**QUEBECOR INC.**

## NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual Meeting of the holders of Class A Multiple Voting Shares and Class B Subordinate Voting Shares of Quebecor Inc. (the "**Company**") will be held in Studio G of TVA Group Inc., 1600 de Maisonneuve Boulevard East, Montreal, Quebec, Canada, on Thursday, May 6, 2004, at 10:30 a.m. (the "**Meeting**") for the purposes of:

1. receiving the consolidated financial statements of the Company for the year ended December 31, 2003, and the Auditors' Report thereon;

2. electing Class A Directors and Class B Directors;

3. appointing Auditors and authorizing the Board of Directors to determine their remuneration; and

4. transacting such other business as may properly be brought before the Meeting.

Enclosed is a copy of the 2003 Annual Report of the Company including the consolidated financial statements and the Auditors' Report thereon, together with the Management Proxy Circular and a Form of Proxy, including an electronic document delivery consent.

BY ORDER OF THE BOARD OF DIRECTORS,

Louis Saint-Arnaud

Louis Saint-Arnaud
Vice President, Legal Affairs and Secretary

Montreal, Canada
April 8, 2004

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## IMPORTANT

Shareholders registered at the close of business on March 19, 2004 are entitled to receive notice of the Meeting. **Shareholders who are unable to attend the Meeting in person are urged to complete and sign the enclosed form of proxy and return it in the prepaid envelope provided for that purpose.** In order to be valid, proxies must be received at the Head Office of the Company, 612 St. Jacques Street, 13th Floor, Montreal, Quebec, Canada H3C 4M8, or by Computershare Trust Company of Canada, 100 University Avenue, 9th Floor, Toronto, Ontario, Canada M5J 2Y1, no later than May 4, 2004 at 5:00 p.m.

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MANAGEMENT PROXY CIRCULAR

**QUEBECOR INC.**
612 St. Jacques Street
Montreal, Quebec
H3C 4M8

## SOLICITATION OF PROXIES

**This Management Proxy Circular (the "Circular") is furnished in connection with the solicitation of proxies by the Management of Quebecor Inc. (the "Company") for use at the Annual Meeting of shareholders of the Company to be held on Thursday, May 6, 2004 (the "Meeting") at the time and place and for the purposes mentioned in the Notice of Meeting and at any and all adjournments thereof.**

Except as otherwise indicated, the information contained herein is given as at March 9, 2004. All dollar amounts appearing in this Circular are in Canadian dollars, except if another currency is specifically mentioned. On December 31, 2003, the Bank of Canada quoted the closing exchange rate between the Canadian dollar and the U.S. dollar at CDN $1.2965 per US $1.00.

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

## APPOINTMENT OF PROXYHOLDERS

The persons named as proxyholders in the accompanying form of proxy are directors and officers of the Company. **A shareholder has the right to appoint as proxyholder a person (who is not required to be a shareholder) other than the persons whose names are printed as proxyholders in the accompanying form of proxy, by striking out said printed names and inserting the name of his chosen proxyholder in the blank space provided for that purpose in the form of proxy.**

To be valid, proxies must be received at the Head Office of the Company, 612 St. Jacques Street, 13th Floor, Montreal, Quebec, Canada H3C 4M8, or by Computershare Trust Company of Canada, 100 University Avenue, 9th Floor, Toronto, Ontario, Canada M5J 2Y1, no later than May 4, 2004 at 5:00 P.M.

## REVOCATION OF PROXIES

A shareholder giving a proxy may revoke the proxy by an instrument in writing executed by the shareholder or by his attorney authorized in writing or, if the shareholder is a corporation, by an officer or attorney thereof duly authorized, and deposited either at the Head Office of the Company, 612 St. Jacques Street, 13th Floor, Montreal, Quebec, Canada H3C 4M8, at any time up to and including the last business day preceding the Meeting, or any adjournment thereof, or with the Chairman of such Meeting, on the day of the Meeting or any adjournment thereof, or in any other manner permitted by law.

## VOTING OF SHARES

The persons named in the enclosed proxy will vote the shares in respect of which they are appointed in accordance with the instructions of the shareholder appointing them. **Unless otherwise indicated, the voting rights attaching to the shares represented by a form of proxy will be voted "FOR" in respect of all matters described herein.**

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

Unless otherwise indicated, the resolutions submitted to a vote at the Meeting must be passed by a majority of the votes cast by the holders of Class A Multiple Voting Shares (the "**Class A Shares**") and Class B Subordinate Voting Shares (the "**Class B Shares**"), voting as a single class, present or represented by proxy at the Meeting.

## VOTING BY NON-REGISTERED SHAREHOLDERS

Non-registered shareholders may vote shares that are held by their nominees in two manners. Applicable securities laws and regulations, including National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, require nominees of non-registered shareholders to seek their voting instructions in advance of the Meeting. Non-registered shareholders will receive (or will have received) from their nominees either a request for voting instructions or a form of proxy for the number of shares held by them. The nominees' voting instructions or forms of proxy will contain instructions relating to signature and return of the document and these instructions should be carefully read and followed by non-registered shareholders to ensure that their shares are accordingly voted at the Meeting.

Non-registered shareholders who would like their shares to be voted for them must therefore follow the voting instructions provided by their nominees.

Non-registered shareholders who wish to vote their shares in person at the Meeting must insert their own name in the space provided on the request for voting instructions or form of proxy, as the case may be, in order to appoint themselves as proxyholders and follow the signature and return instructions provided by their nominees. Non-registered shareholders who appoint themselves as proxyholders should present themselves at the Meeting to a representative of Computershare Trust Company of Canada. Non-registered shareholders should not otherwise complete the form sent to them as their votes will be taken and counted at the Meeting.

## VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The shares of the Company giving the right to vote at the Meeting are the Class A Shares and the Class B Shares. Each Class A Share carries the right to ten (10) votes and each Class B Share carries the right to one (1) vote. As of March 9, 2004, there were 22,617,475 Class A Shares and 42,008,647 Class B Shares outstanding. The Articles of the Company provides that in case a takeover bid regarding Class A Shares is made to holders of Class A Shares without being made concurrently and under the same terms to holders of Class B Shares, the Class B Shares will be converted into Class A Shares on a one-for-one basis for the sole purpose of allowing the holders of Class B Shares to accept the Offer.

The holders of Class A Shares and the holders of Class B Shares whose names appear on the list of shareholders prepared at the close of business on March 19, 2004 (the "**Record Date**") will be entitled to vote at the Meeting and any adjournment thereof if present or represented by proxy thereat. A transferee of Class A Shares or Class B Shares, as the case may be, acquired after the Record Date, is entitled to vote those shares at the Meeting and at any adjournment thereof if he produces properly endorsed share certificates for such shares or if he otherwise establishes that he owns the shares and if he requires, not later than ten (10) days before the Meeting, that his name be included on the list of shareholders entitled to vote at the Meeting.

To the knowledge of the directors and officers of the Company, the only persons or corporations who beneficially own or exercise control or direction over more than 10% of the shares of any class of voting shares of the Company are: i) Les Placements Péladeau Inc. ("**Les Placements Péladeau**") a corporation controlled by Fiducie Spéciale Pierre-Péladeau, a trust constituted for the benefit of Erik Péladeau and Pierre Karl Péladeau. As at March 9, 2004, Les Placements Péladeau held a total of 17,465,264 Class A Shares, representing 77.22% of the Class A Shares outstanding and 19,800 Class B Shares, representing 65.13% of all the voting rights attached to all the shares of the Company: and ii) The Caisse de dépôt et placement du Québec and its subsidiary, CDP Capital-World Markets held a total of 4,281,911 Class B Shares, representing 10.19% of the Class B Shares outstanding.

## MANAGEMENT'S REPORT AND FINANCIAL STATEMENTS

Management's Report, the consolidated financial statements and the Auditors' Report thereon for the year ended December 31, 2003, included in the Company's 2003 Annual Report, will be submitted to the shareholders at the Meeting, but no vote with respect thereto is required or will be taken.

## ELECTION OF DIRECTORS

The Articles of the Company provide that the Board of Directors shall consist of a minimum of three (3) and a maximum of fifteen (15) directors and further provide that the members of the Board of Directors shall be divided into two (2) classes of directors. The holders of Class B Shares, voting separately as a class, are entitled to elect 25% of the entire Board of Directors or, if 25% of the entire Board of Directors is not a whole number, the next higher whole number of members of the Board of Directors which shall constitute at least 25% of the entire Board of Directors (the "**Class B Directors**"). The holders of Class A Shares, voting separately as a class, shall elect the remaining members of the Board of Directors (the "**Class A Directors**"). Both classes of directors shall serve the same term of office and shall be equal in all respects.

The Company’s Board of Directors will be composed of eleven (11) directors for the current year. The term of office of each director elected will expire upon the election of his successor unless he resigns from office or his office becomes vacant by death, removal or other cause. The Management of the Company proposes the election of the following eleven (11) nominees and does not contemplate that any of them will be unable, or for any reason will become unwilling, to serve as a director, but if that should occur prior to the election, the persons named in the accompanying form of proxy reserve the right to vote for another nominee at their discretion, unless the shareholder has specified that his shares are to be withheld from voting on the election of directors.

All nominees, whose nomination as director is hereby submitted, are currently directors of the Company.

Except where authority to vote on the election of directors is withheld, the persons named in the accompanying form of proxy will vote for the election of the eleven (11) nominees whose names are hereinafter set forth.

The following table sets forth certain information in respect of the nominees for election to the Board of Directors. Moreover, a short biography of each nominee is included at Appendix "A". Except if otherwise indicated or as disclosed in previous Management proxy circulars of the Company, all nominees have been engaged in the principal occupations next to their names for more than five (5) years.

## CLASS A DIRECTORS

| Name | Principal Position | Director Since | Shares Owned or Controlled Directly or Indirectly[1] | Units held under the DSUP[2] |
|---|---|---|---|---|
| Alain Bouchard[A] | Chairman, President and Chief Executive Officer, Alimentation Couche-Tard Inc. (Convenience stores chain) | 1997 | 2,000 Class B Shares | 9,732 |
| Robert Dutton[A] | President and Chief Executive Officer, RONA Inc. (Hardware retailer) | 2002 | — | 3,242 |
| Pierre Laurin[C] | Executive-in-Residence, HEC Montreal (University teaching) | 1991 | 1,000 Class A Shares[3] | 2,618 |
| Raymond Lemay[B][C] | Corporate Director | 1989 | 1,250 Class A Shares[4] | 2,618 |
| The Right Honourable Brian Mulroney, P.C.,C.C., LL.D. | Senior Partner, Ogilvy Renault (Barristers and Solicitors) and Chairman of the Board of Quebecor World Inc. (Commercial printer) | 1999 | 1,000 Class A Shares[5] | 6,875 |
| Jean Neveu[6] | Chairman of the Board of the Company and Chairman of the Board of TVA Group Inc. (Broadcasting Corporation) | 1988 | 65,614 Class B Shares[7] | — |
| Érik Péladeau[8] | Vice Chairman of the Board of the Company, Vice Chairman of the Board of Quebecor World Inc. (commercial printer) and Chairman of the Board of Quebecor Media Inc. (Communications Company) | 1988 | 5,340 Class B Shares[9][10] | 3,649 |

| Name | Principal Position | Director Since | Shares Owned or Controlled Directly or Indirectly(1) | Units held under the DSUP(2) |
|---|---|---|---|---|
| Pierre Karl Péladeau(11) | President and Chief Executive Officer of the Company, President and Chief Executive Officer of Quebecor World Inc. (Commercial printer) and Chairman of the Board of Nurun Inc. (Information technology management consultants) | 1992 | 3,200 Class A Shares(10) | 5,639 |

(A) Member of the Human Resources Committee

(B) Member of the Audit Committee

(c) Member of the Corporate Governance and Nominating Committee

(1) This information has been provided to the Company by the respective nominees and excludes shares of subsidiaries of the Company that may be owned by a nominee director in order to qualify as a director of such subsidiaries under applicable law.

(2) The numbers figured in this column are as of December 31, 2003. In 2000, the Company implemented a Directors' Deferred Stock Unit Plan ("**DSUP**"). See "**Compensation of Directors and Executive Officers — Compensation of Directors**" on page 7 of this Circular.

(3) Pierre Laurin also holds 750 Subordinate Voting Shares of Quebecor World Inc.

(4) In addition, Raymond Lemay holds 1,000 Subordinate Voting Shares of Quebecor World Inc. and 115 Common Shares of Nurun Inc.

(5) The Right Honourable Brian Mulroney holds 4,900 Subordinate Voting Shares of Quebecor World Inc.

(6) Jean Neveu has served as interim President and Chief Executive Officer of Quebecor World Inc. from March 18, 2003 to March 12, 2004.

(7) In addition, Jean Neveu exercises control over 3,626 Subordinate Voting Shares of Quebecor World Inc. and 1,000 Class B Shares of TVA Group Inc.

(8) Érik Péladeau has served as Senior Executive Vice President of Quebecor World Inc. from October 2001 to March 12, 2004. He was appointed Chairman of the Board of Quebecor Media Inc. on March 12, 2004.

(9) In addition, Érik Péladeau exercises control over 8,038 Class B Shares of TVA Group Inc.

(10) Les Placements Péladeau, a company controlled by Fiducie Spéciale Pierre-Péladeau, a trust constituted for the benefit of Érik Péladeau and Pierre Karl Péladeau, through its voting rights, exercises control of the Company with 17,465,264 Class A Shares and 19,800 Class B Shares of the Company. This same trust also exercises control over Gestion Péladeau Inc., which holds 43,700 Class A Shares of the Company.

The Company, together with 4032667 Canada inc, its wholly-owned subsidiary, holds 46,911,277 Multiple Voting Shares of Quebecor World Inc. In addition, the Company holds indirectly 19,576,605 Common Shares of Nurun Inc., 183,587,344 Multiple Voting Shares of Netgraphe Inc., 4,316,034 Class A Shares and 7,910,583 Class B Shares of TVA Group Inc.

(11) Pierre Karl Péladeau has served as President and Chief Executive Officer of Quebecor Media Inc. from September 26, 2000 to March 12, 2004. He was appointed President and Chief Executive Officer of Quebecor World Inc. on March 12, 2004.

## CLASS B DIRECTORS

| Name | Principal Position | Director Since | Shares Owned or Controlled Directly and Indirectly[1] | Units held under the DSUP[2] |
|---|---|---|---|---|
| Françoise Bertrand[C] | President, Fédération des chambres de commerce du Québec [3] | 2003 | 300 Class A Shares[4] | 543 |
| Jean La Couture, FCA[B] | President, Private Hearing Ltd. (Commercial Mediation and Negotiation) and President, Top Management Services Inc. (Holding Company) | 2003 | 3,000 Class B Shares | 708 |
| Pierre Parent[A][B] | Director, Windigo, s.e.c. (Property and Hotel Management) and President, Resort One Inc. (Property and Hotel Management) | 2003 | 4,200 Class B Shares | 2,037 |

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(A)(B)(C) See notes (A), (B) and (C) hereinabove.

(1)(2) See notes (1) and (2) hereinabove.

(3) Françoise Bertrand has been appointed President, Fédération des Chambres de commerce du Québec on June 19, 2003. Prior to that, she was a partner of Group SECOR.

(4) Françoise Bertrand exercises control over 220 Subordinate Voting Shares of Quebecor World Inc.

The following table indicates for each nominee as director, the name of the publicly traded Corporation's board on which each nominee sits.

| Name of Nominee | Name of Corporation |
|---|---|
| Françoise Bertrand | ___ |
| Alain Bouchard | ➢ Alimentation Couche-Tard Inc.<br>➢ RONA Inc. |
| Robert Dutton | ➢ RONA Inc. |
| Jean La Couture | ➢ Innergex Énergie, Fonds de revenu<br>➢ ZAQ Inc. |
| Pierre Laurin | ➢ Aeterna Laboratories Inc.<br>➢ Boomerang Tracking Systems Inc. |
| Raymond Lemay | ___ |

| Name of Nominee | Name of Corporation |
|---|---|
| The Right Honorable Brian Mulroney | ➢ Quebecor World Inc.<br>➢ America Online Latin America Inc.<br>➢ Archer Daniels Midland Company<br>➢ Barrick Gold Corporation<br>➢ Cendant Corporation<br>➢ Trizec Properties Inc. |
| Jean Neveu | ➢ Quebecor World Inc.<br>➢ TVA Group Inc. |
| Pierre Parent | ___ |
| Erik Péladeau | ➢ Quebecor World Inc.<br>➢ The Jean Coutu Group (PJC) Inc. |
| Pierre Karl Péladeau | ➢ Quebecor World Inc.<br>➢ Netgraphe Inc.<br>➢ Nurun Inc.<br>➢ TVA Group Inc. |

The overall attendance rate of the directors at meetings of the Board of Directors and its Committees, held between May 8, 2003 and March 9, 2004, has been respectively 91% and 94.4%.

## COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

### *Compensation of Directors*

All the non-executive directors of the Company received for fiscal year 2003 an annual retainer of $35,000 and an attendance fee of $2,000 for each meeting in which they participated. In addition, the Chairman of each committee of the Board of Directors received an annual base fee of $5,000, except for the Chairman of the Audit Committee, who received an annual base fee of $6,500. Jean Neveu received in 2003 an annual compensation of $150,000, as Chairman of the Board of Directors of the Company. This compensation is not subject to the DSUP.

In order to align the interests of its directors with those of its shareholders, the Company has implemented a Directors' Deferred Stock Unit Plan ("**DSUP**"). Under this plan, each director receives a portion of his or her compensation in the form of units, such portion representing at least 50% of the annual retainer mentioned above. Subject to certain conditions, each director may elect to receive in the form of units any percentage, up to 100%, of the total fees payable for his or her services as a director, including the balance of the annual retainer, meeting attendance fees and any other fees payable to the director.

Under the DSUP, the directors' accounts are credited, on the last day of each fiscal quarter of the Company, a number of units determined on the basis of the amounts payable to such director in respect of such fiscal quarter, divided by the value of a unit. The value of a unit means the weighted average trading price of the Class B Shares of the Company on The Toronto Stock Exchange over the five trading days immediately preceding such date. The units take the form of a credit to the account of the director, and such units may not be converted into cash as long as the director remains a director of the Company.

Under the DSUP, all of the units credited to the director are redeemed by the Company and the value thereof paid upon the director ceasing to serve as a director of the Company. For purposes of redemption of units, the value of a unit corresponds to the market value of a Class B Share at the redemption date, being the closing price of the Class B Shares on The Toronto Stock Exchange on the last trading day preceding such date.

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

During the past fiscal year, the Company has redeemed 1,022 units of a director who has ceased to serve as such.

For the fiscal year ended December 31, 2003, eleven (11) directors received an aggregate amount of $491,840 (including the value of units allotted) for services rendered in such capacity. Of this amount, $177,334 was paid in cash and $314,506 was paid in the form of units under the DSUP.

***Compensation of Executive Officers***

The following table shows certain selected compensation information for Pierre Karl Péladeau, President and Chief Executive Officer of the Company, and the four (4) most highly compensated executive officers of the Company during the fiscal year ended December 31, 2003 (collectively, the "**Named Executive Officers**") for services rendered in all capacities during the fiscal years ended December 31, 2003, 2002 and 2001. The table also indicates the compensation of Charles G. Cavell and Michel Desbiens, who left Quebecor World Inc. during the fiscal year ended December 31, 2003 and who would have been among the four (4) most highly compensated executive officers of the Company had they not left.

**Summary Compensation Table**

| Name and Principal Position on December 31, 2003 | Year | Annual Compensation | | | Long-term Compensation | | | All Other Compensation ($) |
|---|---|---|---|---|---|---|---|---|
| | | | | | Grants | | Payouts | |
| | | Salary ($) | Bonus[1] ($) | Other Annual Compensation ($) | Securities Under Options/SARs* Granted (#) | Restricted Shares or Restricted Share Units ($) | LTIP* Payouts ($) | |
| Pierre Karl Péladeau, | 2003 | 1,354,305 | 1,100,000 | — [2] | — | — | — | 176,002[5] |
| President and Chief | 2002 | 1,354,305 | — | — [2] | 100,000[3] | — | — | 87,500[5] |
| Executive Officer of | | | | | 556,585[4] | | | |
| the Company | 2001 | 1,354,305 | — | — [2] | 96,000[3] | — | — | 78,250[5] |
| Jean Neveu, | 2003 | 1,256,730[8] | — | — [2] | 100,000[6] | — | — | 257,656[7] |
| President and Chief | 2002 | 332,310[8] | — | — [2] | — | — | — | 513,059[7] |
| Executive Officer of | 2001 | 300,000[9] | — | — [2] | — | — | — | 471,446[7] |
| Quebecor World Inc. | | | | | | | | |
| David Boles, | 2003 | US$628,846 | — | — [2] | 27,989[6] | — | — | — |
| Chief Operating | 2002 | US$413,943 | US$368,104 | — [2] | 174,167[6] | — | — | — |
| Officer, Quebecor | 2001 | US$375,000 | US$ 81,562 | — [2] | 21,096[6] | — | — | — |
| World North America | | | | | | | | |

| Name and Principal Position on December 31, 2003 | Year | Annual Compensation | | | Long-term Compensation | | | All Other Compensation |
|---|---|---|---|---|---|---|---|---|
| | | | | | Grants | | Payouts | |
| | | Salary ($) | Bonus[1] ($) | Other Annual Compensation ($) | Securities Under Options/SARs* Granted (#) | Restricted Shares or Restricted Share Units ($) | LTIP* Payouts ($) | ($) |
| Érik Péladeau, Vice Chairman of the Board and Senior Executive Vice President of Quebecor World Inc. | 2003<br>2002<br>2001 | 804,305<br>804,305<br>675,949[10] | —<br>—<br>— | — [2]<br>— [2]<br>— [2] | 100,000[6]<br>—<br>— | —<br>—<br>— | —<br>—<br>— | 65,800[5]<br>75,975[5]<br>93,500[5] |
| Pierre Francoeur, President and Chief Executive Officer of Sun Media Corporation | 2003<br>2002<br>2001 | 404,305<br>374,305<br>374,305 | 390,000<br>422,825<br>340,870 | — [2]<br>— [2]<br>— [2] | —<br>309,214[4]<br>15,000[3] | —<br>—<br>— | —<br>—<br>— | —<br>—<br>— |
| Charles G. Cavell,[11] Deputy Chairman of Quebecor World Inc. and former President and Chief Executive Officer of Quebecor World Inc. | 2003<br>2002<br>2001 | 283,875[12]<br>1,250,000<br>1,222,352 | —<br>—<br>— | — [2]<br>— [2]<br>— [2] | —<br>—<br>64,637[6] | —<br>—<br>— | —<br>—<br>— | 673,987[13]<br>32,500[5]<br>38,500[5] |
| Michel Desbiens,[14] Former President and Chief Executive Officer of Quebecor World Inc. | 2003<br>2002<br>2001 | 245,651<br>110,769<br>— | —<br>—<br>— | — [2]<br>— [2]<br>— | 200,000[6]<br>—<br>— | —<br>—<br>— | —<br>—<br>— | —<br>23,583[15]<br>— |

* The acronym "SAR" means Stock Appreciation Rights and the acronym "LTIP" means Long Term Incentive Plan.

(1) Bonus amounts are paid in cash in the year following the fiscal year for which they are awarded.

(2) Perquisites or other personal benefits do not exceed the lesser of $50,000 and 10% of the total of salary and bonuses.

(3) Underlying Securities: Class B Shares of the Company.

(4) Underlying Securities: Common Shares of Quebecor Media Inc. These options have been granted over a five-year horizon, meaning that no other option pursuant to the Stock Option Plan of Quebecor Media Inc. will be granted to this officer, in respect of his current office, for a period of five (5) years. The number of shares and the exercise price have been adjusted on December 5, 2003, following the consolidation of the shares of Quebecor Media Inc. on the basis of 70:1.

(5) Total amount earned (including the values of units granted) in consideration for services rendered as director of the Company and/or certain of its subsidiaries.

(6) Underlying Securities: Subordinate Voting Shares of Quebecor World Inc.

(7) For 2003, represents retirement benefits received from Quebecor World Inc. and the Company. For 2002, includes an amount of $ 39,750 as a member of the Board of Directors of Quebecor World Inc. and an amount of $473,309 as retirement benefits received from the Company and Quebecor World Inc. For 2001, represents retirement benefits received from the Company and Quebecor World Inc.

(8) For 2003, includes the salary received in his capacity of President and Chief Executive Officer of Quebecor World Inc. and $150,000 earned in his capacity of Chairman of the Company and $150,000 earned in his capacity of Chairman of TVA Group Inc. For 2002, the amount represents $50,000 earned in his capacity of Chairman of Quebecor World Inc. from January 2002 to April 2002, $150,000 earned in his capacity of Chairman of the Company and $132,310 earned in his capacity of Chairman of TVA Group Inc.

(9) This amount includes a sum of $150,000 received as Chairman of Quebecor World Inc.

(10) Compensation received as Vice-Chairman of Quebecor inc. until October 1, 2001 and as Vice-Chairman of the Board and Senior Executive Vice President of Quebecor World Inc.

(11) Charles G. Cavell retired as President and Chief Executive Officer of Quebecor World Inc. on February 3, 2003.

(12) This amount includes a sum of $115,385 representing vacation pay following his retirement.

(13) This amount includes a sum of US $47,500 as a member of the Board of Directors of Quebecor World Inc., a sum of $12,403 as a member of the Board of Directors of the Company and a sum of $600,000 as a retirement benefit payment.

(14) Mr. Desbiens acted as President and Chief Executive Officer of Quebecor World Inc. from February 3, 2003 until his resignation on March 18, 2003. Prior to that, he acted as Chief Executive Officer, International Operations of Quebecor World Inc. since November 5, 2002.

(15) Amount earned in his capacity as a member of the Board of Directors of Quebecor World Inc.

***The Company's Stock Option Plan***

The Stock Option Plan of Quebecor Inc. is designed to offer to the officers, senior employees and key employees of the Company or its subsidiaries the opportunity to benefit from the appreciation in value of the Class B Shares of the Company. Under the said plan, stock options are granted towards the purchase of a maximum of 6,500,000 Class B Shares.

Upon the recommendation of the Compensation Committee, the Board of Directors designates from time to time the executives to whom options will be granted and the number of shares covered by each option. The options may not be exercised after the tenth anniversary date of granting. The number of options so granted is based on individual merit and on the optionee's level of responsibility. No optionee may hold options covering more than 5% of the outstanding shares of the Company.

The exercise price of each Class B Share covered by an option granted pursuant to this plan is equal to the weighted average trading price of such shares on The Toronto Stock Exchange over the last five (5) trading days immediately preceding the date of grant of such option. Options usually vest as follows: 1/3 after one year, 2/3 after two (2) years and 100% three (3) years after the original grant.

***Quebecor Media Inc. Stock Option Plan***

On January 29, 2002, Quebecor Media Inc. established a stock option plan for officers, senior employees and other key employees of Quebecor Media Inc. and its subsidiaries. Participants in the plan are granted options which may be exercised to purchase Common Shares of Quebecor Media Inc.

Each option may be exercised within a maximum period of ten (10) years following the date of grant at an exercise price not lower than, as the case may be, the fair market value, at the date of grant, of the Common Shares of Quebecor Media Inc., as determined by the Board of Directors of Quebecor Media Inc. (if the Common Shares of Quebecor Media Inc. are not listed on a stock exchange at the time of the grant) or the trading price of the said Common Shares on the stock exchanges where such shares are listed at the time of the grant. As long as Quebecor Media Inc. is not a public company, no options may be exercised by an optionee in order to buy shares of Quebecor Media Inc. or to exercise his right to receive the profit from his shares, except within the following two (2) periods: i) from January 1, 2008 to January 31, 2008, and ii) from January 1, 2010 to January 31, 2010, unless authorized by Quebecor Media Inc.'s Compensation and Human Resources Committee in the case an important transaction results in a change of control.

Except under specific circumstances and unless the Compensation and Human Resources Committee decides otherwise, options vest over a five-year period in accordance with one of the following vesting schedules, as determined by the Compensation and Human Resources Committee at the time of grant: (i) equally over five (5) years with the first 20% vesting on the first anniversary of the date of the grant, (ii) equally over four (4) years with the first 25% vesting on the second anniversary of the date of the grant, and (iii) equally over three years (3) with the first 33% vesting on the third anniversary of the date of the grant. The total number of common shares reserved for issue under such plan is 6,185,714, and no optionee shall hold options entitling him to purchase more than 5% of the number of common shares of Quebecor Media Inc. issued and outstanding.

***Stock Option Plan of Quebecor World Inc.***

Quebecor World Inc. has established a stock option plan for its executives (the "**Executive Stock Option Plan**") which is administered by the Human Resources and Compensation Committee of Quebecor World Inc. Participants in the Executive Stock Option Plan are granted options which may be exercised to purchase Subordinate Voting Shares of Quebecor World Inc.

The exercise price of each option to subscribe for Subordinate Voting Shares of Quebecor World Inc. pursuant to the Executive Stock Option Plan is equal to the average of the closing sale prices of the Subordinate Voting Shares traded on The Toronto Stock Exchange for prices in Canadian dollars and on the New York Stock Exchange for prices in U.S. dollars, on the last five (5) trading days immediately preceding the date of grant. The options may be exercised during periods not exceeding ten (10) years from the grant date.

The number of options granted annually to executives is determined exclusively on the basis of a percentage of the base salary of such persons. The specific number of options, which may be granted, is determined with reference to the market value of the Subordinate Voting Shares. The maximum number of options that may be granted is equal to 200% of an individual's annual base salary.

Options granted prior to February 23, 2000, may generally be exercised as follows: (i) on or after the second anniversary of the grant date for 25% of the optioned shares or any part thereof; (ii) on or after each of the third and fourth anniversary of the grant date for an additional 25% of the optioned shares or any part thereof; and (iii) on or after the fifth anniversary of the grant date for the remaining 25% of the optioned shares or any part thereof, subject to the right of the Human Resources and Compensation Committee to determine at the time of grant that a particular option will be exercisable in whole or in part on dates different from the above, provided that the term of such option shall not exceed ten (10) years.

Options granted since February 23, 2000, are generally vested equally over a four-year period (25% each year, starting on the first anniversary of the grant). The Human Resources and Compensation Committee may, at its discretion, allow all options granted under the Executive Stock Option Plan to be exercised, including options that are nor vested, and extend the exercise period of such options, provided that the term of such options shall not exceed ten (10) years.

*Options Granted in 2003*

The following table sets forth grants of stock options to the Named Executive Officers under the stock option plans of the Company and its subsidiaries during the fiscal year ended December 31, 2003.

**Option/SAR Grants During the Most Recently Completed Financial Year**

| Name | Securities Under Options/SARs Granted[(1)] (#) | % of Total Options/SARs Granted to Employees in Fiscal Year | Exercise or Base Price ($/Security) | Market Value of Securities Underlying Options/SARs on the Date of Grant ($/Security) | Expiration Date |
|---|---|---|---|---|---|
| Pierre Karl Péladeau | — | — | — | — | — |
| Jean Neveu | 100,000 | 10.91% | $21.746 | $20.95[(2)] | March 31, 2013 |
| David Boles | 27,989 | 3.05% | US$22.184 | US$22.39[(3)] | February 20, 2013 |
| Érik Péladeau | 100,000 | 10.91% | $33.648 | $33.72[(2)] | February 20, 2013 |
| Pierre Francoeur | — | — | — | — | — |
| Charles G. Cavell | — | — | — | — | — |
| Michel Desbiens | 200,000[(4)] | 21.81% | US$23.746 | US$23.38[(3)] | February 3, 2013 |

(1) Underlying Securities: Subordinate Voting Shares of Quebecor World Inc.

(2) Based on the closing sale price on The Toronto Stock Exchange on the grant date.

(3) Based on the closing sale price of the New York Stock Exchange on the grant date.

(4) Securities under options granted in 2003 were cancelled in 2003 following Mr. Desbiens's departure.

### *Options Exercised in 2003*

The following table indicates for each of the Named Executive Officers the number of options, if any, exercised during the fiscal year ended December 31, 2003, the gains realized upon exercise, the total number of unexercised options, if any, held at December 31, 2003 and the value of such unexercised options at that date.

| Name | Securities Acquired on Exercise (#) | Aggregate Value Realized[(1)] ($) | Unexercised Options/SARs at FY-End | | Value of Unexercised "In-the-Money" Options/SARs at FY-End[(2)] | |
|---|---|---|---|---|---|---|
| | | | Exercisable (#) | Unexercisable (#) | Exercisable ($) | Unexercisable ($) |
| Pierre Karl Péladeau | — | — | 972,333[(3)] | 98,667[(3)] | — | $ 139,422 |
| | — | — | 371,345[(4)] | 22,879[(4)] | — | — |
| | — | — | — | 556,585[(5)] | — | $ 3,106,802 |
| Jean Neveu | — | — | 52,349[(3)] | — | — | — |
| | — | — | — | 100,000[(4)] | | $ 500,400 |
| David Boles | — | — | 199,568[(4)] | 235,805[(4)] | — | — |
| Érik Péladeau | — | — | 225,000[(3)] | — | | — |
| | — | — | 684[(4)] | 100,000[(4)] | $ 7,283 | — |
| Pierre Francoeur | — | — | 3,750[(3)] | 11,250[(3)] | — | — |
| | — | — | — | 309,214[(5)] | — | $ 1,726,002 |
| Charles G. Cavell | — | — | 493,467[(4)] | 360,693[(4)] | — | — |
| Michel Desbiens | — | — | — | — | — | — |

(1) The Aggregate Value Realized upon exercise is the difference between the closing price of the underlying security on The Toronto Stock Exchange (or on the New York Stock Exchange for U.S. participant) on the exercise date and the exercise price of the Named Executive Officers' option.

(2) The Value of Unexercised "In-The-Money " Options at fiscal year-end is the difference between the option exercise price and the closing price of the underlying security on The Toronto Stock Exchange on December 31, 2003 (or on the New York Stock Exchange for U.S. participant). This gain, unlike that set forth in the column "Aggregate Value Realized", has not been, and may never be, realized. The underlying options have not been, and may not be, exercised; and actual gains, if any, on exercise will depend on the value of the underlying security on the date of exercise. The closing sale price of the Class B Shares of the Company on The Toronto Stock Exchange on December 31, 2003, was $23.66 per share, and the closing price of the Subordinate Voting Shares of Quebecor World Inc. on the Toronto Stock Exchange and on the New York Stock Exchange on December 31, 2003 were $26.75 per share and US$ 20.59, per share, respectively. The Board of Directors of Quebecor Media Inc. determined that, as of December 31, 2003, the value of the shares of Quebecor Media Inc. for the purpose of stock options' grants was $21.7519 per share.

(3) Underlying Securities: Class B Shares of the Company

(4) Underlying Securities: Subordinate Voting Shares of Quebecor World Inc.

(5) Underlying Securities: Common Shares of Quebecor Media Inc. The said shares have been consolidated on the basis of 70:1 on December 5, 2003.

***Pension Benefits***

<u>Basis Pension Plans</u>

The Company and its subsidiaries Quebecor World Inc. and Quebecor Media Inc. maintain, among other plans, pension plans for their non-unionized employees. Such plans provide higher pension benefits to eligible executive officers than the pension benefits provided to other employees, such higher pension benefits being equal to 2% of average salary over the best five (5) consecutive years of salary (including bonuses), multiplied by the number of years of membership in the plan as an executive officer. The pension so calculated is payable at the normal retirement age, being 65 years of age, or sooner at the election of the executive officer, and without reduction from the age of 61 years (in the case of the plans of the Company and of Quebecor Media Inc.) and the age of 62 years (in the case of the Quebecor World Inc. plan) if such executive officer has at least ten (10) years of membership.

In addition, the pension may be deferred, but not beyond the age limit under the provisions of the *Income Tax Act*, in which case, the pension is adjusted to take into account the delay in payment thereof in relation to the normal retirement age. The maximum pension payable under such pension plans is as prescribed by the *Income Tax Act*. An executive officer contributes to the plan an amount equal to 5% of his salary not exceeding $91,667 (the salary generating the maximum qualified pension in accordance with the *Income Tax Act*), being a maximum of $4,583 per year.

The table below indicates the annual pension benefits that will be payable under the basic plan at the normal retirement age of 65 years:

| **Compensation** | **Years of Membership** | | | | |
|---|---|---|---|---|---|
| | **10** | **15** | **20** | **25** | **30** |
| $91,667 or more | $ 18,333 | $ 27,500 | $ 36,667 | $ 45,833 | $ 55,000 |

All the Named Executive Officers are members of one of such pension plans.

The respective years of membership in the plan as of December 31, 2003 for the Named Executive Officers are as follows: Pierre Karl Péladeau, four (4) years and eight (8) months, Érik Péladeau, twelve (12) years and Pierre Francoeur, nine (9) years and nine (9) month. Charles G. Cavell retired from his position as President and Chief Executive of Quebecor World Inc. on February 3, 2003. On such date, Mr. Cavell's credited number of years of membership under the Basic Plan and the Restoration Plan were twenty-one (21) years and seven (7) months. As for Michel Desbiens, who resigned on March 17, 2003, he had two (2) months of membership in the basic plan as at the date of his resignation with no vested benefits under the Restoration Plan.

<u>Restoration Plan (Quebecor World Inc.)</u>

For Quebecor World Inc.'s executive officers, in the event that a participant's salary exceeds $91,667, benefits will be paid from the unfunded Quebecor World Restoration Plan (the "**Restoration Plan**"), which uses excess pay top up any shortfalls (excluding bonuses) and the same formula as that found in the basic plan.

The table below sets forth the annual retirement benefits under the basic plan and the Restoration Plan payable at age 65:

| Compensation* | Years of Membership** | | | | |
|---|---|---|---|---|---|
| | 10 | 15 | 20 | 25 | 30 |
| $ 600,000 | $120,000 | $180,000 | $240,000 | $300,000 | $ 360,000 |
| $ 900,000 | $180,000 | $270,000 | $360,000 | $450,000 | $ 540,000 |
| $1,200,000 | $240,000 | $360,000 | $480,000 | $600,000 | $ 720,000 |
| $1,500,000 | $300,000 | $450,000 | $600,000 | $750,000 | $ 900,000 |
| $1,800,000 | $360,000 | $540,000 | $720,000 | $900,000 | $1,080,000 |

* Average annual salary for the best five (5) years
** The same definition applies for the basic plan.

*Additional Retirement Benefits for Charles G. Cavell and Jean Neveu (Quebecor World Inc.)*

In addition to the pension plan in force, Charles G. Cavell and Jean Neveu are entitled to additional retirement benefits whereby their pension is calculated on the basis of the average salary (including bonuses) for the best three (3) consecutive years. Two (2) years per year of membership are recognized for additional retirement benefits. The pension is payable without reduction from the age of 60 for Mr. Cavell and from the age of 62 for Mr. Neveu, indexed each year, and it is payable for life. In case of death after retirement, there is a five-year full pension guarantee starting at the retirement date. After such period, the surviving spouse will continue to receive for life between 60% and 66 2/3 of the pension.

The table below sets forth the annual retirement benefits payable to each of Messrs. Cavell and Neveu at age 65 under all plans applicable.

| Compensation* | Years of Membership | | | | |
|---|---|---|---|---|---|
| | 10 | 15 | 20 | 25 | 30 |
| $ 600,000 | $120,000 | $180,000 | $240,000 | $300,000 | $ 360,000 |
| $ 900,000 | $180,000 | $270,000 | $360,000 | $450,000 | $ 540,000 |
| $1,200,000 | $240,000 | $360,000 | $480,000 | $600,000 | $ 720,000 |
| $1,500,000 | $300,000 | $450,000 | $600,000 | $750,000 | $ 900,000 |
| $1,800,000 | $360,000 | $540,000 | $720,000 | $900,000 | $1,080,000 |

* Average base salary and bonus for the best three (3) years

The credited years of membership for Charles G. Cavell as of February 3, 2002, the date of his retirement, was twenty-eight (28) years and seven (7) months. Jean Neveu was appointed President and Chief Executive Officer of Quebecor World Inc. on March 18, 2003 and his credited years of membership, including the prior years in which he served as a senior executive officer of Quebecor World Inc., was twenty-eight (28) years and ten (10) months. Upon Mr. Neveu's appointment as President and Chief Executive Officer of Quebecor World Inc. in March 2003, the additional retirement benefits payable to him arising from his prior credited years of service as a senior executive officer of Quebecor World Inc., which amount on an annual basis to approximately $343,720, were suspended and were not paid to Mr. Neveu while he served as President and Chief Executive

Officer of Quebecor World Inc. between March 18, 2003 and March 12, 2004. Mr. Neveu's additional retirement benefits were reinstated as of March 12, 2004, when Pierre Karl Péladeau succeeded to Jean Neveu as President and Chief Executive Officer of Quebecor World Inc.

Charles G. Cavell also had an additional retirement benefit, whereby he received, upon his retirement, payment of a lump sum amount of $600,000.

*Canadian Supplementary Retirement Plan (Quebecor World Inc.)*

In addition to the Canadian Basic and Restoration Plans, Quebecor World Inc. provides supplementary retirement plans for some of its Canadian executive officers. The table below sets forth the annual retirement benefits payable at age 65.

| **Compensation*** | **Years of Membership** | | | | |
|---|---|---|---|---|---|
| | **10** | **15** | **20** | **25** | **30** |
| $ 600,000 | $ 90,806 | $136,208 | $181,611 | $227,014 | $272,417 |
| $ 900,000 | $137,306 | $205,958 | $274,611 | $343,264 | $411,917 |
| $1,200,000 | $183,806 | $275,708 | $367,611 | $459,514 | $551,417 |
| $1,500,000 | $230,306 | $345,458 | $460,611 | $575,764 | $690,917 |
| $1,800,000 | $276,806 | $415,208 | $553,611 | $692,014 | $830,417 |

* Average base salary and bonus for the best five (5) years

The pension is payable in accordance with the same modalities as the Basic Canadian Plan. At December 31, 2003, Érik Péladeau had been a member of the plan for two (2) years and three (3) months.

*Supplemental Post-Retirement Benefit Plan for Designated Executives of Quebecor Inc.*

In addition to the pension plan in force, the Company provides supplemental post-retirement benefits to designated executives. Pierre Karl Péladeau and Pierre Francoeur participate in this plan.

The pensions of these persons are calculated on the basis of their respective average salaries (including bonuses) for the best five (5) consecutive years. The pension is payable for life without reduction from the age of 61, if the designated executive has at least ten (10) years of credited service. In case of death after retirement and from date of death, the plan provides for the payment of a joint and survivor pension to the eligible surviving spouse representing 50% of the retiree's pension for a maximum period of ten (10) years.

The table below indicates the annual pension benefits that will be payable at the normal retirement age of 65 years under the Basic Plan and the Supplemental Post-Retirement Benefit Plan.

| Compensation * | Years of Membership** | | | | |
|---|---|---|---|---|---|
| | 10 | 15 | 20 | 25 | 30 |
| $ 600,000 | $120,000 | $180,000 | $240,000 | $300,000 | $ 360,000 |
| $ 900,000 | $180,000 | $270,000 | $360,000 | $450,000 | $ 540,000 |
| $1,200,000 | $240,000 | $360,000 | $480,000 | $600,000 | $ 720,000 |
| $1,500,000 | $300,000 | $450,000 | $600,000 | $750,000 | $ 900,000 |
| $1,800,000 | $360,000 | $540,000 | $720,000 | $900,000 | $1,080,00 |

* Average annual base salary plus bonuses for the best five (5) years
**Years of membership are limited to those accomplished under the Plan.

Credited membership at December 31, 2003 is as follows: Pierre Karl Péladeau, three (3) years, Érik Péladeau (inactive participant of the plan), nine (9) months and Pierre Francoeur, three (3) years and six (6) months.

*U.S. Pension Plans (Quebecor World Inc.)*

David Boles participates in the Quebecor World U.S. Basic Plan and the U.S. Restoration Plan. The table below sets forth the retirement benefits that are payable at age 65 by virtue of said plans based on the benefit service and final average compensation as shown for a participant with no service prior to January 1, 2001.

| Compensation (US$) | Years of Membership (after January 1, 2001) | | | | |
|---|---|---|---|---|---|
| | 10 | 15 | 20 | 25 | 30 |
| $400,000 | $14,000 | $24,000 | $36,000 | $ 52,000 | $ 68,000 |
| $500,000 | $17,500 | $30,000 | $45,000 | $ 65,000 | $ 85,000 |
| $600,000 | $21,000 | $36,000 | $54,000 | $ 78,000 | $102,000 |
| $700,000 | $24,500 | $42,000 | $63,000 | $ 91,000 | $119,000 |
| $800,000 | $28,000 | $48,000 | $72,000 | $104,000 | $136,000 |

At December 31, 2003, David Boles had eleven (11) years and four (4) months of benefit service, of which three (3) years of service were after January 1, 2001.

*Benefits of David Boles (Quebecor World Inc.)*

In addition to the U.S. Basic Plan and the U.S. Restoration Plan as described above, David Boles is also entitled to benefit under the Supplemental Executive Retirement Arrangement (the “SERA”). This plan provides benefits based on compensation and years of service. The pension benefit is payable without reduction at age 62.

The table below sets forth the annual retirement benefits under the U.S. Basic Plan, the U.S. Restoration Plan and the SERA, payable at age 65, based on benefit service and final average compensation as shown.

| Compensation (US$) | Years of Membership | | | | |
|---|---|---|---|---|---|
| | 10 | 15 | 20 | 25 | 30 |
| $ 600,000 | $ 88,690 | $133,035 | $177,380 | $221,725 | $266,070 |
| $ 750,000 | $111,940 | $167,910 | $223,880 | $279,850 | $335,820 |
| $ 900,000 | $135,190 | $202,785 | $270,380 | $337,975 | $405,570 |
| $1,050,000 | $158,440 | $237,660 | $316,880 | $396,100 | $475,320 |
| $1,200,000 | $181,690 | $272,535 | $363,380 | $454,225 | $545,070 |

Mr. Boles may also be entitled to additional retirement benefits in accordance with the terms of his individual employment arrangement. Mr. Boles will receive additional years of credited service for the purpose of calculating the benefits to which he is entitled under the U.S. Basic Plan and the U.S. Restoration Plans, provided he remains employed through January 1, 2005. The number of additional years granted will be equal to his credited service with Quebecor World Inc. from his date of hire to January 1, 2005 (i.e., twelve (12) years and four (4) months of credited service).

***Employment Agreement***

David Boles. On September 23, 2002, David Boles, who was then the Co-Chief Operating Officer of Quebecor World North America, entered into an employment agreement with Quebecor World Inc. Pursuant to the terms and conditions of his employment agreement, Mr. Boles received, as a retention bonus, a special one-time grant of 150,000 options to subscribe for Subordinate Voting Shares of Quebecor World Inc., of which 50% will vest on January 1, 2005 and 50% will vest on January 1, 2007. Pursuant to his employment agreement, Mr. Boles is also entitled to a retention bonus of US$475,000. He will receive a special one-time performance bonus equal to a multiple of between 100% and 200% of his current annual base salary. In addition, should Mr. Boles be in the employment of Quebecor World Inc. on January 1, 2005, the benefits payable to him upon his retirement will be doubled on such date. On March 24, 2003, Mr. Boles was named Chief Operating Officer, Quebecor World North America, at which time, his employment agreement was amended such that Mr. Boles is now entitled to be paid an annual salary of $675,000.

**REPORT ON EXECUTIVE COMPENSATION**

***Establishment of Compensation***

The Company is a holding doing business through two (2) major operational subsidiaries to wit: Quebecor World Inc. that operates in the commercial printing business and Quebecor Media Inc. that operates mainly in the cable television, newspapers, broadcasting, business telecommunications and Web integration segments.

Almost all of the Company's employees work for either one of the two (2) subsidiaries mentioned hereinabove.

Each subsidiary has its own Compensation and Human Resources Committee. In the case of Quebecor World inc., it is comprised of Alain Rhéaume (Chairman), A. Charles Baillie, Derek H. Burney and Robert Normand. In the case of Quebecor Media Inc., it is comprised of Serge Gouin (who was Chairman of the committee until March 15, 2004), Jean Neveu and André Bourbonnais.

The Compensation and Human Resources Committee of Quebecor World Inc. established the compensation of Jean Neveu, Érik Péladeau, David Boles, Charles G. Cavell and Michel Desbiens. This committee's responsibilities include succession planning for the Chief Executive Officer and members of senior management, the hiring and assessment of the senior management and making recommendations to the Board with respect to the compensation for the senior management. The details pertaining to the remuneration of Quebecor World Inc.'s senior management are described in the section entitled **"Report on Executive Compensation"** in the management proxy circular of Quebecor World Inc., which is available on its Web site at **www.quebecorworldinc.com.**

The Compensation and Human Resources Committee of Quebecor Media Inc. has established the compensation of Pierre Francoeur. This committee is responsible for determining the global compensation policies and perquisites of Quebecor Media Inc. and its subsidiaries that do not have a compensation committee.

The compensation of the senior management is composed primarily of a base salary and annual cash bonuses. Cash bonuses are generally tied to the achievement of financial performance indicators and personal objectives, and they may vary from 20% to 100% of base salary depending upon the level of responsibilities of the officer. The executive compensation package is also complemented by long-term incentives in the form of options to purchase common shares to be issued pursuant to Quebecor Media Inc.'s Stock Option Plan.

The Company's Compensation and Human Resources Committee is comprised of Alain Bouchard (Chairman of the committee), Robert Dutton and Pierre Parent. This committee reviews the compensation of the Chairman of the Board, Vice-Chairman of the Board, President and Chief Executive Officer, and Executive Vice-President, Corporate Affairs, and that of the directors. The Chairman of the committee has regular meetings and consultations with its counterparts at Quebecor World Inc. and Quebecor Media Inc., and ensures that the options are granted to the officers by the legal entity which employs them.

The Compensation and Human Resources Committee determines the compensation of the Company's officers mentioned hereinabove mainly in accordance with existing similar market standards. The aim of the Company's senior management compensation policy is to attract and retain the necessary key executive officers for the Company's long-term success and to provide them with some incentives to meet the Company's objectives and further its development.

The Compensation of the aforesaid officers includes the following three (3) elements: a base salary, an annual bonus and a grant of options to purchase Class B Shares. The Company strives to offer global compensation which is competitive, taking into account current market compensation standards, and which includes incentives tied to performance.

The grant of options to purchase Class B Shares allows officers, in certain circumstances, to increase their compensation based on the exercise price of the options at the time of the grant and the trading price of the Class B Shares at the time of the exercise. Stocks are granted to create a direct link between executive compensation and the growth of the shareholders' equity.

The level of aggregate compensation of Pierre Karl Péladeau, as President and Chief Executive Officer of the Company, was determined in relation to the Company's results, Pierre Karl Péladeau's overall achievement and comparable positions with other Canadian companies having international operations.

The annual bonus of the President and Chief Executive Officer is determined based on objectives preset by the Board of Directors and geared towards the achievement by the Company of its set financial objectives. For 2004, 30% of the Chief Executive Officer's bonus will be based on the implementation of a succession planning process for the Company's senior management and that of its subsidiaries. If the Company meets or exceeds its financial objectives, the President and Chief Executive Officer receives a bonus that ranges from 100% to 160% of his base salary. The annual bonus payable to the other members of senior management is based on a different percentage for each officer and also on the achievement of individual performance.

The foregoing report is submitted by the Human Resources Committee:

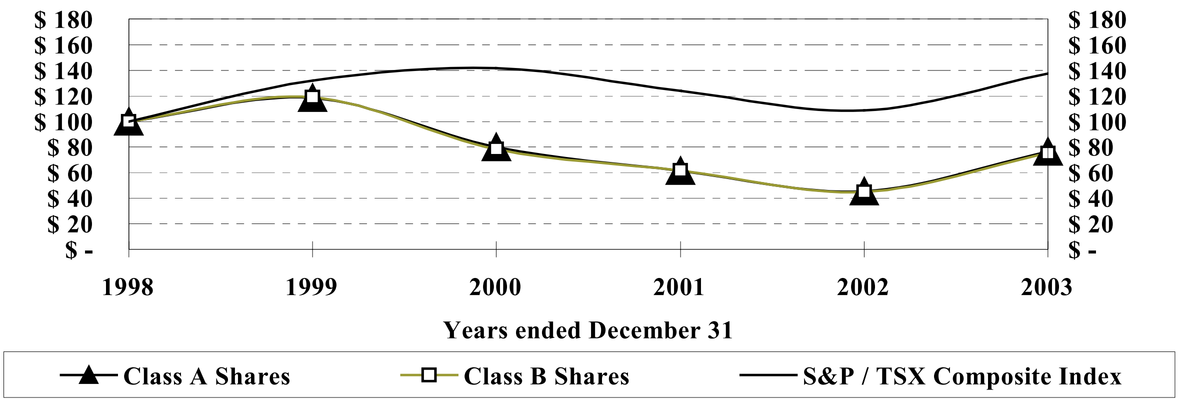
Alain Bouchard, Chairman
Robert Dutton
Pierre Parent

**PERFORMANCE GRAPH**

The performance graph presented hereafter illustrates the five (5) year cumulative total returns of a $100 investment in the Company's Class A Shares and Class B Shares compared with the cumulative total return of the S&P / TSX Composite Index.

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

**FIVE YEAR CUMULATIVE TOTAL RETURNS**
**VALUE OF $100 INVESTED ON DECEMBER 31, 1998**




| Years ended December 31 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 |
|---|---|---|---|---|---|---|
| Class A Shares | $ 100.00 | $ 118.25 | $ 79.76 | $ 61.27 | $ 45.20 | $ 76.39 |
| Class B Shares | $ 100.00 | $ 118.65 | $ 78.12 | $ 61.42 | $ 44.72 | $ 75.10 |
| S&P / TSX Composite Index | $ 100.00 | $ 131.79 | $ 141.56 | $ 123.76 | $ 108.37 | $ 137.32 |

## CORPORATE GOVERNANCE DISCLOSURE

The Board of Directors considers good corporate governance practices an important factor in the overall success of the Company. According to the rules of The Toronto Stock Exchange, the Company has an obligation to disclose its corporate governance practices with reference to the guidelines of The Toronto Stock Exchange (the "**TSE Guidelines**"). Schedule “B” contains a description of the Company's practices in light of each of the guidelines.

During the year, the Company has undertaken a comprehensive review of its corporate governance practices in order to ensure that they comply with the existing guidelines as well as those globally proposed by the Canadian Securities Administrators. Also, the Corporate Governance and Nominating Committee has examined the recommendations of the Canadian Coalition for Good Governance and has endorsed some of them. At a special meeting, held on March 19, 2004, the Corporate Governance and Nominating Committee presented to the Board its recommendations for improving the Company’s governance practices.

## LIABILITY INSURANCE

The Company has purchased liability insurance for the benefit of the directors and officers of the Company, its subsidiaries and certain associated companies, against certain liabilities incurred by them in such capacity. This insurance provides coverage of US$150,000,000 per event and policy year. For the fiscal year ended December 31, 2003, the amount of the premium paid by the Company and its subsidiaries was US$2,483,640. A deductible of US$500,000 applies when the Company is authorized or obliged to indemnify the persons insured. The deductible amounts to US$1,000,000 for Quebecor World Inc.

## TRANSACTIONS WITH INTERESTED PARTIES

The Company is not aware of any of the directors, officers, nominees for election as directors, other insiders of the Company or any person associated with or otherwise related to any of the foregoing who has an interest in any material transaction carried out since the beginning of the Company’s last completed financial year or in any proposed transaction which has materially affected or is likely to materially affect the Company or any of its subsidiaries.

During the fiscal year ended on December 31, 2003, the Company and its subsidiaries did business, at competitive market rates, with various organizations within their group. The Company and its principal subsidiaries intend to continue to engage in similar transactions on terms which are generally no less favourable to the Company than would be available to it from unaffiliated third parties. The Company considers the amounts paid with respect to the various transactions mentioned to be both reasonable and competitive.

## INDEBTEDNESS OF THE DIRECTORS AND OFFICERS

As of March 9, 2004, no amount is owed to Quebecor Inc. by any of the directors or officers of the Company or any persons related thereto. During 2003, the Board of Directors of Quebecor World Inc. and the Board of Directors of Quebecor Media Inc. approved a policy that prohibits both the extending of any new personal loans to their directors or officers as well as the renewal of, or material modification to, any existing personal loans.

## APPOINTMENT AND REMUNERATION OF AUDITORS

At the Meeting, the shareholders will be called upon to appoint Auditors to hold office until the next Annual Meeting of Shareholders and to authorize the Directors to establish the remuneration of the Auditors so appointed.

Except where authority to vote on the election of Auditors is withheld, the persons named in the accompanying form of proxy will vote for the appointment of the firm KPMG LLP, as Auditors of the Company, compensation for their services to be determined by the Board of Directors.

In addition to performing the audit of the Company's consolidated financial statements, KPMG LLP provided other services to the Company and billed the Company the following fees for the Company's most recently completed financial year.

| Fees | Financial Year Ended December 31 2003 |
|---|---|
| Audit Fees[(1)] | $ 8,019,447 |
| Audit Related Fees[(2)] | $ 1,424,053 |
| Tax Fees[(3)] | $ 6,406,024 |
| All Other Fees[(4)] | $ 99,971 |
| **Total Fees** | **$ 15,949,495** |

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(1) *Audit Fees* consist of fees billed for the annual audit of the Company's consolidated financial statements or services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements. They also include fees billed for other audit services, which are those services that only the external auditor reasonably can provide, and include the provision of comfort letters and consents, the consultation concerning financial accounting and reporting of specific issues and the review of documents filed with regulatory authorities.

(2) *Audit-related Fees* consist of fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements or that are traditionally performed by the external auditor, and include consultations concerning financial accounting and reporting standards; review of security controls and operational effectiveness of systems; due diligence related to acquisitions; and employee benefit plan audits.

(3) *Tax Fees* include fees billed for tax compliance services, including the preparation of original and amended tax returns and claims for refund; tax consultations, such as assistance and representation in connection with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from taxing authorities; tax planning services; and consultation and planning services.

(4) *All Other Fees* include fees billed for forensic accounting and occasional training services.

## OTHER BUSINESS

The Management of the Company knows of no other matters which should be put before the Meeting. If, however, any other matters properly come before the Meeting, the persons designated in the accompanying proxy shall vote thereon in accordance with their best judgment pursuant to the discretionary authority conferred on them by the proxy with respect to such matters.

**AVAILABILITY OF DISCLOSURE DOCUMENTS**

The Company is a reporting issuer under the securities legislation of all of the provinces of Canada; therefore, it is required to file Financial Statements, a Management Proxy Circular and an Annual Information Form with the various securities regulatory authorities. Copies of said documents may be obtained free of charge on request from the Company or on the Internet at the following address: **www.sedar.com.**

**DIRECTORS' APPROVAL**

The Board of Directors of the Company has approved the contents and sending of this Management Proxy Circular to the shareholders.

Louis Saint-Arnaud
Vice President, Legal Affairs and Secretary

## APPENDIX "A"
## BIOGRAPHICAL NOTES ON THE CANDIDATES TO THE POSITION OF DIRECTOR

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| Françoise Bertrand | Before taking on the role of President of the *Fédération des chambres de commerce du Québec*, Françoise Bertrand gained prominence as President of the Canadian Radio-Television and Telecommunications Commission (CRTC) and as President and Chief Executive Officer of the *Société de radio-télévision du Québec (Radio-Québec)*. She also served as Dean, Resource Management, at the *Université du Québec* (UQAM) in Montreal. Mrs. Bertrand is a member of numerous charitable organizations and is an active participant in a number of associations. |
| Alain Bouchard | Alain Bouchard is the founder of the business enterprise within which Alimentation Couche-Tard Inc. has emerged. The company employs close to 34,000 people throughout Canada and the United States. Mr. Bouchard is Chairman of the company's Board, as well as its President and Chief Executive Officer. In addition, he is a member of a number of charitable organizations. |
| Robert Dutton | Throughout his career, Robert Dutton has occupied various executive positions at RONA Inc., a company which has become the most important Canadian distributor and retailer of hardware products as well as renovating and gardening supplies. He has been at the helm of the company since 1992. Mr. Dutton is also a member of a number of social and community organizations. |
| Jean La Couture | Jean La Couture is a Fellow of the *Ordre des comptables agréés du Québec.* He headed *Le Groupe Mallette* (an accounting firm) before becoming President and Chief Executive Officer of The Guarantee Company of North America. In 1995, he created Services Top Management Inc. as well as Private Hearing Inc., two (2) companies specializing respectively in management and mediation as well as in civil and commercial negotiations. He serves as a member of various Boards of Directors and Committees. |
| Pierre Laurin | For the major part of his career, Pierre Laurin headed *HEC Montréal* (previously known as *l'École des Hautes Études Commerciales*) after which he moved over to the position of Vice-President, Planning and Administration, at Aluminium Company of Canada, then to that of founding President of SOCCRENT, a venture capital company, and thereafter to President of Merrill Lynch, Quebec. Currently, he serves, on a voluntary basis, as an invited Director of the HEC Montréal, and he is a member of Boards of Directors. Mr. Laurin is an Officer of the Order of Canada, and he is also Chevalier of l'Ordre du Mérite de la République Française. |
| Raymond Lemay | Raymond Lemay's career in management began at Richelieu Raceways Inc., a horse racing enterprise, which he headed before becoming President of Blue Bonnets Raceways Inc. Mr. Lemay subsequently moved to Canada Steamship Lines where he remained in charge for almost ten (10) years, after which he joined the ranks of Quebecor Inc. as Executive Vice-President where his tenure ended in January 1999. Mr. Lemay participates actively in a number of associations and foundations, and he is Chairman of the Board of Directors for the Port of Montreal. He is a member of the Order of Canada. |
| The Right Honourable Brian Mulroney | The Right Honourable Brian Mulroney practiced law before assuming the presidency of Iron Ore of Canada. He subsequently entered politics as Leader of the Progressive Conservative Party which he led to victory in September, 1984. He was Prime Minister of Canada until 1993. He then returned to the practice of law, and joined the well established Canadian law firm of Ogilvy Renaud based in Montreal. The Right Honourable Brian Mulroney serves on a number of Boards of Directors and committees in Canada as well as abroad. |

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| Jean Neveu | Jean Neveu joined Quebecor Inc. in 1969 as Controller, and he occupied several management positions before leaving the company in 1979 to become part of a major publishing house and magazine distributor.<br>In 1988, Jean Neveu returned to Quebecor to initially serve as Vice-President, Dailies, and later moved on to Senior Vice-President.<br>When Quebecor Printing Inc. was created in January 1989, Mr. Neveu became Chairman and Chief Executive Officer of the Company.<br>In December 1997, he was appointed to the position of President and Chief Executive Officer of Quebecor Inc., and in April 1999, he became its Chairman.<br>From March 2003 until March 2004, Mr. Neveu served as interim President of Quebecor World Inc. He is an active member of a number of social organizations. |
| Pierre Parent | Pierre Parent is the founder of Promexpo Inc., a leader in the field of design and organization of large scale events in Quebec. Mr. Parent remained at the helm of the enterprise for a number of years. He now specializes in property and hotel management and, as such, he is President of Resort One Canada Inc., and of R.O. International Inc., as well as Director of Windigo, s.e.c., of the International Corporate Club Inc., and of the Velero Beach Resort (Dominican Republic). He is a member of a number of social as well as cultural organizations. |
| Érik Péladeau | For more than 25 years, Érik Péladeau has been associated to the different companies throughout the Quebecor enterprise. He was a key figure in the negotiations that took place when Quebecor Inc. decided to diversify and expand into the media sector which he shaped and headed for a number of years. Mr. Péladeau has served within the ranks of senior management at Quebecor Media Inc., and at its subsidiary corporations, at Quebecor World Inc., and at its subsidiaries, and at the parent company, Quebecor Inc. As well, he is the owner of the Groupe Lelys, a company which specializes in the printing of self-adhesive labels. He sits on a number of Boards of Directors, and he participates in many activities of a philanthropic nature. |
| Pierre Karl Péladeau | Pierre Karl Péladeau's career was shaped while working in the family enterprise, and in 1985, he participated in the acquisition of Donohue Inc., a paper producer.<br>In 1991, he was appointed President of the Media division (publishing, distributing, retailing and newsprint). Thereafter, he played a key role in the acquisition of Maxwell Graphics, a step which propelled the Company to the ranks of the most important printing houses in North America.<br>Mr. Péladeau thereafter shifted to the important European markets where he succeeded in expanding activities for the printing sector.<br>In 1998, he spearheaded the acquisition of Sun Media Corporation, thus making Quebecor the second largest newspaper chain in Canada.<br>In 1999, he was responsible for the acquisition of World Color Press which elevated Quebecor World Inc. to number one worldwide in the commercial printing sector.<br>In 2000, he was responsible for the acquisition of Le Groupe Vidéotron ltée, a company which controls cable networks, business telephony, as well as television broadcasting. He successfully integrated all of the company's components, thus creating one of the most dynamic companies which he has headed since April 1999. |

# APPENDIX "B"
# QUEBECOR INC.
# STATEMENT OF CORPORATE GOVERNANCE PRACTICES

| Corporate Governance Guidelines | Comments |
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| 1. Board should explicitly assume responsibility for stewardship of the Company, and specifically for: | The Board of Directors of the Company assumes stewardship of the Company's overall administration and oversees the management of the Company's operations. The Board of Directors of the Company has approved and adopted a formal mandate, which sets out the composition, responsibilities and method of operation of the Board of Directors (the "**Mandate of the Board**").<br><br>The Mandate of the Board states that the Board of Directors is responsible for the supervision of the management of the Company's business and affairs, with the objective of increasing shareholder value. Although management conducts the day-to-day operations of the Company, the Board of Directors has a duty of stewardship and regularly assesses and monitors management's performance.<br><br>In conformity with the law, the Board may delegate certain tasks to its committees.<br><br>A copy of the mandate of the Board may be found on the Company's Web Site at: **www.quebecor.com.** |
| a) Adoption of a strategic planning process | The Board is actively involved in the Company's strategic planning process. An additional Board meeting has been scheduled annually to review the strategic plan with the senior management. Therefore, the Company's senior management presents to the Board the results of the strategic-planning sessions held by the two (2) operating subsidiaries, Quebecor World Inc. and Quebecor Media Inc. The Board of Directors reviews in detail the strategic plan and sets out the long term goals of the Company. The Mandate of the Board provides that the Board of Directors is responsible for: (i) reviewing and approving annually the overall budget of the Company as well as the overall strategic plan, and: (ii) reviewing and approving every strategic decision for the Company, including acquisitions or dispositions of shares, assets and companies. |
| b) Identification of principal risks, and implementing risk management systems | The Board, together with the senior management of the Company, is responsible for identifying the principal risks associated with the Company's business operations and ensuring that such risks are properly managed.<br><br>Reports are made at all Board of Directors' meetings with regards to the two (2) main sectors of the Company, i.e., printing and media. Such presentations enhance the directors' awareness of the distinctive aspects of the activities of these sectors, such as the principal inherent risks involved in these activities and their proper management. For instance, as regards to environmental issues, the Company's principal subsidiary has established a department to oversee |

environment-related issues which is responsible for identifying environmental risks; said department implements environmental risk management systems, follows up such implementation and reports to the Board of Directors on a regular basis.

The mandate of the Audit Committee provides that the committee is responsible for reviewing and overseeing risk assessment and management policies on a regular basis.

Moreover, to the environmental risk management and the Company's industry risk management, the Company has implemented a financial risk management policy. The Audit Committee meets regularly to review reports and discuss significant risk areas with the internal and external auditors. The Board of Directors, through the Audit Committee, ensures that the Company adopts risk management policies.

c) Succession planning including appointing and monitoring senior management

The Mandate of the Board sets out that the Board of Directors is responsible for overseeing management and the succession-planning process. It also indicates that the Board is entrusted with choosing the President and Chief Executive Officer and approving the appointment of other members of senior management, as well as overseeing and assessing the performance of the President and Chief Executive Officer and the executive officers and approving their compensation in light of the Board's expectations and objectives.

By virtue of its mandates, the Human Resources Committee ensures that appropriate processes are in place regarding succession planning for the position of President and Chief Executive Officer and other members of senior management as well as those of the Company's subsidiaries. In 2004, 30% of the President and Chief Executive Officer's bonus will be based on the implementation of succession planning for the Company's senior management and of its significant subsidiaries.

d) Communications policy

The Mandate of the Board provides that the Board of Directors is responsible for reviewing the Company's communications policy no less frequently than once yearly and for monitoring the Company's communications with analysts, investors and the public. On February 12, 2004, the Board of Directors adopted, upon recommendation of the Audit Committee, a communications policy that covers the accurate and timely communication of all important information and the prohibition of selective disclosure. It is reviewed annually.

Management is responsible for ensuring that all material financial information made available to the public is simultaneously made available to the investment community as a whole. Management holds quarterly conference calls to discuss earnings announcements. The Company files information that is publicly disseminated simultaneously with SEDAR and also posts such information on its Web Site.

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| | e) Integrity of internal control and management information systems | The Mandate of the Board provides that the Board of Directors is responsible for monitoring internal control and management information systems as well as the Company's compliance with applicable legal and regulatory requirements. In addition, the Mandate of the Audit Committee sets out that the committee is responsible for monitoring the adequacy and integrity of internal controls and of the management information systems. In that respect, the Audit Committee reviews annual and quarterly financial statements before they are released as well as observation reports from the internal and external auditors as well as the internal controls and related systems of the Company. The Audit Committee also assists the Board of Directors in the oversight of the Company's compliance with applicable legal and regulatory requirements. |
| 2. | Majority of directors should be "**unrelated**" (independent of management and free from conflicting interests) to the Company and the Company's significant shareholder, if any. The Board should include a number of directors who do not have interests in or relationships with either the Company or the significant shareholder and which fairly reflects the investment in the Company by shareholders other than the significant shareholder. | As of March 9, 2004, the Board of Directors consisted of eleven (11) directors, seven (7) of whom were unrelated directors. In determining which of its directors are unrelated, the management of the Company has nominated persons who are not officers of the Company or of any of its affiliates and who are free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with their ability to act with a view to the best interests of the Company.<br><br>Of the eleven (11) seats filled last year on the Board, eight (8) directors were elected by the holders of Class A Shares, and three (3) (all unrelated) were elected by the holders of Class B Shares, in accordance with the Articles of the Company. In the opinion of the Company, the composition of its Board of Directors fairly reflects the voting rights of the holders of each class of shares. The Company has a significant shareholder, which is entitled to exercise the majority of the voting rights in respect of election to the Board of Directors, the whole as indicated in the section "*Voting Shares and Principal Holders Thereof*". Érik Péladeau and Pierre Karl Péladeau control such shareholder through a special trust. The significant shareholder's investment in the Company corresponds to 27.06% of the subscribed share capital. The requirement to equitably represent the investment of the minority shareholders is therefore satisfied. |
| 3. | Disclose on an annual basis whether the Board is constituted with the appropriate number of directors which are not related to either the Company or the significant shareholder, and the analysis of the application of the principles supporting this conclusion. | The Board of Directors is responsible for determining whether or not each director is an unrelated director. In so doing, the Board of Directors analyses all the relationships of the directors with the Company and its subsidiaries. Based on the foregoing and on the information provided by directors as to their personal circumstances, almost two-thirds (2/3) of the directors are considered by the Board of Directors to be unrelated directors. |

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| Françoise Bertrand | Unrelated | Mrs. Bertrand does not work in the day-to-day operations of the Company, she is not party to any material contracts with the Company, and she does not receive any fees from the Company other than as Director and member of the Corporate Governance and Nominating Committee. |
| Alain Bouchard | Unrelated | Mr. Bouchard does not work in the day-to-day operations of the Company, he is not party to any material contracts with the Company, and he does not receive any fees from the Company other than as Director and Chairman of the Human Resources Committee. |
| Robert Dutton | Unrelated | Mr. Dutton does not work in the day-to-day operations of the Company, he is not party to any material contracts with the Company, and he does not receive any fees from the Company other than as Director and member of the Human Resources Committee. |
| Jean La Couture | Unrelated | Mr. La Couture does not work in the day-to-day operations of the Company, he is not party to any material contracts with the Company, and he does not receive any fees from the Company other than as Director and Chairman of the Audit Committee of the Company and of some subsidiaries. |
| Pierre Laurin | Unrelated | Mr. Laurin does not work in the day-to-day operations of the Company, he is not party to any material contracts with the Company, and he does not receive any fees from the Company other than as Director and Chairman of the Corporate Governance and Nominating Committee. Furthermore, the Board has taken into consideration the fact that Mr. Laurin has resigned from the functions that were assigned to him by virtue of the late Pierre Péladeau's will. |

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| Raymond Lemay | Unrelated | Mr. Lemay does not work in the day-to-day operations of the Company, he is not party to any material contracts with the Company, and he does not receive any fees from the Company other than as Director and member of the Audit Committee and of the Corporate Governance and Nominating Committee. Mr. Lemay has been a member of the senior management of the Company from June 1989 to January 1999. Considering the time elapsed since he ceased to be part of management, the Board is of the opinion that he should be considered as unrelated. |
| The Right Honourable Brian Mulroney | Related | The Rigth Honourable Brian Mulroney is Senior Partner of Ogilvy Renault, principal legal counsel to the Company and its subsidiaries. He is also Chairman of Quebecor World Inc. |
| Jean Neveu | Related | Mr. Neveu acted as President and Chief Executive Officer of Quebecor World Inc. from March 18, 2003 to March 12, 2004. He is also Chairman of the Board of the Company, of TVA Group Inc. He is also member of some boards of directors and committees inside the Company's group. |
| Pierre Parent | Unrelated | Mr. Parent does not work in the day-to-day operations of the Company, he is not party to any material contracts with the Company, and he does not receive any fees from the Company other than as Director and member of the Audit Committee and of the Human Resources Committee. |
| Érik Péladeau | Related | Mr. Péladeau is Vice Chairman of the Board of the Company, Vice Chairman of the Board of Quebecor World Inc. and newly appointed Chairman of the Board of Quebecor Media Inc. Until March 12, 2004, he acted as Senior Executive Vice |

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| | | President of Quebeor World Inc. He has an interest in Les Placements Péladeau, the significant shareholder. |
| Pierre Karl Péladeau | Related | Mr. Péladeau is President and Chief Executive Officer of the Company and acted until March 12, 2004, as President and Chief Executive Officer of Quebecor Media Inc. Mr. Péladeau has been appointed President and Chief Executive Officer of Quebecor World Inc. on March 12, 2004. He is also Chairman of the Board of Nurun Inc. He has in interest in Les Placements Péladeau, the significant shareholder. |

Information on attendance of directors to meetings of the Board of Directors and committees are set out at page 7 of the Circular.

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| 4. | Appoint a committee of directors responsible for proposing to the full Board new nominees to the Board and for assessing directors on an ongoing basis | On May 8, 2003, the Board of Directors created a Corporate Governance and Nominating Committee having mainly the responsibility for: (i) developing and reviewing criteria for selecting directors by regularly assessing the qualifications, personal qualities, business background, and diversified experience of the Board of Directors, as well as the Company's needs, (ii) identifying candidates qualified to become Board members, and (iii) recommending nominees for election at the next annual meeting of shareholders and assisting the Board of Directors and its Chairman in determining Board Committee membership.<br><br>The Mandate of the Corporate Governance and Nominating Committee provides that such committee shall be comprised of three (3) directors, a majority of whom qualifies as unrelated. The Committee is solely comprised of outside and unrelated directors. |
| 5. | Implement a process for assessing the effectiveness of the Board, its committees and individual directors | The Mandate of the Corporate Governance and Nominating Committee provides that the committee is responsible for developing and monitoring appropriate processes for the periodic assessment of the Board of Directors and its committees, of the Chairman and of the individual directors.<br><br>At a special Board Meeting held on March 19, 2004, the Board of Directors implemented a process to assess the effectiveness of the Board, its committees and individual directors. |
| 6. | Provide an orientation and education program for new recruits to the Board | The Mandate of the Corporate Governance Committee provides that the committee is responsible for developing and reviewing the orientation and continuing-education program for directors. The Company provides annually to its directors a Company Directors Manual containing mainly the Board of |

Directors' and committee's mandates and working plans and many other relevant corporate information. This year, the Company's Corporate Governance Guidelines will be included in the Company's Director's Manual.

The senior management also provides new directors with historical and prospective information relating to the market position, operations and financial condition of the Company. Moreover, senior management makes regular presentations to the Board on the main areas of the Company's business.

The meetings of the Board are held at various premises of the Company in order to allow the directors to better familiarize themselves with the operations of the Company. The Corporate Governance and Nominating Committee will continue to evaluate the different avenues that would enable the directors to remain continuously well informed with regards to the regulatory environment.

7. Board should examine its size and undertake where appropriate a program to establish a Board size in order to improve efficiency.

The Mandate of the Corporate Governance and Nominating Committee provides that the committee is responsible for monitoring the size and composition of the Board to ensure effective decision-making of directors. The Board of Directors believes that a board of directors with eleven (11) members will adequately ensure that its method of operation and decision-making is effective.

8. Board should review compensation of directors in light of risks and responsibilities

The Mandate of the Human Resources Committee provides that the committee is responsible for making recommendations to the Board of Directors pertaining to the amount of remuneration and the method of remunerating directors. Once a year, the committee reviews this compensation.

During its meeting held in February 2004, the Human Resources Committee further to an analysis of the one hundred (100) most important Canadian companies, recommended to the Board of Directors to slightly increase the amount of remuneration granted to the directors as well as to the members of the committees.

The Company set up a Directors' Deferred Stock Unit Plan pursuant to which at least 50% of the base compensation of each director is paid in the form of deferred stock units. Such stock units are redeemable by the Company upon the director ceasing to serve as a director. The value of each unit, both on the date of grant and the redemption date, is tied to the value of the Class B Shares of the Company on The Toronto Stock Exchange. The Company is of the opinion that the introduction of this plan means that the compensation of directors is adequately tied to the Company's overall performance. See page 7 of this Circular for additional information regarding compensation received by directors in 2003.

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| 9. | Committees of the Board should generally be composed of outside (non-management) directors, a majority of whom are unrelated directors | The By-laws of the Company provide that the Board of Directors may delegate to any of its committees, any power that the Board may exercise, save those powers, a committee is prohibited from exercising by law. There are currently three (3) committees of the Board of Directors, the Audit Committee, the Human Resources Committee and the Corporate Governance and Nominating Committee. |

- **Audit Committee**

This Committee has three (3) members:

Chairman: Jean La Couture has an accounting experience as defined by the Board of Directors.

Members: Raymond Lemay and Pierre Parent. They are financially literate as determined by the Board of Directors

The Audit Committee is composed exclusively of outside and unrelated directors. The mandate of the Committee provides that it must be composed of a minimum of three (3) and a maximum of five (5) members, all of whom must be unrelated. Each member must be financially literate, and at least one must have accounting or financial experience, as determined by the Board.

The two major subsidiaries of the Company, Quebecor World Inc. and Quebecor Media Inc., each possess their own audit committee. Jean La Couture acts equally as Chairman of the audit committee of Quebecor Inc. and Chairman of the audit committee of Quebecor Media Inc. Mr. La Couture has also assisted as an observer at two meetings of the audit committee of Quebecor World Inc.

The purpose of the Audit Committee is to monitor the integrity of the financial reporting process, to review Quebecor Inc.'s annual and quarterly financial statements before they are submitted to the Board of Directors, to discuss with the Auditors their independence and the scope of their audit and to review their recommendations and the measures taken by Quebecor Inc.'s Management thereto. The Committee is also responsible for ensuring that Quebecor Inc. has in place adequate and efficient internal control systems to monitor Quebecor Inc.'s financial information. The Committee is also responsible for the supervision of the financial risk management The Committee examines the audit fees to be paid to the Auditors and submits the appropriate recommendations to the Board of Directors. It reviews, pursuant to a well established procedure, all non-audit work performed by the external auditors. It also reviews the scope of the audit and the results of the examinations conducted by Quebecor Inc.'s internal audit department. The Committee meets with Quebecor Inc.'s external Auditors at every regular meeting it holds.

Its members also hold private discussions without any members of senior management being present, or in the absence of Quebecor Inc.'s Auditors. All of the minutes of the Audit Committee are submitted to the Board of Directors for information, and the Committee Chairman also reports to the Board on its activities. The Audit Committee held five (5) meetings during the past fiscal year and since their appointment, all members attended the meetings. The Mandate of the Audit Committee can be found on Quebecor Inc.'s Web Site.

- **Human Resources Committee**.

This committee has three (3) members.

Chairman: Alain Bouchard

Members: Robert Dutton and Pierre Parent

This committee is composed of outside directors, all are unrelated.

During the past fiscal year, the committee held four (4) meetings and the attendance rate was 83%. The Mandate of the Human Resources Comittee provides that it shall be comprised of three (3) outside and unrelated directors. This committee's responsibilities include succession planning for the members of senior management, the hiring of members of senior management and recommending to the Board of senior management's and directors' compensation. It reviews and approves the objectives for the President and Chief Executive Officer, assesses his performance against them and sets out his compensation. Furthermore, it supervises the pension plans and formulates appropriate recommendations to the Board of Directors concerning the granting of stock options. The Chairman of the Human Resources Committee reports on the activities of the committee to the Company's Board of Directors. The Mandate of the Human Resources Committee can be found on the Company's Web site.

- **Corporate Governance and Nominating Committee**.

This Committee has three (3) members.

Chairman: Pierre Laurin

Members: Françoise Bertrand and Raymond Lemay

This committee is composed of outside directors, all are unrelated.

Since its creation on May 8, 2003, the committee held five meetings and all members attended the meetings. This committee's responsibilities include: i) assisting the Board of Directors in developing and overseeing the Company's corporate governance practices; ii) developing appropriate processes for the performance assessment of the Board and its committees; iii) identifying candidates to become Board members. On March 19, 2004, the committee made recommendations to the Board to improve the corporate governance practices of the Company.

The Mandate of the Committee can be found on the Company's Web site.

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| 10. Board should expressly assume responsibility for, or assign to a committee general responsibility for, developing the approach to corporate governance issues | The Mandate of the Board provides that the Board of Directors is responsible for overseeing management in the competent and ethical operation of the Company and for reviewing, on a regular basis, appropriate corporate governance structures and procedures, including the identification of measures for receiving shareholder feedback.<br><br>The Corporate Governance and Nominating Committee is responsible for overseeing the corporate governance principles and guidelines of the Company, for recommending all or any changes thereto, and for supervising their divulgation. The committee is responsible for the divulgation of corporate governance practices of the Company, mainly in the Circular. This committee remains informed of the best corporate governance practices held among the most important Canadian companies in order to assure that the Company follows and continues to follow high standards established in corporate governance matters. |
| 11. a) Define limits to management's responsibilities by developing mandates for (i) the Board, ii) the Chief Executive Officer.<br>b) The Board should approve or set Chief Executive Officer's corporate objectives | The Mandate of the Board of Directors has been adopted on May 8, 2003. It can be found on the Company's Web site.<br><br>Mandates for the Chief Executive Officer and the Chairman of the Board have been adopted on May 8, 2003. They can be found on the Company's Web Site. The Human Resources Committee reviews and approves the corporate objectives that the Chief Executive Officer is responsible for meeting. The Committee assesses the Chief Executive Officer's performance against these objectives and reports the results of this assessment to the Board. |
| 12. Establish procedures to enable the Board to function independently of management | The functions of Chairman and of Chief Executive Officer are separate of each other, however, the Chairman had also acted up until March 12, 2004, as interim President and Chief Executive Officer of Quebecor World Inc. The Board of Directors is of the opinion that the cessation of the holding of these two (2) concurrent functions would assure the independence of the Board via management. Moreover, two (2) outside directors' meetings will be held annually excluding management. This procedure is equally available for each of the existing committees. Furthermore, this procedure is reflected within the mandates of the Board and those of the committees. |
| 13. a) Establish an Audit Committee with a specifically defined mandate | See item 9 hereinabove. |
| b) All members should be non-management directors | See item 9 hereinabove. |
| 14. Implement a system to enable individual directors to engage outside advisers, at the Company's expense | The Board of Directors has adopted a policy which, subject to the approval of the Corporate Governance and Nominating Committee, permits a Board member to retain the services of outside advisers at the Company's expense. In addition, the Audit Committee, the Human Resources Committee and the Corporate Governance and Nominating Committee may hire outside advisors |

to help them carry out their respective mandates, subject to the requirement to inform the Chairman of the Board thereof.

Up until now, only the Corporate Governance and Nominating Committee has retained the services of an outside advisor, during their first two (2) meetings, in order to give some guidance to the committee.

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| 15. | Code of Business Conduct | A Code of Business Conduct is in progress. Its implementation will mainly promote the respect of an integrity culture within the Company. Further to its implementation, it will be rendered accessible to the public through the Company's Web Site. |

QUEBECOR INC.