




BOARD OF DIRECTORS of the CANADIAN BROADCASTING CORPORATION

Minutes of the Meeting held on

May 17-18, 2016

Montreal, QC

 = Video-conference

Members of the Board present:

Rémi Racine, Chairperson of the Board
 Hubert T. Lacroix, President and CEO
 Edward Boyd
 Sonja Chong
 Robert Jeffery
 Marni Larkin
 Terrence Leier
 Maureen McCaw
 Marlie Oden

Members of the Board absent:

Norman May

In attendance:

Sylvie Gadoury, Vice-President, Legal Services, General Counsel and Corporate Secretary
 Stéphanie Duquette, Chief of Staff to the President and CEO
 Tranquillo Marrocco, Associate Corporate Secretary
 Consultant,

Also participating:

Josée Girard, Vice-President, People and Culture (Items 4 and 6)
 Steven Guiton, Executive Vice-President, Media Technology & Infrastructure Service (Item 4)
 Louis Lalande, Executive Vice-President, French Services (Item 4)
 Judith Purves, Executive Vice-President and Chief Financial Officer (Item 4) ()
 Guylaine Bergeron, Executive Director, Communications, Marketing and Brand (Item 4)
 Denis Desjardins, Director, Capital Process Management, Corporate Finance (Item 4) ()
 Emmanuelle Lamarre-Cliche, Chief of Staff to the Exec. Vice-Pres., French Services (Item 4)
 Marc Y. Lapierre, Executive Director, Real Estate Services (Item 1)
 Michael Mooney, Executive Director, Corporate Finance & Administration (Item 4) ()
 Consultant, Avison Young (Item 4)

Opening of the Meeting

On May 17, 2016, at 5:45 p.m., the Chairperson called the meeting to order.

1. Governance Report

Board members met in camera, with _____ in attendance, to discuss various governance matters.

At 7:30 p.m., the meeting was suspended until May 18, 2016, at 9:00 a.m.

2. Adoption of Minutes

On a motion duly moved and seconded, **IT WAS RESOLVED**, — That the Minutes of the March 22-23, 2016, Board of Directors meeting be approved.

3. In Camera Session (Independent Directors)

The independent members met in camera to discuss various matters.

4. Infrastructure Committee Report

4.1 MRC Development Project

Rémi Racine reported on the matters discussed at the meeting of the Infrastructure Committee held on May 17, 2016. He noted that the discussions were fruitful and conclusive.

Steven Guiton provided an overview of the project's governance structure, Management's recommendations with respect to the Building Solution Stream and the Site Sale Stream, the next steps, and the results of the municipal taxes payable analysis.

Michael Mooney explained how the municipal taxes payable were calculated for each of the options.

Board members inquired about other off-site options considered, the practice relating to the payment of indemnities, the linkages between the Building Solution Stream and the Site Sale Stream, the current facility's maintenance deficit,

Steven Guiton reviewed the assessment results and the manner in which the assessment model was structured.

Board members inquired about the criteria that were included in the new assessment results table (under the continued ownership scenarios) and what portion of the scores for the other options were attributable to those same criteria, and the sensitivity of the qualitative results.

On the recommendation of the Infrastructure Committee, **IT WAS RESOLVED**, — That Management be authorized to:

- a) inform the two off-site solution proponents of their elimination from the competitive process;
- b) invite the two on-site solution proponents to the next and final round of the competitive process that will occur during the summer of 2016;
- c) pursue the site sale process with the four top-ranked purchasers with a view to selecting the best offer through commercial negotiations occurring during the summer of 2016; and
- d) implement a program of indemnification for the proponents participating in the next phase (except for the winning proponents) for both the lease and the sale processes.

Guylaine Bergeron provided an overview of the communication plan and its key messages. She also circulated a press release and Q&As for discussion.

Board members inquired about what will likely happen to the tower once sold, the possibility that a proponent may withdraw from the process, the rationale for not including all the site sale proponents in the press release,

5. Information Documents presented to the Board

Sylvie Gadoury explained the rationale for the review of the nature and frequency of the various information documents presented to the Board and its Committees. She also noted the consultations held with the SET members.

Board members inquired about the amalgamation of some reports. They also noted that reports of a public nature (that is, posted on our website or filed with government agencies), should simply be posted on the Board portal (rather than included with the meeting documentation).

On a motion duly moved and seconded, **IT WAS RESOLVED**, — That the Corporate Secretary be authorized to amend the Terms of Reference of the Board and of its Committees to reflect the proposed changes to the recurring Board information items.

6. Human Resources and Governance Committee Report

Ted Boyd reported on the matters discussed at the meeting of the Human Resources and Governance Committee held on May 17, 2016.

6.1 Calendar of Meetings

Ted Boyd noted that the proposed calendar sought to replace one of the Ottawa meetings with a Toronto meeting to better balance the distribution of meetings. He also reported that the Committee postponed setting the location of the regional Board meetings and the Annual Public Meetings to a later date.

Board members noted that the scheduling of meetings and agendas items should optimize members' time. They indicated that they favoured the working dinner sessions and that the agendas should be circulated much sooner. They also discussed making greater use of video-conferences.

6.4 New Government Appointments Approach

Ted Boyd reported that, as part of the Government's proposed approach with respect to Order-in-Council appointments, Crown Corporations have been asked to prepare Selection Criteria for Directors. He also noted the possibility that an independent selection panel may

be established with respect to recommending appointments to the CBC\Radio-Canada's Board of Directors.

On the recommendation of the Human Resources and Governance Committee, **IT WAS RESOLVED**, — That the proposed Selection Criteria for CBC\Radio-Canada Directors be approved.

6.5 Other Matters

Ted Boyd reported that the Committee approved the continued use of Diligent Boards for a maximum of five additional years through annual renewals. He also reported that the Committee authorized him to identify and schedule specific training sessions in consultation with the Corporate Secretary.

6.2 CEO Performance Evaluation – 2015-2016

The Board met in camera, first with Sylvie Gadoury, Josée Girard and Hubert T. Lacroix in attendance, and then only with the independent Directors present, to discuss the President and CEO's 2015-16 Performance Assessment.

The Chairperson reported to the Corporate Secretary for inclusion in the Minutes that, during the in camera session, on the recommendation of the Human Resources and Governance Committee, **IT WAS RESOLVED**, — That the President and CEO's 2015-16 Performance Assessment be approved with the narrative text and performance ratings discussed at the meeting (see Exhibit A).

6.3 CEO Performance Objectives – 2016-2017

The Board met in camera, first with Sylvie Gadoury, Josée Girard and Hubert T. Lacroix in attendance, and then only with the independent Directors present, to discuss the President and CEO's 2016-17 Performance Objectives.

7. Varia & In Camera Session (Independent Directors)

The independent Board members met in camera to discuss various matters.

Adjournment

The meeting was adjourned on May 18, 2016, at 2:00 p.m.

Exhibits:

A. President and CEO's 2015-16 Performance Assessment