

WHISTLEBLOWING POLICY

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1. OBJECTIVE AND SCOPE

- 1.1 Transcontinental inc. believes in the value of sound and responsible governance practices. This policy is part of this process.
- 1.2 Transcontinental inc. intends to promote honest and consistent behavior within its organization by setting clear guidelines and assigning responsibilities in order to properly oversee governance.
- 1.3 This policy:
- 1.3.1 is based on Transcontinental's values of respect, integrity and honesty and is an important element of the control environment in order to contribute to the Corporation's integrity;
 - 1.3.2 helps its employees to comply with the Code of Conduct;
 - 1.3.3 dictates the procedures to be followed when an employee, a third party or any other person related to Transcontinental witnesses or has knowledge of a targeted act;
 - 1.3.4 applies to all instances where allegations of fraud, irregularities, corruption, embezzlement, non-compliant activities, theft or other criminal or unethical acts, as defined by this policy, arise involving both employees and third parties;
 - 1.3.5 replaces all previous communications from the Corporation in this regard (memoranda, guidelines, policies, procedures, etc.) except for the Corporation's Code of Conduct.
- 1.4 Transcontinental intends to conduct a full investigation following any allegation of a targeted act, regardless of the seniority, position or title of the suspected person or the nature of his relationship with the Corporation.

2. DEFINITIONS, ABBREVIATIONS AND ACRONYMS

Terms - Definitions

- CEO:** President and Chief Executive Officer.
- CFO:** Chief Financial Officer.
- CLO:** Chief Legal Officer and Corporate Secretary.
- Corporation:** Transcontinental Inc., its subsidiaries and the legal entities controlled by them.
- Corruption:** The act of offering, giving, soliciting, or accepting an inappropriate reward or incentive that could influence the decision, the decision-making process or the actions of any person.
- CHRO:** Chief Human Resources Officer.
- Fraud:** An offence under the *Criminal Code* of Canada. This term describes an event or

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situation where the existence of: 1) deception; 2) a loss and a profit; and 3) one or more victim (s) has been established and proven, for each element thereof.

This term also includes any intentional act committed by one or more members of management, other employees or third parties, which involves the use of deception to obtain an improper or illegal advantage. It can be used to refer to misstatements due to fraudulent financial reporting and misstatements resulting from misappropriation of assets.

Fraudulent financial reporting involves intentional misstatements or omissions of amounts or other information in financial statements to mislead users of financial statements.

Investigation Team: Any person appointed by the Vice President of Internal Audit to conduct the investigation, including any person to whom the Vice President of Internal Audit may have delegated an investigation. Managers or other employees who have knowledge of any targeted acts are excluded and are not considered part of the investigation team.

Irregularity: Irregularities include:

- a departure from current accounting standards (for more information, please refer to the CPA Canada Handbook) or other similar accounting principles used by the Corporation in the preparation of its financial statements;
- manipulation of accounting records with the intent to conceal or alter legitimate financial or operating results;
- pressure or directive from a manager or employee to commit a targeted act;
- misappropriation of or unauthorized access to documents, databases, intellectual property, computer systems, logged messages or data or technologies used by the Corporation;
- an intentional falsification or alteration of a document, contract, agreement or any other document;
- misleading statements;
- collusion, real or perceived as such, between two or more persons, with the intent to commit an act to deliberately circumvent internal controls;
- unusual compensation, rights or benefits received by the Corporation's employees and/or third parties in exchange for goods, services, advantages or gains, whether such consideration is real or perceived as such;
- an undisclosed financial interest between an employee and any other person or entity that delivers or receives money or services from that employee in the course of this person or entity's business with the Corporation;
- breach of a law or a regulation related to the relationship between the targeted person and the Corporation;
- claims for unwarranted or ineligible expenses;

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- theft or vandalism of the Corporation's assets;
- a breach of a Corporation policy;
- disclosure of confidential information;
- intrusion into the Corporation's computer networks as well as any other form of attack;
- any unethical behavior, and
- theft of intellectual property or monetary assets held or administered by the Corporation, including cash, checks, transfers, trust funds, etc.

Loss: An adverse effect or disadvantage resulting from the deprivation of a resource or of a right to seize an opportunity from which the Corporation would have legitimately benefited in other circumstances.

Misappropriation: Appropriation for a wrong or dishonest use, embezzlement or theft. Misappropriation of assets involves the theft of an entity's assets (IFRS, SAS 99, CPA Canada Handbook - CAS 240).

Non-compliant Activity: Any illegal action or failure to comply with laws, regulations, policies, contractual obligations or other mandatory standards.

Targeted act: For the purposes of this policy, the term "targeted act" includes allegations of fraud, irregularity, corruption, embezzlement, non-compliant activity, theft or any criminal or unethical act. For clarity, any allegations of harassment or violence covered by the Policy Against Harassment in the Workplace will be dealt with in accordance with the provisions of that Policy.

Theft : An offence under the *Criminal Code* of Canada. It consists of stealing, taking or removing corporate or personal property, including intellectual property, monetary property or other physical goods, without appropriate authorization.

Third party : Any person/entity having a direct or indirect business relationship with the Corporation, including:

- directors;
- customers;
- suppliers; and
- consultants.

3. ROLES AND RESPONSIBILITIES

Vice President of Internal Audit (*should he be the subject of the allegation himself, the CLO assumes these responsibilities*)

- Perform a preliminary review of the facts to determine whether the nature of the alleged irregularity requires a thorough investigation and provide the Chair of the Board with preliminary findings and

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- recommendations;
- Conduct or coordinate the investigation of the targeted acts;
- Take the necessary measures to prevent the theft, alteration or destruction of documents or evidence relevant to the investigation;
- Prepare the conclusions of the investigation;
- Inform the Chair of the Board of the findings of the investigation;
- Issue recommendations on what actions are to be taken by management following the investigation and what controls are to be implemented to prevent the recurrence of the targeted act;
- Present, on a quarterly basis, a summary of complaints received and ongoing investigations to the Chair of the Board and the Audit Committee; and
- Report to the external auditors all relevant information related to the investigation.

Manager or supervisor

- When a possible irregularity is suspected or if notified by an employee, a third party or any other individual, a manager or supervisor shall:
 - o Not discuss the allegations with anyone;
 - o Not take any action against the person or persons targeted by the allegations;
 - o Not undertake any investigation procedures or other type of actions that could raise suspicions of the targeted person or persons; and
 - o Immediately notify the Vice President of Internal Audit or the CLO (*should the Vice President of Internal Audit be the subject of the allegation*).
- Once the allegations have been reported to the Vice President of Internal Audit, the manager or supervisor shall not discuss the allegations with any other person or take any action unless authorized by the Vice President of Internal Audit or the Chair of the Board; and
- Is responsible to implement recommendations issued by internal audit once the investigation is completed.

Investigation team members

- Conduct the investigation.

Complainant / witness

- As soon as he suspects a targeted act:
 - o The employee must notify Transcontinental by following the procedure described in section 6 of this policy; and
 - o A third party must notify Transcontinental by following the procedure described in section 6 of this policy.

4. PROTECTION OF COMPLAINANT

- 4.1 This policy protects the complainant against any form of retaliation for any complaint, provided that the complaint or the testimony is:

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- 4.1.1 submitted in good faith, consistent with Transcontinental's values, including respect for others, without malice and without false allegations;
- 4.1.2 based on the witness or complainant's reasonable belief that the conduct or issue targeted by the complaint constitutes or may constitute a targeted act; and
- 4.1.3 without seeking personal gain or advantage.

4.2 This means that Transcontinental as well as its directors, officers, managers and employees shall not terminated/fire, threaten, harass, discipline, withhold or suspend the salary and/or benefits, demote, transfer or take any other punitive measure against an employee who, in good faith, reports any concerns, makes a complaint or reports a wrongdoing and/or provides information or collaborates in an investigation or legal proceedings.

4.3 Transcontinental must consider any form of retaliation taken against a complainant or a witness as a serious violation of this policy, that is subject to disciplinary action up to and including dismissal. This protection and the limit of this protection extend to any person who provides information related to an investigation, including an internal investigation.

5. CONFIDENTIALITY

5.1 Each complaint or concern will be treated confidentially. The anonymity of the author of the complaint will be, if desired and as much as possible, preserved.

5.2 The Chair of the Board, the Vice-President of internal audit as well as all the persons designated by them and/or all persons informed of the irregularities must take great care, throughout the investigation of allegations of the targeted act to:

5.2.1 Not make any false accusations and ensure that suspected individuals do not learn that an investigation is underway.

5.2.2 Ensure the confidentiality of all details and results of the investigation.

5.3 Only members of the investigation team have the right to discuss among themselves the details of the allegations and the investigation. No other person may discuss the allegations unless authorized by the Chair of the Board or the Vice-President of Internal Audit.

5.4 The Chair of the Board and the Vice-President of Internal Audit, after consultation with the CLO, may disclose specific aspects of the investigation to potential witnesses, if their disclosure allows the investigation to move forward. However, at no time will details that may allow the identification of the complainant or witnesses be disclosed unless the Vice-President of Internal Audit deems it necessary for the purposes of the investigation.

6. IRREGULARITY REPORTING PROCESS

6.1 Employees and managers

6.1.1 Any employee who is aware of or has reason to suspect that a targeted act has occurred or has been committed must immediately notify Transcontinental through the

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whistleblowing platform or by contacting a manager or the Vice-President of Internal Audit.

- 6.1.2 If the employee has reason to believe that his own supervisor may be involved, he must immediately notify the Vice-President of Internal Audit.
- 6.1.3 In the event that the employee does not wish to reveal his identity, he can use the whistleblowing platform.
- 6.1.4 Once the complaint is received by Transcontinental, the employee must no longer discuss the allegations unless authorized to do so by the Chair of the Board or by the Vice-President of Internal Audit.
- 6.1.5 When an employee informs a manager or a supervisor of any allegations of irregularity or is the manager or supervisor has reason to suspect that an irregularity occurred, he must immediately notify the Vice President of Internal Audit.
- 6.1.6 The manager or supervisor must not attempt to investigate the alleged irregularity.
- 6.1.7 Once the complaint is received by the Vice-President of Internal Audit, the employee and the manager or supervisor shall not discuss the allegations with anyone unless specifically requested by the Vice-President of Internal Audit.
- 6.1.8 Employees who knowingly formulate false allegations and do not act in good faith are subject to disciplinary action up to and including termination.

6.2 Third party

- 6.2.1 Any third party who is aware of or has reason to suspect that a targeted act has occurred or has been committed must immediately notify Transcontinental by contacting the Vice-President of Internal Audit or by using the whistleblowing platform.

6.3 Vice President of Internal Audit

- 6.3.1 When informed of a material allegation of a targeted act, the Vice President of Internal Audit notifies the Chair of the Board.
- 6.3.2 If the alleged irregularity is important and he is unable to reach the Chair of the Board within twenty-four hours, he must inform the CEO or CFO.
- 6.3.3 Following a preliminary examination of the facts and after determining whether the nature of the targeted act involved requires further investigation, the Vice President of Internal Audit reports to the Chair of the Board his findings and recommendations as to proceed with an investigation or to close the file. If an investigation is to be conducted, the Chair of the Board and the Vice President of Internal Audit determine who should be informed of the allegations and agree on the procedure to be followed.
- 6.3.4 In the event that they determine that the potential financial losses can exceed \$300,000 or that the allegations can have a significant negative impact on Transcontinental's

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reputation, the Chair of the Board and the Vice-President of Internal Audit will assess the need to inform the CEO and the Chair of the Audit Committee of the allegations.

6.3.5 During the course of the investigation, the Vice-President of Internal Audit periodically informs the Chair of the Board (and the persons authorized by the Chair) of the progress and findings to date.

6.3.6 Once the investigation is completed, the Vice President of Internal Audit reports the findings to the Chair of the Audit Committee, the Chair of the Board, the CEO, the CFO, the CLO, the President of the relevant sector as well as to any other persons identified by the Chair of the Board.

7. INVESTIGATION PROCESS

7.1 Resources and protocol

7.1.1 The Vice President of Internal Audit coordinates the investigation using the appropriate investigative resources.

7.2 Access to evidence and witnesses

7.2.1 Members of the investigation team have:

7.2.1.1 Access to all employees.

7.2.1.2 Access to all relevant Corporation systems, emails, records and documents, including any confidential or personal information.

7.2.1.3 The power to review, copy and/or remove the contents of the Corporation's files, desks or filing cabinets, in whole or in part, without having the obligation to notify anyone who has or could be responsible for their custody and without having the obligation to obtain the consent from that person, provided that such measures are within the scope of the investigation.

7.3 Suspension and retaliation

7.3.1 In the event that a suspension is necessary or desirable, a letter of suspension should be prepared.

7.3.2 In the event that the person concerned by the complaint is not suspended, measures must be taken so that he does not come into contact with the victim(s) and any other person involved in the investigation of the targeted act.

7.3.3 Any form of retaliation against the victim or other person during the investigation should be treated as an additional complaint and reported to the Vice-President of Internal Audit.

7.4 Completion of the investigation

7.4.1 Once the entire investigative process is completed, including any legal proceedings, the

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Vice President of Internal Audit returns all records, documents and other evidence to the appropriate department.

7.5 Report to the Audit Committee

7.5.1 The Vice President of Internal Audit must issue to the Audit Committee and the external auditors a report on any complaint that may have important consequences for the Corporation.

7.5.2 Each quarter, the Vice President of Internal Audit will report to the Audit Committee on the administration of this policy, the number and nature of complaints received, and the results of investigations performed.

8. DISCIPLINARY MEASURES AND RESTITUTION

8.1 If the alleged irregularity is confirmed by the investigation, disciplinary measures, including dismissal, will be imposed by the appropriate hierarchical level, after approval by the Chair of the Board and any other person required, all in accordance with the human resources policies of Transcontinental.

8.2 Transcontinental makes all reasonable efforts, including obtaining restitution orders from the courts, to recover losses caused from offenders or any other appropriate source.

9. FINAL PAYMENT AND OTHER AMOUNTS

9.1 Before issuing the final pay to any person directly or indirectly involved in a targeted act, the Human Resources department must communicate with the Legal Affairs and Internal Audit to determine whether any amounts should be deducted/withheld from payment pursuant to an agreement with the person and/or to compensate for losses incurred by the Corporation.

9.2 Any amount paid (other than the final pay) and/or any agreement with an employee directly or indirectly involved in a targeted act must be authorized beforehand by the CHRO and the Chair of the Board.

10. MEDIA RELATIONS

10.1 Any employee contacted by the media regarding an investigation or any allegations of irregularity should direct reporters to the person responsible for the Corporation's communications.

10.2 No allegation of irregularities or investigation should be discussed with the media by anyone other than the person responsible for the Corporation's communications or the person he has designated, after consultation with the CLO or the Vice-President of Internal Audit.

11. HOW TO FILE A COMPLAINT

Any complaint under this policy may be submitted to Transcontinental as follows:

A) *By phone or via the Transcontinental ethics platform*

Telephone numbers and forms are available from the site administered by EthicsPoint:

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<https://tc.ethicspoint.com>

B) By mail or courier

Transcontinental Inc.
1, Place Ville-Marie, Suite 3240
Montreal (Quebec) H3B 0G1
to the attention of:
Vice President of Internal Audit (Strictly Confidential)
or
Chief Legal Officer and Corporate Secretary (Strictly Confidential)

C) By email (to the Vice President of Internal Audit)

whistleblowing@tc.tc

Please note that the email will be received by the Vice President of Internal Audit and your email address will be identified.

Any complaint must contain relevant, accurate and sufficient information on, among other things, dates, locations, persons involved, witnesses, amounts, etc., to allow the investigation to be carried out. In order to help formulate and file a complaint, the complainant can use the link mentioned above. If the complainant wishes to discuss with the Vice President of Internal Audit or the CLO, he must indicate it and identify himself when making the complaint and if the complainant deems it appropriate, specify a telephone number where he can be contacted. If the complainant discloses his name, the person receiving the complaint will return an acknowledgement of receipt of the complaint which will allow him to perform a follow up. However, if the complainant uses an anonymous method and does not disclose his name, he will not be able to receive any follow-up on his complaint and we will not be able to contact him if more information is required. Remember that all complaints received are treated confidentially.

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