultant and corporate director

Michael D'Avella Calgary, Alberta, CA	April 2016	Corporate director
Sameer Deen North Miami, Florida, USA	March 2020	Chief Strategy Officer and President of New Ventures, Entain plc
Mark Hollinger Washington, DC, USA	July 2014	Corporate director
Barry James Edmonton, Alberta, CA	January 2014	Independent consultant and corporate director
Douglas D. Murphy Toronto, Ontario, CA	March 2015	President and Chief Executive Officer, Corus Entertainment Inc.
Margaret O'Brien Toronto, Ontario, CA	March 2022	Corporate director
Heather A. Shaw Calgary, Alberta, CA	September 1999	Executive Chair, Corus Entertainment Inc.
Julie M. Shaw Calgary, Alberta, CA	September 1999	Corporate director

The Board has not adopted formal term limits for Board members.

Each director of Corus has been engaged for more than five years in his or her principal occupation, except as follows:

Mr. Sameer Deen was previously Chief Digital Officer of Univision Communications Inc. from 2018 to 2021 and prior to that, Senior Vice President, Digital of Univision Communications Inc. from 2015 to 2018.

Charmaine Crooks and Margaret O'Brien were appointed as directors on March 7, 2022. Otherwise, each director named above was appointed a director at the Company's Annual Meeting of Shareholders on January 19, 2022. Each director will hold office until the next scheduled annual meeting of shareholders. Thereafter, directors will be elected at the annual meeting of shareholders to serve until the next annual meeting or until a successor is elected or appointed.

The Board of Directors has three standing committees made up of the following members:

Committee	Members
Audit Committee	Barry James – Chair Michael Boychuk Stephanie Coyles
Human Resources and Compensation Committee	Fernand Bélisle – Chair Stephanie Coyles Mark Hollinger
Corporate Governance Committee	Mark Hollinger – Chair Michael D'Avella Sameer Deen Julie M. Shaw

OFFICERS

The following table sets forth information regarding the officers of the Company as of August 31, 2022 in alphabetical order:

Name and municipality of residence	Position held with Corus
Colin Bohm Toronto, Ontario, Canada	Executive Vice President, Content and Corporate Strategy
Cheryl Fullerton Brampton, Ontario, Canada	Executive Vice President, People and Communications
John R. Gossling, FCPA, FCA Toronto, Ontario, Canada	Executive Vice President and Chief Financial Officer
Shawn Kelly Mississauga, Ontario, Canada	Executive Vice President, Technology
Jennifer Lee Toronto, Ontario, Canada	Executive Vice President and General Counsel
Gregory McLelland Oakville, Ontario, Canada	Executive Vice President and Chief Revenue Officer
Douglas D. Murphy Toronto, Ontario, Canada	President and Chief Executive Officer
Troy Reeb Oakville, Ontario, Canada	Executive Vice President, Broadcast Networks
Heather A. Shaw Calgary, Alberta, Canada	Executive Chair

All of the officers of Corus have held their present positions or other executive positions with the Company during the past five years or more, except as follows:

Ms. Lee was previously a Vice President employed at TD Bank Group from 2008 until she joined Corus in September, 2021.

As of August 31, 2022, the directors and executive officers of the Company beneficially owned, directly or indirectly, or exercised control or direction over 10,800 Class A Voting Shares and 7,196,859 Class B Non-Voting Shares, representing 0.3% and 3.7% of the issued and outstanding Class A Voting Shares and Class B Non-Voting Shares, respectively.

Heather A. Shaw beneficially owns or controls 2,000 Class A Voting Shares and 3,215,665 Class B Non-Voting Shares (2,932,440 of such Class B Non-Voting Shares are under the control or direction of the Shaw Family Living Trust (SFLT). Certain associates of Ms. H. Shaw beneficially own, directly or indirectly, an additional 2,000 Class A Voting Shares and 1,084,217 Class B Non-Voting Shares (including certain Class B Non-Voting Shares over which the SFLT exercises control or direction), which are included in the directors' and officers' total. This information is included solely to provide additional disclosure to shareholders.

Julie M. Shaw beneficially owns or controls 2,400 Class A Voting Shares and 1,311,749 Class B Non-Voting Shares (1,300,438 of such Class B Non-Voting Shares are under the control or direction of the SFLT. Certain associates of Ms. J. Shaw, beneficially own, directly or indirectly, an additional 2,400 Class A Voting Shares and 858,027 Class B Non-Voting Shares (including certain Class B Non-Voting Shares over which the SFLT exercises control or direction), which are included in the directors' and officers' total. This information is included solely to provide additional disclosure to shareholders.

To the knowledge of the Company, no director or executive officer of the Company, is or has been, within 10 years before the date of this Annual Information Form, a director, a chief executive officer or a chief financial officer of any company that (a) was the subject of a cease trade order or similar order or an order that denied the company access to any exemptions under Canadian securities legislation that was in effect for a period of more than 30 consecutive days (an "order") that was issued while the director or executive officer was acting in that capacity, or (b) was subject to an order that was issued after the director or executive officer ceased to be acting in such capacity and which resulted from an event which occurred while the director or executive officer was acting in such capacity.

To the knowledge of the Company, no director or executive officer of the Company, nor any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, (a) is or has been, within the 10 years before the date of this Annual Information Form, a director or executive officer of any company that, while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, 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, or (b) has, within the 10 years before the date of this Annual Information Form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangements or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder, with the following exceptions:

- Mr. Douglas Murphy, until November 9, 2015, was a director of Danier Leather Inc., which on February 4, 2016 commenced insolvency proceedings under the Bankruptcy and Insolvency Act (Canada) (the "BIA") and on March 21, 2016, made an assignment in bankruptcy pursuant to the provisions of the BIA.
- Mr. Michael Boychuk was a director of Yellow Media Inc. when the corporation announced a recapitalization on July 23, 2012. The recapitalization was implemented and became effective on December 20, 2012 and was implemented in accordance with a court-approved plan of arrangement under the CBCA.
- Ms. Stephanie Coyles was a director of Postmedia Network Canada Corp. while it completed a restructuring following a plan of arrangement under the CBCA in 2016. Ms. Coyles is no longer a director of Postmedia Network Canada Corp.
- Mr. Colin Bohm was a director of Struum Inc., a private California corporation, when it entered into an assignment for the benefit of its creditors on April 1, 2022 under California law. As at the date hereof, the process is ongoing.
- Ms. Charmaine Crooks is a director of Mimi's Rock Corp., which was the subject of a cease trade order by the Ontario Securities Commission on May 6, 2022 for failure to file annual financial disclosures. The order was revoked on June 29, 2022.

To the knowledge of the Company, no director or executive officer of the Company, nor any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

The Company is not aware of any existing or potential material conflicts of interest between Corus or any of its subsidiaries and any director or officer.

AUDIT COMMITTEE

Charter

The text of the Audit Committee's Charter is attached as Schedule A.

Composition of the Audit Committee

The Company's Audit Committee is composed of Barry James, Michael Boychuk and Stephanie Coyles, each of whom is a financially literate, independent director of the Company as per the requirements of National Instrument 52-110 – Audit Committees. The relevant education and experience of each Audit Committee member is outlined below:

Barry L. James (Chair), B. Comm., FCPA, FCA, ICD.D

Mr. James is President of Barry L. James Advisory Services Ltd., a private consulting firm. Mr. James was a partner of PricewaterhouseCoopers and retired after 36 years with the firm. He became a partner in the tax practice in 1989 and subsequently became a partner in the audit group. Mr. James was Office Managing Partner in Edmonton for 10 years, from 2001 to 2011. A chartered professional accountant since 1983, Mr. James became a Fellow of the Chartered Professional Accountants Alberta in 2007. Currently, Mr. James is Vice Chair of the Board of Directors, Chair of the Audit Committee and a member of the Risk Committee of ATB Financial, as well as a member of the Board of Directors and Chair of the Audit Committee of AutoCanada

Inc. Mr. James was previously Chair of the Provincial Audit Committee of the Government of Alberta. Mr. James is a graduate of the University of Alberta School of Business and the Institute of Corporate Directors.

Michael Boychuk, FCPA, FCA

Mr. Boychuk is a Corporate Director. From July 2009 until his retirement in June 2015, he was President of Bimcor Inc., the pension fund investment manager for the Bell Canada group of companies. From 1999 to 2009, Mr. Boychuk was Senior Vice-President and Treasurer of BCE Inc./ Bell Canada, responsible for all treasury, corporate security, environment and sustainability activities, and of the BCE Group of companies' pension plans. Mr. Boychuk is a chartered professional accountant since 1979 and became a Fellow of the Ordre des comptables professionnels agréés du Québec in 2012. He is a Governor Emeritus of McGill University. Mr. Boychuk is a member of the Board of Directors, the Audit Committee and the Risk Management Committee of Laurentian Bank of Canada since August 2013 and Chair of the Audit Committee since June 2016, a member of the Board of Directors and Chair of the Audit Committee of GDI Integrated Facility Services Inc. since May 2015, a member of the Board of Directors of Cadillac Fairview Corporation since January 2017 and Chair of the Audit Committee, and member of the Board of Directors and Audit Committee of Telesat Canada since July 2015. He also acted as member of the Board of Directors and Chair of the Audit Committee of Yellow Media Inc. from 2004 to 2009 and from January to December 2012.

Stephanie Coyles, BComm, MPP, ICD.D

Ms. Coyles, BComm, MPP, ICD.D is a corporate director. She brings more than 25 years of experience in advanced analytics, digital transformation and marketing across a diverse set of North American retail and consumer-facing companies. Ms. Coyles was Chief Strategic Officer at LoyaltyOne, Co. from 2008 to 2012 and, prior to that, concluded her consulting career of 18 years as a partner at McKinsey & Company. She serves as a director and Chair of the Management Resources Committee and a member of the Governance, Investment and Conduct Review Committee of Sun Life Financial Inc., as well as a director and member of the Audit Committee and of the Governance and Corporate Responsibility Committee of Metro Inc. Ms. Coyles is a past director of Postmedia Network Canada Corp. and Hudson's Bay Corp. She holds a Bachelor's degree in Commerce from Queen's University and a Master's degree in Public Policy from Harvard University (Kennedy School of Government). Ms. Coyles is a graduate of the Institute of Corporate Directors and completed a CERT certificate in cybersecurity oversight from Carnegie Mellon University.

Principal Accounting Fees and Services – Independent Auditors

Fees payable to Corus' independent auditor, Ernst & Young LLP, for the years ended August 31, 2022 and 2021 totaled $2,108,534 and $1,836,972, respectively, as detailed in the following table. All funds are in Canadian dollars:

Year ended August 31	**2022**	**2021**
Audit fees	1,632,056	1,518,972
Audit-related fees	296,028	277,000
Tax fees	44,000	41,000
All other fees	136,450	—
Total	**2,108,534**	**1,836,972**

The nature of the services provided by Ernst and 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 and Young LLP for the audit of the Company's annual consolidated financial statements and services provided in connection with 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 statutory financial statements for certain of the Company's subsidiaries and are not reported under "Audit Fees" above.

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 above under the item "all other fees" represent products and services other than the audit fees, audit-related fees and tax fees described above, including transaction-related services.

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 for pre-approval, if appropriate.

LEGAL AND REGULATORY

Corus is involved, from time to time, in various claims and lawsuits incidental to the ordinary course of business, including intellectual property actions and acts for defamation. None of these matters is material to the Company. Adverse determinations in litigation could result in the loss of proprietary rights, subject the Company to significant liabilities, or require Corus to seek licenses from third parties, any one of which could have an adverse effect on the business and results of operations. Actions which are incidental to the business are typically covered by insurance and management has estimated the potential liability and provided for the amount in its financial statements. Corus does not anticipate that the damages which may be awarded in any material action of which the Company is currently aware will exceed its insurance coverage in a material way. While no assurance can be given that these proceedings will be favourably resolved, Corus does not believe that the outcome of these legal proceedings will have a material adverse impact on its financial position or results of operations.

From time to time, in the ordinary course of business, the Company or its subsidiaries may be assessed fines or fees by securities regulators in connection with administrative matters, which may be considered penalties or sanctions pursuant to Canadian securities regulations but which are not, individually or in aggregate, material to the Company.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

To the knowledge of the Company, there are no material interests, direct or indirect, of: (i) any director or executive officer of the Company; (ii) any person or company that beneficially owns, or controls or directs (directly or indirectly), more than 10% of any class or series of Corus' outstanding voting securities; or (iii) any associate or affiliate of any of the foregoing persons, in any transaction within the last three financial years ended August 31, 2022 or during the current fiscal year that has materially affected or is reasonably expected to materially affect Corus.

TRANSFER AGENTS

TSX Trust Company, P.O. Box 700, Station B, Montreal, Quebec H3B 3K3, acts as Corus' transfer agent and can be reached by telephone at 1.800.387.0825 or via their website https://tsxtrust.com/.

MATERIAL CONTRACTS

Senior Secured Credit Facility

A syndicate of lenders has provided Corus with a Term Facility and a Revolving Facility under the Amended and Restated Credit Agreement dated March 18, 2022 (the "Credit Agreement"), a copy of which is available on SEDAR at sedar.com

As at August 31, 2022, the Term Facility was drawn in the amount of $505.6 million and matures on March 18, 2027. As a term facility, the amounts borrowed may be repaid but once repaid are no longer available to re-borrow.

Advances under the Term Facility may be outstanding in the form of either prime rate loans or bankers' acceptances and bear interest at the applicable reference rate plus an applicable margin depending on the type of advance and Corus' total debt to cash flow ratio.

The Revolving Facility consists of a committed credit of $300 million that matures March 18, 2027. As a revolving facility, amounts borrowed may be repaid and re-borrowed as required through the term of the Revolving Facility. The commitment expires at the maturity date and there are no mandatory reductions to the committed amount, subject to certain covenants, during the term of the facility. As at August 31, 2022, the Revolving Facility was undrawn.

Advances under the Revolving Facility are available in either Canadian or U.S. dollars at the option of Corus. Interest rates applicable to Canadian dollar advances, at Corus' option, are equal to (i) the Canadian prime rate, or (ii) Bankers' Acceptance rates for terms up to three months, plus, in each case, an applicable margin. Interest rates applicable to U.S. dollar advances, at Corus' option, are equal to (i) the U.S. base rate, or (ii) Adjusted Term SOFR for terms up to six months, plus, in each case, an applicable margin. Margins will vary based on the type of advance and debt to cash flow ratios achieved.

The Credit Agreement requires that Corus comply, on a quarterly basis, with certain financial covenants including maximum debt to cash flow ratio tests and a minimum interest coverage ratio test. The Credit Agreement also includes negative covenants that, subject to certain exceptions, may restrict or limit the ability of Corus (and its significant operating subsidiaries) to, among other things, incur, assume or permit to exist additional indebtedness or encumbrances, engage in mergers, consolidations, amalgamations or other reorganizations, sell or otherwise dispose of significant assets, make investments, declare dividends or repurchase equity securities, and engage in activities that adversely affect the ranking or validity of the lenders' security.

The Credit Agreement contains certain customary representations and warranties, positive covenants and events of default, including payment defaults, covenant defaults, cross-defaults to other material indebtedness or other material agreements, insolvency or bankruptcy defaults, material judgments, material breach of representations and warranties and failure to maintain security. If an event of default occurs and continues, the lenders are entitled to take all actions permitted to a secured creditor including the acceleration of amounts due.

The lenders under the Credit Agreement have a first ranking charge on the present and future property of Corus, including the present and future property of its significant operating subsidiaries. Those subsidiaries have provided guarantees to the lenders and securities pledge agreements have been entered into relative to the ownership interest in most of the significant operating subsidiaries.

Trust Indenture for 5.0% Senior Unsecured Notes due May 11, 2028

On May 11, 2021, the Company issued $500 million in 2028 Notes bearing interest at 5.0% per annum and maturing on May 11, 2028. Proceeds from the 2028 Notes were primarily used to repay amounts then outstanding under the Term Facility. The 2028 Notes are governed under a Trust Indenture with TSX Trust Company (formerly AST Trust Company (Canada)) as Trustee dated May 11, 2021 (the "2028 Indenture"). Terms of the 2028 Notes include those stated in the 2028 Indenture, a copy of which is available on SEDAR at sedar.com.

The 2028 Notes are senior unsecured obligations of the Company. Subsidiaries that have provided guarantees under the Credit Agreement also provide unsecured guarantees on the 2028 Notes. Interest is payable semi-annually in arrears in equal installments on May 11 and November 11 of each year that the 2028 Notes are outstanding. Interest on the 2028 Notes will be computed on the basis of a year of 365 or 366 days, as the case may be, based on the actual number of days elapsed, and will accrue from day to day. At any time prior to May 11, 2024 (first optional early redemption date), the Company may redeem all or part of the 2028 Notes at a make-whole price determined by discounting the future interest and early redemption payments to the first optional early redemption date with reference to prevailing market Government of Canada rates plus 1%, but in any case at a redemption price that is no less than 101% of the principal amount of the 2028 Notes being redeemed, plus accrued and unpaid interest to the date of redemption. On or after May 11, 2024, the Company may redeem all or part of the 2028 Notes at the redemption price of 102.5% to May 11, 2025, 101.25% to May 11, 2026 and 100% thereafter, plus accrued and unpaid interest to the date of redemption.

The 2028 Indenture contains covenants that, among other things and subject to exceptions and qualifications, may limit or restrict Corus' ability to engage in transactions with affiliates, incur additional indebtedness, sell or otherwise dispose of significant assets, declare dividends or repurchase equity securities, make investments, engage in mergers, consolidations, amalgamations or other reorganizations that result in a change of control, create unrestricted subsidiaries, and incur liens.

Trust Indenture for 6.0% Senior Unsecured Notes due February 28, 2030

On February 28, 2022, the Company issued $250 million in 2030 Notes bearing interest at 6.0% per annum and maturing on February 28, 2030. Proceeds from the 2030 Notes were primarily used to repay amounts then outstanding under the Term Facility. The 2030 Notes are governed under a Trust Indenture with TSX Trust Company as Trustee dated February 28, 2022 (the "2030 Indenture"). Terms of the 2030 Notes include those stated in the 2030 a copy of which is available on SEDAR at sedar.com.

The 2030 Notes are senior unsecured obligations of the Company. Subsidiaries that have provided guarantees under the Credit Agreement also provide unsecured guarantees on the 2030 Notes. Interest is payable semi-annually in arrears in equal installments on February 28 and August 28 of each year that the 2030 Notes are outstanding. Interest on the 2030 Notes will be computed on the basis of a year of 365 or 366 days, as the case may be, based on the actual number of days elapsed, and will accrue from day to day. At any time prior to February 28, 2025 (first optional early redemption date), the Company may redeem all or part of the 2030 Notes at a make-whole price determined by discounting the future interest and early redemption payments to the first optional early redemption date with reference to prevailing market Government of Canada rates plus 1%, but in any case at a redemption price that is no less than 101% of the principal amount of the 2030 Notes being redeemed, plus accrued and unpaid interest to the date of redemption. On or after February 28, 2025, the Company may redeem all or part of the 2030 Notes at the redemption price of 103.0% to February 28, 2026, 101.5% to February 28, 2027 and 100% thereafter, plus accrued and unpaid interest to the date of redemption.

The 2030 Indenture contains covenants that, among other things and subject to exceptions and qualifications, may limit or restrict Corus' ability to engage in transactions with affiliates, incur additional indebtedness, sell or otherwise dispose of significant assets, declare dividends or repurchase equity securities, make investments, engage in mergers, consolidations, amalgamations or other reorganizations that result in a change of control, create unrestricted subsidiaries, and incur liens.

INTERESTS OF EXPERTS

The audited consolidated financial statements and notes of the Company and its subsidiaries for the year ended August 31, 2022, incorporated by reference in this Annual Information Form, have been audited by Ernst & Young LLP ("EY"), Chartered Professional Accountants. EY was appointed as the Company's independent auditors by the shareholders of the Company upon the recommendation of the Board of Directors at its Annual General Meeting held on January 19, 2022. To the knowledge of the Board of Directors, EY is independent of the Company in accordance with the Rules of Professional Conduct of the Chartered Professional Accountants Ontario. A copy of the audited consolidated annual financial statements and notes of the Company, including the auditors' report thereon, is available at SEDAR at sedar.com.

ADDITIONAL INFORMATION

Additional information relating to Corus may be found on SEDAR at sedar.com. Additional information regarding directors' and officers' remuneration principal holders of the Company's securities, and securities authorized for issuance under equity compensation plans, will be contained in Corus' Management Information Circular for the annual meeting to be held on January 19, 2023. Additional financial information is provided in the Company's audited consolidated financial statements for the year ended August 31, 2022 and in the 2022 MD&A. Financial information and additional information relating to Corus may be found at corusent.com.

Schedule A

Charter of the Audit Committee

Mandate

- The mandate of the Audit Committee (the "Committee") of the Board of Directors (the "Board") of Corus Entertainment Inc. ("Corus" or the "Company") is to assist the Board in fulfilling their oversight responsibilities relating to: (i) the integrity of the Company's financial statements; (ii) the Company's auditing, accounting and financial reporting process, including the audit process and the Company's internal control over financial reporting, disclosure controls and procedures and compliance with other legal and regulatory requirements; (iii) the external auditor's qualifications, independence and appointment; (iv) the performance of the Company's internal audit function and external auditors; (v) and any other material reporting or disclosure as may be appropriate.
- It is not the duty or responsibility of the Committee or its members: (i) to plan or conduct audits; (ii) to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles; or (iii) to conduct other types of auditing or accounting reviews or similar procedures or investigations. The Committee, its Chair and its members with accounting or finance expertise are members of the Board, appointed to the Committee to provide broad oversight of the financial, risk and control related activities of the Company, and are specifically not accountable or responsible for the day to day operation or performance of such activities.
- In fulfilling its mandate, it is the responsibility of the Committee to maintain free and open communication between the Committee, external auditors, the internal auditors, and management of the Company, and to determine that all parties are aware of their responsibilities.
- For purposes of this Charter, senior management has the same meaning as "executive officer" (as such term is defined in National Instrument 58-101 *Disclosure of Corporate Governance Practices*).

Composition and Operations (including Independence)

- The Committee will be composed of three or more directors (the "members"), as determined and appointed by the Board on an annual basis.
- Every Committee member must be independent as defined by National Instrument 52-110 *Audit Committees*. In this regard, to maintain their independence, members of the Committee may not accept any consulting, advisory or other compensatory fee (other than regular Board and Committee fees) from the Company or any of its affiliates. Members also may not receive any indirect payments from the Company or any of its affiliates, including payments (whether or not material) made to spouses or family members, or payments for services to law firms, accounting firms, consulting firms and investment banks for which the Committee member serves as a partner, member, managing director or executive.
- The Board will 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 will elect a Chair from those in attendance to act as Chair of the meeting.
- The members of the Committee and the Chair will be appointed annually by the Board and each member will serve until the next annual general meeting of the shareholders of the Company or until his or her earlier resignation or removal by the Board.
- Notwithstanding the foregoing, any member of the Committee may be removed or replaced at any time by the Board and will automatically cease to be a member of the Committee upon ceasing to be a director. The Board will fill any vacancy if the membership of the Committee is less than three directors. Whenever there is a vacancy on the Committee, the remaining members may exercise all its power as long as a quorum remains in office.
- Every Committee member must be financially literate as defined by National Instrument 52-110 *Audit Committees*. The determination of whether any given member of the Committee meets such definition, will be made by the Board, in consultation with the Corporate Governance Committee, in accordance with applicable laws, policies and guidelines of securities regulatory authorities.
- No member of the Committee may serve on more than three (3) audit committees of publicly-traded companies (including the Company's) except where approved by both the Chair of the Committee and the Chair of the Board, in which case the Committee member may serve on four (4) audit committees of publicly traded companies (including the Company's). In

providing their approval, the Chairs will take into account the level of financial expertise and experience of the director, their overall commitments and the size of the companies.

- The Committee will meet at least four (4) times a year and as often as it deems necessary to perform the duties and discharge its responsibilities as described herein in a timely manner. Special meetings may be authorized at the request of any member of the Committee or at the request of the external auditor, internal auditor or members of senior management. The external and internal auditors have the right to attend all meetings of the Committee and the Committee has the authority to communicate with such auditors directly.
- The Committee has access to the Company's senior management and documents as required to fulfill its responsibilities and is provided with the resources necessary to carry out its responsibilities.
- The Board will be kept informed of the Committee's activities by a report following each Committee meeting. The person designated to act as secretary will prepare minutes of all meetings, to be filed in the corporate records.
- The Committee has the authority to engage the services of independent outside advisors or counsel at the expense of the Company in consultation with the Executive Chair and to set the compensation for these advisors.
- The secretary to the Committee will be either the Corporate Secretary or a person designated by the Chair (who need not be a director).
- Notice of each meeting of the Committee will be given to each member of the Committee as far in advance of the time for the meeting as possible, but in any event, not later than 24 hours preceding the time stipulated for the meeting (unless otherwise waived by all members of the Committee). Each notice of meeting will state the nature of the business to be transacted at the meeting in reasonable detail and to the extent practicable, be accompanied by copies of documentation to be considered at the meeting.
- A quorum for the transaction of business at a meeting will consist of a majority (51%) of the members of the Committee.
- Members of the Committee may participate in any meeting by means of such telephonic, electronic or other communication facilities as permit all persons participating in the meeting to communicate adequately with each other, and a member participating by any such means will be deemed to be present at that meeting.
- Senior management of the Company and other parties may attend meetings of the Committee, as may be deemed appropriate by the Committee. Both the Executive Chair and the Chief Executive Officer of the Company may attend meetings of the Committee in a non-official and non-voting capacity with the consent of the Committee.
- The Committee may also meet at each meeting of the Committee without management or non-independent directors present, unless otherwise determined by the Chair.
- The Committee may act by means of a written resolution signed by all members entitled to vote on the matter.
- If a Committee member faces a potential or actual conflict of interest relating to a matter before the Committee, other than matters relating to the compensation of directors, that member will be responsible for alerting the Chair. If the Chair faces a potential or actual conflict of interest, the Chair will advise the Executive Chair. If the Chair, or the Executive Chair, as the case may be, concurs that a potential or actual conflict of interest exists, the member faced with such conflict will disclose to the Committee the member's interest and will not be present for or participate in any discussion or other consideration of the matter and will not vote on the matter.
- The members of the Committee are entitled to receive such remuneration for acting as members of the Committee as the Board may from time to time determine.

General Responsibilities

- The Committee will review and reassess this charter at least biannually and obtain the approval of this charter from the Board.
- The Committee will perform an evaluation of its performance annually to determine whether it is functioning effectively and will provide this evaluation to the Board or, as directed, the Corporate Governance Committee, which is mandated to oversee Board effectiveness assessment generally.
- The Committee may meet separately, periodically, as it deems appropriate, with management, with internal auditors and with external auditors.

- The Committee may delegate from time to time to any person or committee of persons any of the Committee's responsibilities that lawfully may be delegated.
- The Committee may adopt policies and procedures for carrying out its responsibilities.
- The Committee will meet separately, periodically, as it deems appropriate, with management, with internal auditors and with external auditors.

Financial Statements and other Reports

- The Committee has the authority to communicate directly with the internal and external auditors and will review the Company's quarterly and annual financial statements, Management's Discussion and Analysis ("MD&A"), Annual Information Form ("AIF") and annual and interim earnings press releases prior to their release and make recommendations to the Board for their approval. In addition, the Committee will review any report of management that accompanies published financial statements and periodically assess procedures for the review of disclosure of financial information extracted or derived from the financial statements, other than the disclosure referred to above.
- Prior to their distribution, the Committee will discuss earnings press releases, as well as financial information and any earnings guidance provided to analysts, it being understood that such discussions may, in the discretion of the Committee, be done generally (i.e., by discussing the types of information to be disclosed and the type of presentation to be made) and that the Committee need not discuss in advance each earnings release or each instance in which the Company gives earnings guidance.
- The Committee's review of the annual audited financial statements will include but is not limited to the following: (i) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles; (ii) major issues as to the adequacy of the Company's internal controls and any specific remedial actions adopted in light of material control deficiencies; (iii) discussions with management and the external auditors regarding significant financial reporting issues and judgments made in connection with the preparation of the financial statements and the reasonableness of those judgments; (iv) the extent to which any changes or improvements in accounting or financial practices, as approved by the Committee, have been implemented; (v) consideration of the effect of regulatory accounting initiatives, as well as off-balance sheet structures on the financial statements; (vi) consideration of the judgment of both management and the external auditors about the quality and disclosure, not just the acceptability, of accounting principles; (vii) the clarity of the disclosures in the financial statements; and (viii) discussions with management and the external auditors regarding accounting adjustments that were noted or proposed by the external auditors but were "passed" (as immaterial or otherwise).
- The Committee will, on an annual basis, review and assess the adequacy of the Company's procedures in place for the review of the Company's public disclosure of financial information extracted or derived from the issuer's financial statements, other than the information referred to in the subsection above.
- The Committee will review and resolve disagreements between management and the external auditors regarding financial reporting or the application of any accounting principles or practices.
- The Committee will review on a quarterly basis, reports of employee complaints relating to accounting, internal controls or ethical issues.

Risk Management, Internal Controls and Information Systems

- The Committee will discuss with management, the internal auditors and the external auditors the adequacy and effectiveness of disclosure controls and procedures and internal control over financial reporting, including any significant deficiencies or material weaknesses identified by management of the Company in connection with its required quarterly certifications with securities regulatory authorities, as well as any remediation plans relating thereto.
- The Committee will review management's assessment of the effectiveness of internal control over financial reporting as of the end of the most recent fiscal year.
- The Committee will review with management, the external auditor and if necessary with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company, and the manner in which these matters have been disclosed in the financial statements.
- The Committee will review with management, the use of any "non-GAAP", "pro forma" or "adjusted" information not in accordance with generally accepted accounting principles.

- The Committee will monitor compliance with statutory laws and regulations and obtain regular updates from management and the Company's legal counsel regarding compliance matters.
- The Committee is responsible for establishing appropriate processes and procedures for the receipt, retention, and treatment of accounting, internal controls or auditing matter complaints received by the Company. In addition the Committee will seek to ensure that the Company has a mechanism to allow employees to communicate concerns regarding questionable accounting or auditing matters on a confidential, anonymous basis without fear of reprisal.
- If and when proposed by the Chief Executive Officer, review and approve the termination of the Chief Financial Officer.
- The Committee will discuss the Company's policies with respect to risk assessment and risk management, including the risk of fraud and cybersecurity risk. The Committee also will review, on a quarterly basis, management's risk assessment of key enterprise risks and the steps management has taken to mitigate risk exposures. The Committee will also oversee the disclosure of the Company's risk assessment and risk management practices through a review of the Company's annual information form, management's discussion and analyses, and the Company's other continuous disclosure documents.

External Audit Services

- The external auditors will report directly to the Committee.
- The Committee will (1) annually assess the external auditors as part of its reappointment recommendation, focusing on (a) independence, objectivity and professional skepticism; (b) quality of the engagement team; and (c) quality of communication and interaction with the external auditors, and (2) perform a multi-year comprehensive review of the performance of the external auditors every five years.
- The Committee will recommend to the Board of Directors:
    (a) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services of the Company; and

    (b) the compensation of the external auditor.
- The Committee will oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including but not limited to the following:
    (a) reviewing objectives and scope of audit, review or attest services;

    (b) reviewing the results of the external audit and any changes in accounting practices or policies and the financial statement impact thereof;

    (c) reviewing any accruals, provisions or estimates that have a significant effect upon the financial statements;

    (d) meeting with the external auditors on a quarterly basis to seek to ensure that appropriate audit quality and timeliness of reporting is maintained on a consistent basis; and

    (e) discussing with the external auditors their audit plan for the year and reviewing and addressing any audit problems or difficulties encountered during the course of the audit work, including any restrictions on the scope of the external auditors' activities or access to requested information, and management's response.
- The Committee will pre-approve all audit and non-audit services provided to the Company or its subsidiaries by the external auditors, will review and approve disclosures with respect to permissible non-audit services and will not engage the external auditors to perform non-audit services proscribed by law or regulation.
- The Committee may delegate to one or more members of the Committee the authority to pre-approve any audit and non-audit services up to a pre-determined cap in satisfaction of the requirement under the subsection above. The pre-approval of audit and non-audit services pursuant to the subsection above must be presented to the Committee at its first scheduled meeting following such pre-approval.
- The Committee will determine that the external audit firm has a process in place to address the rotation of the lead audit partner and other audit partners serving the account in accordance with applicable laws, policies and guidelines of securities regulatory authorities.

- At least annually, the Committee will obtain and review a report by the external auditors describing: (i) the audit firm's internal quality control procedures; (ii) any material issues raised by the most recent internal quality control review, or peer review, of the audit firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the audit firm, and any steps taken to deal with any such issues; and (iii) all relationships between the external auditors and the Company (to assess the auditor' independence).

- The Committee will review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors.

Internal Audit

- The internal auditors will report directly to the Committee.
- The Committee will oversee the work of the internal auditor including but not limited to the following:
    (a) reviewing the objectives and scope of internal audit plans;

    (b) reviewing the quarterly reports summarizing audit activities for the quarter;

    (c) reviewing the audit findings of internal audits;

    (d) reviewing the findings from any special investigations as needed; and

    (e) reviewing and addressing any audit problems or difficulties encountered during the course of the audit work, including any restrictions on the scope of the internal auditors' activities or access to requested information, and management's response.

Committee Timetable

The Committee will fulfill its oversight responsibilities primarily by carrying out the activities set forth in a detailed quarterly schedule, as well as all such other actions which may be incidental thereto or which may be necessary for the Committee to comply with the spirit and intent of this Charter. The items enumerated in the schedule are not intended to be exhaustive of the duties of the Committee. The schedule is reviewed annually by the Board and may be supplemented and revised from time to time as may be appropriate.

Dated October 19, 2022

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