



**NOTICE OF ANNUAL MEETING
OF SHAREHOLDERS
AND
MANAGEMENT PROXY CIRCULAR
2017**

**TVA GROUP INC.
Tuesday, May 9, 2017 at 11:00 a.m.
1425, Alexandre-de-Sève Street – Montréal, Québec**

**NOTICE OF ANNUAL MEETING
OF SHAREHOLDERS
2017**



Date: Tuesday, May 9, 2017
Time: 11:00 a.m.
Place: Studio E of TVA Group Inc.
1425 Alexandre-de-Sève Street
Montréal, Québec, Canada

Please note that at the Annual Meeting of the holders of shares of TVA Group Inc. (the "**Corporation**"), the shareholders will be asked to:

- receive the consolidated financial statements of the Corporation for the year ended December 31, 2016 and the External Auditor's report thereon;
- elect the directors;
- renew the mandate of the External Auditor; and
- transact such other business as may properly be brought before the meeting or any adjournment thereof.

Enclosed are the Corporation's Management Proxy Circular and a form of proxy or a voting instruction form (to be used by holders of Class A Common Shares).

Shareholders registered at the close of business on March 13, 2017 are entitled to receive notice of the Meeting. Shareholders who are unable to attend the meeting are urged to complete and sign the enclosed form of proxy and return it in the postage-paid envelope provided for that purpose. To be valid, proxies must be received at CST Trust Company, 320 Bay Street, Level B1, Toronto, Ontario, Canada, M5H 4A6, no later than May 5, 2017 at 5:00 p.m. (Montréal time).

BY ORDER OF THE BOARD OF DIRECTORS,

A handwritten signature in blue ink, appearing to read "Marc Tremblay", with a horizontal line above it.

Marc M. Tremblay
Corporate Secretary

Montréal, Québec
March 24, 2017

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SECTION I.
GENERAL INFORMATION

SOLICITATION OF PROXIES

This Management Proxy Circular (the “**Circular**”) is provided in connection with the solicitation of proxies by the management of TVA Group Inc. (the “**Corporation**” or “**TVA**”) for use at the Annual Meeting of shareholders of the Corporation to be held on Tuesday, May 9, 2017 (the “**Meeting**”) at the time and place and for the purposes mentioned in the Notice of Meeting and at any and all adjournments thereof.

Except as otherwise indicated, the information contained herein is given as at **March 13, 2017**. All dollar amounts appearing in this Circular are in Canadian dollars.

Proxies are solicited primarily by mail. However, proxies may also be solicited by other means of communication or directly by officers and employees of the Corporation, but without additional compensation. In addition, the Corporation shall, upon request, reimburse brokerage firms and other custodians for their reasonable expenses in forwarding proxies and related material to beneficial owners of shares of the Corporation. The cost of soliciting proxies shall be borne by the Corporation. The costs are expected to be nominal.

RECORD DATE

The holders of Class A Common Shares (the “**Class A Shares**”) whose names appear on the list of shareholders prepared at the close of business on March 13, 2017 (the “**Record Date**”) will be entitled to receive notice of the Meeting and to vote at the Meeting and any adjournment thereof if present or represented by proxy thereat.

The holders of Class B Non-Voting Shares (the “**Class B Non-Voting Shares**”) are entitled to receive notice of the Meeting and to attend and participate at meetings of shareholders of the Corporation, but are not entitled to vote.

A transferee of Class A Shares acquired (in total or in part) after the Record Date is entitled to vote those shares at the Meeting and at any adjournment thereof if he produces properly endorsed share certificates for such shares or if he otherwise establishes that he owns the shares and if he requires, no later than ten days before the Meeting, that his name be included on the list of shareholders entitled to vote at the Meeting.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The shares of the Corporation conferring the right to vote at the Meeting are the Class A Shares. Each Class A Share confers the right to one vote.

The Class B Non-Voting Shares are “restricted securities” (within the meaning of the relevant Canadian regulations respecting securities) in that they do not carry any voting rights.

As at March 13, 2017, 4,320,000 Class A Shares and 38,885,535 Class B Non-Voting Shares were issued and outstanding.

To the knowledge of the directors and executive officers of the Corporation, the only person who, on March 13, 2017, beneficially owned or exercised control over more than 10% of the Class A Shares of the Corporation was Quebecor Media Inc. (“**QMI**”). As of March 13, 2017, QMI directly held 4,318,512 Class A Shares representing 99.97% of all the voting rights attached to the issued and outstanding Class A Shares, and 25,220,852 Class B Non-Voting Shares, representing 64.86% of the issued and outstanding Class B Non-Voting Shares. As of March 13, 2017, QMI was owned directly and indirectly by Quebecor Inc. (“**QI**”) at 81.07% and by CDP Capital d’Amérique Investissements Inc. (“**CDP**”) at 18.93%.

QI, Capital Communications CDPQ Inc. (now CDP) and QMI entered into a shareholders’ agreement dated October 23, 2000, as consolidated and amended by a shareholders’ agreement dated December 11, 2000 and by an amended agreement to this agreement dated October 11, 2012 (together, the “**QMI Agreement**”), which sets forth, in particular, their respective rights of representation on the Board of Directors (the “**Board**”) and Committees of the Board of QMI and of the Corporation, in proportion of their respective shareholding. CDP has chosen not to designate a nominee to the Board of the Corporation until the next annual meeting of shareholders of the Corporation to be held in 2018.

RIGHTS IN THE EVENT OF A TAKE-OVER BID

In the event that a take-over bid is made for the Class A Shares, there are no provisions in the applicable legislation nor in the Articles of the Corporation pursuant to which an offer must be made for the Class B Non-Voting Shares, and there is no other recourse for holders of Class B Non-Voting Shares pursuant to the Articles of the Corporation. If a take-over bid is made to both Class A Shares and Class B Non-Voting Shares, the offer made for the Class A Shares may be subject to different terms than the offer made to the Class B Non-Voting Shares.

VOTING OF SHARES BY CLASS A SHAREHOLDERS

A. Registered shareholders

A shareholder is a registered shareholder if his name appears on his share certificate.

A registered shareholder can vote his Class A Shares in one of the following ways:

- in person at the Meeting;
- by proxy;
- by fax.

Voting in person at the Meeting

The registered shareholder who intends to be present at the Meeting and who wishes to vote in person should not complete or return the form of proxy. His vote will be taken and considered at the Meeting. The registered shareholder should present himself to a representative of CST Trust Company (“**CST**”) at the registration table before entering the Meeting.

Voting by proxy

Whether or not he attends the Meeting, the registered shareholder may appoint another person to attend the Meeting and to vote his shares on his behalf as proxyholder.

A shareholder may choose anyone to be his proxyholder. The person he chooses does not have to be a shareholder of the Corporation. The shareholder should simply insert the person's name in the blank space provided on the form of proxy. The shareholder should make sure that this person is attending the Meeting and is aware that he has been appointed to vote his shares. If a name is not inserted in the blank space, then one of the directors named on the form of proxy, being Sylvie Lalande or A. Michel Lavigne, will be appointed to act as proxyholder.

The appointed proxyholder is authorized to vote and act on behalf of a shareholder at the Meeting, including any adjournment thereof. The shareholder should indicate on the form of proxy how he wants his shares to be voted. Alternatively, he can let his proxyholder decide for him. If the proxyholder does not attend the Meeting and vote in person, the shares will not be voted. Please refer to Section "C. Vote by proxyholders" for additional details.

Revocation of a proxy

A registered shareholder who has given a proxy may revoke it at any time prior to its use, by instrument in writing executed by the shareholder or by his attorney duly authorized in writing or, if the shareholder is a corporation, by an officer or attorney thereof duly authorized. Such instrument should either be received at the Corporate Secretariat of the Corporation, 612 Saint-Jacques Street, 18th floor, Montréal, Québec, Canada, H3C 4M8, at any time up to and including the last business day preceding the Meeting or any adjournment thereof, or deposited with the Chair of such Meeting on the day of the Meeting or any adjournment thereof.

Voting by fax

A registered shareholder who wishes to vote by fax should follow the instructions appearing on his form of proxy.

B. Non-registered shareholders (or beneficial shareholders)

A shareholder is a non-registered shareholder (or a beneficial shareholder) if a bank, trust corporation, securities broker or other financial institution holds shares for him (his nominee). If shares appear in an account statement sent by a broker to the shareholder, such shares are most likely not registered in the name of the shareholder, but rather in the name of a broker or a representative of that broker. As a result, the non-registered shareholder must ensure that his voting instructions are communicated to the appropriate person before the Meeting or any adjournment thereof. Without specific instructions, brokers and their agents or nominees are prohibited from voting their clients' shares.

A shareholder who is not sure whether he is a registered or non-registered shareholder should contact CST, the Corporation's transfer agent, at 1-800-387-0825 or, from outside Canada, at 416-682-3860.

Applicable securities laws and regulations, including *Regulation 54-101 Respecting Communication with Beneficial Owners of Securities of a Reporting Issuer*, require nominees of non-registered shareholders to seek their voting instructions in advance of the Meeting. Brokers and other intermediaries have their own procedures for sending materials and their own guidelines for the return of documents. Non-registered shareholders should follow these instructions to the letter if the voting rights attached to their shares are to be cast at the Meeting. Most brokers now delegate the responsibility of obtaining their clients' instructions to a third party. Non-registered shareholders who receive a voting instruction form from this third party may not use such form to vote directly at the Meeting as the voting instruction form must be returned to this third party in advance of the Meeting in order to have their shares voted or to appoint an alternative representative to attend the Meeting in person to vote such shares.

A non-registered shareholder may vote his Class A Shares that are held by its nominee in one of the manners described below:

- in person at the Meeting;
- by proxy (voting instruction form);
- by proxy (voting instruction form) sent by fax.

Voting in person at the Meeting

A non-registered shareholder who wishes to vote his shares in person at the Meeting must insert his own name in the space provided on the voting instruction form in order to appoint himself as proxyholder and follow the signature and return instructions provided by its nominee. The non-registered shareholder should not complete the form sent to him as his votes will be taken and counted at the Meeting. A non-registered shareholder who appoints himself as proxyholder should present himself at the Meeting to a representative of CST.

Voting by proxy (voting instruction form)

Whether or not he attends the Meeting, the non-registered shareholder may appoint another person to attend the Meeting and to vote his shares on his behalf as proxyholder.

A shareholder may choose anyone to be his proxyholder. The person he chooses does not have to be a shareholder of the Corporation. The shareholder should simply insert the person's name in the blank space provided on the voting instruction form. The shareholder should make sure that this person is attending the Meeting and is aware that he has been appointed to vote his shares. If a name is not inserted in the blank space, then one of the directors named on the instruction form, being Sylvie Lalande or A. Michel Lavigne, will be appointed to act as proxyholder.

The appointed proxyholder is authorized to vote and to act on behalf of a shareholder at the Meeting, including any adjournment thereof. The non-registered shareholder should indicate on the voting instruction form how he wants his shares to be voted. Alternatively, he can let his proxyholder decide for him. If the proxyholder does not attend the Meeting and vote in person, the shares will not be voted. Refer to Section "C. Vote by proxyholders" for additional details.

Revocation of a proxy

A non-registered shareholder who has given a proxy may revoke it by contacting his nominee in respect of such proxy and by complying with any applicable requirements imposed by such nominee. The nominee may not be able to revoke a proxy if it receives insufficient notice of revocation.

Voting by fax

A non-registered shareholder who wishes to send a proxy by fax should follow the instructions appearing on the voting instruction form.

C. Vote by proxyholders

If a request for a vote by ballot is made, the persons named in the form of proxy, or voting instruction form, will vote the shares in respect of which they are appointed in accordance with the instructions of the shareholder appointing them, and in compliance with the applicable laws and regulations. **Unless otherwise indicated, the voting rights pertaining to the shares represented by a form of proxy or voting instruction form will be voted: i) FOR the election as a director of each person listed in this Circular; and ii) FOR the appointment of Ernst & Young LLP ("Ernst & Young") as External Auditor of the Corporation.**

The proxy confers discretionary authority upon the persons named therein with respect to all amendments to matters identified in the Notice of Meeting and to any other matter which may properly come before the Meeting. At the time of printing this Circular, management of the Corporation knows of no such amendments, variations or other matters to be brought before the Meeting.

D. Date and time limits

The date and time limits to have a duly completed and signed form of proxy or voting instruction form received by CST, the Corporation's transfer agent, 320 Bay Street, Level B1, Toronto, Ontario, Canada, M5H 4A6, or to vote by fax, have been fixed at 5:00 p.m., Montréal time, on May 5, 2017, or, if the Meeting is postponed, no later than 5:00 p.m. two business days prior to the day fixed for the postponed Meeting.

SECTION II. BUSINESS OF THE MEETING

The resolutions submitted to a vote at the Meeting must be approved by a majority of the votes cast at the Meeting, in person or by proxy, by the holders of Class A Shares.

FINANCIAL STATEMENTS AND EXTERNAL AUDITOR'S REPORT

The consolidated financial statements and the External Auditor's report thereon, for the financial year ended December 31, 2016, have been sent to all shareholders who have requested them and are available on the Corporation's Website at <http://groupepva.ca> and under the Corporation's SEDAR profile at www.sedar.com. A presentation will also be made to the shareholders at the Meeting, but no vote is required thereon.

ELECTION OF DIRECTORS

The Articles of the Corporation provide that the Board shall consist of a minimum of seven and a maximum of twenty directors.

The Board has set at ten the number of directors for the upcoming year. The term of office of each director elected will expire upon the election of his or her successor, unless he or she resigns from office or his or her office becomes vacant by death, removal or other cause.

The persons named in the section entitled "III. Board of Directors – Selection of nominees to the Board" will be presented for election at the Meeting. All of the nominees proposed for election as directors are currently directors of the Corporation except Pierre Dion and Daniel Paillé. It is not contemplated that any of the nominees will be unable, or for any reason, will become unwilling to serve as a director but, should this occur prior to the election, the persons named in the accompanying form of proxy, or voting instruction form, reserve the right to vote for another nominee in their discretion, unless the shareholder has specified that his shares are to be withheld from voting on the election of directors.

Except where authority to vote on the election of directors is withheld, the persons named in the form of proxy, or voting instruction form, will vote "**FOR**" the election of the ten nominees whose names are set forth in section "III. Board of Directors".

APPOINTMENT OF THE EXTERNAL AUDITOR

At the Meeting, the shareholders will be called upon to renew the appointment of the External Auditor to hold office until the next annual meeting of shareholders.

Except where authority to vote on the appointment of the External Auditor is withheld, the persons named in the form of proxy, or voting instruction form, will vote "**FOR**" the appointment of Ernst & Young as the External Auditor of the Corporation. Ernst & Young has been acting as the External Auditor of the Corporation since June 10, 2008.

The Corporation incorporates by reference the information pertaining to the fees paid to Ernst & Young with respect to the two most recently completed financial years contained in the Annual Information Form for the year ended December 31, 2016. The Annual Information Form may be viewed under the Corporation's SEDAR profile at www.sedar.com and on the Corporation's Website at <http://groupetva.ca>.

OTHER BUSINESS

Management of the Corporation knows of no other matter that should have been put before the Meeting. If, however, any other matters properly come before the Meeting and are in order, the persons designated in the accompanying form of proxy or voting instruction form shall vote on such matters in accordance with their best judgement pursuant to the discretionary authority conferred on them by the proxy with respect to such matters.

SECTION III. BOARD OF DIRECTORS

SELECTION OF NOMINEES TO THE BOARD

The Chair of the Board identifies, according to the needs of the Corporation, director nominees and consults the members of the Human Resources and Corporate Governance Committee in that regard. She reviews the criteria for the selection of directors by assessing, on the one hand, skills, personal qualities, business experience and diversity of experience within the Board and, on the other hand, the needs of the Corporation.

The Board must also take into account the rights provided in the QMI Agreement. Please refer to section "I. General Information – Voting shares and principal holders thereof" of this Circular. Also, the conditions attached to the broadcasting licences of the Corporation stipulate that a maximum of 40% of the directors of the Corporation can be members, or previous members, of the Board of QI or QMI, or of any Board of a company controlled directly or indirectly by QI or QMI.

The Corporation does not have a policy regarding majority voting for the election of directors which requires that a director who has not received the majority of the votes in favour of his or her election has to resign. The adoption of such a policy is not required since QMI holds substantially all of the voting shares of the Corporation. For this reason, the Corporation is exempted from the majority voting requirement under the Toronto Stock Exchange rules.

Advance notice for the submission of director nominations

In 2015, the Corporation adopted an Advance Notice By-Law (the "**By-Law**"), which was ratified by shareholders in May 2015, setting the conditions under which holders of record of Class A Shares of the Corporation may exercise their right to submit director nominations by fixing a deadline by which such nominations must be submitted by a shareholder to the Corporation prior to any annual or special meeting of shareholders.

Under the By-Law, any shareholder who wishes to submit director nominations must notify in written form the Corporate Secretary of the Corporation in a timely manner at the head office of the Corporation. To be timely, a shareholder's notice must be received (i) in the case of an annual meeting of shareholders, not less than 30 days prior to the date of the annual meeting, or of any postponement or adjournment thereof, provided that if the annual meeting of shareholders is to be held on a date that is less than 50 days after the date on which the first public announcement of the annual meeting was made, notice by the shareholder may be made not later than the close of business on the 10th day following the public announcement; and (ii) in the case of a special meeting of shareholders (which is not also an annual meeting) called for the purpose of electing directors, not later than the close of business on the 15th day following the first public announcement of the date of the special meeting. The form and content of the notice are also prescribed by the By-law. The Board may, in its sole discretion, waive any requirement of the By-Law.

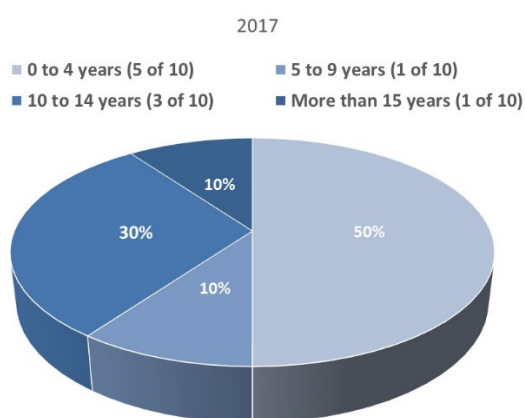
For the purposes of the By-Law, "public announcement" of a meeting shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its SEDAR profile (www.sedar.com).

Term of directors and age limit to sit on Board

The Corporation has not set an age limit to sit on the Board or established a term limit for directors. The Human Resources and Corporate Governance Committee and the Board are of the opinion that requiring directors to retire at a certain age would deprive the Board of valuable input from directors who have acquired experience, expertise, and extensive knowledge of the Corporation over the years. According to the Board, a director may act independently from the management even if he or she has been on the Board for several years.

The Corporation considers that the criteria that should prevail in the selection of nominees for director positions are the nominees' knowledge and experience. However, the Corporation endeavors to strike a balance between the need to include members with extensive experience of the Corporation on one hand, and the need to renew and have new perspectives on the other.

The following diagram indicates the number of years of service of the directors who are nominated for election, for an average of 7 years.



Average: 7 years

If we take into account the three years during which Pierre Dion was a director, from 2011 to 2014, and the 12 years during which Jacques Dorion was a director, from 2001 to 2013, this average would be of 8.5 years.

Female representation on the Board

The Corporation has always been sensitive to female representation on the Board. Four out of ten nominees standing for election are women, a proportion of 40%. This high percentage of women, one of them being the Chair of the Board and Chair of the Human Resources and Corporate Governance Committee, is a testament to this.

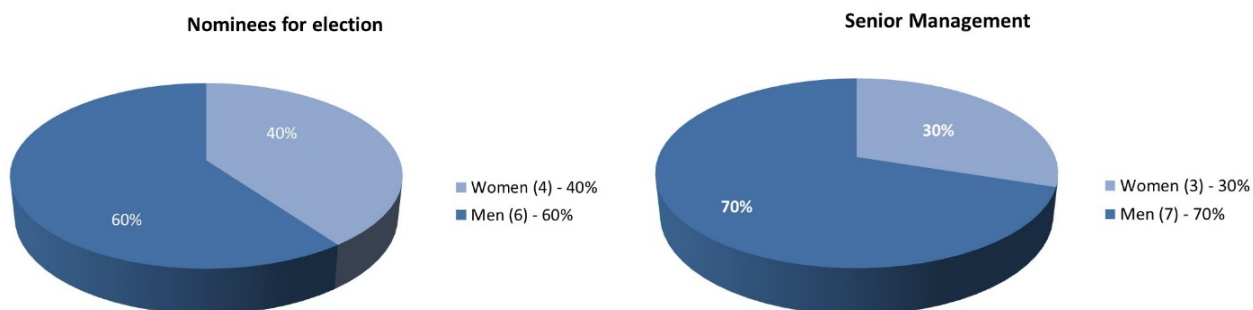
The candidate selection procedure encourages the search for a diversity of experience among the nominees for director positions. Among the selection criteria identified, the Human Resources and Corporate Governance and the Board recognize the importance of representation of both genders on the Board.

Representation of women in senior management

Several women hold senior management positions within the Corporation, one of whom is the President and Chief Executive Officer. A talent pool with almost 50% of women represents a strong succession for these positions at senior management of the Corporation. For these reasons, the Corporation has not established a formal policy on the representation of women in senior management.

Within the Corporation and its subsidiaries, three out of ten senior management positions are held by women, a proportion of 30%.

The first chart hereunder indicates the ratio of the representation of women and men among the nominees for election to the Board and the second chart indicates the ratio of the representation of women in senior management of TVA and its subsidiaries.



IDENTITY OF THE NOMINEES FOR ELECTION

Except as otherwise indicated or as disclosed in previous management proxy circulars of the Corporation, each of the nominees named hereinbelow has held the principal occupation indicated opposite his or her name for more than five years.

The information on securities held was provided to the Corporation by each of the nominees. The number of shares, deferred share units ("DSU") and the value of the DSUs are given as of December 31, 2016. For additional information concerning minimum holding requirement, please refer to the section entitled "Policy regarding Minimum Shareholding by Directors" of this Circular.



Independent

Director since 2003

Age: 64

Westmount

Québec (Canada)

MARC A. COURTOIS

Marc A. Courtois is a corporate director.

Mr. Courtois holds a MBA degree and has more than 20 years of experience in capital markets. He has particular expertise in the areas of financing, mergers and corporate acquisitions. He worked for RBC Dominion Securities Inc. from 1980 to 2001.

Mr. Courtois is Chairman of the Board of Directors of NAV Canada and member of the Safety and Corporate Governance Committees of NAV Canada. Mr. Courtois has been Chairman of the Board of the Canada Post Corporation from 2007 to 2014 as well as director and member of the Audit Committee of Ovivo Inc. until its privatisation in September 2016.

Committee of the Board

Chairman of the Audit Committee

Other public corporations' directorships

The GBC North Growth Fund Inc.

Chairman of the Board

Member of the Audit Committee

Securities of the Corporation held as at December 31, 2016

Shares held	Value of shares *	DSUs held	Market value of DSUs **	Total value of shares and DSUs held	Minimum holding requirement met (v) or time limit to meet
6,000 Class B Non-Voting Shares	\$81,954	6,276	\$20,020	\$101,974	v

* being the greater of the total purchase price or the weighted average price of the shares on December 31, 2016 as defined in the Policy regarding Minimum Shareholding by Directors

** as defined in the Directors' DSU Plan



Non-independent

New nominee for election

Age: 52

Saint-Bruno

Québec (Canada)

PIERRE DION

Pierre Dion is Chairman of the Board of Quebecor Media Inc. since February 15, 2017.

He was President and Chief Executive Officer of Quebecor from April 2014 to February 2017, and also served as President and Chief Executive Officer of Quebecor Sports and Entertainment Group. He joined TVA Group in 2004 as Executive Vice President and Chief Operating Officer, and was appointed President and CEO of TVA Group in 2005.

As President and CEO of Quebecor, Pierre Dion and his team completed nine major transactions aimed at maximizing the Corporation's profitability. During his tenure at TVA Group, he increased TVA Network's lead in the ratings and spearheaded an expansion strategy that saw the creation of eight specialty channels in order to maintain TVA Group's dominance of Québec's television landscape. In September 2011, the TVA Sports channel was launched under his leadership. After only three years, TVA Sports became the NHL's official French-language broadcaster in Canada. Previously, Pierre Dion held various management positions with Videotron from 1990 to 1996 and then served as President and CEO of a major Canadian publisher.

Pierre Dion graduated from Bishop's University in Lennoxville with a BBA in 1988 and completed the Executive Business Program at Queen's University in Kingston, Ontario in 1999. He is actively involved in the community and has served a director of the Board of Trade of Metropolitan Montreal. He is currently a member of the Council of Governors of the Society for the Celebrations of Montréal's 375th Anniversary.

Other public corporations' directorship

Quebecor Inc.

Securities of the Corporation held as at December 31, 2016

Mr. Dion holds 400 Class B Non-Voting Shares of the Corporation.



Non-independent

Director since 2014

Age: 68

Montréal

Québec (Canada)

JACQUES DORION

Jacques Dorion is President of Média Intelligence Inc., a strategic consulting firm for advertisers, agencies and media.

He holds a MBA degree. He has been an active member of the media industry for the past 30 years. In 1979, he founded Stratégem Inc., a media research and analysis company. In 1998, he joined Carat, an international group owned by the British public company Aegis. He has been President and Chief Executive Officer of Aegia Media Canada and previously President and Chief Executive Officer of Carat Canada. Prior to starting his own business, Mr. Dorion worked in the international publishing and the newspaper and magazine distribution industries.

Through Les Services-conseils Média Intelligence inc., Mr. Dorion acts as consultant for Quebecor Media Sales, a division of Quebecor Media Inc.

Mr. Dorion has been director of TVA Group Inc. from December 2001 to March 2013.

Committee of the Board

None

Other public corporations' directorship

Mr. Dorion is not a member of the Board of Directors of any other reporting issuer.

Securities of the Corporation held as at December 31, 2016

Shares held	Value of shares *	DSUs held	Market value of DSUs **	Total value of shares and DSUs held	Minimum holding requirement met (v) or time limit to meet
None	n/a	6,276	\$20,020	\$20,020	May 5, 2020

* being the greater of the total purchase price or the weighted average price of the shares on December 31, 2016 as defined in the Policy regarding Minimum Shareholding by Directors

** as defined in the Directors' DSU Plan



Independent

Director since 2008

Age: 48

Côte St-Luc

Québec (Canada)

NATHALIE ELGRABLY-LÉVY

Nathalie Elgrably-Lévy is an economist by training and a full-time lecturer at HEC Montréal since November 2005.

She graduated from HEC Montréal where she obtained her master's of science in administration, option applied economics. She started her career at the Centre d'études en administration internationale (CETAI), HEC Montréal, where she worked for three years as a project manager. Since 1992, she has been teaching economics at HEC Montréal. She also taught at Université de Montréal and UQAM until the fall of 2006. In 2005, she joined the Montreal Economic Institute as an economist, a position she held until November 2013. She is the author of *Prendre des libertés, Réinventer le Québec*, *La face cachée des politiques publiques*, and of *Microéconomie*, and writes a weekly column in *Le Journal de Montréal* and *Le Journal de Québec*.

Committee of the Board

Member of the Audit Committee

Other public corporations' directorship

Ms. Elgrably-Lévy is not a member of the Board of Directors of any other reporting issuer.

Securities of the Corporation held as at December 31, 2016

Shares held	Value of shares *	DSUs held	Market value of DSUs **	Total value of shares and DSUs held	Minimum holding requirement met (v) or time limit to meet
None	n/a	6,276	\$20,020	\$20,020	May 5, 2020

* being the greater of the total purchase price or the weighted average price of the shares on December 31, 2016 as defined in the Policy regarding Minimum Shareholding by Directors

** as defined in the Directors' DSU Plan



SYLVIE LALANDE

Sylvie Lalande is Chair of the Board of Directors and a corporate director.

She held several senior positions in the media, marketing, communication marketing and company communications sectors. Until October 2001, she was the Chief Communications Officer of Bell Canada. From 1994 to 1997, she was President and Chief Executive Officer of UBI Consortium, a consortium formed to develop and manage interactive and transactional communication services. From 1987 to 1994, she occupied several senior positions at Group TVA Inc. and at Le Groupe Vidéotron ltée. Ms. Lalande began her career in the radio industry, after which she founded her own consultation firm. In 2006, Ms. Lalande earned a University Certificate in Corporate Governance from the Collège des administrateurs de sociétés ("CAS"). Ms. Lalande was director, Lead Director and Chair of the Corporate Governance and Human Resources Committee of Ovivo Inc. until its privatisation in September 2016.

Ms. Lalande is also director of Quebecor Inc., Quebecor Media Inc. and Videotron Ltd.

In November 2013, Ms. Lalande was appointed Chair of the CAS from the Laval University.

Committee of the Board

Chair of the Human Resources and Corporate Governance Committee

Other public corporations' directorships

Quebecor Inc.

Chair of the Human Resources and Corporate Governance Committee

Independent

Director since 2001

Age: 66

Lachute

Québec (Canada)

Securities of the Corporation held as at December 31, 2016

Shares held	Value of shares *	DSUs held	Market value of DSUs **	Total value of shares and DSUs held	Minimum holding requirement met (v) or time limit to meet
10,817 Class B Non-Voting Shares	\$82,341	6,276	\$20,020	\$102,361	v

* being the greater of the total purchase price or the weighted average price of the shares on December 31, 2016 as defined in the Policy regarding Minimum Shareholding by Directors

** as defined in the Directors' DSU Plan



Independent

Director since 2005

Age: 66

Laval

Québec (Canada)

A. MICHEL LAVIGNE

FCPA, FCA

A. Michel Lavigne is a corporate director.

He was, until May 2005, President and Chief Executive Officer of Raymond Chabot Grant Thornton in Montréal, as well as Chairman of the Board of Grant Thornton Canada. He has also been a member of the Board of Governors of Grant Thornton International. Mr. Lavigne is a Fellow Chartered Accountant of the Ordre des comptables professionnels agréés du Québec and a member of the Canadian Institute of Chartered Accountants since 1973.

Mr. Lavigne is a director and Chair of the Pension Committee and a member of the Audit Committee of Canada Post Corporation. Mr. Lavigne has been a director and a member of the Audit Committee and Chair of the Human Resources and Compensation Committee of Quebecor Inc. and of Quebecor Media Inc. as well as a director and member of the Audit Committee of Videotron Ltd. until May 2016. Mr. Lavigne also served on the Board of Directors of, and was a member of the Audit Committee of, the Caisse de dépôt et placement du Québec from 2005 to 2013, and Chair of the Audit Committee and member of the Risk Management Committee from 2009 to 2013.

Committees of the Board

Member of the Audit Committee

Member of the Human Resources and Corporate Governance Committee

Other public corporations' directorship

Laurentian Bank of Canada

Member of the Risk Management Committee

Member of the Human Resources and Corporate Governance Committee

Securities of the Corporation held as at December 31, 2016

Shares held	Value of shares *	DSUs held	Market value of DSUs **	Total value of shares and DSUs held	Minimum holding requirement met (v) or time limit to meet
7,270 Class B Non-Voting Shares	\$62,328	6,276	\$20,020	\$82,348	v

* being the greater of the total purchase price or the weighted average price of the shares on December 31, 2016 as defined in the Policy regarding Minimum Shareholding by Directors

** as defined in the Directors' DSU Plan



Non-Independent

Director since 2007

Age: 55

Repentigny

Québec (Canada)

JEAN-MARC LÉGER

Jean-Marc Léger is Chief Executive Officer of Léger Marketing, the biggest Canadian owned research and survey firm. He is also President of Léger Metrics and Consumer Vision, subsidiaries of Léger Marketing.

Mr. Léger is President of the Worldwide Independent Network of Market Research WIN and a member of the Board of Directors of the Fondation de l'entrepreneuriat.

Mr. Léger is an economist and holds a master degree (Economics) from the Université de Montréal.

Committee of the Board

None

Other public corporations' directorship

Mr. Léger is not a member of the Board of Directors of any other reporting issuer.

Securities of the Corporation held as at December 31, 2016

Shares held	Value of shares *	DSUs held	Market value of DSUs **	Total value of shares and DSUs held	Minimum holding requirement met (v) or time limit to meet
None	n/a	6,276	\$20,020	\$20,020	May 5, 2020

* being the greater of the total purchase price or the weighted average price of the shares on December 31, 2016 as defined in the Policy regarding Minimum Shareholding by Directors

** as defined in the Directors' DSU Plan



Independent

Director since 2014
Age: 42
St-Jean-sur-Richelieu
Québec (Canada)

ANNICK MONGEAU

Annick Mongeau is President of Annick Mongeau, Gestion d'enjeux | Affaires publiques inc., a public affairs consulting firm specializing in the healthcare sector.

Before founding her firm in 2008, Ms. Mongeau was Director of Public Affairs for the Association québécoise des pharmaciens propriétaires, mainly performing strategic advisory functions. She previously held a similar position with the Insurance Bureau of Canada and was one of the consultants of the consulting firm Hill & Knowlton Ducharme Perron. She also acted as press attaché for political leaders, both in the House of Commons in Ottawa and at the municipal level.

She holds a B.Sc. (Political Science and Public Relations) from Université de Montréal and a University Certificate in Corporate Governance from the Collège des administrateurs de sociétés of Laval University.

Committee of the Board

Member of the Human Resources and Corporate Governance Committee

Other public corporations' directorship

Sportscene Group Inc.

Chair of the Human Resources and Corporate Governance Committee

Securities of the Corporation held as at December 31, 2016

Shares held	Value of shares *	DSUs held	Market value of DSUs **	Total value of shares and DSUs held	Minimum holding requirement met (v) or time limit to meet
None	n/a	6,276	\$20,020	\$20,020	May 5, 2020

* being the greater of the total purchase price or the weighted average price of the shares on December 31, 2016 as defined in the Policy regarding Minimum Shareholding by Directors

** as defined in the Directors' DSU Plan



Independent

New nominee for election

Age: 66

Montréal

Québec (Canada)

DANIEL PAILLÉ

Daniel Paillé is an economist.

He holds a master's degree in economics from the Université du Québec à Montréal and a bachelor's degree in business administration (applied economics) from HEC Montréal.

At the beginning of his career, Mr. Paillé held various professional and managerial roles in public sector for nine years, specifically in the management of public sector corporation's portfolios, the privatization program, the Treasury and the public debt of the Government of Quebec. Next, he acted as a financial executive for over twenty years at financial institutions and public companies. Thus, Daniel Paillé found himself at the Caisse de dépôt et placement du Québec, the Société générale de financement, Quebecor and the Canam Manac Group. Later, he was appointed visiting professor, then associate professor, at HEC Montréal.

Daniel Paillé contributed to public, political and governmental affairs for six years, first as a member of the Legislative Assembly of Quebec and minister for the Government of Quebec, then as a member of parliament in Canada's House of Commons.

He has served on the Board of Directors of fourteen corporations and has chaired numerous audit committees.

Other public corporations' directorship

Mr. Paillé is not a member of the Board of Directors of any other reporting issuer.

Securities of the Corporation held as at December 31, 2016

As at December 31, 2016, Daniel Paillé did not hold shares of the Corporation.



Non-independent

Director since 2014

Age: 57

Westmount

Québec (Canada)

JULIE TREMBLAY

Julie Tremblay is President and Chief Executive Officer of the Corporation and of Quebecor Media Group since July 30, 2014.

She has been with Quebecor for more than 27 years. She served as Vice President, Human Resources of Quebecor and Quebecor Media for more than 8 years and then as Chief Operating Officer of Sun Media Corporation from June 2011 to September 2013. In September 2013, she was named President and CEO of Sun Media Corporation, which has since been folded into Quebecor Media Group.

As President and CEO of Quebecor Media Group and TVA Group, she is responsible for the newspapers business (including *Le Journal de Montréal*, *Le Journal de Québec* and the free daily *24 heures*), publishing, music, broadcasting (including TVA Network and the specialty channels), film production and audiovisual services (MELS), out-of-home advertising, printing, distribution, the advertising sales and marketing unit, and a press agency.

Julie Tremblay graduated from McGill University with a B.A. in political science and has been a member of the Québec Bar since 1984. Prior to joining Quebecor, she practised law with a major law firm. Julie Tremblay's civic commitments including serving on the boards of Fondation Montréal, the Society for the Celebrations of Montréal's 375th Anniversary, and the Board of Trade of Metropolitan Montreal.

Committee of the Board

None

Other public corporations' directorship

She is not a member of the Board of Directors of any other reporting issuer.

Securities of the Corporation held as at December 31, 2016

The Policy regarding minimum shareholding by directors does not apply to directors who are members of senior management. They are subject to the Policy on minimum executive shareholding. See Section "V. Compensation Discussion & Analysis – Compensation-Related Risk Management Practices" of this Circular for details on securities held by Julie Tremblay.

As at December 31, 2016, Julie Tremblay did not hold shares of the Corporation.

Matrix of skills – nominees for election to the Board

The Human Resources and Corporate Governance Committee maintains a matrix of the skills that it believes necessary to maintain within the Board.

The following table shows the current expertise considered as part of the skills matrix developed by the Human Resources and Corporate Governance Committee and identifies the experience and skills of each nominee for election to the Board.

Nominees for election	Entrepreneurship / Mergers / Acquisitions	Corporate Governance	Economics / Communication / Marketing	Finance / Accounting / Risk Management	Legal / Public and Regulatory Affairs	Human Resources / Labor Relations / Compensation	Media / Content / Entertainment	Publishing
Marc A. Courtois	√	√		√	√	√		
Pierre Dion	√	√	√	√	√	√	√	√
Jacques Dorion	√		√			√	√	√
Nathalie Elgrably-Lévy			√	√	√			
Sylvie Lalande	√	√	√		√	√	√	√
A. Michel Lavigne	√	√		√		√	√	√
Jean-Marc Léger	√		√		√		√	
Annick Mongeau	√	√	√		√	√		
Daniel Paillé	√	√	√	√	√			
Julie Tremblay	√	√		√	√	√	√	√

Definition of areas of expertise

Entrepreneurship / Mergers / Acquisitions: Experience as Chief Executive Officer or senior executive of a public company or of a medium-sized or large organisation and / or experience in important merger and acquisition operations.

Corporate Governance: Understanding of the requirements of good corporate governance usually acquired as a senior executive or director of a public company or through training schools, such as the Institute of Corporate Directors (ICD) or the Collège des administrateurs de sociétés (CAS).

Economics / Communication / Marketing: Experience as economist, senior executive or director in the communication or marketing industry.

Finance / Accounting / Risk Management: Experience with, or understanding of, financial accounting and reporting, and Canadian GAAP/IFRS and/or experience in, or understanding of, internal risk controls, risk assessment, risk management and/or reporting.

Legal / Public and Regulatory Affairs: Legal experience and/or experience with relevant government agencies and/or experience in regulatory environment with agencies such as the CRTC or the Competition Bureau.

Human Resources / Labor Relations / Compensation: Experience as senior executive or director in the human resources, labor relations and compensations sectors.

Media / Content / Entertainment: Experience as senior executive, director or entrepreneur in the media or content sectors (television, newspapers) and/or in arts and culture.

Publishing: Experience as senior executive or director in the publishing sector.

Board interlocks

The Board does not limit the number of its directors who sit on the same board of another public company but reviews interlocking board memberships and believes disclosing them is important.

The following table sets out interlocking board memberships of the Corporation's nominees for election in other public companies. The Board has determined that this membership to the same board does not impair the ability of such directors to exercise independent judgement as a member of the Board.

Corporation	Nominee	Committee membership
Quebecor Inc.	Pierre Dion	➤ None
	Sylvie Lalande	➤ Chair of the Human Resources and Corporate Governance Committee

Attendance at Board and committee meetings

The following table sets forth the attendance of directors at meetings of the Board and of its committees held during the financial year ended December 31, 2016.

Directors	Board of Directors and Committees	Attendance at meetings
Marc A. Courtois	Board Audit Committee	5 out of 6 4 out of 4
Isabelle Courville ¹	Board Human Resources and Corporate Governance Committee	3 out of 3 2 out of 2
Jacques Dorion	Board	6 out of 6
Nathalie Elgrably-Lévy	Board Audit Committee	6 out of 6 4 out of 4
Sylvie Lalande	Board Human Resources and Corporate Governance Committee	6 out of 6 4 out of 4
A. Michel Lavigne	Board Audit Committee Human Resources and Corporate Governance Committee	6 out of 6 4 out of 4 4 out of 4
Jean-Marc Léger	Board	6 out of 6
Annick Mongeau	Board Human Resources and Corporate Governance Committee ²	6 out of 6 2 out of 2
Julie Tremblay	Board	6 out of 6
Overall rate of attendance	Board meetings Committee meetings	98% 100%

¹ Ceased to be a director on May 10, 2016.

² Was appointed member of this committee on May 10, 2016.

COMPENSATION OF DIRECTORS

All the directors who are not executive officers of the Corporation received, during the financial year ended December 31, 2016, the following compensation:

Annual Compensation	\$
Chair of the Board ¹	135,000 + 15,000 DSU ²
Directors	40,000 + 15,000 DSU ²
Vice Chair of the Board (since May 2016)	5,000
Chair of the Audit Committee	9,000
Chair of the Human Resources and Corporate Governance Committee	5,000
Members of the Audit Committee (except Chair)	3,000
Members of the Human Resources and Corporate Governance Committee (except Chair)	2,000
Attendance fees (per meeting)	\$
Board meetings	1,500
Audit Committee meetings	2,000
Human Resources and Corporate Governance Committee meetings	1,500
Special Board and Committee meetings held by conference call	Half attendance fee

¹ The Chair of the Board does not receive additional compensation for acting as director nor for acting as Chair or member of a committee. Also, she receives no attendance fees for attending Board or committee meetings.

² When the required minimum shareholding described in the section entitled “Policy regarding Minimum Shareholding by Director” of this Circular is reached, the director may elect to reduce to a minimum of \$10,000 per year the amount he receives in DSU and increase by the same amount that he receives in cash.

Directors’ DSU Plan

In order to further align the interests of directors with those of its shareholders, the Corporation has implemented a Directors’ DSU Plan (the “**DSU Plan**”). Under the DSU Plan, each director who is not a member of senior management must receive at least \$15,000 per year in the form of units (“**mandatory portion**”). When the required minimum shareholding described in the section entitled “Policy regarding Minimum Shareholding by Director” of this Circular is reached, the mandatory portion is reduced to a minimum of \$10,000 per year. Subject to certain conditions, each director may elect to receive in the form of units any percentage, up to 100%, of the total fees payable for his or her services as a director.

Directors are credited, on the last day of each fiscal quarter of the Corporation, a number of units determined on the basis of the amounts payable to such director in respect of such fiscal quarter, divided by the value of a unit. The value of a unit corresponds to the weighted average trading price of the Class B Non-Voting Shares on the Toronto Stock Exchange over the five trading days immediately preceding such date. The units take the form of a credit to the account of the director who may not convert such units into cash as long as he or she remains a director. Units are not transferable other than through a will or other testamentary instrument, or in accordance with succession laws.

Units entitle holders thereof to dividends paid in the form of additional units at the same rate that would be applicable to dividends paid from time to time on Class B Non-Voting Shares.

Under the DSU Plan, all of the units credited to a director are redeemed by the Corporation at the director’s request and the value thereof paid upon the director ceasing to serve as a director of the Corporation. The redemption of such units must occur no later than December 15 of the first calendar year after the year in which the participant ceased to qualify as a participant in the DSU Plan. During the past fiscal year, 3,547 units were redeemed by the Corporation. For purposes of the redemption of units, the value of a unit corresponds to the market value of a Class B Non-Voting Share on the redemption date, being the closing price of Class B Non-Voting Shares on the Toronto Stock Exchange on the last trading day preceding such date.

Policy regarding Minimum Shareholding by Directors

In March 2015, the Board approved the establishment of a Policy regarding Minimum Shareholding by Directors, which came into force on May 5, 2015.

Since that date, each director of the Corporation who is not an executive officer is required, within five years of (i) the time when he becomes a director of the Corporation or (ii) the adoption of the Policy regarding Minimum Shareholding by Directors, whichever is later, to hold shares or DSUs of the Corporation, with a value of at least twice the basic annual fee received in cash as a director (the “**minimum shareholding requirement**”) and, in the case of the Chair of the Board, a value equivalent to the minimum shareholding requirement for directors.

Once the five-year period has expired, each director who is not an executive officer of the Corporation shall hold such value throughout his entire term.

Directors Compensation Table

The following table sets forth the details of the annual compensation and attendance fees paid to the directors for the financial year ended December 31, 2016.

	Compensation					Share-based Awards	
Name	Annual Compensation (\$)	Attendance fees (\$)	Compensation Chair of Committee (\$)	Compensation Committee Member (\$)	Total Compensation (\$)	Awards under DSU Plan (\$)	Total Compensation Paid (\$)
Marc A. Courtois	40,000	15,500	9,000	—	64,500	15,000	79,500
Isabelle Courville	14,396	7,500	—	720	22,616	5,398	28,014
Jacques Dorion	40,000	9,000	—	—	49,000	15,000	64,000
Nathalie Elgrably-Lévy	40,000	17,000	—	3,000	60,000	15,000	75,000
Sylvie Lalande	135,000	—	—	—	135,000	15,000	150,000
A. Michel Lavigne	43,201 ¹	23,000	—	5,000	71,201	15,000	86,201
Jean-Marc Léger	40,000	9,000	—	—	49,000	15,000	64,000
Annick Mongeau	40,000	12,000	—	1,280	53,280	15,000	68,280
TOTAL	392,597	93,000	9,000	10,000	504,597	110,398	614,995

¹This amount includes the compensation he received as Vice Chair of the Board (since May 2016).

Share-based awards

The following table sets forth for each director all DSU awards outstanding as at December 31, 2016. No stock options of the Corporation were held by directors at that date.

Directors	Share-based Awards		
	Number of DSUs that have not vested (#)	Market or payout value of DSUs that have not vested ⁽¹⁾ (\$)	Minimum holding requirement met (✓) or time limit to meet
Marc A. Courtois	6,276	20,020	✓ ⁽²⁾
Jacques Dorion	6,276	20,020	May 5, 2020
Nathalie Elgrably-Lévy	6,276	20,020	May 5, 2020
Sylvie Lalande	6,276	20,020	✓ ⁽²⁾
A. Michel Lavigne	6,276	20,020	✓ ⁽²⁾
Jean-Marc Léger	6,276	20,020	May 5, 2020
Annick Mongeau	6,276	20,020	May 5, 2020

⁽¹⁾ The value of the DSUs is based on the weighted average price of the Class B Non-Voting Shares on the Toronto Stock Exchange over the five trading days immediately preceding December 30, 2016, which was established at \$3.19 per share. According to the DSU Plan, the units only vest after the director ceases to be a member of the Board.

⁽²⁾ Minimum holding requirement met taking into account the shares of the Corporation held (see biographic notes of the director for details concerning securities held as of December 31, 2016).

As at December 31, 2016, the directors held a total value of \$140,143 in DSUs of the Corporation.

Additional disclosure relating to directors

To the best knowledge of the Corporation, no director of the Corporation, with the exception of the persons listed hereunder, is, as of this date, or has been, within ten years before the date hereof, a director or executive officer of any company that, while the person was acting in such capacity or within a year of that person ceasing to act in such 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.

Based on information provided by A. Michel Lavigne, he was fined \$20,000 by the Financial Markets Administrative Tribunal (the « **Tribunal** »), which found that the directors of NSTEIN Technologies Inc. (« **NSTEIN** »), a reporting issuer, had executed a securities transaction by adopting a Board resolution granting NSTEIN stock options to its officers as well as to certain other employees of this reporting issuer, while in possession of privileged information. This ruling by the Tribunal has been appealed to the Court of Québec on September 14, 2016.

On April 30, 2015, ISOPUBLIC from Switzerland, of which Jean-Marc Léger was a director, instituted proceedings with its creditors.

On January 21, 2008, Quebecor World Inc. obtained a court order allowing it to protect itself from its creditors under the *Companies' Creditors Arrangement Act*. Julie Tremblay was an executive officer of Quebecor World Inc. until October 22, 2007.

SECTION IV. STATEMENT OF CORPORATE GOVERNANCE PRACTICES

INDEPENDENCE OF DIRECTORS

Within the meaning of section 1.4 of *Regulation 52-110* of the Canadian Securities Administrators, an independent director is a director who has no direct or indirect material relationship with the Corporation, namely a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of the director's independent judgment. After having examined the relationships of each nominee standing for election to the Board, the Board has determined that a majority, being six of the ten persons nominated for election to the Board are independent of the Corporation.

Nominees	Independent	Non independent
Marc A. Courtois	Marc A. Courtois is considered independent because he has no direct or indirect material relationship with the Corporation.	
Pierre Dion		Pierre Dion is not independent because he was President and Chief Executive Officer of the Corporation until 2014 and he was, until recently, President and Chief Executive of QMI, the parent corporation of TVA.
Jacques Dorion		Jacques Dorion is not independent because of its business relationship with the Corporation and its affiliates.
Nathalie Elgrably-Lévy	Nathalie Elgrably-Lévy is considered independent because she has no direct or indirect material relationship with the Corporation.	
Sylvie Lalande	Sylvie Lalande is considered independent because she has no direct or indirect material relationship with the Corporation.	
A. Michel Lavigne	A. Michel Lavigne is considered independent because he has no direct or indirect material relationship with the Corporation.	
Jean-Marc Léger		Jean-Marc Léger is not independent because of its business relationship with the Corporation and its affiliates.
Annick Mongeau	Annick Mongeau is considered independent because she has no direct or indirect material relationship with the Corporation.	
Julie Tremblay		Julie Tremblay is not independent because she is President and Chief Executive Officer of the Corporation.

The Chair of the Board is appointed each year from among the members of the Board. The Board is of the opinion that maintaining separate Chair and Chief Executive Officer positions allows the Board to function independently of management. If the Chair of the Board is not independent, a Lead Director is appointed from among the independent directors.

In camera sessions

After each meeting of the Board and of its committees, a meeting of the directors is held, at which members of management are not in attendance which encourages free and open discussions between the directors. This meeting is followed by a meeting where only independent directors discuss in private.

BOARD MANDATE

The mandate of the Board of the Corporation is to assume stewardship of the Corporation's overall administration and to oversee the management of the Corporation's operations. The Corporation's Board has approved and adopted an official mandate that describes the composition, responsibilities and operation of the Board (the **"Board Mandate"**).

The Board Mandate provides that the Board is responsible for supervising the management of the Corporation's business and affairs, with the objective of increasing value for the shareholders. Although management manages the Corporation's day-to-day operations, the Board is responsible for stewardship of the Corporation and, as such, it must efficiently and independently supervise the business of the Corporation.

A copy of the Board Mandate is annexed hereto as Schedule **"A"**. A copy of the Board Mandate is also available on the Corporation's Website at <http://groupetva.ca>.

POSITION DESCRIPTIONS

Chair of the Board, Vice Chair of the Board and Committee Chair

The Board has adopted position descriptions for the Chair of the Board, Vice Chair of the Board and for the Chair of each Board committee.

The Chair of the Board is responsible for the operation of the Board. He ensures that the Board fully executes its mandate and that the directors clearly understand and respect the boundaries between the responsibilities of the Board and the responsibilities of management. The Vice Chair of the Board performs all the functions of the Chair of the Board during his absence or inability to act.

A Lead Director is designated from among the independent directors if the Chair of the Board is not an independent director. The Lead Director provides an independent leadership within the Corporation's Board and maintains or improves the quality of the Corporation's governance practices. He works in cooperation with the Chair of the Board to ensure the good operation and efficiency of the Board.

According to the position description for each committee Chair, the principal role of the committee Chair is to ensure that the committee fully executes its mandate. Committee Chairs must report on a regular basis to the Board regarding the activities of the committee.

President and Chief Executive Officer

The President and Chief Executive Officer is responsible for implementing the Corporation's strategic and operational objectives and for the execution of the Board's decisions. Moreover, he must establish the required procedures for fostering a corporate culture that promotes integrity, discipline and tight financial policies.

ORIENTATION AND CONTINUING EDUCATION

Each director has access at any time, via the electronic portal, to the Guide for directors (the **"Guide"**) which is updated constantly. The Guide contains, among other things, the mandates and working plans of the Board and of the committees, as well as useful information about TVA. Upon their appointment, the new directors receive training regarding the use of the Corporation's electronic portal, allowing them, in particular, to identify any useful information about TVA contained in the Guide. The Chair of the Board, together with the Corporate Secretary, assist them in learning their role of director of the Corporation and inform them of the governance practices of the Corporation and in particular of the role of the Board, of its committees and of each director. Senior management of TVA also provides new directors with historical and forward-looking information regarding the Corporation's market position, operations and financial situation, so as to ensure that the directors understand the nature, functioning and positioning of the Corporation.

Members of senior management regularly make presentations to the Board regarding TVA's principal business sectors and on the major trends related to its main activities. Thus, presentations were made to directors concerning the development of the audiovisual content multiplatform broadcasting strategy in terms of window airing and monetization, the management strategy in connection with the advertisers and the Big Data infrastructure.

In addition, the directors attended the strategic meeting where the strategic plans of the Corporation and its subsidiaries have been presented as well as the main orientations for 2017-2019.

Moreover, aware of the importance for the directors of keeping their knowledge and skills up to date, of improving themselves and of acquiring new competencies relevant to board service, and after evaluating the different means that would allow the directors to always remain well informed about the regulatory environment and the latest trends in corporate governance, the Corporation offers all directors the possibility of attending training sessions organized by specialized firms on topics of interest.

In addition, several directors participated on their own initiative in continuing education courses, symposiums, seminars or conferences on relevant topics related to their functions as director organized or offered by academic institutions, professional corporations or similar bodies (such as IAS and CAS), or spoke at such seminars or training sessions on topics related to the performance of duties as a director.

In between Board meetings, directors are provided with analyst reports, relevant media reports and other documentation to keep them informed of any changes within the Corporation, the industry or the regulatory environment. Since the beginning of 2016, directors have access to a specialized weekly press review which addresses business and technological topics related to the affairs of the Corporation which can be consulted any time on the electronic portal. In addition, directors can communicate at any time with senior management to discuss presentations made to the Board or any other questions of interest.

ETHICAL BUSINESS CONDUCT AND VARIOUS INTERNAL POLICIES

The Corporation adopted a Code of Ethics that applies to all directors, officers and employees without distinction to encourage and promote a culture of ethical business conduct within the Corporation. The Code of Ethics may be consulted under TVA's SEDAR profile at www.sedar.com. The Code is also available on the Corporation's Website at <http://groupe TVA.ca>.

The Board has not allowed departures from the Code of Ethics by a director or an executive officer over the past 12 months or during any part of 2016. Accordingly, no material change report was needed or filed.

Furthermore, the Vice-President, Internal Audit reports to the Audit Committee on all departures from the Code of Ethics reported to him through the ethics' line and the steps taken by the Corporation to correct them. The Chair of the Audit Committee informs the Board thereof at each regular meeting of the Board.

The Audit Committee reviews related party transactions. Every year, directors and executives of the Corporation must declare in a questionnaire any conflict of interests and have the obligation to inform the Corporation of any changes that might occur thereafter. The Corporate Secretary of the Corporation reviews the questionnaires of the directors. He also reports to the Human Resources and Corporate Governance Committee on any violation, real or anticipated, of the provisions of the Code of Ethics on conflict of interests. If a director is in a situation of conflict of interests during any discussions occurring at a meeting of the Board of Directors or one of its committees, he must declare his interest and withdraw from the meeting so as not to participate in the discussions or in any decisions which may be made. This is noted in the minutes of the meeting.

In addition to monitoring compliance with the Code of Ethics, the Board has adopted various internal policies to encourage and promote a culture of ethical business conduct.

In particular, a *Policy relating to the use of privileged information* reminds directors, senior executives and employees of the Corporation who have access to confidential information likely to affect the market price or value of the Corporation's securities or of any third party, party to significant negotiations, that they may not trade in shares of the Corporation or of the third party involved as long as the information has not been fully made public and as long as a reasonable period of time has not elapsed since the public disclosure. Furthermore, the directors and officers of the Corporation and all other persons who are insiders of TVA may not trade in securities of TVA during certain periods set forth in the said policy. In 2016, the Corporation modified this policy to include a prohibition for insiders from purchasing securities as more fully described in the section entitled "Compensation-Related Risk Management Practices" of the Compensation Analysis of this Circular.

Lastly, a *Communications Policy* ensures that disclosure to the investing public regarding the Corporation is made in a timely manner, in keeping with the facts, accurately and widely, in accordance with the applicable statutory and regulatory requirements.

COMMITTEES OF THE BOARD

Human Resources and Corporate Governance Committee

Please refer to section entitled “Compensation Discussion & Analysis” of this Circular which gives details on the composition of the committee and its mandate as well as the process by which the compensation of executive officers is determined. For the process by which the compensation of directors is determined, please refer to the section entitled “Board of Directors – Compensation of Directors” of this Circular.

The Human Resources and Corporate Governance Committee is also responsible for assisting the Board in developing and monitoring the Corporation’s corporate governance practices. The committee presents to the Board its recommendations for improving TVA’s corporate governance practices.

Audit Committee

The Audit Committee assists the Board in overseeing the financial controls and reporting of the Corporation. The Audit Committee also oversees TVA’s compliance with financial covenants and legal and regulatory requirements governing financial disclosure matters and financial risk management.

In 2016, the Audit Committee was composed exclusively of independent directors, namely:

Chairman: Marc A. Courtois
Members: Nathalie Elgrably-Lévy
A. Michel Lavigne

All the minutes of the Audit Committee are submitted to the Board of the Corporation for information, and the Committee Chair also reports to the Board on its activities. A copy of the mandate of the Audit Committee is available on the Corporation’s Website at <http://groupe TVA.ca>.

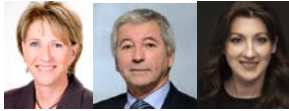
The Corporation hereby incorporates by reference the additional information on its Audit Committee set out in its Annual Information Form for the fiscal year ended December 31, 2016. The Annual Information Form is available under the Corporation’s SEDAR profile at www.sedar.com or on the Corporation’s Website at <http://groupe TVA.ca>.

ASSESSMENT

The Board Mandate provides that it has the responsibility for assessing the committees. Each Committee Chair reports to the Board annually on the work carried out during the most recently completed fiscal year and provides the Board with a certification indicating whether or not the committee has covered the required elements of its mandate.

The Chair of the Board evaluates the effectiveness of the Board in cooperation with the directors.

SECTION V. COMPENSATION DISCUSSION & ANALYSIS



REPORT OF THE HUMAN RESOURCES AND CORPORATE GOVERNANCE COMMITTEE

The Human Resources and Corporate Governance Committee is a committee of the Board which assists the Board (i) in discharging its responsibilities relating to the appointment, evaluation and compensation of senior management and for supervising the process of succession planning; and (ii) in developing the approach to corporate governance issues and in identifying new Board nominees.

Members

The current members of the Human Resources and Corporate Governance Committee are Sylvie Lalande, Chair of the committee, A. Michel Lavigne and Annick Mongeau, each of them being independent. On the basis of their professional background, education and involvement on numerous boards of directors, all members, individually and collectively, have the required experience to ensure that the Human Resources and Compensation Committee effectively fulfils its mandate.

Throughout her career, Sylvie Lalande has held several management positions including one at the Corporation that led her to monitor various aspects of executive compensation. Ms. Lalande is also Chair of the Human Resources and Corporate Governance Committee of QI and QMI. She was also Chair of the Corporate Governance and Human Resources Committee of Ovivo Inc. until September 9, 2016. In addition, she attended the Corporate Governance University Certification Program of the CAS with respect to various topics relating to talent management and executive compensation as well as the governance program relating to pension plans.

As for Mr. Lavigne, he was President and Chief Executive Officer of Raymond Chabot Grant Thornton for many years. As such, he has acquired the relevant experience in managing and monitoring compensation programs. In addition, Mr. Lavigne is a corporate director since many years and Chair of the Pension Committee of Canada Post Corporation. He was Chair of the Human Resources and Compensation Committees of QI and QMI until May 2016. In addition, he attended the Corporate Governance University Certification Program of the CAS.

For her part, Ms. Mongeau is Chair of the Human Resources and Corporate Governance Committee of Sportscene Group Inc. She holds a University Certificate in Corporate Governance from the CAS of Laval University. Ms. Mongeau joined the committee on April 10, 2016 following the departure of Ms. Isabelle Courville.

Meetings

At each meeting, the Human Resources and Corporate Governance Committee has the opportunity to meet privately with the President and Chief Executive Officer and the Vice-President, Human Resources. At each meeting, the committee holds a closed-door session without executives present. The Chair of the committee reports to the Board on the discussions and recommendations of the committee.

2016 Highlights

In 2016, the Human Resources and Corporate Governance Committee held four meetings. As stipulated in the committee's mandate, in these meetings the Human Resources and Corporate Governance Committee focused on the following key components:

- Review of the Corporation's succession plan
- Establishment of a new medium- and long-term incentive plan and recommendation to the Board to approve the DSUs plan for the employees and the Performance Share Units ("PSUs") plan as well as initial grants under the new plan to replace the practice of regular granting of QMI and TVA stock options
- 2015 performance review and recommendation to the Board regarding bonuses to be paid for 2015 to the Corporation's President and Chief Executive Officer and Chief Financial Officer
- Review of market practices and establishment of new shareholding requirements
- Review of the Corporation's President and Chief Executive Officer's and Chief Financial Officer's 2016 performance objectives and recommendation to the Board
- Review of directors' compensation
- Review of market practices and recommendation to the Board to adopt a policy regarding trading and hedging

Succession Plan

Annually, the Human Resources and Corporate Governance Committee reviews the succession plan of TVA in close cooperation with the Human Resources Services of QMI in order to identify potential successors coming from all subsidiaries of the group. This does not prevent seeking an external candidate for certain positions. The annual succession planning process includes three components: senior management succession, positions deemed critical and promising candidates.

During this process, the profile of the persons occupying positions deemed critical and their potential successors are analyzed in greater depth by the committee. Promising candidates are identified, and management ensures that an appropriate development plan is in place for them.

The Chair of the Human Resources and Corporate Governance Committee reported to the Board at the end of 2016 on the succession plan.

Risk assessment

The Human Resources and Corporate Governance Committee has assessed the risks associated with the executive officer compensation plans and envisions no incentive for executive officers to take excessive risks for personal financial gain. A detailed examination of the risk assessment is included in the "Compensation-Related Risk Management Practices" section of this Circular.

Mandate

Among the Human Resources and Corporate Governance Committee's responsibilities are the following:

- annually review the organizational structure and ensure the establishment of a succession plan for senior management;
- recommend to the Board the appointment of senior management of TVA and approve the terms and conditions of their hiring or termination;
- annually review the objectives that the Chief Executive Officer is expected to reach, evaluate him in light of those objectives and other factors deemed relevant by the Human Resources and Corporate Governance Committee, and report annually to the Board on the results of this evaluation, and recommend the Chief Executive Officer's total compensation and overall objectives to the Board;
- review and recommend to the Board the Chief Financial Officer's compensation;
- determine and approve grants of PSUs and DSUs and make appropriate recommendations to the Board when required;
- ensure that TVA has a competitive compensation structure so as to attract, motivate and retain qualified individuals that the Corporation requires to meet its business objectives;
- ensure that the policies and compensation programs in place do not encourage executives to take excessive risks or do not encourage them to make profitable short-term decisions that could undermine the long-term viability of TVA;

- recommend to the Board the corporate governance practices it deems appropriate; and
- supervise disclosure of the Corporation's corporate governance practices and consider the independence of directors.

The Human Resources and Corporate Governance Committee carries out its mandate, which is available on the Corporation's website, within the parameters of compensation policies implemented by TVA which provide a framework for the overall compensation structure described in the next section.

The Human Resources and Corporate Governance Committee,

Sylvie Lalande, Chair
A. Michel Lavigne
Annick Mongeau

COMPENSATION ANALYSIS

Compensation principles

Compensation of executive officers is structured based on major guiding principles.

First, the Corporation believes that an executive officer's overall compensation must be tied to performance so it contributes to the increased value of shareholders' equity through the establishment and achievement of the Corporation's and its subsidiaries' business strategy. The Corporation must continually ensure it offers competitive compensation to not only attract, but also retain, talented employees, who are a key to its success.

TVA also believes that compensation must prioritize personal involvement of executives in the Corporation's shareholding and discourage excessive risk-taking.

In addition, compensation components offered to the holder of a position must be consistent with that person's scope of influence. As such, the higher a position is in the hierarchy and the bigger the influence this position has on the Corporation's consolidated results, the larger the portion of this person's compensation envelope that will be variable (at risk), deferred, dependent on the achievement of consolidated corporate objectives and aligned with the total shareholder return.

The Human Resources and Corporate Governance Committee may enhance any of these components, as it sees fit, to reward a promotion, improve retention, show recognition or balance out the other compensation components.

TVA considers performance and skills fundamental factors for its employees' salary growth and determination of their overall compensation. Thus, overall executive compensation is also based on principles of fairness in recognizing attitudes, abilities and skills, such as:

Internal equity	Determine the relative value of positions and their classification in the salary structure, to meet pay equity requirements between officers.
External equity	Offer compensation that is commensurate with that offered for equivalent positions in the reference market.
Individual equity	Consider the employee's individual performance and contribution in the determination of individual salaries.

Objectives of compensation components

Compensation for the President and Chief Executive Officer of TVA, the Chief Financial Officer and the other three most highly compensated executives who held their positions as at December 31, 2016 (collectively the “**Named Executive Officers**”) may consist of one or more of the following components according to the objectives to prioritize:

	Compensation Components	Description	Reasons	Eligibility
Fixed	Base salary	Annual cash compensation commensurate with skills, responsibilities, individual performance and the reference market	<ul style="list-style-type: none"> • Attract, retain, motivate and provide financial security • Recognize individuals’ attitudes, abilities, skills and accomplishments 	All employees
	Short-term incentive (bonus)	Annual cash incentive if the corporate objectives of the business unit/individual are achieved	<ul style="list-style-type: none"> • Motivate to achieve (or exceed) short-term strategic and business objectives 	Professionals and senior positions
Variable (at risk)	Medium-term incentive PSUs	The right to receive, in cash, the equivalent of the market value of a Class B Non-Voting Share of TVA or a Class B Share of Quebecor, on the settlement date, under the condition that the vesting requirements and performance objectives have been met	<ul style="list-style-type: none"> • Motivate to achieve (or exceed) the corporate operational objectives of the strategic plan • Align participants’ interests with those of the shareholders of TVA • Promote collaboration and convergence of efforts among participants 	Certain senior managers and executive officers
	Long-term incentive DSUs	The right to receive, in cash, the equivalent of the market value of a Class B Non-Voting Share of TVA or a Class B Share of Quebecor, at the time of redemption upon retirement or termination of employment, under the condition that the units are vested	<ul style="list-style-type: none"> • Align participants’ interests with those of the shareholders of TVA in the very long term • Promote behaviours and decision-making required for the Corporation to continue on a trajectory of cautious long-term growth • Personally engage participants in the Corporation’s shareholding and promote participants’ accumulation of capital until retirement 	Certain senior managers and executive officers
Indirect	Non-wage benefits	Flexible program that includes complete annual medial evaluation for senior executives	<ul style="list-style-type: none"> • Support and promote employee health and well-being (both physical and financial) 	All employees
	Pension	Defined benefit pension plan for senior executives including a supplementary plan (closed to new entrants since October 31, 2012) or a defined contribution pension plan for other employees	<ul style="list-style-type: none"> • Provide financial security during retirement 	All employees
	Perquisites	Car allowance	<ul style="list-style-type: none"> • Promote optimization of workdays 	Senior managers and general managers

Horizon and Objectives of Direct Compensation Components

With the changes implemented in 2016, an average of 33% of compensation of the Corporation’s executive officers is now better linked to the cumulative total shareholder return over all their future years of service. The Corporation believes, on the one hand, that personal involvement of executive officers in the Corporation’s shareholding allows for aligning long-term interests of executive officers with those of the shareholders and that it discourages excessive risk-taking. On the other hand, the Corporation believes that this personal involvement will, if the cumulative total shareholder return ends up meeting expectations, allow for accumulating assets that will ensure the maintenance of a good quality of life during retirement, even though the Corporation does not offer a supplemental executive retirement plan for the Named Executive Officers, except those

who entered their position before October 31, 2012. The value of the supplementary plan is accounted for when determining the target medium- and long-term incentive granting value, if applicable.

Beyond base compensation, at-risk compensation components balance several priorities. In the short term, the compensation is linked to the achievement of annual individual and group priorities. In the medium term, the compensation is aligned primarily on the share price and on the operational achievement group priorities included in the strategic plan approved by the Board. Finally, long-term compensation is aligned with the cumulative total shareholder return in the very long term. Thus, the majority of the Named Executive Officers' compensation is at-risk, deferred and aligned with share price.

	2016	2017	2018	2019	2020	2021	2022	2023	2024
Base salary									
	Cash	<ul style="list-style-type: none"> Fixed portion of direct compensation 							
Short-term incentive (bonus)									
	Cash	<ul style="list-style-type: none"> Payable after one year, depending on the adjusted operating income and the year's prioritized strategic objectives Maximum payment of 1.6 times the target 							
Medium-term incentive	TVA and/or Quebecor PSUs								
	1 PSU = value of one TVA share (Class B Non-Voting) or Quebecor share (Class B)			<ul style="list-style-type: none"> Vesting after three years, depending on achieved performance Performance factor established based on TVA's average profit margin and, in Quebecor's case, its cumulative consolidated free cash flows (EBITDA-CAPEX) Performance factor between 0% and 125% of target 					
Long-term incentive	TVA and/or Quebecor DSUs								
	1 DSU = value of one TVA share (Class B Non-Voting) or Quebecor share (Class B)							<ul style="list-style-type: none"> Vesting after six years Payment upon retirement or following the end of employment under the condition that the units are vested 	

No policy prevents the Human Resources and Corporate Governance Committee from awarding or, when applicable, recommending to the Board a bonus even if the performance objective has not been reached or from increasing or decreasing an award or payment.

Reference Market

The Human Resources and Corporate Governance Committee periodically reviews the competitiveness of executive officer compensation. Compensation offered by the Corporation is defined based on (i) the reference market, (ii) the target positioning in the desired market, (iii) the employee's performance and (iv) the Corporation's financial resources. Hexarem Inc. ("Hexarem"), an independent consulting firm recognized for its executive compensation expertise, collaborated on creating personalized and reliable comparison groups that were approved by the Human Resources and Corporate Governance Committee.

One comparison group was considered to define the position of executive officers for TVA and Quebecor Media Group. This group is made up of the following corporations:

Canadian corporations in the media sector	
BCE Inc.	Postmedia Network Canada Corp.
Canadian Broadcasting Corporation	Rainmaker Entertainment Inc.
Cineplex Inc.	Rogers Communications inc.
Corus Entertainment Inc.	Sirius XM Canada Holdings Inc.
DHX Media Ltd.	Stingray Digital Group Inc.
Entertainment One Ltd.	Télé-Québec
Glacier Media Inc.	theScore, Inc.
IMAX Corporation	Torstar Corporation
Mood Media Corporation	Transcontinental Inc.
Newfoundland Capital Corporation Limited	Yellow Pages Limited

Market data may be adjusted by Hexarem to reflect sales and the scope of each position compared to similar positions in the comparison groups.

Independent External Compensation Consultant

As stipulated in its mandate, the Human Resources and Corporate Governance Committee has the authority to hire its own external advisor, and approve its compensation thereof, in connection with consulting services concerning the compensation of the Named Executive Officers. The Human Resources and Corporate Governance Committee, in collaboration with management, determine and approve all mandates that are given to its independent compensation consultant.

In October 2015, the Human Resources and Corporate Governance Committee commissioned Hexarem as an external independent consultant. Since then, the committee has commissioned Hexarem to carry out a market benchmark study of executive officer compensation, as well as an analysis of consistency between the former compensation approach and the Corporation's current position in its corporate lifecycle. This analysis served as a basis for an additional mandate to extensively review the medium- and long-term incentive plan for executive officers in 2016. At the request of the committee and under its supervision, certain steps of this review resulted from a collaboration between the external independent consultant, the President and Chief Executive Officer and the Vice-President, Human Resources. In the past, Willis Towers Watson ("**Towers**") has provided consulting on executive compensation, focused in particular on a market evaluation of certain executive positions' compensation.

In 2016, Hexarem also shared its expertise on executive officer compensation and compensation governance during certain committee and Board meetings.

The fees paid to Hexarem and Towers during the last two financial years were as follows :

Type of fees	2016		2015	
	Hexarem	Towers	Hexarem	Towers
Executive Compensation – Related Fees	\$ 19,600	\$ —	\$ 28,100	\$ —
All other fees	\$ —	\$ —	\$ —	\$ —

Compensation-Related Risk Management Practices

The Corporation must take certain risks to remain competitive and encourage executive officers to achieve growth objectives expected by shareholders. However, the Human Resources and Corporate Governance Committee ensures that policies and compensation plans in place do not encourage executives to take excessive risks. It is therefore important for senior executives'

objectives to not encourage them to make decisions that are profitable in the short term but that could undermine the Corporation's long-term viability. For this purpose, the following measures have been implemented:

1. Cap on payments related to short- and medium-term incentive plans

Payments of short-term incentive bonuses are capped at 1.6 times the target. In addition, the PSU plan performance factor is capped at 1.25 times the target. These ceilings limit incentives to take unnecessary and excessive financial and operational risks to improve performance with the aim of increasing participants' compensation.

2. Long-term incentive based on share price with payment deferred to retirement

The DSU plan does not allow participants to receive payment of the value of their units before retirement or termination of employment, under the condition that the units are vested. This very long-term horizon discourages individuals from taking excessive risks that could cause participants to lose the shareholding value that they have earned since the plan opening. In addition, the DSU plan encourages all participants to protect the shareholders' equity by monitoring risk-taking at all levels within the Corporation.

3. Clawback policy

Effective January 1st, 2015, the Board of the Corporation adopted a compensation clawback policy for certain members of Senior Management. Under this policy, which applies to the President and Chief Executive Officer and to the Chief Financial Officer ("**member of management**"), the Board may, to the full extent permitted by governing laws and to the extent it determines that it is in the Corporation's best interest to do so, require reimbursement of all or a portion of any bonus or incentive compensation received by a member of management or to proceed with the cancellation of any unvested grants made to a member of management if:

- (i) the amount of the bonus or incentive compensation was calculated based upon, or contingent on, the achievement of certain financial results that were subsequently the subject of or affected by a restatement of all or a portion of the Corporation's financial statements;
- (ii) the member of management engaged in gross negligence, intentional misconduct or fraud that caused or partially caused the need for the restatement; and
- (iii) the bonus or incentive compensation which would have been paid to the member of management, or the profit he would have made, had the financial results been properly reported, would have been lower than the bonus or incentive compensation received.

In these circumstances, the Board has the discretion to recover from the member of management all or a portion of any incentive compensation paid up to three years preceding the date the Corporation had to proceed with a restatement of its financial statements.

4. Trading and hedging restrictions

In 2016, the Corporation modified its confidential information usage policy to prohibit the Corporation's directors, executives and employees from purchasing securities, subject to obtaining prior approval from the Human Resources and Corporate Governance Committee including futures, equity swaps, exchange fund shares or options, which are designed to cover or compensate a decrease in the market value of equity securities (or equivalents, such as DSUs or PSUs, for which the value results from that of the equity securities) that were granted to them as compensation.

5. Policy on minimum executive shareholding

Executive shareholding encourages cautious management of the shareholders' equity. On July 10, 2016, the Board approved the implementation of new shareholding requirements. From this date forward, all participants in the medium- and long-term incentive plan must, within a period of four years, meet the requirements of the minimum executive shareholding policy, equalling 1.5 times their individual medium- and long-term incentive target. A participant's total shareholding is calculated as being the fair market value of the sum of the following securities and security equivalents held by the participant:

- Class A Shares
- Class B Non-Voting Shares
- Vested and non-vested DSUs linked to Class B Non-Voting Shares
- Class A Shares of Quebecor
- Class B Shares of Quebecor
- Vested and non-vested DSUs linked to Class B Shares of Quebecor

It should be noted that the Board reserves the right to extend the required period for reaching the minimum shareholding threshold in the event of extraordinary circumstances.

As of December 31, 2016, the total shareholding (calculated on the compensation assumed both by the Corporation and by Quebecor Media Group) of the Named Executive Officers is as follows:

	Minimum Shareholding Policy			TVA Shareholding ¹		Quebecor Shareholding ¹		Total Shareholding		Status
	Target %	Multiple of Salary	\$	Shares	DSUs	Shares	DSUs	Multiple of Salary	\$	
Julie Tremblay	175	2.625x	1,673,438	\$—	\$201,929	\$20 153	\$248,029	0.74x	470,111	Progressing
Denis Rozon	50	0.75x	206,250	\$—	\$24,885	\$—	\$30,490	0.20x	55,376	Progressing
Serge Fortin	100	1.50x	570,938	\$—	\$20,667	\$—	\$25,303	0.12x	45,970	Progressing
Michel Trudel	50	0.75x	300,000	\$—	\$36,199	\$—	\$44,411	0.20x	80,609	Progressing
Lucie Dumas	40	0.60x	144,000	\$—	\$17,375	\$—	\$21,272	0.16x	38,647	Progressing

¹ On December 30, 2016, the closing price of the Class B Non-Voting Shares of TVA on the Toronto Stock Exchange was \$3.25 and the closing price of the Class B Shares of Quebecor was \$37.32 per share. The Named Executive Officers do not hold Class A Shares of the Corporation or of Quebecor.

Cost of the management services of the President and Chief Executive Officer and certain executive officers

Julie Tremblay was appointed President and Chief Executive Officer of the Corporation on July 31, 2014 and also combines the role of President and Chief Executive Officer of Quebecor Media Group, a business unit of QMI created in August 2014, which is dedicated to entertainment and news media and which includes the Corporation. Because Julie Tremblay shares her work time between her functions carried out for the benefit of TVA and those for Quebecor Media Group, it was agreed, by means of a management services agreement signed with QMI, as amended in April 2015 (the “**J. Tremblay Service Agreement**”), that TVA would be responsible for 70% of the compensation paid by QMI to Julie Tremblay, with the exception of TVA stock options for which TVA is 100% responsible.

The services of Denis Rozon, Vice-President and Chief Financial Officer of the Corporation, and, since August 1, 2014, Vice-President and Chief Financial Officer of Quebecor Media Group, are also made available to QMI under the terms of a management services agreement between TVA and QMI (the “**D. Rozon Service Agreement**”) which stipulates that TVA will be responsible for 70% of the compensation paid to Denis Rozon, and QMI will be responsible for the other 30%, with the exception of TVA stock options for which TVA is 100% responsible. A management services agreement (the “**Officers Service Agreement**”) is also in effect between TVA and QMI for the services of certain executive officers based on a percentage that varies depending on the responsibilities of each officer. Of the Named Executive Officers, only Serge Fortin is affected by the Officers Service Agreement, TVA being responsible for 75% of his compensation, and QMI for 25%.

The percentages presented above are calculated based upon the amount of time that Julie Tremblay and the other officers spend on activities for TVA. These services agreements were subject to a review by the Human Resources and Corporate Governance Committee and, because it is a non-arm's-length transaction, to a review by the Corporation's Audit Committee. These two committees made a recommendation to the Board and these management services agreements were approved by the directors who determined that the percentages of compensation paid by TVA reflected reality. The percentage of time that these executive officers spend for the benefit of TVA is reviewed by the Audit Committee and updated regularly to reflect the actual time that these officers devote to the Corporation. The portion of their compensation covered by TVA will be adjusted accordingly, as necessary.

For the year 2016, the total compensation of the President and Chief Executive Officer (assumed both by the Corporation and by QMI) is composed of:

- A base salary of \$446,250 assumed by TVA (for a total of \$637,500 including the amount assumed by QMI).
- An annual bonus plan equivalent to 80% of her base salary, up to 1.6 times the target.
- A medium-term incentive plan through PSUs of the Corporation and Quebecor, payable at the end of a three-year cycle, according to defined vesting conditions.
- A long-term incentive plan through DSUs of the Corporation and Quebecor that become vested at the end of a six-year period or at normal retirement age.

Named Executive Officers' Direct Compensation

The compensation for the Named Executive Officers is determined and approved by the Corporation's Human Resources and Corporate Governance Committee, except for the President and Chief Executive Officer and for the Chief Financial Officer of the Corporation, whose compensation is recommended and subsequently approved by the Board.

Details regarding different direct compensation components for the Named Executive Officers are included on the following pages.

Base salary

The annual base cash compensation is commensurate with skills, responsibilities, individual performance and the reference market.

Certain salary adjustments were made in 2016, in particular following a market benchmark study of overall compensation for the Named Executive Officers and the addition of responsibilities for Michel Trudel. Overall, base salaries of the Named Executive Officers rose 5.9% compared to 2015.

	2015 Salary	2016 Salary	Variation
Julie Tremblay	\$437,500	\$446,250	2.0%
Denis Rozon	\$178,500	\$192,500	7.8%
Serge Fortin	\$281,250	\$285,469	1.5%
Michel Trudel	\$350,000	\$400,000	14.3%
Lucie Dumas	\$230,000	\$240,000	4.4%
Total	\$1,477,250	\$1,564,219	5.9%

Short-Term Incentive

In short-term incentive plans, although the financial objective based on adjusted operating income ¹remains a key performance indicator, some target strategic objectives have been integrated in order to reward the implementation of specific components for each of the Corporation's business sectors. For example, improvement of operating margins, growth of TVA Sports, strengthening of the digital offer as well as expansion of the activities of Mels Studios and Postproduction G.P. ("**Mels**"). The objectives for each of the executive officers are reviewed annually to ensure alignment with the Corporation's business objectives.

Payment of all short-term incentive bonuses is dependent on achieving the target adjusted operating income or on achieving strategic objectives, as the case may be. Bonuses paid for 2016 varied from 0% to 111% of the Named Executive Officers' individual targets, as shown in the table below.

Short-Term Incentive Payments in 2016

Short-term incentive bonus payments were paid to the Named Executive Officers based on achievement of the financial and strategic objectives listed below:

Financial Objectives (in thousands of \$)					Strategic Objectives		Total	
Julie Tremblay Target : 80% of salary		Adjusted and budgeted operating income of TVA and Quebecor Media Group			Result achieved in 2016	<ul style="list-style-type: none">• Improve operating margins (specifically: improve ratios of "Revenue" vs content cost)• Improve the financial performance of TVA Sports (specifically: establish strategies to increase subscription revenue)• Develop the Mels business sector (specifically: improve its positioning in Canada and internationally)• Become the digital media leader (specifically: TVA catch up on shows)	Result achieved in 2016	Weighted average 65% / 35%
		< Target	Target	Maximum				
	69.25% TVA objective	100%	100%	108%	95.2 %			
	Performance factor	0%	100%	160%	0%			
	30.75% Quebecor Media Group objective excluding TVA	100%	100%	105%	159%			
	Performance factor	0%	100%	160%	160%			
					100%	67%		

¹ Adjusted operating income is a financial measure that is not consistent with IFRS. For the definition of this measure and its reconciliation with the financial measure established in accordance with IFRS in the Corporation's financial statements, please refer to Management's Discussion and Analysis for the year ended December 31, 2016, which is available on our Website and on the SEDAR Website at www.sedar.com

Denis Rozon Target : 35% of salary	Adjusted and budgeted operating income of TVA and Quebecor Media Group			Result achieved in 2016	<ul style="list-style-type: none"> • Improve operating margins (specifically: pursue synergy initiatives financial teams, real estate space) • Improve the financial performance of TVA Sports (specifically: establish strategies for strict cost control and find ways to reduce them) • Develop the Mels business sector (specifically: implement management tools) • Become the digital media leader (specifically: review performance indicators) 	Result achieved in 2016	Weighted average 65% / 35%
	< Target	Target	Maximum				
	69.25% TVA objective	100%	100%	108%	95.2 %		
	Performance factor	0%	100%	160%	0%		
	30.75% Quebecor Media Group objective excluding TVA	100%	100%	105%	159%		
	Performance factor	0%	100%	160%	160%	160%	88%
Serge Fortin Target : 50% of salary	Adjusted and budgeted oprating income of TVA and Quebecor Media Group			Result achieved in 2016	<ul style="list-style-type: none"> • Increase the audience and subscriptions for TVA Sports • Develop a unique brand image for TVA Sports • Maximize the potential of the LCN and TVA News schedule • Develop a digital strategy for the TV sector 	Result achieved in 2016	Weighted average 65% / 35%
	< Target	Target	Maximum				
	38.5% TVA objective	100%	100%	108%	95.2 %		
	Performance factor	0%	100%	160%	0%		
	38.5% Television objective	100%	100%	112.5 %	132.8 %		
	Performance factor	0%	100%	160%	160%		
	23% Quebecor Media Group objective (QMI Agency)	100%	100%	100%	100%		
	Performance factor	0%	100%	100%	100%	160%	111%

Michel Trudel Target : 40% of salary		Adjusted and budgeted operating income of TVA and Mels			Result achieved in 2016	<ul style="list-style-type: none"> Promote Mels in Canada and abroad Attract more American shows Expand the special effects sector <p>As the criterion for payment, the financial target (Mels' EBITDA), was not achieved, no payment was made</p>	Result achieved in 2016	Weighted average 65% / 35%
		< Target	Target	Maximum				
	38.5 % TVA objective	100%	100%	108%	95.2 %			
	Performance factor	0%	100%	160%	0%			
	61.5% Mels objective	100%	100%	115%	62%			
	Performance factor	0%	100%	160%	0%		0%	0%

Lucie Dumas Target : 40% of salary		Adjusted and budgeted operating income of TVA			Result achieved in 2016	<ul style="list-style-type: none"> Become a major player in digital services (TVA Publications) Increase revenue and clientele Optimize operational management for the English-speaking market <p>These objectives were considered not achieved</p>	Result achieved in 2016	Weighted average 65% / 35%
		< Target	Target	Maximum				
	38.5 % TVA objective	100%	100%	108%	95.2 %			
	Performance factor	0%	100%	160%	0%			
	61.5% TVA Publications objective	100%	100%	113%	84.3%			
	Performance factor	0%	100%	160%	0%		0%	0%

The President and Chief Executive Officer's objectives related to the Corporation are reviewed annually by the Human Resources and Corporate Governance Committee and submitted to the Board of the Corporation for approval. The Human Resources and Corporate Governance Committee reviews and approves the financial objectives of the Named Executive Officers, and the President and Chief Executive Officer sets the strategic objectives. Payment of any bonus further to the level of achievement of both financial and strategic objectives is subject to the Human Resources and Corporate Governance Committee's pre-approval.

The Corporation will not give further details on the performance objectives of executive officers, because it believes that the disclosure of this information would be seriously detrimental to its interests in the extremely competitive sector in which it operates, because this is confidential, strategic information. The portion of total compensation of each of the Named Executive Officers tied to objectives that were only partially shared and which are more specifically tied to achieving the adjusted operating income is 35% for Julie Tremblay, 24% for Denis Rozon and 36% for Serge Fortin. Indeed, the adjusted operating income objectives set by the Corporation account for various sensitive strategic factors and the Corporation believes that it is not advisable to disclose this information. The performance objectives set and approved by the Human Resources and Corporate Governance Committee are sufficiently ambitious and difficult to reach to be in line with the principle that bonuses are tied to performance.

Medium-Term Incentive

More than half of the medium- and long-term incentive for the Named Executive Officers is paid as PSUs. The main characteristics of TVA's and Quebecor's PSU plans are shown in the table below:

	Performance Share Unit																														
Definition	The right to receive, in cash, the equivalent of the market value of a Class B Non-Voting Share of TVA or Class B Share of Quebecor on the settlement date, under the condition that the vesting requirements and performance objectives have been achieved. No share of the authorized share capital can be issued.																														
Grant	<p>The Human Resources and Corporate Governance Committees of TVA and Quebecor determine and approve the target value of PSUs granted to participants and make appropriate recommendations to the Boards of TVA and QI respectively, if applicable. The number of PSUs granted is then established by dividing (i) the target granting value approved by the committees by (ii) the market value of TVA or Quebecor shares, as case may be.</p> <p>Market value of shares is established based on the weighted average price of the Class B Non-Voting Shares of TVA on the Toronto Stock Exchange over the 30 market days immediately preceding the grant date and, in the case of QI, on the weighted average price of Quebecor’s Class B Shares on the Toronto Stock Exchange over the five market days immediately preceding the grant date.</p>																														
Vesting	<p>Unless the Human Resources and Corporate Governance Committees of TVA and Quebecor decide otherwise, PSUs shall be vested at the end of the three-year performance cycle, under the condition that the performance objectives have been achieved.</p> <p>Dividend equivalents credited under a grant of PSUs become vested on the same schedule as the granted PSUs.</p>																														
Performance Adjustment Factor	<p>For each three-year performance cycle, the Human Resources and Corporate Governance Committees of TVA and Quebecor, at their full discretion, approve performance objectives used to calculate the performance adjustment factor for the term of the performance cycle. The adjustment factor may vary from 0.00x and 1.25x the target.</p> <p><u>PSU performance objectives for TVA (2016-2018 performance cycle):</u></p> <p>The proportion of TVA PSUs that will become vested depends on the 2016-2018 three-year average profit margin achieved by TVA.</p> <table><tr><td></td><td>Under threshold</td><td>Threshold</td><td>Target</td><td>Maximum</td></tr><tr><td>Three-year average profit margin (2016-2018)</td><td>Under 75%</td><td>75%</td><td>100%</td><td>125% and more</td></tr><tr><td>Performance adjustment factor</td><td>0.00x</td><td>0.50x</td><td>1.00x</td><td>1.25x</td></tr></table> <p><u>Quebecor PSU performance objectives (2016-2018 performance cycle):</u></p> <p>The proportion of Quebecor PSUs that will become vested depends on the 2016-2018 cumulative consolidated free cash flows ¹ achieved by Quebecor.</p> <table><tr><td></td><td>Under threshold</td><td>Threshold</td><td>Target</td><td>Maximum</td></tr><tr><td>Three-year cumulative consolidated free cash flows (2016-2018) (In millions of dollars)</td><td>Under 95%</td><td>95%</td><td>100%</td><td>105% and more</td></tr><tr><td>Performance adjustment factor</td><td>0.00x</td><td>0.50x</td><td>1.00x</td><td>1.25x</td></tr></table> <p>¹ Consolidated free cash flows for the PSU plan consisting of earnings before interest, taxes, depreciation and amortization (EBITDA) minus planned capital investments (CAPEX).</p>		Under threshold	Threshold	Target	Maximum	Three-year average profit margin (2016-2018)	Under 75%	75%	100%	125% and more	Performance adjustment factor	0.00x	0.50x	1.00x	1.25x		Under threshold	Threshold	Target	Maximum	Three-year cumulative consolidated free cash flows (2016-2018) (In millions of dollars)	Under 95%	95%	100%	105% and more	Performance adjustment factor	0.00x	0.50x	1.00x	1.25x
	Under threshold	Threshold	Target	Maximum																											
Three-year average profit margin (2016-2018)	Under 75%	75%	100%	125% and more																											
Performance adjustment factor	0.00x	0.50x	1.00x	1.25x																											
	Under threshold	Threshold	Target	Maximum																											
Three-year cumulative consolidated free cash flows (2016-2018) (In millions of dollars)	Under 95%	95%	100%	105% and more																											
Performance adjustment factor	0.00x	0.50x	1.00x	1.25x																											

Settlement	<p>The number of vested PSUs is calculated with the formula [(i) + (ii)] X (iii), where:</p> <ul style="list-style-type: none"> (i) Corresponds to the number of PSUs granted to the participant on the grant date; (ii) Corresponds to the number of PSUs credited as dividend equivalents linked to a grant between the grant date and the settlement date, and (iii) Corresponds to the approved performance adjustment factor for the performance cycle specific to the grant. <p>PSUs are usually paid in cash within the 90 days following the end of the performance cycle, based on the underlying shares' market value at the time of settlement.</p>
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Long-Term Incentive

A large portion of the medium- and long-term incentive for the Named Executive Officers is paid as DSUs. The main characteristics of the DSU plan are shown in the table below:

	Deferred Share Unit
Definition	The right to receive, in cash, the equivalent of the market value of a Class B Non-Voting Share of TVA or a Class B Share of Quebecor, at the time of redemption upon retirement or termination of employment, under the condition that it is vested. No share of the authorized share capital can be issued.
Granting	<p>The Human Resources and Corporate Governance Committees of TVA and Quebecor, determine and approve the target value of DSUs granted to participants and make appropriate recommendations to the Boards of TVA and QI respectively, if applicable. The number of DSUs granted is then established by dividing (i) the target granting value approved by the committees by (ii) the market value of TVA or Quebecor shares, as case may be.</p> <p>Market value of shares is established based on the weighted average price of Class B Non-Voting Shares on the Toronto Stock Exchange over the 30 market days immediately preceding the grant date and, in the case of QI, on the weighted average price of Class B Shares of Quebecor on the Toronto Stock Exchange over the five market days immediately preceding the grant date.</p>
Vesting	<p>Unless the Human Resources and Corporate Governance Committees of TVA and Quebecor decide otherwise, DSUs are vested at the end of the six-year vesting period or in accordance with the plan provisions, in the event of employment termination before this date.</p> <p>Dividend equivalents credited under a grant of DSUs become vested on the same schedule as the granted DSUs.</p>
Redemption	Vested DSUs credited to a participant may be redeemed in cash by the Corporation and their value is payable after the participant is no longer an employee of the Corporation.

Since 2016, the new medium- and long-term incentive plan has included regular annual granting of PSUs and DSUs. This plan replaces the customized medium-term incentive plans and granting of stock options.

Nevertheless, the Corporation's and QMI's stock option plans have been retained for extraordinary circumstances.

Summary of 2016 Target Direct Compensation and Compensation Paid to Named Executive Officers

Direct compensation paid to the Named Executive Officers, representing the portion assumed by TVA, attained 90% of the target for the 2016 fiscal year.

	2016 Salary	2016 Bonus			2016 Medium- and Long-Term			2016 Direct Compensation		
		Target	Paid	Target vs Paid	Targets	Paid	Targets vs Paid	Target	Paid	Target vs Paid
Julie Tremblay	\$446,250	80%	54%	67%	175%	175%	100%	\$1,584,188	\$1,466,378	93%
Denis Rozon	\$192,500	35%	31%	88%	50%	50%	100%	\$356,125	\$348,040	98%
Serge Fortin	\$285,469	50%	56%	111%	100%	100%	100%	\$713,672	\$729,373	102%
Michel Trudel	\$400,000	40%	0%	0%	50%	50%	100%	\$760,000	\$600,000	79%
Lucie Dumas	\$240,000	40%	0%	0%	40%	40%	100%	\$432,000	\$336,000	78%
Named Executive Officer average →				53%			100%			90%

2016 Bonus

For the 2016 fiscal year, the Human Resources and Corporate Governance Committee and the Board, if applicable, approved the payment of bonuses ranging from 0% to 111% of salary under various short-term incentive plans, all subject to achievement of financial and strategic objectives. For more details on the amounts paid to the Named Executive Officers, see the tables regarding the Corporation's short-term plans as well as the Compensation Summary table (annual incentive plans) of this Circular.

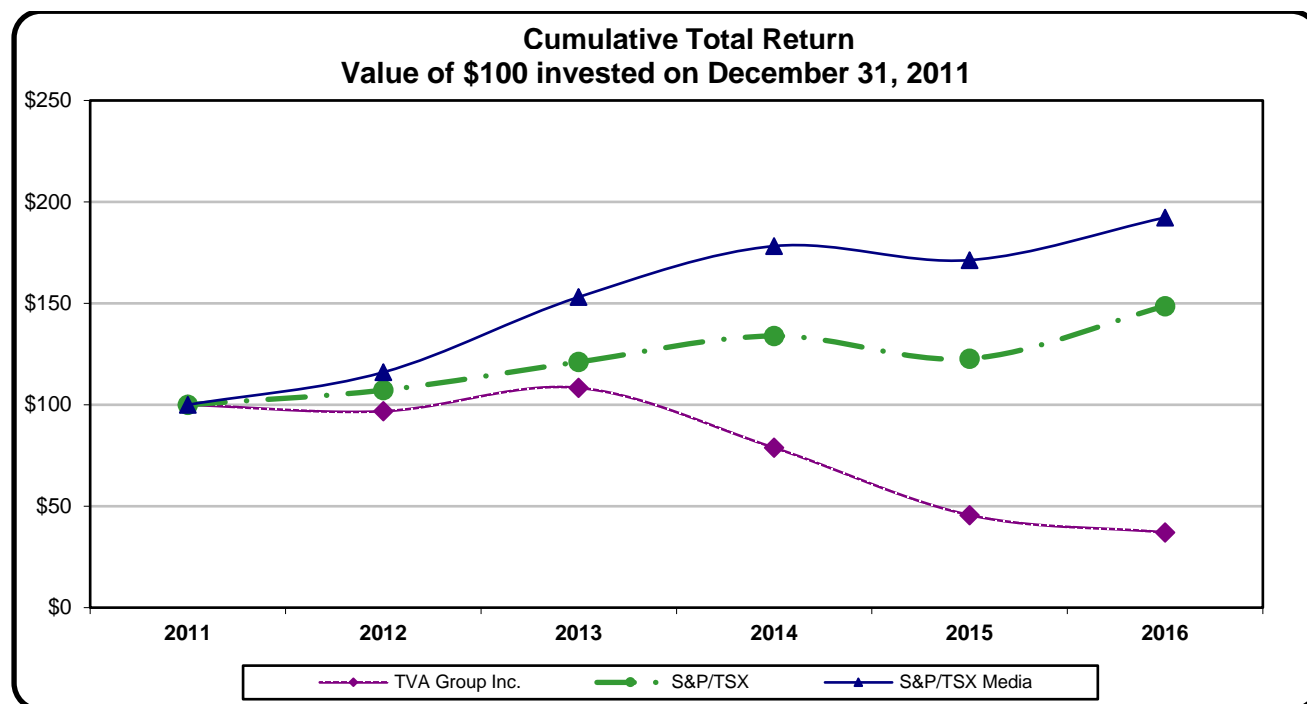
2016 Medium- and Long-Term

For the 2016 fiscal year, the Human Resources and Corporate Governance Committee and the Board, if applicable, approved the granting of PSU and DSU allotments based on pre-established target percentages for each of the Named Executive Officers, net of target compensatory values already received as prior options grants covering 2016. The target percentages take the participant's level of responsibility and contribution into account, as well as the compensation levels offered in our external reference market. The Human Resources and Corporate Governance Committee nevertheless retains full discretion on the value of annual allotments awarded to each participant.

PERFORMANCE GRAPH

The performance graph set out below illustrates the cumulative total return, over a period of five years, of a \$100 investment in the Class B Non-Voting Shares as compared to the S&P/TSX Composite Index and the TSX “Media” Sub-index.

The year-end value of each investment is based on share appreciation plus dividends paid in cash, the dividends having been reinvested on the date they were paid. The calculations exclude brokerage fees and taxes. Total shareholder returns from each investment may be calculated from the year-end investment values shown below the graph.



	2011	2012	2013	2014	2015	2016
TVA Group Inc.	\$100	\$97	\$108	\$79	\$46	\$37
S&P/TSX Index	\$100	\$107	\$121	\$134	\$123	\$149
S&P/TSX Media Index	\$100	\$116	\$153	\$178	\$171	\$192

In 2016, the Corporation adopted a new share-based medium- and long- term incentive plan that now directly links a significant portion of the Named Executive Officers’ overall target compensation to the future price of the Class B Non-Voting Shares.

However, although it may take it into account in its evaluation, the Corporation’s Human Resources and Corporate Governance Committee does not base its compensation decisions only on the trading price of the Class B Non-Voting Shares on the Toronto Stock Exchange. The Committee believes that the trading price is also affected by external factors on which the Corporation has little control and which do not necessarily reflect the Corporation’s performance. The five-year cumulative total return for shareholders with Class B Non-Voting Shares from the Corporation was -63%, compared to 49% for the S&P/TSX Composite Index and 92% for the S&P/TSX Media Composite Index, as shown in the return graph above.

SUMMARY COMPENSATION TABLE

The following table shows certain selected compensation information for the President and Chief Executive Officer, the Vice-President and Chief Financial Officer and the three other most highly compensated executive officers of the Corporation during the financial year ended December 31, 2016 for their services rendered during the financial years ended December 31, 2016, 2015 and 2014. The compensation shown in the following table is the compensation actually assumed by the Corporation.

Name and principal position	Year	Salary (\$)	Share-based awards ¹ (\$)	Option-based awards ² (\$)	Non-equity incentive plan compensation		Pension value ³ (\$)	All other compensation ⁴ (\$)	Total compensation (\$)
					Annual incentive plans \$	Long-term incentive plans \$			
Julie Tremblay President and Chief Executive Officer	2016	446,250	780,938 ⁵	—	239,190	—	27,020	—	1,493,398 ⁶
	2015	437,500	—	103,992 ⁷	196,000	—	25,760	—	763,252 ⁶
	2014	172,443	—	112,800 ⁸	120,000	—	8,470	—	413,713 ⁶
Denis Rozon Vice President and Chief Financial Officer	2016	192,500	96,250 ⁵	—	59,290	—	78,890	—	426,930 ⁹
	2015	178,500	—	75,396 ⁷⁻⁸	46,900	—	71,400	—	372,196 ⁹
	2014	201,219	—	91,560 ⁸	40,037	—	55,800	—	388,616 ⁹
Serge Fortin Vice President, TVA News – TVA Sports – QMI Agency	2016	285,469	85,641 ⁵	—	158,435	—	75,150	—	604,695 ¹⁰
	2015	281,250	—	137,235 ⁷⁻⁸	56,250	—	189,525	—	664,260 ¹⁰
	2014	229,733	—	689,900 ⁷⁻¹¹	150,000	—	68,700	—	1,138,333 ¹⁰
Michel Trudel ¹² President Mels	2016	400,000	200,000 ⁵	—	—	—	—	—	600,000
	2015	350,000	—	—	196,000	—	—	—	546,000
Lucie Dumas ¹³ Vice President, Editor-in-Chief, Group Magazines	2016	240,000	96,000 ⁵	—	—	—	5,530	—	341,530
	2015	230,000	—	85,300 ⁷⁻⁸	36,800	—	5,300	—	357,400
	2014	209,100	—	61,040 ⁷	100,000	—	4,800	—	374,940

- For PSUs and DSUs, the compensation value corresponds to the target based on the fair market value of underlying securities at the time of grant.
- The compensation value included herein represents the estimated value of the stock options granted as determined by using the Black-Scholes valuation model which is based on various assumptions.
- Please refer to the "Pension Benefits" section of this Circular for additional details.
- Perquisites and other personal benefits which do not exceed the lesser of \$50,000 or 10% of the annual salary are not disclosed.
- Value corresponding to the total allotment targets for PSUs and DSUs from TVA and Quebecor.
- Since July 31, 2014, Julie Tremblay also acts as President and Chief Executive Officer of Quebecor Media Group. Consequently, the total compensation of Julie Tremblay, including compensation costs assumed by QMI, amounted to \$2,133,425 in 2016, \$1,190,360 in 2015 and \$491,247 in 2014.
- Underlying securities: common shares of QMI granted on a one-year horizon. The amount indicated represents the Black-Scholes value of the options at the time of grant.
- Underlying securities: Class B Non-Voting Shares of the Corporation granted on a one-year horizon.

9. Since August 1st, 2014, Denis Rozon acts as Vice President and Chief Executive Officer of Quebecor Media Group. These functions are in addition to his current position within the Corporation. Consequently, the total compensation of Denis Rozon, including compensation costs assumed by QMI, amounted to \$609,900 in 2016, \$521,680 in 2015 and \$432,310 in 2014.
10. A portion of Serge Fortin's compensation is reimbursed to QMI for his duties with respect to QMI Agency. The total compensation of Serge Fortin amounted to \$806,260 in 2016, \$873,980 in 2015 and \$1,264,911 in 2014.
11. Underlying securities: common shares of QMI granted on a 3-year horizon. The amount indicated represents the Black-Scholes value of the options at the time of grant.
12. Michel Trudel joined the Corporation on December 30, 2014.
13. Lucie Dumas ceased to be an officer of the Corporation after the end of the last financial year of the Corporation.

Non-Equity incentive plan compensation

Objectives		Results	Payments
2014 Medium-Term Granting with 2014-2016 Performance Cycle - TVA			
Based on achievement of cumulative objectives as of December 31, 2016			
Participant	Adjusted operating income - TVA	Not achieved	Participant
• Julie Tremblay	Increase in free cash flow - TVA	Not achieved	• Julie Tremblay : \$0

Black-Scholes Values of options

The Corporation did not grant any stock options in 2016. Key hypotheses used to determine the estimated value of options granted prior to 2016 can be found by consulting the Corporation's earlier proxy circulars.

Outstanding Share- and Option-based Awards

The table below indicates all outstanding stock options, PSUs and DSUs awards for each of the Named Executive Officers and their values as of December 31, 2016.

Name	Units and/or underlying shares	Option-based Awards				Share-based Awards		
		Number of securities underlying unexercised options (#)	Option exercise price ¹ (\$)	Option expiration date	Value of unexercised in-the-money options ² (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ³ (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Julie Tremblay	TVA ⁴	30,000	8.90	July 31, 2024	0			
	QMI ⁵	2,000	51.888	June 22, 2022	54,352			
	QMI ⁶	60,000	57.639	August 7, 2023	1,285,500			
	QMI ⁵	12,000	70.558	March 18, 2025	102,072			
	PSU-TVA					82,843	269,240	0
	PSU-QI					62,132	201,929	0
	DSU-TVA					7,384	275,571	0
	DSU-QI					6,646	248,029	0
Denis Rozon	TVA ⁷	45,199	14.75	November 5, 2017	0			
	TVA ⁴	10,000	6.85	February 2, 2025	0			
	QMI ⁵	7,000	57.639	August 7, 2023	149,975			
	QMI ⁵	6,000	63.498	April 28, 2024	93,396			
	QMI ⁵	6,000	70.558	March 18, 2025	51,036			
	PSU-TVA					10,210	33,183	0
	DSU-TVA					7,657	24,885	0
	PSU QI					910	33,961	0
	DSU QI					817	30,490	0
Serge Fortin	TVA ⁷	58,759	14.75	November 5, 2017	0			
	TVA ⁴	15,000	6.85	February 2, 2025	0			
	QMI ⁵	8,000	57.639	August 7, 2023	171,400			
	QMI ⁶	29,250	63.498	April 28, 2024	455,306			
	QMI ⁵	5,000	64.885	September 4, 2024	70,895			
	QMI ⁵	11,000	70.558	March 18, 2025	93,566			
	PSU-TVA					8,479	27,557	0
	DSU-TVA					6,359	20,667	0
	PSU-QI					754	28,139	0
	DSU-QI					678	25,303	0
Michel Trudel	PSU-TVA					14,851	48,266	0
	DSU-TVA					11,138	36,199	0
	PSU-QI					1,323	49,374	0
	DSU-QI					1,190	44,411	0
Lucie Dumas	TVA ⁴	10,000	6.85	February 2, 2025	0			
	QMI ⁵	2,000	57.639	August 7, 2023	42,850			
	QMI ⁵	2,400	63.498	April 28, 2024	37,358			
	QMI ⁵	4,000	70.558	March 18, 2025	34,024			
	PSU-TVA					7,128	23,166	0
	DSU-TVA					5,346	17,375	0
	PSU-QI					634	23,661	0
	DSU-QI					570	21,272	0

1. The exercise price of options of the Corporation may not be less than the closing price of a board lot of Class B Non-Voting Shares on the Toronto Stock Exchange on the last trading day before the date of grant. The exercise price of QMI options is the market value of the common shares at the time of grant, as determined on a quarterly basis by the external expert retained by QMI's Board.
2. The value of unexercised in-the-money options of the Corporation is the difference between the option exercise price and the closing price of the underlying security on the Toronto Stock Exchange on December 30, 2016 or the difference between the option exercise price and the value of the common shares of the QMI options as at December 31, 2016 as determined by an external expert retained by QMI's Board. **This amount has not been, and may never be, realized. The options have not been, and may never be exercised; and actual gains, if any, on exercise will depend on the value of the aforesaid shares on the date of exercise.** On December 30, 2016, the closing price of the Class B Non-Voting Shares of the Corporation on the Toronto Stock Exchange was \$3.25. For purposes of stock option grants, the external expert retained by QMI's Board has established the value of the common shares of QMI, as at December 31, 2016, at \$79.064 per share.
3. The market or payout value of share-based awards that have not vested is established by multiplying the number of share units (PSUs or DSUs) by the closing price of the underlying shares. On December 30, 2016, the closing price of the Class B Non-Voting Shares of the Corporation on the Toronto Stock Exchange was \$3.25 and the closing of the Class B shares of Quebecor was \$37.32.

4. Options of the Corporation – One-year horizon. Options can be exercised equally over five years with the first 20% vesting on the first anniversary of the date of the grant.
5. QMI options – one-year horizon. Options can be exercised equally over five years with the first 20% vesting on the first anniversary of the date of the grant.
6. QMI options – 3-year horizon. Options can be exercised equally over four years with the first 25% vesting on the second anniversary of the date of the grant.
7. Options of the Corporation – 3-year horizon. Options can be exercised equally over four years with the first 25% vesting on the second anniversary of the date of the grant.

Incentive plan awards – Value vested or earned during the year

The following table sets forth, for each Named Executive Officer, the aggregate dollar value that would have been realized if the options under the option-based award had been exercised on the vesting date that occurred in 2016 and the bonus earned during the 2016 fiscal year.

Name	Option-based awards – Value vested during the year ¹ (\$)	Share-based awards – Value vested during the year ² (\$)	Non-equity incentive plan compensation– Value earned during the year ³ (\$)
Julie Tremblay	432,964 ^{(4) (6)}	0	239,190
Denis Rozon	26,477 ⁽⁴⁾	0	59,290
Serge Fortin	123,637 ^{(4) (5)}	0	158,435
Michel Trudel	–	0	–
Lucie Dumas	18,533 ^{(4) (6)}	0	–

- ⁽¹⁾ The value vested is the difference between the market value of the underlying securities at the vesting date and the exercise price of the options contemplated by the option-based award. The market value is defined: (i) in the case of options of the Corporation, by the average closing market price of the Class B Non-Voting Shares on the Toronto Stock Exchange for the five trading days immediately preceding the date on which the option became vested; and (ii) in the case of the QMI options, the market value of the common shares on the vesting date, as determined on a quarterly basis by the external expert retained by QMI's Board.
- ⁽²⁾ The PSU and DSU plans started in 2016. The first PSUs granted in 2016 will become vested and payable in 2019 and the first DSUs granted in 2016 will become vested on December 31, 2021.
- ⁽³⁾ Corresponds to the sum, for 2016, of the columns "Annual Incentive Plans" and "Long-Term Incentive Plans" in the Compensation Summary Table.
- ⁽⁴⁾ Underlying securities: common shares of QMI.
- ⁽⁵⁾ Only part of those options has been exercised in 2016.
- ⁽⁶⁾ Those options have all been exercised in 2016.

Pension benefits

Named Executive Officers participate in a pension plan according to their appointment date.

For Named Executive Officers appointed before October 31, 2012, the material provisions of the Defined Benefit Supplemental Retirement Plan (SERP) are as follows:

	Basic Pension Plan	Supplemental Executive Retirement Plan (« SERP »)
Named Executive Officers	Denis Rozon and Serge Fortin	
Participant contributions	None	
Normal retirement age	65	
Retirement age without reduction in retirement pension	65	
Reduction in the event of retirement before permitted age	Reduction of 3% per year for every year between 60 and 65 and 4% per year for every year between 55 and 60.	
Early retirement age	55	
Retirement pension calculation	2% of the average salary over the best five consecutive years of salary (including commissions) multiplied by the number of years of membership in the plan. Subject to the maximum annuity prescribed by the <i>Income Tax Act</i> (Canada).	2% of the average salary over the best five consecutive years of salary (including commissions) multiplied by the number of years of membership in the plan. Minus the annuity payable pursuant to the basic plan.
Coordination with public plans	No	
Type of retirement pension	With eligible spouse at the time of retirement.	
	Lifetime annuity to spouse equal to 60% of the annuity paid.	
	Without eligible spouse at the time of retirement or after the death of the latter.	
	20% of the annuity is payable to each dependent child, not exceeding 60%.	
Indexation	After retirement	None

As for Julie Tremblay, she participates in QMI's basic pension plan, which provisions are almost identical to those of the Corporation's plan except for the retirement age without reduction which is 61 and of the percentage of reduction in the event of retirement before permitted age which is 6% per year between the age of 55 and 61.

The following table sets forth information on the Corporation's Defined Benefit Retirement Plans (base plan and SERP no longer available to new entrants since October 31, 2012). In addition to annual benefits payable, the table shows the change in value of such benefits (obligation) year-to-date and year-end. Variations from one individual to another are due to the individual's age, salary and credited years of service in the base plan and the SERP. These plans provide an annuity based on the salary at the time of retirement (for the purpose of this table, payable benefits are based on salaries as at December 31, 2016).

Name	Number of years credit services (#)	Annual benefits payable (\$)		Opening present value of defined benefit obligation ⁽²⁾ (\$)	Compensatory change (\$)	Non-compensatory change (\$)	Closing present value of defined benefit obligation ⁽³⁾ (\$)
		At year end ⁽¹⁾	At age 65				
Julie Tremblay ⁽⁴⁾	2.4	7,000	28,400	65,100	38,600	13,300	117,000
Denis Rozon	10.3	40,900	103,600	770,600	112,700	49,500	932,800
Serge Fortin ⁽⁵⁾	21.6	93,300	174,300	1,911,400	100,200	102,400	2,114,000

⁽¹⁾ Assumption: retirement at age 59, except for Julie Tremblay (retirement at age 62).

⁽²⁾ Calculations are based on an assumption discount rate of 4%, an inflation rate of 2.25% and the more recent mortality table of the Canadian Institute of Actuaries ("CIA").

⁽³⁾ Calculations are based on a discount rate of 3.9%, an inflation rate of 2.25% and the more recent mortality table of the CIA.

⁽⁴⁾ For Julie Tremblay, the information is based on her participation in the non-unionized employees plan of QMI.

⁽⁵⁾ The number of credit years in the SERP is 12.4 for Serge Fortin.

Lucie Dumas participates in the group pension plan for TVA Publications Inc. ("**TVA Publications**") employees, which includes a structured registered retirement savings plan (structured RRSP) for payroll contributions and a deferred profit-sharing plan (DPSP) for the Corporation's contributions paid on the employee's behalf. The Corporation pays 50% of the required payroll contributions paid by the employee, i.e. 2.2% of the 1st \$40,000 of earnings and 5.1% of the excess earnings, subject to the maximum allowed for tax purposes for the current year. The value of the contributions varies over time, based on the returns of the investment funds chosen by the participant.

The following table presents the information regarding the Corporation's capitalization plans, namely the Defined Contribution Supplementary Retirement Plan and the group pension plan for the employees of TVA Publications. The compensatory change represents the employer contributions paid during the year. The additional variance between the value at the beginning and end of the year represents the payroll contributions and the investment income.

Name	Number of years credit services (#)	Opening present value of defined benefit obligation (\$)	Compensatory change (\$)	Closing present value of defined benefit obligation (\$)
Lucie Dumas ¹	6	77,035	5,530	98,195

¹. Lucie Dumas participates in the group retirement program for TVA Publications employees.

As for Michel Trudel, he does not currently participate in any pension plan.

Potential payment in the event of termination and change of control

The Corporation has entered into employment contracts with each of the Named Executive Officers. Each contract is individually formulated and no single policy applies to all, except for the provisions of the medium- and long-term incentive plans. The following table shows benefits in the event of termination and change in control.

	Pension	Termination for a serious cause	Resignation	Termination not for a serious cause (layoff)	Termination not for a serious cause following a change in control
Base salary	Payment discontinuation	Payment discontinuation	Payment discontinuation	Severance pay in the form of salary continuation or a lump sum, subject to non-competition, non-solicitation and confidentiality agreements: ¹ - S. Fortin : 12 months - L. Dumas: 6 months	Severance pay in the form of salary continuation or a lump sum, subject to non-competition, non-solicitation and confidentiality agreements: ¹ - S. Fortin: 12 months - L. Dumas: 6 months
Annual bonus	No longer eligible	No longer eligible	No longer eligible	No longer eligible	No longer eligible
PSUs	Continued vesting	No longer eligible	No longer eligible	No longer eligible	Board's discretion regarding accelerated or non-accelerated vesting
DSUs	Redemption by December 15 of the year following retirement. Prorated accelerated vesting of non-vested DSUs in the event of retirement before normal retirement age	No longer eligible upon day of termination and redemption of vested units only	No longer eligible upon day of resignation and redemption of vested units only	Redemption of vested units following prorated accelerated vesting of non-vested DSUs for the time worked under the vesting period	Redemption of vested units following accelerated vesting of non-vested DSUs
Stock options	Vested options are exercisable within 30 days for the TVA plan and 90 days for the QMI plan	Loss of vested options upon day of termination	Vested options are exercisable within 30 days after resignation for the TVA plan. Loss of vested options upon day of resignation for the QMI plan	Vested options are exercisable within 30 days after termination	Vested options are exercisable within 30 days after termination
Non-wage benefits	No longer eligible	No longer eligible	No longer eligible	No longer eligible	No longer eligible
Indirect benefits	No longer eligible	No longer eligible	No longer eligible	No longer eligible	No longer eligible
Former medium-term plans	No longer eligible	No longer eligible	No longer eligible	No longer eligible	No longer eligible

¹ Although no termination clause is included in Julie Tremblay's and Denis Rozon's employment contract, the allowance established by the jurisprudence would apply. For Serge Fortin, the indemnity includes six months of car allowance. Michel Trudel signed a non-competition, non-solicitation agreement.

The table below shows the value of additional estimated payments that could have been made or additional estimated benefits that could have been granted to each Named Executive Officer, depending on the reason for the termination of employment, if the termination of employment had taken place on December 31, 2016. The share compensation value is calculated based on the closing price of Class B Non-Voting shares and Class B Shares of Quebecor on the Toronto Stock Exchange, which equalled \$3.25 and \$37.32 per share, respectively.

Event	Julie Tremblay	Denis Rozon	Serge Fortin	Michel Trudel	Lucie Dumas
Pension					
Equity compensation ¹	\$103,033	\$9,229	\$7,662	\$13,435	\$6,441
Termination for a serious cause	\$0	\$0	\$0	\$0	\$0
Resignation	n/a ²	\$0	\$0	\$0	\$0
Termination not for a serious cause (layoff)					
Severance pay	Jurisprudence ³	Jurisprudence ³	\$387,045	Fixed-term contract ⁴	\$120,000
Equity compensation	\$103,033	\$9,229	\$7,662	\$13,435	\$6,441
Former medium-term plans	\$0	\$0	\$0	\$0	\$0
Non-wage benefits	\$0	\$0	\$0	\$0	\$0
Indirect benefits	\$0	\$0	\$0	\$0	\$0
Termination not for a serious cause following a change in control					
Severance pay	Jurisprudence ³	Jurisprudence ³	\$387,045	Fixed-term contract ⁴	\$120,000
Equity compensation ⁵	\$449,958	\$755,375	\$45,970	\$80,610	\$38,647
Former medium-term plans	\$0	\$0	\$0	\$0	\$0
Non-wage benefits	\$0	\$0	\$0	\$0	\$0
Indirect benefits	\$0	\$0	\$0	\$0	\$0

¹ As the conditions for vesting PSUs are related to performance, no vesting is included in this amount.

² Julie Tremblay is eligible for early retirement.

³ Although no termination clause is included in Julie Tremblay's and Denis Rozon's employment contract, the allowance established by the jurisprudence would apply.

⁴ Michel Trudel was one of the founders of Mels, the company whose assets were acquired by TVA in 2015. Under a five-year fixed-term contract that started on January 1, 2016, if a termination had taken place on December 31, 2016, he would have been entitled to \$1,725,000; at December 31, 2017, this amount would be \$1,325,000; at December 31, 2018, \$900,000 and at December 31, 2019, \$450,000. It should be noted that Michel Trudel is subject to a non-competition and non-solicitation clause for a period of five years from the cancellation or termination of his contract.

⁵ As PSU acceleration is at the discretion of the Board, no vesting is included in this amount.

EQUITY COMPENSATION PLANS

The stock option plans listed below remain available for the Corporation. However, the Human Resources and Corporate Governance Committee does not anticipate making regular grants of stock options except in extraordinary circumstances, such as, for example, an exceptional candidate being hired during the year.

Stock Option Plan of the Corporation

The Corporation has a stock option plan (the “Plan”), which entitles officers of the Corporation and of its subsidiaries, and its directors, to benefit from the appreciation in value of the Corporation’s Class B Non-Voting Shares. The Plan provides for the grant of options for the purchase of a maximum of 2,200,000 Class B Non-Voting Shares, being 5.1% of the issued and outstanding Class A and Class B Non-Voting Shares as at December 31, 2016. As of this date, 1,832,180 Class B Non-Voting Shares, being 4.2% of the Class A and Class B Non-Voting Shares are still reserved under the Plan with the Toronto Stock Exchange.

The Human Resources and Corporate Governance Committee administers the Plan, designates the optionees and determines the expiry date and any other question relating thereto, in each case in accordance with applicable securities legislation. The number of options granted is based on individual merit and depends on the level of responsibility of the optionee. However, the Plan contains restrictions regarding the number of options that may be granted and the number of Class B Non-Voting Shares that may be issued. No insider may be granted, within any one year period, a number of Class B Non-Voting Shares exceeding 5% of the total number of Class B Non-Voting Shares and Class A Shares issued and outstanding from time to time (the “Corporation’s Issued Share Capital”), less shares issued under equity compensation plans during the preceding year. Moreover, the number of Class B Non-Voting Shares which may be reserved for issuance under options granted to insiders under the Plan and any other equity compensation plans of the Corporation, cannot exceed 10% of the Corporation’s Issued Share Capital. The Plan also provides that, in any given one-year period, the number of Class B Non-Voting Shares which may be issued to insiders under the Plan cannot exceed 10% of the Corporation’s Issued Share Capital, less shares issued under equity compensation plans during the preceding year. All options granted are non-transferable. Prior grants are taken into consideration and market comparisons are analyzed. The Human Resources and Corporate Governance Committee ratifies the recommendations made by Management or makes the appropriate modifications (except for grants to the President and Chief Executive Officer and to the Vice-President and Chief Financial Officer that are approved by the Board).

The exercise price of each option may not be less than the closing price of a board lot of Class B Non-Voting Shares on the Toronto Stock Exchange on the last trading day before the date of grant. In the absence of a closing price for a board lot of Class B Non-Voting Shares on the Toronto Stock Exchange on that day, the exercise price may not be less than the average ask and bid prices of the Class B Non-Voting Shares on the Toronto Stock Exchange on the same day. At the time of exercising their options, optionees may decide to (i) subscribe for the Class B Non-Voting Shares in respect of which the option is being exercised; or (ii) receive from the Corporation a cash payment equal to the number of shares corresponding to the options exercised, multiplied by the difference between the market value and the exercise price of the shares underlying the option. The market value is defined by the average closing market price of the shares for the five trading days immediately preceding the date on which the option was exercised. If an optionee decides to receive a cash payment from the Corporation upon the exercise of his option, then the number of underlying Class B Non-Voting Shares covered by the option will once again become available under the Plan.

Since January 2006, except under specific circumstances and unless the Human Resources and Corporate Governance Committee of the Corporation has decided otherwise at the time of grant, options vest over a five-year period in accordance with one of the following vesting schedules:

- (i) equally over five years with the first 20% vesting on the first anniversary of the date of the grant (one-year horizon);
- (ii) equally over four years with the first 25% vesting on the second anniversary of the date of the grant (3-year horizon – the optionee receives in advance three times the value of its annual grant and will not be granted any other the following two years); or
- (iii) equally over three years with the first 33⅓% vesting on the third anniversary of the date of the grant (5-year horizon – the optionee receives five times the value of its annual grant and will not be granted any other the following four years).

The right to exercise options expires on the earlier of:

- The expiry date of the option, as determined at the time of the grant (maximum of 10 years);
- On the day of termination of the optionee’s employment for cause;

- 30 days following the date on which the optionee's employment is terminated by reason of voluntary termination of employment by resignation or termination without cause, retirement or disability;
- 90 days following the death of the optionee.

The Board of the Corporation may, without being required to obtain the prior approval of shareholders and regulatory authorities, amend the terms and conditions of the Plan including, but not limited to, an amendment to the vesting terms of an option, an amendment to the subscription price, unless the amendment is a reduction of the exercise price of an option held by an insider and an amendment intended to correct or rectify an ambiguity, inapplicable provision, error or omission in the Plan or an option except for: (i) an increase in the number of Class B Non-Voting Shares reserved for issuance under the Plan; and (ii) a reduction of the subscription price or the extension of the term of an option held by an insider. The Board can also decide to accelerate the exercise of options as part of a proposed transaction (including a takeover bid) subject to the controlling shareholder (as defined in the Plan) ceasing to be the controlling shareholder upon completion of the transaction. The Corporation does not provide financial assistance to optionees for the exercise of their options.

Finally, the Plan provides that if an expiry date falls during a blackout period or within 10 days following a blackout period, the period during which an option may be exercised shall be extended by 10 business days from the expiry of the blackout period (for those optionees subject to the Corporation's Policy Relating to the Use of Privileged Information).

During the financial year ended December 31, 2016, no options have been granted and no shares have been issued upon the exercise of stock options. As of the date hereof, 262,717 options were outstanding, being 0.6% of the Corporation's Issued Share Capital.

The following table gives information with regard to all of the Corporation's equity compensation plans as of December 31, 2016.

Plan Category	Number of Securities to Be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Further Issuance Under Equity Compensation Plans (Excluding Securities Reflected in the First Column)
Equity Compensation Plans Approved by Shareholders:			
Stock Option Plan of the Corporation	357,632 (or 0.9% of the number of Class B Non-Voting Shares issued and outstanding)	\$12.71	1,474,548 (or 3.8% of the number of Class B Non-Voting Shares issued and outstanding)
Equity Compensation Plans Not Approved by Shareholders:	—	—	—

QMI Stock Option Plan

QMI has established a stock option plan for officers, senior employees, directors and other key employees of QMI and its subsidiaries (the "QMI Plan") as a long-term performance incentive.

Each option may be exercised within a maximum period of ten years following the date of grant at an exercise price not lower than the fair market value, on the date of grant, of the common shares of QMI, as determined by an external expert whose services are retained by the Board of QMI (if the common shares of QMI are not listed on a recognized stock exchange at the time of grant), or the five-day weighted average closing price ending on the day preceding the date of grant of the common shares of QMI on the stock exchanges where such shares are listed. As long as the common shares of QMI are not listed on a recognized stock exchange, optionees may exercise their vested options during one of the following period: from March 1st to March 30, from June 1st to June 29, from September 1st to September 29 and from December 1st to December 30 in each year.

In addition, at the time of exercise of an option, optionees have the option, at their discretion: (i) to request to receive the profit from the underlying shares, or (ii) subject to certain stated conditions, subscribe to common shares of QMI. The Human Resources and Compensation Committee ratifies the recommendations made by Management or makes the appropriate modifications. Prior grants are taken into consideration and market comparisons are analyzed.

Except under specific circumstances and unless the Human Resources and Compensation Committee of QMI decides otherwise, options vest over a five-year period in accordance with one of the following vesting schedules as determined by the Human Resources and Corporate Governance Committee of QMI at the time of grant:

- (i) equally over five years with the first 20% vesting on the first anniversary of the date of the grant (one-year horizon);
- (ii) equally over four years with the first 25% vesting on the second anniversary of the date of the grant (3-year horizon – the optionee receives in advance three times the value of its annual grant and will not receive any other the following two years); or
- (iii) equally over three years with the first 33⅓% vesting on the third anniversary of the date of the grant (5-year horizon – the optionee receives in advance five times the value of its annual grant and will not receive any other the following four years).

Further to the implementation by QMI of guidelines extending the holding period of options, applicable after April 1st, 2015, certain executive officers, one of whom is the President and Chief Executive Officer of the Corporation, are required to hold their options for a minimum of two years following their vesting date. It is to be noted that no QMI options have been granted since that date.

No optionee may hold options entitling him to purchase more than 5% of the number of common shares of QMI issued and outstanding.

SECTION VI. OTHER IMPORTANT INFORMATION

INDEBTEDNESS OF DIRECTORS AND OFFICERS

As of the date hereof, no amount is owed to the Corporation by any of its directors and officers or any of their associates.

TRANSACTION WITH RELATED PARTIES

To the knowledge of the Corporation, except as set forth in note 26 to the audited consolidated financial statements of the Corporation for the financial year ended December 31, 2016, no insider had an interest in a material transaction completed since the beginning of the most recently completed financial year of the Corporation or in a proposed transaction which had or was likely to have a material effect on the Corporation or any of its subsidiaries.

During the financial year ended December 31, 2016, the Corporation entered into transactions with its parent company, QMI, and with other companies under the control of QMI or QI, which transactions were entered into in the normal course of its operations and under terms and conditions that are generally not less favourable to the Corporation than those that would be offered by companies not affiliated with the Corporation.

The Corporation considers the amounts paid with respect to the various transactions mentioned hereinabove to be reasonable and competitive.

SHAREHOLDERS PROPOSALS

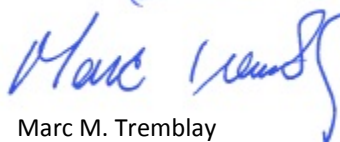
Holders of Class A Shares entitled to vote at the next annual meeting of shareholders and who want to submit a proposal in respect of any matter to be raised at such meeting must ensure that their proposal is received by the Corporation, to the attention of the Corporate Secretary, no later than December 24, 2017.

AVAILABILITY OF DOCUMENTS

Financial information is provided in the Corporation's comparative financial statements and management's discussion and analysis for its most recently completed financial year ended December 31, 2016. Copies of the Corporation's latest annual information form, audited financial statements and management's discussion and analysis, may be obtained on request from the Corporation's Corporate Secretariat, 612 Saint-Jacques Street, 18th floor, Montréal, Québec, Canada, H3C 4M8. All of these documents, as well as additional information relating to the Corporation, are available under the Corporation's SEDAR profile at www.sedar.com and on the Corporation's Website at <http://groupe TVA.ca>.

APPROVAL

The Board has approved the content and the sending of this Circular to the shareholders.



Marc M. Tremblay
Corporate Secretary

Montréal, Québec
March 24, 2017

SCHEDULE A

MANDATE OF THE BOARD OF DIRECTORS

The Board of Directors (the “**Board**”) of TVA Group Inc. (the “**Corporation**”) is responsible for supervising the management of the Corporation’s business and affairs, with the objective of increasing value for its shareholders. The Board is responsible for the proper stewardship of the Corporation and, as such, it must efficiently and independently supervise the business and affairs of the Corporation which are managed on a day-to-day basis by management. The Board may delegate certain tasks to its committees. However, such delegation does not relieve the Board of its overall responsibilities with regards to the management of the Corporation.

All decisions of the Board must be made in the best interest of the Corporation.

COMPOSITION AND QUORUM

The majority of the members of the Board must be considered independent by the Board, as defined in the applicable laws and regulations¹. The Board approves annually, upon the recommendation of the Human Resources and Corporate Governance Committee, the independent status of each of its members. The members of the Board are elected annually by the holders of Class A common shares. Throughout the term of the mandate, a quorum of the members of the Board may fill any vacancy on the Board by appointing a new director who will serve until the next annual meeting of shareholders.

The Board may appoint one or more additional directors who shall hold office for a term expiring not later than the close of the annual meeting of shareholders following their appointment, but the total number of directors so appointed may not exceed one third of the number of directors elected at the annual meeting of shareholders preceding their appointment.

All members of the Board must have the skills and qualifications required for appointment as a director. The Board as a whole must reflect a diversity of particular experience and qualifications to meet the Corporation’s specific needs including the representation of women.

At every meeting of the Board, the quorum established is a majority of directors holding office.

RESPONSIBILITIES

The Board has the following responsibilities:

A. With respect to strategic planning

1. Assess and approve annually the strategic planning of the Corporation including its financial strategy and business priorities.
2. Review and, at the option of the Board, approve all strategic decisions for the Corporation, including acquisitions or sales of shares, assets or businesses which exceed the delegated approval powers.

B. With respect to human resources and performance assessment

1. Appoint the President and Chief Executive Officer. Select a Chair among the directors and, if appropriate a Vice Chair of the Board. If the Chair is not an independent director, select a Lead Director amongst the independent directors. The Vice Chair of the Board may hold both offices.

¹ A director is independent if he has no direct or indirect material relationship with the Corporation i.e. he has no relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of his independent judgment.

2. Approve the appointment of the other members of management.
3. Ensure that the Human Resources and Corporate Governance Committee assesses annually the performance of the Chief Executive Officer and of senior management, taking into consideration the Board's expectations and the objectives that have been set.
4. Approve, upon recommendation of the Human Resources and Corporate Governance Committee, the compensation of the Chairman, the Chief Executive Officer and the Chief Financial Officer, as well as the overall objectives the Chief Executive Officer must achieve.
5. Approve the Chair of the Board's, the Vice Chair of the Board's and the directors' compensation.
6. Ensure that a management succession planning process is in place.
7. Ensure that the Human Resources and Corporate Governance Committee considers the implications of the risks associated with the Corporation's compensation policies and procedures.

C. With respect to financial matters and internal controls

1. Ensure the integrity and quality of the Corporation's financial statements and the adequacy of the disclosure made.
2. Review and approve the annual and interim financial statements and management's discussion and analysis. Review the press release relating thereto.
3. With regard to the clawback policy, approve any restatement of the financial statements deemed necessary by the Audit Committee and, if appropriate, require repayment of any bonus or incentive compensation received by an executive officer.
4. Approve operating and capital expenditures budgets, the issuance of securities and, subject to authority limit policies, all transactions outside the ordinary course of business, including proposed amalgamations, acquisitions or other material transactions such as investments or divestitures.
5. Determine dividend policies and declare dividends when deemed appropriate.
6. Ensure that appropriate systems are in place to identify business risks and opportunities and oversee the implementation of an appropriate process to evaluate those risks and to manage the principal risks generally relating to the Corporation.
7. Monitor the quality and integrity of the Corporation's accounting and financial reporting systems, disclosure controls and internal procedures for information validation.
8. Monitor the Corporation's compliance with legal and regulatory requirements applicable to its operations.
9. Review when needed and upon recommendation of the Audit Committee, the Corporation's Disclosure Policy, monitor the Corporation's dealings with analysts, investors and the public and ensure that measures are in place in order to facilitate shareholder feedback.
10. Recommend to the shareholders the appointment of the external auditor.
11. Approve the audit fees of the external auditor.

D. With respect to pension matters

1. Ensure that appropriate systems are in place to monitor the management of the pension plans.

E. With respect to corporate governance matters

1. Ensure that management manages the Corporation competently and in compliance with applicable legislation, including by making timely disclosure of relevant information regarding the Corporation and making statutory filings.
2. Review, on a regular basis, corporate governance structures and procedures, including decisions requiring the approval of the Board.
3. Ensuring that a code of ethics is in place and that it is communicated to the Corporation's employees and enforced.
4. Authorize the directors to hire external advisors at the expense of the Corporation when the circumstances so require, subject to prior notification of the Chair of the Board.
5. Review the size and composition of the Board and its committees based on qualifications, skills and personal qualities sought in Board members. Review annually the composition of Board committees and appoint chair of committees.
6. Approve, as needed, the mandates of the Board and its committees upon recommendation of the Human Resources and Corporate Governance Committee as well as the position descriptions that should be approved by the Board.
7. Approve the list of Board nominees for election by shareholders.
8. Establish the independence of directors annually pursuant to the rules on the independence of directors.
9. Review and approve the Corporation's management proxy circular as well as the annual information form and all documents or agreements requiring its approval.
10. Receive annually confirmation from the Board's various committees that all matters required under their mandate have been covered.
11. Receive the Chair of the Board's report on the regular assessment of the overall effectiveness of the Board.
12. Ensure that the directors have all the support they require in order to fully perform their duties.

METHOD OF OPERATION

1. Meetings of the Board are held quarterly, or more frequently, as required. A special meeting of the Board is held annually to review and approve the strategic plan, as well as the Corporation's operating and capital budgets.
2. The Chair of the Board, in collaboration with the President and Chief Executive Officer and the Secretary, determines the agenda for each meeting of the Board. The agenda and the relevant documents are provided to directors sufficiently in advance so that they can fulfill adequately their duties.
3. The independent directors meet after each meeting of the Board, or more frequently, as required.