



## STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The MDA Board is committed to ensuring that MDA has an effective corporate governance system which adds value and assists the Company in achieving its objectives. To this end, the Company has designed governance practices to be consistent with these objectives. The Governance and Nominating Committee is responsible for ensuring that MDA addresses all relevant corporate governance issues. The Governance and Nominating Committee makes recommendations regarding the compliance of the Company's practices with the corporate governance guidelines set forth in National Policy 58-201 - *Corporate Governance Guidelines* (the "**Guidelines**") and oversees disclosure obligations related thereto.

MDA acknowledges the benefits received by the Company, the MDA Shareholders and the business community in general from the disclosure of corporate governance practices and is committed to an ongoing process of disclosure and implementation of the Guidelines, where appropriate.

The Company's disclosure of corporate governance practices pursuant to National Instrument 58-101 - *Disclosure of Corporate Governance Practices* is set out in Appendix A in the form required by Form 58-101F1 - *Corporate Governance Disclosure*.

*The following information highlights the structures and processes of corporate governance at MDA. It should be read together with Appendix A.*

### **Responsibility of the MDA Board**

The MDA Board assumes responsibility for the stewardship of the Company and the enhancement of shareholder value.

### **Composition of the MDA Board**

All of the directors, with the exception of Mr. Lance, the President and Chief Executive Officer ("**CEO**") of the Company, are independent within the meaning of the Guidelines. Mr. Friedmann, the former President and CEO of the Company and member of the MDA Board, resigned from the MDA Board on January 13, 2017.

Messrs. Lance, Phillips, Chookaszian, Kehler, Kenning and Zahler are directors of public companies other than the Company.

Each year the MDA Board, either through an outside consultant or on its own, with the assistance of the Governance and Nominating Committee, formally reviews its own performance, the performance of each committee of the MDA Board, the performance of the Chair of the MDA Board and, with the assistance of the Human Resources and Management Compensation Committee (the "**Compensation Committee**"), the performance of the CEO. In addition, a formal process of individual director peer assessment has been adopted.

### ***In Camera Meetings without Management***

Before or after every meeting of the MDA Board, the non-management directors meet *in camera* and under the chairmanship of the Chair, without the presence of management.

## **Risk Management**

While the MDA Board is responsible to review and assess the major risks facing MDA and to review, approve and monitor the Company's approach to addressing such risks, the Company's management is charged with identifying and managing risk. The Company has robust internal processes and a strong internal control environment to identify and manage risks and to communicate with the MDA Board on these issues through senior management. These include an enterprise risk management program, disclosure committee meetings, a Code of Ethics, rigorous product quality standards and processes which are ISO compliant, a foreign corrupt practices policy, and a comprehensive internal and external audit process. The MDA Board and its Audit Committee regularly monitor and evaluate the effectiveness of the internal controls and the risk management program. Management communicates routinely with the MDA Board and the Audit Committee on the significant risks identified and how they are being managed. The MDA Board implements its risk oversight function both as a whole and through the Audit Committee and the Compensation Committee. The Audit Committee oversees risks related to the Company's financial statements, the financial reporting process, accounting, audit and legal matters, the internal audit function, the Company's Code of Ethics, the foreign corrupt practices policy, and the ethics hotline. The Compensation Committee oversees any risk related to compensation, including practices related to equity programs and other executive or Company-wide incentive programs.

The MDA Board regularly engages in discussion of financial, legal, technology, economic and other risks. To the extent the Audit Committee or Compensation Committee identifies any material risks or related issues, the risks or issues are addressed with the full MDA Board. Because overseeing risk is an ongoing process and inherent in the Company's strategic decisions, the MDA Board also discusses risk in relation to specific proposed actions.

## **Audit Committee**

The Audit Committee consisted of five directors to May 4, 2016 and four directors subsequent thereto. All of the members of the Audit Committee were and are independent and none receives, directly or indirectly, any compensation from the Company other than for service as a member of the MDA Board and its committees. The Audit Committee acts on behalf of the MDA Board in reviewing certain financial information prepared for public distribution, in monitoring internal accounting controls and in monitoring the business conduct of the Company. The Audit Committee has an oversight role for assuring that the Company's financial statements fairly present the consolidated financial position of the Company and the results of its operations. The Audit Committee reviews other matters relating to the financial position of the Company as it sees fit and recommends the appointment, change or reappointment of the external auditor. The Audit Committee meets with the internal auditor at each Audit Committee meeting and the internal auditor reports to the Chair of the Audit Committee. The Audit Committee meets *in camera* with the external auditor at each Audit Committee meeting. It also reviews and approves the non-audit services provided by the external auditor. In doing so, the Audit Committee considers whether the provision of these non-audit services may impact the objectivity and independence of the external auditor. The Audit Committee is also responsible for overseeing the Company's ethics hotline. The Audit Committee meets *in camera* at each meeting.

In addition, all members of the Audit Committee were and are financially literate. The Audit Committee met five times in 2016.

## **Governance and Nominating Committee**

The Governance and Nominating Committee consisted of 4 directors to May 15, 2016, 5 directors from May 16, 2016 to January 13, 2017, and 4 directors subsequent thereto. Mr. Friedmann was a member of the Governance and Nominating Committee from May 16, 2016 to January 13, 2017. Following Mr. Friedmann's resignation from the MDA Board in January 2017, all members of the Governance and

Nominating Committee are now independent. The Governance and Nominating Committee ensures that an effective and efficient approach to corporate governance is developed and implemented and that the MDA Board is comprised of individuals with skills, expertise and competency that are necessary for, and of assistance to, the MDA Board. The Governance and Nominating Committee assesses the effectiveness of corporate governance at MDA and makes recommendations accordingly. The Governance and Nominating Committee regularly: reviews the mandates and terms of reference of the MDA Board, committees and Chair of the MDA Board; reviews and updates the MDA Board competency matrix; oversees and reports to the MDA Board on the annual director evaluation processes; reviews the skills and expertise recommended for the MDA Board based on continuing or proposed changes to the business of the Company and its subsidiaries; reviews and recommends to the MDA Board policies that govern size and composition of the MDA Board; recommends nominees for election to the MDA Board; and assists in determining the composition of committees of the MDA Board in consultation with the Chair of the MDA Board. The Governance and Nominating Committee conducts a robust review of the MDA Board composition and regularly searches for and considers candidates for addition to the MDA Board to provide expertise or experience which would enhance the MDA Board's effectiveness. If issues are disclosed as part of the directors' evaluation process, the Chair of the Governance and Nominating Committee, together with the Chair of the MDA Board, may determine the steps necessary to remedy or deal with such issues. The amount and form of director compensation are also reviewed by the Governance and Nominating Committee, with any resultant recommendations made to the MDA Board. The Governance and Nominating Committee meets *in camera* at each meeting. The Governance and Nominating Committee met three times in 2016.

#### **Human Resources and Management Compensation Committee**

The Compensation Committee consisted of five directors to May 4, 2016 and four directors subsequent thereto. All members of the Compensation Committee were and are independent. The Compensation Committee ensures that the Company has a plan for continuity and succession of its officers and an executive compensation plan that is motivational and competitive in order to attract, retain and inspire the performance of executive management and other key personnel. This Compensation Committee meets *in camera* at each meeting. The Compensation Committee also considers the implications of the risks associated with the Company's compensation policies and procedures. The Compensation Committee met two times in 2016.

**APPENDIX A**

**STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

The Company seeks to attain high standards of corporate governance. The Board of Directors has carefully considered the Corporate Governance Guidelines set forth in National Policy 58-201 (the "Guidelines"). A description of the Company's corporate governance practices is set out below in response to the requirements of National Instrument 58-101 "Disclosure of Corporate Governance Practices" and in the form set forth in Form 58-101F1 "Corporate Governance Disclosure".

<b>Form 58-101F1 - Corporate Governance Disclosure</b>	<b>The Company's Practices</b>
<b>1. Board of Directors -</b>	
(a) Disclose the identity of directors who are independent.	During 2016, the MDA Board was comprised of eight persons from January 1, 2016 to the annual general meeting on May 4, 2016, seven persons from May 4, 2016 to May 16, 2016, when Howard Lance became a Director, eight persons from May 16, 2016 to November 1, 2016, and nine persons from November 1, 2016 to December 31, 2016. In January 2017, the MDA Board was reduced to eight persons with the resignation of Daniel E. Friedmann. The independent directors are Robert L. Phillips, Dennis H. Chookaszian, Lori B. Garver, C. Robert Kehler, Joanne O. Isham, Brian G. Kenning, and Eric J. Zahler.
(b) Disclose the identity of directors who are not independent, and describe the basis for that determination.	The only director who is not independent is Howard L. Lance, who is the President and CEO of the Company.
(c) Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the board of directors (the board) does to facilitate its exercise of independent judgement in carrying out its responsibilities.	The majority of MDA Board members are independent directors.
(d) If a director is presently a director of any other company that is a reporting company (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other company.	The directorships of all director nominees are described under the heading " <i>Annual Election of Directors</i> " in the Management Proxy Circular.
(e) Disclose whether or not the independent directors hold regularly scheduled meetings at which members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the company's most recently completed financial year. If the independent directors do not hold such meetings, describe what	The MDA Board meets without management present at each board meeting (whether regularly scheduled or special). During the financial year ended December 31, 2016, the MDA Board met 12 times.  In addition, all of the committees of the MDA Board meet without members of management in attendance at each of their meetings.

<p align="center"><b>Form 58-101F1 - Corporate Governance Disclosure</b></p>	<p align="center"><b>The Company's Practices</b></p>
<p>the board does to facilitate open and candid discussion among its independent directors.</p>	
<p>(f) Disclose whether or not the chair of the board is an independent director. If the board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the board has neither a chair that is independent nor a lead director that is independent, describe what the board does to provide leadership for its independent directors.</p>	<p>The Chair, Mr. Robert L. Phillips, is an independent director. The Chair has a written description of his role and responsibilities. Mr. Phillips is generally responsible for overseeing the MDA Board in carrying out its responsibilities, including overseeing that these responsibilities are carried out independently of management.</p> <p>The Chair regularly reviews with the Governance and Nominating Committee the size and composition of the MDA Board and its committees to ensure efficient decision-making and that the competency, skills and experience of the Directors reflect those beneficial to the MDA Board and the Company. The Chair also acts as a liaison between the MDA Board and management, which involves working with the CEO. The Chair also works with the Governance and Nominating Committee to oversee the development of corporate governance principles applicable to the Company.</p>
<p>(g) Disclose the attendance record of each director for all board meetings since the beginning of the company's most recently completed financial year.</p>	<p>Refer to disclosure under "Annual Election of Directors" in the Management Information Circular.</p>
<p><b>2. Board Mandate -</b></p>	
<p>(a) Disclose the text of the board's written mandate. If the board does not have a written mandate, describe how the board delineates its role and responsibilities.</p>	<p>The MDA Board has a written mandate.</p> <p>The MDA Board assumes responsibility for the stewardship of the Company and the enhancement of shareholder value. The mandate of the MDA Board specifically includes identification and management of risks, strategic planning, succession planning, director nominations and governance. Responsibility for day-to-day operations is delegated to management with the MDA Board retaining responsibility for evaluating management's performance. Oversight of certain of the Company's risks is overseen by the Audit Committee and the Compensation Committee.</p>
<p><b>3. Position Descriptions -</b></p>	
<p>(a) Disclose whether or not the board has developed written position descriptions for the chair and the chair of each board committee. If the board has not developed written position descriptions for the chair and/or the chair of each</p>	<p>The MDA Board has developed a written position description for the Chair and the chair of each MDA Board committee which describes the role and responsibilities of such persons.</p>

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<p>board committee, briefly describe how the board delineates the role and responsibilities of each such position.</p>	
<p>(b) Disclose whether or not the board and CEO have developed a written position description for the CEO. If the board and CEO have not developed such a position description, briefly describe how the board delineates the role and responsibilities of the CEO.</p>	<p>The CEO has a written position description.</p> <p>The MDA Board expects the CEO and his management team to be responsible for management of the Company's strategic and operational agenda and for the execution of the decisions of the MDA Board and for the management of the risks of the Company and its subsidiaries. The MDA Board expects to be advised on a regular basis as to the results being achieved and risk assessments, and to be presented for approval of alternative plans and strategies, in keeping with evolving business conditions. In addition to those matters which by law must be approved by the MDA Board, the prior approval of the MDA Board, or of a committee of the MDA Board to which approval authority has been delegated by the MDA Board, is required for all matters of policy and all actions proposed to be taken by the Company which are not in the ordinary course of its operations or the approval of which has been delegated. In particular, the MDA Board approves the appointment of all executive officers of the Company and approves all material transactions.</p>
<p><b>4. Orientation and Continuing Education -</b></p>	
<p>(a) Briefly describe what measures the board takes to orient new directors regarding</p> <ul style="list-style-type: none"> <li>(i) the role of the board, its committees and its directors, and</li> <li>(ii) the nature and operation of the company's business.</li> </ul>	<p>There is an orientation meeting held by senior management for each new director. The orientation meeting includes presentations by senior management on business operations, corporate strategies and key risks of the business. New directors are provided with an extensive information package on the Company's business, its strategic and operational business plans, its operating performance, its governance system and its financial position. New directors are also provided with the MDA Board mandate, committee terms of reference, codes of conduct and applicable policies. New directors are to tour the Company's various facilities, as necessary, to acquire a greater understanding of the Company's operations.</p>

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<p>(b) Briefly describe what measures, if any, the board takes to provide continuing education for its directors. If the board does not provide continuing education, describe how the board ensures that its directors maintain the skill and knowledge necessary for them to meet their obligations as directors.</p>	<p>The Company has a formal program to annually keep the Governance and Nominating Committee members abreast of key legal and governance matters relevant to the operations of the Company and its subsidiaries and their roles as directors. The Governance and Nominating Committee regularly updates the MDA Board on these matters. As part of continuing education, senior management makes regular presentations to the MDA Board on the main areas of the Company's business and existing directors are invited to any orientation presentations for new directors. In addition, directors are given comprehensive tours of the facilities of the Company and its subsidiaries which include presentations on products being developed at those facilities. In addition, each director is encouraged to become a member of the Canadian Institute of Corporate Directors. Refer also to disclosure under "Director Orientation and Continuing Education" in the Management Information Circular.</p>
<p><b>5. Ethical Business Conduct -</b></p>	
<p>(a) Disclose whether or not the board has adopted a written code for its directors, officers and employees. If the board has adopted a written code:</p>	<p>The Company has a written code for ethical business conduct for its directors, officers and employees.</p>
<p>(i) disclose how a person or company may obtain a copy of the code;</p>	<p>The Director Business Conduct Code is on the Company's website at <a href="http://www.mdacorporation.com">www.mdacorporation.com</a> and a copy of the officer and employee business conduct code may be obtained by writing to the Corporate Secretary at the Company's office in Vancouver, British Columbia.</p>
<p>(ii) describe how the board monitors compliance with its code, or if the board does not monitor compliance, explain whether and how the board ensures compliance with its code; and</p>	<p>Each MDA Board member is required to annually confirm that he or she has complied with the Director Business Conduct Code. The codes of conduct and ethics are reviewed annually by the Governance and Nominating Committee. Employees and officers are required to agree to the employees' and officers' business code of conduct when they are hired. The Company has also implemented a regular acknowledgement of the business code of conduct for all employees and officers.</p>
<p>(iii) provide a cross-reference to any material change report filed since the beginning of the company's most recently completed financial year that pertains to any conduct of a director or</p>	<p>There have been no material change reports filed in the preceding financial year relating to any conduct</p>

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<p>executive officer that constitutes a departure from the code.</p>	<p>of a director or executive officer that constitutes a departure from the code.</p>
<p>(b) Describe any steps the board takes to ensure directors exercise independent judgement in considering transactions and agreements in respect of which a director or executive officer has a material interest.</p>	<p>In accordance with applicable law, when a conflict of interest arises, a director is required to disclose his or her interest and abstain from voting on the matter. In addition, the Chair will ask the director to leave the room during any discussion concerning such matter.</p>
<p>(c) Describe any other steps the board takes to encourage and promote a culture of ethical business conduct.</p>	<p>Through the above-noted methods, the MDA Board encourages and promotes a culture of ethical business conduct. This is reinforced by the behavior of the MDA Board, as provided in its mandate, which is in strict compliance with the terms and the spirit of these measures. In addition, the MDA Board, through the Audit Committee, oversees risks related to the Company's foreign corrupt practices policy and receives periodic related reports thereto.</p>
<p><b>6. Nomination of Directors -</b></p>	
<p>(a) Describe the process by which the board identifies new candidates for board nomination.</p>	<p>The Governance and Nominating Committee of the MDA Board is responsible for developing a competency matrix for the skills and experiences that meet the needs of the MDA Board and the Company, reviewing and monitoring criteria, as well as establishing procedures for selecting directors by regularly assessing the competencies, skills, personal qualities, availability, geographical representation, business background and diversified experience of the directors and the Company's circumstances and needs. The Governance and Nominating Committee identifies candidates qualified to become MDA Board members and selects or recommends that the MDA Board select director nominees for the next annual meeting of shareholders. The Governance and Nominating Committee maintains an active list of prospective MDA Board candidates. It also reviews annually the performance and effectiveness of the MDA Board, MDA Board committees, the MDA Board and committee chairs and individual directors. There is also an annual formal peer review of individual directors. In certain circumstances, the Governance and Nominating Committee may retain an independent recruiting firm to identify director candidates and the Governance and Nominating Committee will fix such firm's fees and other retention terms. There is</p>



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	<p>currently no retirement policy for MDA Board members.</p>
<p>(b) Disclose whether or not the board has a nominating committee composed entirely of independent directors. If the board does not have a nominating committee composed entirely of independent directors, describe what steps the board takes to encourage an objective nomination process.</p>	<p>The Governance and Nominating Committee consisted of 4 directors to May 15, 2016, 5 directors from May 16, 2016 to January 13, 2017, and 4 directors subsequent thereto. Following Mr. Friedmann's resignation from the MDA Board in January 2017, all members of the Governance and Nominating Committee are now independent.</p>
<p>(c) If the board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.</p>	<p>The Governance and Nominating Committee ensures that an effective and efficient approach to corporate governance is developed and implemented. The objective is to ensure the business and affairs of the Company are carried out in a manner that will enhance shareholder value. The Governance and Nominating Committee assesses the effectiveness of corporate governance at MDA and makes recommendations accordingly. This includes the mandates and terms of reference of the committees of the MDA Board and director evaluation processes, policies that govern size and composition of the MDA Board, the voting for directors, recommending nominees to the MDA Board and the composition of Board committees in consultation with the Chair. The Governance and Nominating Committee has a written charter that describes the responsibilities, powers and operation of the Governance and Nominating Committee. The charter is available on the Company's website at <a href="http://www.mdacorporation.com">www.mdacorporation.com</a>.</p>
<p><b>7. Compensation -</b></p>	
<p>(a) Describe the process by which the board determines the compensation for your company's directors and officers.</p>	<p>The amount and form of director compensation is reviewed by the Governance and Nominating Committee, with any resultant recommendations made to the full Board, to ensure that such compensation is consistent with the responsibilities and risks involved in being an effective director. To assist in this process, the Governance and Nominating Committee may retain independent compensation consultants to assess the market competitiveness of the total director compensation. See section entitled "<i>Director Compensation</i>" in the Management Information Circular for information on the compensation paid to outside directors.</p> <p>The Compensation Committee determines the compensation for the Company's senior executives</p>

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	<p>and oversees the risks in the Company's compensation plan. See "Compensation Discussion and Analysis" in the Management Information Circular. The Governance and Nominating Committee ensures that the Company has a plan for continuity of its officers and an executive compensation plan that is motivational and competitive, to attract, retain and inspire the performance of executive management and other key personnel and does not encourage undue risk taking by employees.</p>
<p>(b) Disclose whether or not the board has a compensation committee composed entirely of independent directors. If the board does not have a compensation committee composed entirely of independent directors, describe what steps the board takes to ensure an objective process for determining such compensation.</p>	<p>The Compensation Committee is composed entirely of independent directors.</p>
<p>(c) If the board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.</p>	<p>The Compensation Committee ensures that the Company has a plan for continuity of its officers and an executive compensation plan that is motivational and competitive, to attract, hold and inspire the performance of executive management and other key personnel.</p> <p>The Compensation Committee has a written charter that describes the responsibilities, powers and operation of the Compensation Committee. The charter is available on the Company's website at <a href="http://www.mdacorporation.com">www.mdacorporation.com</a>.</p>
<p><b>8. Other board Committees -</b></p>	
<p>(a) If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.</p>	<p>The MDA Board has no standing committees other than the Audit Committee, Governance and Nominating Committee, and Compensation Committee.</p>
<p><b>9. Assessments -</b></p>	
<p>(a) Disclose whether or not the board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the board satisfies itself that it, its committees, and individual directors are performing effectively.</p>	<p>The MDA Board has a formal, robust director, as well as board and committee, evaluation process. In 2016, the assessment was conducted by the Chair of the MDA Board. The process consisted of the Chair having a collective discussion with the MDA Board on the effectiveness of the MDA Board and Committees, and MDA Board and Committee performance. The process in 2016 also included review of the recommendations of an external consultant who was engaged in 2015 to conduct the</p>

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	<p>MDA Board, Board Committees, and individual Director assessments.</p>
<p><b>10. Term Limits -</b></p>	
<p>(a) Disclose whether or not the company has adopted term limits for the directors on its board or other mechanisms of board renewal and, if so, include a description of those director term limits or other mechanisms of board renewal. If the company has not adopted director term limits or other mechanisms of board renewal, disclose why it has not done so.</p>	<p>The Company has not adopted term limits for the directors on the MDA Board or other mechanisms of board renewal. The Governance and Nominating Committee last considered whether to implement term limits in October 2014, at which time the Governance and Nominating Committee determined that a director's length of tenure should not be presumed to indicate anything problematic. The business of the Company is complex. Recognizing this, and to ensure optimal governance of the Company by the MDA Board, director renewal and replacement is managed in a manner to ensure that the MDA Board can function effectively, while enabling new directors to gain a full understanding of the Company's businesses.</p>
<p><b>11. Policies regarding the representation of women on the board -</b></p>	
<p>(a) Disclose whether the company has adopted a written policy relating to the identification and nomination of women directors. If the company has not adopted such a policy, disclose why it has not done so.</p>	<p>The MDA Board adopted a written board diversity policy in February 2016.</p>
<p>(b) If a company has adopted a policy referred to in (a), disclose the following in respect of the policy:</p> <p>(i) a short summary of its objectives and key provisions,</p>	<p>The objective of the MDA Board Diversity Policy is to recognize and embrace the benefits of having a diverse MDA Board, which is seen as an essential element in maintaining a competitive advantage. A truly diverse MDA Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions between Directors. The MDA Board does not have a target number or target percentage of women on the MDA Board, as candidates for the MDA Board are selected based on merit and targets would be unduly restrictive or would reduce flexibility. However, the MDA Board is committed to an identification and nomination process that will identify qualified female candidates.</p>
<p>(ii) the measures taken to ensure that the policy has been effectively implemented,</p>	<p>The Governance and Nominating Committee reviews the MDA Board Diversity Policy annually, which includes an assessment of the effectiveness of the policy. The Governance and Nominating Committee discusses any revisions that may be</p>

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	<p>required and recommends any such revisions to the MDA Board for approval.</p>
<p>(iii) annual and cumulative progress by the company in achieving the objectives of the policy, and</p>	<p>Since the implementation of the MDA Board Diversity Policy in February 2016, a second woman has been added to the MDA Board. Joanne O. Isham joined the MDA Board on November 1, 2016.</p>
<p>(iv) whether and, if so, how the board or its nominating committee measures the effectiveness of the policy.</p>	<p>As part of the annual performance evaluation of the effectiveness of the MDA Board, Board Committees and individual directors, the Governance and Nominating Committee considers the balance of skills, experience, independence and knowledge of the Company and the business of the Company and its subsidiaries by the MDA Board and the diversity representation of the MDA Board, including gender, how the MDA Board works together as a unit, and other factors relevant to its effectiveness.</p>
<p><b>12. Consideration of the representation of women in the director identification and selection process -</b></p>	
<p>(a) Disclose whether and, if so, how the board or nominating committee considers the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board. If the company does not consider the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board, disclose the company's reasons for not doing so.</p>	<p>The Governance and Nominating Committee annually reviews the composition of the MDA Board, giving careful consideration to factors such as age, gender, ethnicity, geographies, competencies and experience. The MDA Board will consider candidates on merit, based on a balance of skills, background, experience and knowledge, including knowledge related to the Company's businesses or that which is compatible with or of assistance to the Company, management and the MDA Board. In identifying the highest quality directors, the Governance and Nominating Committee will take into account diversity considerations such as gender, age and ethnicity, with a view to ensuring the MDA Board benefits from a broad range of perspectives and relevant experience. The Governance and Nominating Committee ensures that the pool of candidates being considered for open director positions include a significant number of potential women candidates. While women candidates satisfying the requirements established by the MDA Board may have been identified in the past, they may not have been in a position to join the MDA Board due to their own commitments.</p>

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<p><b>13. Consideration given to representation of women in executive officer appointments -</b></p>	
<p>(a) Disclose whether and, if so, how the company considers the level of representation of women in executive officer positions when making executive officer appointments. If the company does not consider the level of representation of women in executive officer positions when making executive officer appointments, disclose the company's reasons for not doing so.</p>	<p>MDA is committed to creating an inclusive work environment where a diverse range of talented people can work together to ensure business objectives are met. The Company considers candidates on merit, based on background, experience and knowledge, regardless of gender, ethnicity or similar factors. The Company has a large and very diverse work force with numerous women, and persons of various ethnicities, age and religions in all levels of employment, including managerial positions.</p>
<p><b>14. Targets regarding the representation of women on the Board and in Executive Officer Positions -</b></p>	
<p>(a) Disclose whether the company has adopted a target regarding women on the company's board. If the company has not adopted a target, disclose why it has not done so.</p>	<p>The MDA Board has not adopted a target regarding women on the MDA Board. The MDA Board considers candidates on merit, based on a balance of skills, background, experience and knowledge, including knowledge related to the Company's businesses or that which is compatible with, or of assistance to the Company. In identifying the highest quality directors, the Governance and Nominating Committee takes into account diversity considerations such as gender, age and ethnicity, with a view to ensuring the MDA Board benefits from a broad range of perspectives and relevant experience.</p>
<p>(b) Disclose whether the company has adopted a target regarding women in executive officer positions of the company. If the company has not adopted a target, disclose why it has not done so.</p>	<p>The Company has not adopted a target regarding women in executive officer positions. Senior management considers candidates on merit, based on a balance of skills, background, experience and knowledge.</p>
<p><b>15. Number of Women on the Board and in Executive Officer Positions -</b></p>	
<p>(a) Disclose the number and proportion (in percentage terms) of directors on the company's board who are women.</p>	<p>There are two women (25%) on the MDA Board.</p>
<p>(b) Disclose the number and proportion (in percentage terms) of executive officers of the Company, including all major subsidiaries of the Company, who are women.</p>	<p>There are three women (14%) in executive officer positions of the Company and its major subsidiaries.</p>