

CODE OF ETHICS



A WORD FROM THE EXECUTIVE CHAIRMAN OF THE BOARD

Over the years, Transcontinental has adopted various business management policies and procedures to ensure sound corporate governance practices. The *Code of Ethics* for our employees, officers and directors was drawn up to help them behave ethically in their dealings with our customers, suppliers, business partners and anyone connected directly or indirectly to Transcontinental and its subsidiaries.

The purpose of this document is to maintain the reputation for integrity and honesty that Transcontinental has earned during its many years in business.

I am counting on each and everyone of you to carefully read and apply this *Code of Ethics*. It is a vital guide to the philosophy and spirit that underlies and motivates the management of Transcontinental.

A handwritten signature in black ink, appearing to read 'R. Marcoux', with a long horizontal flourish extending to the right.

Rémi Marcoux, F.C.A.
Executive Chairman of the Board

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1. CORPORATE MISSION

The mission of Transcontinental Inc. is to be a leader in the communications industry in North America, achieving maximum value for its employees, its customers and its shareholders. Transcontinental is involved in prepress services and the production of information vehicles and advertising inserts, the printing and publishing of specialized periodicals, magazines and newspapers, the distribution of printed material, and Internet solutions.

2. PURPOSE OF THE CODE OF ETHICS

The purpose of the *Code of Ethics* is to protect the reputation for integrity, honesty, objectivity and impartiality of Transcontinental and its Canadian and foreign subsidiaries by establishing rules for its officers, directors, and employees with respect to integrity, confidentiality, conduct and conflicts of interest. The Code is a vital guide to the philosophy and spirit that underlie and motivate Transcontinental's management. It prohibits any form of discrimination, harassment or violence against any party. It is important for every officer, director and employee to periodically read the Code, because ultimately, correct conduct is everyone's responsibility and familiarity with the Code enables proper use of its guiding principles in daily decisions and actions.

3. FIELD OF APPLICATION

The *Code of Ethics* applies, without exception, to all officers, directors, and employees of Transcontinental and its subsidiaries, without regard to their titles.

4. DEFINITIONS

This *Code of Ethics* uses certain technical and legal terms which are defined as follows:

“confidential information”

Any information or data, whether verbal, written or electronic, that concerns Transcontinental and that is not publicly available or has not yet been publicly released to the persons concerned or to any of its customers, suppliers, shareholders or anyone else who holds an interest in Transcontinental.

“conflict of interest”

A situation that leads or could directly or indirectly lead a person concerned to promote his or her personal or business interests or the interests of a related person to the detriment of the interests of Transcontinental or its customers, suppliers or shareholders or any other person or entity who holds an interest in Transcontinental as well as any situation that compromises or could compromise a person's loyalty and good judgement with respect to Transcontinental.

“Corporation”

The legal entity, Transcontinental Inc.

“director”

Any person elected by the shareholders during the Corporation’s annual meeting of shareholders to represent their interests. The list of directors can be found in the *Annual Information Form* available on the Corporation’s website under “Investor Relations” in “Financial Reports.”

“employee”

Any person who works at or provides services to Transcontinental, on a permanent or temporary basis, with or without a written contract. This excludes consultants, professionals or experts who provide services to Transcontinental, as their services are offered without any direction or control by Transcontinental.

“important subsidiary”

Under Canadian securities legislation and regulations, a group qualifies as an important subsidiary if its total assets or total revenue constitute 10% or more of the consolidated assets or revenues of Transcontinental. The *Annual Information Form* contains the list of Transcontinental’s important subsidiaries and is available on the Corporation’s website under “Investor Relations” in “Financial Reports.”

“insider”

Means the following persons or legal entities: Transcontinental, with respect to its own shares, its subsidiaries, its directors, its officers and those of its important subsidiaries. The persons within Transcontinental occupying the positions listed in Appendix A of the Transcontinental Insider Trading Policy qualify as officers and are therefore considered insiders. The term “Insider” also includes any person or company who is a direct or indirect beneficial owner of shares or who exercises control over shares that constitute more than 10% of the voting rights for all the Corporation’s outstanding shares. Any officer of a company exercising such control is also an Insider.

“insider information”

Any information not yet accessible to the public that could affect the decisions of a reasonable investor. The information becomes public when the Corporation issues a news release. Insider information also means any information that can reasonably be expected to have a significant impact on the price or value of a stock. Insider information is further considered to have a significant impact if a reasonable investor deems it useful when deciding to buy, sell or hold shares in the Corporation. In short, any information, **whether positive or negative**, that could reasonably influence the price of the Corporation's shares is **important**. To give you some guidance and as an example only, information may be important if it consists of on one of the following:

- Operating results and earnings;
- Projected operating results and earnings;
- A planned merger, acquisition, takeover bid, joint venture or exchange offer;
- A planned acquisition or disposal of significant assets, a major purchase or sale of a subsidiary or other business unit;
- A change in controlling interest or a major change in the Corporation's management team;
- A stock buyback;
- Declaration of a dividend or a change in the dividend policy;
- Declaration of a stock split;
- Public or private placement of additional shares, a major loan or additional credit facility or any other important means of financing;
- Marketing of a new product or service or development of a new area of activity that will have an impact on operating results;
- A major technological innovation;
- A financial or cash flow problem;
- A bankruptcy;
- A change in auditor or an auditor's opinion that its audit report is not reliable;
- The gain or loss of a customer, supplier or major contract that will have an impact on the financial results;
- A significant intervention by a regulator;
- A major legal case having an impact on the financial results;

This list is not exhaustive. Depending on the circumstances, other information could also be considered important. When in doubt, contact the Vice President, Legal Affairs and Corporate Secretary.

“officer”

Any person appointed by the Board of Directors of the Corporation to manage and administer the affairs of Transcontinental. The list of officers can be found in the *Annual Information Form* available on the Corporation’s website under “Investor Relations” in “Financial Reports.”

“person concerned”

An employee, officer or director of Transcontinental.

“personal information”

Any information concerning or related to a natural person, whether that person is a customer, supplier, shareholder, employee, officer, director or a third party.

“public corporation”

A corporation whose shares are listed on a Stock Exchange.

“related person”

The spouse or child of a person concerned; or the spouse’s child if the child lives with the person concerned or the spouse; or a partnership in which the person concerned is a partner; or a corporate entity controlled by the person concerned or by his or her spouse or child, or the child of the spouse if the child lives with the person concerned or the spouse; or a corporate entity in which the person concerned holds 10% or more of the voting shares.

“senior management”

Any person designated by Transcontinental management who meets the criteria that define senior management personnel with respect to level of responsibility and supervisory duties.

“shares”

Consisting of a corporation’s share capital, rights related to those shares (conversion or subscription rights), obligations and shares of incorporated companies.

“spouse”

The person who has been married to or has cohabited with the person concerned for at least one year.

“Transcontinental”

Transcontinental Inc. and the subsidiaries under its direct or indirect control.

5. PRINCIPLES

5.1 Respect for Fundamental Principles

While performing its duties at Transcontinental, the person concerned shall adhere to the principles of honesty and integrity that are the foundation of equality and non-discrimination in human rights and shall protect the privacy and reputation of others.

5.2 Respect for Laws

Transcontinental's activities must be carried out in full compliance with the laws and regulations governing Transcontinental in Canada and in other countries. The person concerned shall refrain from directly or indirectly contravening the law through an act of commission or omission that could result in a violation of the law. The person concerned shall also demonstrate loyalty to Transcontinental by prohibiting any fraudulent practice and by treating all customers, suppliers and competitors fairly.

Compliance with Transcontinental's rules, policies and internal procedures is mandatory. A professional working at Transcontinental must also follow the rules of conduct and code of ethics of his or her profession.

A person concerned who knows of an event or situation that is irregular or could violate the law, this *Code of Ethics* or Transcontinental's policies shall promptly inform one of the following: the Corporate Vice President, Human Resources; the Vice President, Legal Affairs and Corporate Secretary; or the Director of Internal Audit. A director shall notify the chair of the Corporate Governance Committee.

5.3 Respect for Employees

Transcontinental seeks to ensure that relations between employees, co-workers, managers, customers, suppliers and others, are based on mutual respect and cooperation. Transcontinental recognizes that it is a sound management practice to prevent and eliminate harassment at work because a healthy working environment helps maintain good relations between employees, a positive image of Transcontinental and a high level of productivity. Through its Harassment at Work Policy, Transcontinental clearly signals that harassment and violence at work are unacceptable and that Transcontinental will do everything necessary to eliminate such behaviour and promote an environment that is free of harassment.

Transcontinental will take all necessary measures to discourage and prevent harassment by employing corrective measures up to and including dismissal.

5.4 Respect for Customers

Transcontinental's relations with its customers are based on honesty, credibility and mutual trust. The person concerned who comes into contact with customers shall act with integrity, diligence and competence and treat customers respectfully and courteously.

Confidential or insider information about a Transcontinental customer shall be treated in the same manner as Transcontinental's insider information, as set out in paragraph 5.16 of this *Code of Ethics*.

All customers shall be treated equally and without discrimination, as required by law.

5.5 Respect for Confidentiality

The private nature of all confidential information, particularly with respect to Transcontinental's operations, including confidential information about Transcontinental's current or projected financial situation, shall be respected unless disclosure is required by law or court order.

Without limiting the foregoing, all Transcontinental's registers, internal reports, procedures, documents, business plans, strategies and proprietary methodologies are confidential and may not be disclosed without specific authorization.

Confidential or personal information acquired in the course of one's duties shall not be disclosed to anyone, including related persons or another person concerned whose duties do not require it, except where such disclosure is required by law or court order.

The person concerned shall take appropriate steps to protect confidential and personal information acquired and or used in the performance of its duties, by doing the following:

- keeping files and documents that contain confidential and personal information out of public view and out of the view of anyone who is not directly concerned with them;
- refraining from any public discussion of Transcontinental's business that could compromise the private nature of confidential and personal information;
- taking appropriate measures to preserve the private nature of documents that contain confidential and personal information when disposing of such documents (shredding, storage, etc.).

The obligations set out in this section continue beyond termination of employment for an unlimited period of time.

5.6 Respect for the Corporation

The person concerned shall refrain from making statements that could discredit Transcontinental's products and services or tarnish the image or reputation of the Corporation in the eyes of its customers or the general public. This obligation extends two years beyond the termination of employment.

The person concerned shall not participate, directly or indirectly, in activities that harm the interests, image or reputation of Transcontinental. The person concerned who has knowledge of illegal or fraudulent acts or circumstances, facts, or actions that could damage Transcontinental's interests or reputation shall promptly inform one of the following: the Vice President, Legal Affairs and Corporate Secretary or the Director of Internal Audit. If a director is contacted, he or she must notify the chair of the Corporate Governance Committee. See also paragraph 5.10 of this *Code of Ethics*.

5.7 Relations with Employees

In the interest of fostering the individual development and enrichment of its employees, Transcontinental offers training programs designed to enhance knowledge and skills and increase opportunities for advancement. Transcontinental advocates open communication with its employees and the prompt release of relevant information (other than confidential and personal information) about important decisions or events affecting Transcontinental and its industry.

Transcontinental promotes a work environment that is free of constraints such as sexual harassment or discrimination on the basis of race, national or ethnic origin, colour, religion, age, gender, sexual orientation, marital status, social status or any handicap that does not affect an employee's ability to do his or her work. Transcontinental will endeavour to reasonably accommodate its employees in specific situations such as religious practices or special organisational needs in the workplace for employees with certain disabilities.

5.8 Transcontinental's Social Responsibility

To society

Aware of the importance of its role within society, Transcontinental supports and funds projects and organizations that meet the criteria set out in its Donations and Sponsorships Policy. Donations and sponsorships are authorized by the Executive Chairman of the Board or any committee established by the Corporation for that purpose.

To employees and their human rights

Transcontinental considers its employees as one of the three pillars of the organization. The Corporation invests in training programs to encourage the professional and personal development of its employees. It has also set up an employee assistance program to promote wellness and a better quality of life for employees and their immediate families facing difficult personal, professional or other situations, irrespective of the seriousness of the problem. The cost of this service is assumed by Transcontinental. The confidentiality of any employee who uses this program is guaranteed. Information provided to outside professionals who offer services under the program is also kept confidential. Furthermore, Transcontinental ensures that the labour laws and regulations that govern its activities are adhered to.

Transcontinental seeks to maintain a safe work environment for everyone. Consequently, Transcontinental's ensures that its employees are treated fairly and that none of its subsidiaries or business units employ or use illegal, under-the-table or child labour in their activities.

To society and the environment

Transcontinental's decision-making and business operations are conducted in a manner that respects the environment. The environmental coordinators monitor all new environmental legislation and make sure that Transcontinental's officers and senior management are aware of and understand any new developments so that the information can be conveyed to business units.

Transcontinental has adopted and implemented a corporate Environmental Policy in line with the nature, scope and environmental impacts of its activities, products and services. The policy expresses Transcontinental's commitment to continuous improvement, prevention of pollution and compliance with applicable environmental legislation, regulations and other requirements. The Environmental Policy establishes a framework for setting and revising environmental goals. The policy is documented, implemented and enforced. Any person concerned may obtain a copy on Transcontinental's website.

Any failure by a person concerned to comply with the principles set out in this sub-section must be reported in accordance with paragraph 8 of this *Code of Ethics*.

5.9 Relations with Shareholders and the Financial Community

Information issued to shareholders, analysts and the business community in general must be clear, concise and understandable. To maintain high disclosure, Transcontinental has adopted a Financial Information Disclosure Policy. The purpose of the policy is to ensure that communications to existing and prospective investors are timely, factual and accurate. Information about Transcontinental must comply with regulatory requirements. All persons concerned shall treat all Transcontinental shareholders fairly and with respect.

5.10 Complaints and Whistle-Blowing Policy

Transcontinental has established a Complaints and Whistle-Blowing Policy. The purpose of the policy is to ensure the integrity of and compliance with our internal accounting controls and, through a disclosure procedure available to all employees, to detect irregularities. The procedure protects the confidentiality of the process and the information provided to the Director of Internal Audit, who is responsible for investigations. The policy is public and is available to all employees and shareholders on Intranet site and on the Corporation's website.

5.11 Relations with Consultants and Suppliers

The person concerned who in the performance of its duties deal with the Corporation's consultants and suppliers shall treat them with respect and courtesy. They must also ensure that consultants and suppliers protect the confidential and personal information they receive or to which they have access.

5.12 Media Relations

All communications with the media must take place in consultation and cooperation with the Public Relations department. If a person concerned is contacted by the media, he or she must immediately inform the Public Relations department so that the situation can be handled appropriately.

5.13 Protection of Electronic Data and Information System Policy

The persons concerned agree to adhere to Transcontinental's Information System Policy. The purpose of the policy is to reconcile the rights of users and Transcontinental's legitimate interest in protecting its electronic information systems and data, which always remain Transcontinental's property no matter where they are located.

A person concerned who is aware of a breach of information system security measures or an unauthorized attempt to access Transcontinental's electronic information systems shall promptly inform the Vice President and Chief Information Officer or the Vice President, Legal Affairs and Corporate Secretary. Transcontinental considers computer hacking an illegal act that could damage its reputation and be liable to sanctions.

5.14 Conflicts of Interest

Sources of conflict and prohibitions

The person concerned must take the necessary steps to prevent real, possible or apparent conflicts of interest. Even in the absence of unacceptable behaviour, the appearance of a conflict of interest may be as damaging to the Corporation as a real conflict of interest.

A person concerned is prohibited from:

- revealing or using confidential or personal information acquired in the performance of their duties to obtain an advantage of any nature whatsoever, whether for himself or herself, a related person or another party. This obligation extends beyond the termination of employment or role within Transcontinental;
- taking advantage of a situation, inside information or the authority conferred by a position to ensure gain for himself or herself, a related person or another party;
- influencing or trying to influence negotiations or transactions with Transcontinental in order to ensure gain for himself or herself, a related person or another party;
- paying special attention to or favouring certain customers or suppliers for personal reasons (under this *Code of Ethics*, no supplier has any rights other than the rights conferred by law);
- owning more than 10% of a company that provides products or services to Transcontinental or offers products and services that compete with Transcontinental's products and services (only the board of directors is empowered to authorize an investment in a supplier);
- performing work on their own behalf or on behalf of a third party during working hours.⁽¹⁾

External employment and other employee activities

An employee is free to accept employment or engage in any other activity outside of their working hours at Transcontinental. However, any such employment or activity shall not be in real or apparent conflict with Transcontinental's activities or with an employee's ability to perform his or her duties at Transcontinental.

Consequently, an employee may not:

- work as an employee or consultant or perform any similar function for a company that:
 - offer products or services that compete with those of Transcontinental;
 - provides products or services to Transcontinental;
- use the tools, equipment or facilities of Transcontinental to perform work, whether paid or unpaid, for another organization unless the employee has obtained explicit authorization to do so from his or her supervisor (to support a charitable organization for example);
- accept any other employment or engage in any activity that could prevent the employee from performing his or her duties at Transcontinental competently, diligently and on time.

Family and personal relations

There is always a possibility that the personal and professional activities of a person concerned may intersect and that the person concerned may have to consider entering into a working relationship with a relative, spouse or friend.

Any person concerned is obliged to disclose the existence of such a relationship if it hinders, could hinder or could be perceived as hindering a person's ability to act in the best interests of Transcontinental. The person concerned must also understand that mixing work and private life could lead competitors, suppliers or colleagues to believe that a conflict of interest exists.

To prevent such a conflict of interest or stop a situation from evolving into a conflict of interest, the employee or manager shall advise his or her supervisor, and if the person concerned is a director, the Corporate Governance Committee, when any of the following situations arises:

- the person concerned recommends the hiring of a member of his or her immediate family or a friend;
- the duties of the person concerned confer direct authority over a family member or friend;
- a member of the person's immediate family works for a supplier or competitor;
- a member of the person's immediate family or a close relative is on the board of directors or is an important shareholder of a supplier, competitor or customer.

Declaration of a conflict of interest

A person concerned that is aware of a real or potential conflict of interest situation that meets the above criteria shall promptly inform one of the following: the Corporate Vice President, Human Resources, the Vice President, Legal Affairs and Corporate Secretary or the Director of Internal Audit. A director shall inform the chair of the Corporate Governance Committee. The employee, officer or director shall then follow the written recommendations or directives made by the person's immediate supervisor, the Corporate Vice President, Human Resources, the Vice President, Legal Affairs and Corporate Secretary or the Corporate Governance Committee.

5.15 Appointment to a Company's Board of Directors

An insider may not act as a director of a company or other legal entity without the authorization of his or her immediate supervisor or, in the case of a public company, without the authorization of the executive chairman of the board. A member of Transcontinental's board of directors shall consult the executive chairman of the board before accepting a position as director of another company.

A Transcontinental employee, officer or director who is a board member of another public company or legal entity shall abstain from voting on any matter that directly or indirectly concerns Transcontinental in order to avoid any possible conflict of interest.

5.16 Insider Information Available to a Person Concerned

Insider information that has not been formally made public may not be used to benefit a person concerned, or a related person or any other party, nor may it be communicated to a third party unless that person's duties require it.

Disclosure of insider information about Transcontinental's operations shall comply with applicable legal and regulatory requirements.

More specifically, a person concerned who possesses important insider information concerning Transcontinental is prohibited from doing any of the following, whether directly or indirectly:

- Buying or selling shares in the Corporation before insider information is made public;
- Trying by any other means to gain personal advantage from insider information;
- Communicating insider information to anyone (including one's spouse, child, relative(s) or friend(s)) or to other employees except if they need to know it for the purposes of Transcontinental's business operations.

If there is any doubt about the legality of transactions involving the Corporation's shares, consult the Vice President, Legal Affairs and Corporate Secretary.

Note that all insiders must be familiar with the Transcontinental Inc. Insider Trading Policy and comply with its rules. A person concerned who believes that the Insider Trading Policy applies to them shall immediately contact the Vice President, Legal Affairs and Corporate Secretary in order to comply with the requirements set by securities regulators.

Insiders shall comply with applicable legislation governing securities transactions. It is the sole responsibility of each insider to report to the appropriate securities commission and stock exchange the shares he or she holds in the Corporation, as prescribed.

5.17 Financial Compensation and Other Benefits

Subject to the following, a person concerned may not, directly or indirectly, solicit, accept or offer financial compensation, property or secret commissions of any nature whatsoever in the performance of its duties.

However, in addition to tokens of hospitality, gifts and other low-value items that may be accepted or offered, it is sometimes necessary in the context of activities to issue or accept social invitations that have more significant value. In such situations, the person concerned shall obtain authorization from his or her supervisor or, if a director, from the Corporate Governance Committee before accepting any such invitation. If the person concerned wishes to issue such an invitation, he or she must make sure that the supervisor of the person to whom the invitation will be extended is authorized to accept it. The policy governing corporate procurement is an integral part of this *Code of Ethics*. The Policy is available on Internet and Intranet sites.

5.18 Responsibility for Transcontinental's Funds and Assets

The person concerned is responsible for the Transcontinental funds and assets he or she controls, particularly holdings such as cash, cheques, credit cards, calling cards and any other property Transcontinental makes available to him or her.

5.19 Political Contributions

A person concerned is not permitted to make political contributions on behalf of Transcontinental unless duly authorized by the executive chairman of the board of Transcontinental or, in the absence of the executive chair, by the president and chief executive officer.

The above paragraph does not limit the right of a person concerned to participate or personally contribute to political activities, as long as it is clear that he or she is not acting on behalf of Transcontinental and is not perceived as acting on behalf of Transcontinental.

5.20 Corporate Ledgers and Registers

All Transcontinental's registers, accounting ledgers, reports, invoices, payroll records and other documents must fully and accurately render transactions executed. The falsification or omission of any data that could compromise the accuracy of a report, the preparation of false or erroneous reports or the production of false declarations are all strictly prohibited.

A person concerned who is aware of an error, omission, inaccuracy or falsification in the ledgers, registers, financial statements or other documents of Transcontinental shall immediately inform the Director of Internal Audit or the Vice President, Legal Affairs and Corporate Secretary or, if a director, the chair of the Audit Committee. As necessary, consult the Complaints and Whistle-Blowing Policy available on Transcontinental's Intranet and Internet sites.

5.21 Intellectual Property Rights

Any invention, discovery, process, work or other element of intellectual property related to the activities of Transcontinental and designed by an employee, manager or senior manager while in the service of Transcontinental remains the property of Transcontinental and shall be treated as confidential information.

Employees, managers and senior managers shall sign the Protection of Confidentiality and Transfer of Intellectual Property Rights agreement in Appendix C when they are hired or, if already in the employ of Transcontinental, when they sign off on the *Code of Ethics*.

6. RESPONSIBILITIES OF SENIOR MANAGEMENT AND OFFICERS

Senior management and officers of Transcontinental play a decisive role in maintaining the Corporation's reputation for integrity and honesty and adherence to its *Code of Ethics*. They shall:

- set an example by adhering to the *Code of Ethics* in all circumstances;
- ensure that all employees have a copy of the *Code of Ethics*, understand it and adhere to its principles;
- institute and maintain a working environment that promotes adherence to the *Code of Ethics*;
- promote a working environment based on openness, where problems can be raised and discussed without fear of reprisal;
- immediately inform the person or department concerned of any infraction of the *Code of Ethics* or a Transcontinental directive;
- promptly impose disciplinary measures in the event of failure to comply with the *Code of Ethics* (if there is any doubt about the appropriate measures to take, consult the Corporate Vice President, Human Resources or the Vice President, Legal Affairs and Corporate Secretary);
- respect the application of the *Code of Ethics* by protecting the confidentiality of information discussed between an employee and his or her supervisor.

7. SANCTIONS

The person concerned shall comply with Transcontinental directives. Further, directives from the Corporation's business units shall be considered complementary to general Transcontinental directives. Any failure to comply with the letter and the spirit of this *Code of Ethics* will lead to disciplinary measures that may include dismissal.

The following actions, for example, could give rise to disciplinary measures:

- violating a directive of Transcontinental or a provision of its *Code of Ethics*;
- asking someone else to violate a directive of Transcontinental or its *Code of Ethics*;
- deliberately failing to report an infraction, delaying such a report or not disclosing information related to the infraction;
- refusing to cooperate with the investigation of a real or presumed infraction;
- retaliating against an employee, officer or director of Transcontinental who has reported a violation of a directive of Transcontinental or its *Code of Ethics*.

8. SCOPE OF THE CODE OF ETHICS

The rules of conduct set out in this *Code of Ethics* are not exhaustive; they complete the general regulations, policies and other rules governing the conduct of employees, senior managers, officers and directors. They do not limit Transcontinental's management rights with respect to these persons.

Note that a person concerned who knows of an event or situation that is irregular or could violate the law, this *Code of Ethics* or Transcontinental's policies shall promptly inform one of the following: the Corporate Vice President, Human Resources, the Vice President, Legal Affairs and Corporate Secretary or the Director of Internal Audit. A director shall notify the chair of the Corporate Governance Committee. For an infraction under paragraph 5.10, the procedure in the Complaints and Whistle-Blowing Policy must be followed.

Furthermore, Transcontinental shall implement appropriate procedures to ensure the confidentiality and anonymity of anyone who submits a complaint about an unacceptable act and shall not discriminate in any way against that person.

9. DECLARATION AND UNDERTAKING

An employee shall, when hired, declare in writing that he or she has received, read and understands the *Code of Ethics* and agrees to adhere to it. Upon review or modification of the *Code of Ethics* the declaration and undertaking will be renewed. Directors and certain officers designated by the board of directors from time to time shall be required to sign the declaration of real or potential conflict of interest on an annual basis.

10. REQUESTS FOR INFORMATION

Requests for information about applying or interpreting the *Code of Ethics* should be submitted to the Corporate Vice President, Human Resources or the Vice President, Legal Affairs and Corporate Secretary.

APPENDIX A

Declaration and undertaking by employee

Last name

First name

Employee number

Policy

The primary job-related obligation of employees is to Transcontinental. Employees shall therefore refrain from engaging in interests or relations that are prejudicial, harmful or could create a conflict of interest in relation to the fundamental interests of Transcontinental. Employees must not only avoid real conflicts of interest, they must also avoid any situation that might create a conflict of interest that could damage their personal reputation or the reputation of Transcontinental. Even though relations that could lead to a conflict of interest are sometimes inevitable, employees shall inform their supervisor of such relations and avoid any act or decision that could act against the interests of Transcontinental. Furthermore, employees shall comply with all the rules set out in the *Code of Ethics*.

Failure to adhere to the *Code of Ethics* could lead to disciplinary measures, dismissal or even legal action. When in doubt, an employee should discuss the situation with an immediate supervisor; the Corporate Vice President, Human Resources, the Vice President, Legal Affairs and Corporate Secretary, or the Director of Internal Audit, who will advise the employee on Transcontinental's position on the situation.

Declaration

I, the undersigned, have read and understand the *Code of Ethics* and agree to comply with it and any amendments or modifications made to it, to the extent that such amendments or modifications have been brought to my attention. I undertake to declare any new conflict of interest as it may arise.

I hereby declare that I do not have any real or potential conflict of interest except as set out in the "Declaration of a real or potential conflict of interest" in Appendix B.

Signature

Title

Date

Signature of supervisor

Title

Date

Comments:

Note to immediate supervisor:

This form must be completed and signed at the time of hiring and then placed in the employee's Human Resources personnel file.

APPENDIX B

Declaration of a real or potential conflict of interest

Last name

First name

Employee number

I am directly or indirectly engaged in another company or occupation that is in conflict with or could be in conflict with the interests of Transcontinental:

I have direct or indirect investments, connections or business relations that are in conflict with or could be in conflict with the interests of Transcontinental:

I have direct or indirect family or personal relations that are in conflict with or could be in conflict with the interests of Transcontinental:

Other items:

Signature

Title

Date

Signature of supervisor

Title

Date

Note to immediate supervisor:

Place the original in the employee's Human Resources personnel file and send a completed copy of the form to the Vice President, Legal Affairs and Corporate Secretary.

APPENDIX C

Protection of confidentiality and transfer of intellectual property rights

With respect to my employment with Transcontinental Inc. or any subsidiary controlled directly or indirectly by the Corporation (hereinafter called "Transcontinental") and in consideration for salary which is or will be paid to me, I declare the following:

1. I declare that I am free of any obligation to my former employers or co-contractors that is incompatible with this agreement or that could be an obstacle to performing my duties on behalf of Transcontinental.
2. I agree, during my employment and subsequently for an unlimited period of time, that I will not disclose to anyone nor use for my personal gain or for the benefit of any other person any industrial secret or information that is not in the public domain and concerns the activities of Transcontinental, its agents, customers and suppliers, unless specifically authorized to do so in writing by an officer of Transcontinental.
3. Upon termination of my employment I shall return to Transcontinental all files then in my possession, including all copies of documents prepared by me or by other people, in any media whatsoever (paper, electronic or other) and will continue to keep them confidential, along with any other information specified herein regarding the activities of Transcontinental.
4. I hereby transfer to Transcontinental all intellectual property rights and renounce any moral rights, as applicable, that I may have in any invention, idea, improvement, process, work, text, illustration, photograph or computer program related to Transcontinental's activities and that I could design and develop, alone or with others, during and outside my working hours while I am in the employ of Transcontinental. I also agree to promptly inform Transcontinental of any such invention, idea, improvement, process, work, text, illustration, photograph or computer program and to sign, as applicable, during my employment and subsequently, any document required to give effect to such transfer, including any document that would allow Transcontinental to file a patent in any country in the world.

The term Transcontinental used herein means Transcontinental Inc., its subsidiaries and affiliated companies as well as their successors and assigns.

Acceptance

By signing below, the undersigned confirms that he (she) has read and accepts the above conditions, and acknowledges receipt of a copy of this agreement.

Signature

Title

Date

Signature of supervisor

Title

Date

APPENDIX D

List of key personnel

Corporate Vice President, Human Resources

Transcontinental Inc.

1 Place Ville Marie, Suite 3315

Montreal, Quebec H3B 3N2

Tel.: (514) 954-4045

Fax: (514) 954-2802

Vice President, Legal Affairs and Corporate Secretary

Transcontinental Inc.

1 Place Ville Marie, Suite 3315

Montreal, Quebec H3B 3N2

Tel.: (514) 954-4008

Fax: (514) 954-2802

Director of Internal Audit

Transcontinental Inc.

1 Place Ville Marie, Suite 3315

Montreal, Quebec H3B 3N2

Tel.: (514) 954-4188

Fax: (514) 954-4160

Vice President and Chief Information Officer

Transcontinental Inc.

1 Place Ville Marie, Suite 3315

Montreal, Quebec H3B 3N2

Tel.: (514) 954-2804

Fax: (514) 954-4160

