



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 F of TVA Group Inc., 1425 Alexandre-de-Sève Street, Montreal, Quebec, Canada, on Thursday, May 8, 2003, 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, 2002, 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 2002 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
Vice President, Legal Affairs and Secretary

Montreal, Canada
April 11, 2003

IMPORTANT

Shareholders registered at the close of business on March 21, 2003 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 postage-paid envelope provided for that purpose.** 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, Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, Canada M5J 2Y1, no later than May 5, 2003 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 8, 2003 (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 14, 2003. All dollar amounts appearing in this Circular are in Canadian dollars, except if another currency is specifically mentioned.

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, Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, Canada M5J 2Y1, no later than May 5, 2003 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 proxy form for the number of shares held by them. The nominees' voting instructions or proxy forms 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 proxy form, 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 by their nominees 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 votes and each Class B Share carries the right to one vote. As of March 14, 2003, there were 22,806,791 Class A Shares and 41,819,331 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 21, 2003 (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 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 person who beneficially owns or exercises control or direction over more than 10% of the shares of any class of voting shares of the Company is Les Placements Péladeau Inc. ("Les Placements Péladeau") a corporation controlled by Fiducie Spéciale Pierre-Péladeau, a trust constituted for the benefit of Messrs. Erik Péladeau and Pierre Karl Péladeau. As at March 14, 2003, Les Placements Péladeau held a total

of 17,465,264 Class A Shares, representing 76.58% of the Class A Shares outstanding and 19,800 Class B Shares, representing 64.72% of all the voting rights attached to all the shares of the Company.

MANAGEMENT'S REPORT AND FINANCIAL STATEMENTS

Management's Report, the consolidated financial statements and the Auditors' Report thereon for the year ended December 31, 2002, included in the Company's 2002 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 and a maximum of 15 directors and further provide that the members of the Board of Directors shall be divided into two 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 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. Mr. Charles G. Cavell, a director since November 1991, will not be seeking re-election. The Management of the Company proposes the election of the following eleven 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 in 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, with the exception of Ms. Françoise Bertrand, Mr. Jean La Couture and Mr. Pierre Parent, 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. 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 years.

CLASS A DIRECTORS

Name	Principal Occupations	Director Since	Shares Owned or Controlled Directly or Indirectly ⁽¹⁾	Units held under the DSUP ⁽²⁾
Alain Bouchard ^{(A)(B)}	Chairman of the Board, President and Chief Executive Officer, Alimentation Couche-Tard Inc. (Convenience store chain)	1997	2,000 Class B Shares	6 288
Robert Dutton ^(B)	President and Chief Executive Officer, RONA Inc. (Hardware retailer)	2002	—	1 367
Pierre Laurin ^(A)	Executive-in-Residence, HEC Montreal (University teaching)	1991	1,000 Class A Shares ⁽³⁾	1 629
Raymond Lemay ^{(A)(B)}	Corporate director	1989	1,250 Class A Shares ⁽⁴⁾	1 629
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⁾	4 355
Jean Neveu	Chairman of the Board of the Company and Chairman of the Board of TVA Group Inc. (Broadcasting Corporation)	1988	65,614 Class B Shares ⁽⁶⁾	—
Érik Péladeau	Vice Chairman of the Board of the Company, Vice Chairman of the Board and Senior Executive Vice President of Quebecor World Inc. (commercial printer) and Vice Chairman of the Board of Quebecor Media Inc. (Communications Company)	1988	5,340 Class B Shares ⁽⁷⁾	2 660

Name	Principal Occupations	Director Since	Shares Owned or Controlled Directly or Indirectly ⁽¹⁾	Units held under the DSUP ⁽²⁾
Pierre Karl Péladeau	President and Chief Executive Officer of the Company, President and Chief Executive Officer of Quebecor Media Inc. (Communications company) and Chairman of the Board of Nurun Inc. (Information technology management consultants)	1992	3 200 Class A Shares ⁽⁷⁾	3 119

(A) Member of the Audit Committee

(B) Member of the Compensation 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 figures in this column are as of December 31, 2002. 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) Mr. Pierre Laurin also holds 750 Subordinate Voting Shares of Quebecor World Inc.

(4) In addition, Mr. 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) In addition, Mr. Jean Neveu exercises control over 1,800 Subordinate Voting Shares of Quebecor World Inc. and 1,000 Class B Shares of TVA Group Inc.

(7) Les Placements Péladeau, a company controlled by Fiducie Spéciale Pierre-Péladeau a trust constituted for the benefit of Messrs. 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., and 4,316,034 Class A Shares and 7,910,583 Class B Shares of TVA Group Inc.

CLASS B DIRECTORS

Name	Principal Occupations	Director Since	Shares Owned or Controlled Directly and Indirectly ⁽¹⁾	Units held under the DSUP ⁽²⁾
Françoise Bertrand ⁽³⁾	Partner, Group SECOR (Management Consulting firm)	—	— ⁽⁴⁾	—
Jean La Couture, FCA ⁽⁵⁾	President, Top Management Services Inc. (Holding Company)	—	2,000 Class B Shares	—
Pierre Parent ⁽⁶⁾	President General Manager of Windigo, s.e.c. (Property and Hotel Management) and Chairman of the Board of Resort One Inc. (Hotel Management)	—	3,700 Class B Shares ⁽⁷⁾	—

⁽¹⁾⁽²⁾ See notes (1) and (2) hereinabove — Class A Directors.

⁽³⁾ Ms. Françoise Bertrand has held her current occupation since 2001. From 1996 to 2001, she was President of the Canadian Radio-television and Telecommunications Commission.

⁽⁴⁾ Ms. Françoise Bertrand owns 70 Subordinate Voting Shares of Quebecor World Inc.

⁽⁵⁾ Mr. Jean La Couture has held his current occupation for more than five years.

⁽⁶⁾ Mr. Pierre Parent has held his current occupation since 2001. From 1970 to 2001, he was President and Chief Executive Officer of Groupe Promexpo inc.

⁽⁷⁾ In addition, Mr. Pierre Parent exercises control over 4,000 Common Shares of Nurun Inc.

COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

Compensation of Directors

All the non-executive directors of the Company receive an annual retainer of \$25,000 (plus \$5,000 per annum in the case of the chair of a committee of the Board) and an attendance fee of \$1,500 for each meeting in which they participate. Mr. Jean Neveu received in 2002 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 make the interests of its directors more aligned with those of its shareholders, the Company has set up 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, directors 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, who may not convert such units into cash as long as he or she remains a director.

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 as applicable to dividends paid on the Class B Shares.

During the past fiscal year, the Company has redeemed 2,222 units of two directors who have ceased to serve as such.

For the fiscal year ended December 31, 2002, ten directors received an aggregate amount of \$321,277 (including the value of units allotted) for services rendered in such capacity. Of this amount, \$106,523 was paid in cash and \$214,754 was paid in the form of units under the DSUP.

Compensation of Executive Officers

The following table shows certain selected compensation information for Mr. Pierre Karl Péladeau, President and Chief Executive Officer of the Company, and the four most highly compensated executive officers of the Company during the fiscal year ended December 31, 2002 (collectively, the "Named Executive Officers") for services rendered in all capacities during the fiscal years ended December 31, 2002, 2001 and 2000. The table also indicates the compensation of Mr. Marc L. Reisch, who left Quebecor World Inc. during the fiscal year ended December 31, 2002 and who would have been among the four most highly compensated executive officers of the Company had he not left.

Summary Compensation Table

Name and Principal Occupation	Year	Annual Compensation			Long-Term Compensation			All Other Compensation
		Salary	Bonus ⁽¹⁾	Other Annual Compensation	Grants		Payouts	
					Securities Under Options/SARs* Granted	Restricted Shares or Restricted Share Units	LTIP* Payouts	
(\$)	(\$)	(\$)	(#)	(\$)	(\$)	(\$)		
Pierre Karl Péladeau President and Chief Executive Officer of the Company	2002	1,354,305	—	— ⁽²⁾	100,000 ⁽³⁾ 38,961,000 ⁽⁴⁾	—	—	87,500 ⁽⁵⁾
	2001	1,354,305	—	— ⁽²⁾	96,000 ⁽³⁾	—	—	78,250 ⁽⁵⁾
	2000	1,254,305	1,312,500	— ⁽²⁾	350,000 ⁽³⁾	—	—	34,313
Charles G. Cavell ⁽⁶⁾ Deputy Chairman of the Board and former President and Chief Executive Officer of Quebecor World Inc.	2002	1,250,000	—	— ⁽²⁾	—	—	—	32,500 ⁽⁵⁾
	2001	1,222,352	—	— ⁽²⁾	64,637 ⁽⁷⁾	—	—	38,500 ⁽⁵⁾
	2000	1,112,317	1,320,000	— ⁽²⁾	77,399 ⁽⁷⁾	—	—	13,925
Érik Péladeau Vice Chairman of the Board and Senior Executive Vice President of Quebecor World Inc.	2002	800,000	—	— ⁽²⁾	—	—	—	75,975 ⁽⁵⁾
	2001	504,305 ⁽⁸⁾	—	— ⁽²⁾	—	—	—	93,500 ⁽⁵⁾
	2000	504,305 ⁽⁸⁾	—	— ⁽²⁾	—	—	—	59,226
Pierre Francoeur, President and Chief Executive Officer of Sun Media Corporation	2002	374,305	422,825	— ⁽²⁾	21,645,000 ⁽⁴⁾	—	—	—
	2001	374,305	340,870	— ⁽²⁾	15,000 ⁽³⁾	—	—	—
	2000	324,700	316,317	— ⁽²⁾	—	—	—	—
Claude Hélie ⁽⁹⁾ Executive Vice President and Chief Financial Officer of the Company	2002	354,305	200,000	— ⁽²⁾	50,000 ⁽³⁾ 21,645,000 ⁽⁴⁾	—	—	—
	2001	354,305	43,750	— ⁽²⁾	50,000 ⁽³⁾	—	—	—
	2000	325,000 ⁽¹⁰⁾	114,319 ⁽¹¹⁾	— ⁽²⁾	80,000 ⁽³⁾	—	—	764,904 ⁽¹²⁾
Marc L. Reisch ⁽¹³⁾	2002	US 569,303	—	— ⁽²⁾	—	—	—	—
	2001	US 675,000	—	— ⁽²⁾	53,576 ⁽⁷⁾	—	—	—
	2000	US 600,000	US 705,000	— ⁽²⁾	150,000 ⁽⁷⁾	—	—	—

On March 14, 2003, the Bank of Canada quoted the exchange rate between the Canadian dollar and the U.S. dollar at CDN \$1.4822 per US\$1.00.

* 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 years. As at December 31, 2002, the number of Common Shares of Quebecor Media Inc. related to stock options outstanding was 149,682,100. If all said options would have been exercised on that date, they would have represented less than 2.2% of the outstanding shares of Quebecor Media Inc. In addition, the fair market value of the Common Shares of Quebecor Media Inc. on that date was lower than the exercise price of the options granted to the Named Executive Officers. A total of 433,000,000 Common Shares has been reserved for participants in the stock option plan. As of December 31, 2002, there were 6,659,238,175 Common Shares of Quebecor Media Inc. issued and outstanding.
- (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) Mr. Charles G. Cavell retired as President and Chief Executive Officer of the Corporation effective February 3, 2003.
- (7) Underlying securities: Subordinate Voting Shares of Quebecor World Inc.
- (8) Compensation received as Vice-Chairman of the Board of Quebecor inc. On October 1, 2001, Mr. Érik Péladeau was named Vice Chairman of the Board and Senior Executive Vice President of Quebecor World Inc.
- (9) Mr. Claude Hélie has also been Executive Vice President and Chief Financial Officer of Quebecor World Inc. since February 17, 2003.
- (10) This amount represents Mr. Hélie's base annual salary. Since he joined the Company on April 17, 2000 to December 31, 2000, the base salary paid to him amounted to \$215,315. In 2000, Mr. Hélie also received a salary of \$82,708 from Donohue Inc. for services rendered from January 1 to April 17, 2000.
- (11) Mr. Hélie also received from Donohue Inc. a bonus of \$183,274 and a bonus of \$6,424, the latter in shares of Donohue Inc., for services rendered for the fiscal year ended December 31, 1999.
- (12) Severance pay in connection with the acquisition of Donohue Inc. by Abitibi-Consolidated Inc. on April 18, 2000.
- (13) Mr. Reisch resigned from his position as President and Chief Executive Officer, Quebecor World North America on September 17, 2002.

The Company's Stock Option Plan

The Stock Option Plan of Quebecor Inc. is designed to offer to the officers, directors, 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 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 years and 100% three years after the original grant.

Quebecor Media Inc. Stock Option Plan

Quebecor Media Inc. has 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. Under the plan, stock options are granted towards the purchase of a maximum of 433 000 000 Common Shares.

Each option may be exercised within a maximum period of ten 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. Unless authorized by the Compensation Committee of Quebecor Media Inc. for a change in control transaction, no options may be exercised by an optionee if the shares of Quebecor Media Inc. have not been listed on a recognized stock exchange. The optionees will have until January 31, 2008 to exercise their right to receive the difference between the fair market value and the exercise price of the options in cash, if the said Common Shares have not been listed on a recognized stock exchange as of December 31, 2007.

Except under specific circumstances and unless the Compensation Committee decides otherwise, options vest over a five-year period in accordance with one of the following vesting schedules, as determined by the Compensation Committee at the time of grant: (i) equally over five years with the first 20% vesting on the first anniversary of the date of the grant, (ii) equally over four years with the first 25% vesting on the second anniversary of the date of the grant, and (iii) equally over three years with the first 33% vesting on the third anniversary of the date of the grant.

Stock Option Plans 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 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 trading days immediately preceding the date of grant. The options may be exercised during periods not exceeding ten years from the date of grant.

In 1991, Quebecor World Inc. also established a distinct stock option plan for Mr. Charles G. Cavell, President and Chief Executive Officer of Quebecor World Inc. until February 3, 2003 (who is also eligible to participate in the Executive Stock Option Plan), pursuant to which he was granted options to subscribe for a total of 135,000 Subordinate Voting Shares of Quebecor World Inc. As of February 3, 2003, Mr. Cavell had subscribed for a total of 135,000 Subordinate Voting Shares under said Plan.

Options Granted in 2002

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, 2002.

Option/SAR Grants During the Most Recently Completed Financial Year

Name	Securities Under Options/SARs Granted (#)	% 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	100,000 ⁽¹⁾	48.78%	\$ 20.5089	\$ 20.10 ⁽³⁾	February 15, 2012
	38,961,000 ⁽²⁾	25.89%	\$ 0.2310 ⁽⁴⁾	— ⁽⁴⁾	March 26, 2012
Charles G. Cavell	—	—	—	—	—
Érik Péladeau	—	—	—	—	—
Pierre Francoeur	21,645,000 ⁽²⁾	14.38%	\$ 0.2310 ⁽⁴⁾	— ⁽⁴⁾	February 27, 2012
Claude Hélie	50,000 ⁽¹⁾	24.39%	\$ 20.5089	\$ 20.10 ⁽³⁾	February 15, 2012
	21,645,000 ⁽²⁾⁽⁵⁾	14.38%	\$ 0.2310 ⁽⁴⁾	— ⁽⁴⁾	March 26, 2012
Marc L. Reisch	—	—	—	—	—

(1) Underlying securities: Class B Shares of the Company.

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 years. As at December 31, 2002, the number of Common Shares of Quebecor Media Inc. related to stock options outstanding was 149,682,100. If all said options would have been exercised on that date, they would have represented less than 2.2% of the outstanding shares of Quebecor Media Inc. In addition, the fair market value of the Common Shares of Quebecor Media Inc. on that date was lower than the exercise price of the options granted to the Named Executive Officers. A total of 433,000,000 Common Shares has been reserved for participants in the stock option plan. As of December 31, 2002, there were 6,659,238,175 Common Shares of Quebecor Media Inc. issued and outstanding.

(3) Based on the closing price on The Toronto Stock Exchange on the date of grant.

(4) These underlying securities are not listed on an organized market. The exercise price has been established as provided in the Quebecor Media Inc. Stock Option Plan.

(5) On February 17, 2003, Mr. Claude Hélie resigned from office at Quebecor Media Inc. In accordance with a decision of the Compensation Committee of Quebecor Media Inc., a portion only of the said option will be vested in him, the other portion to be returned to the plan. An adjustment will be made jointly with Quebecor World Inc.

Options Exercised in 2002

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, 2002, the gains realized upon exercise, the total number of unexercised options, if any, held at December 31, 2002 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	—	—	758,333 ⁽³⁾	180,667 ⁽³⁾	—	—
	—	—	288,921 ⁽⁴⁾	105,303 ⁽⁴⁾	\$ 1,809,064	\$ 400,673
			— ⁽⁵⁾	38,961,000 ⁽⁵⁾	—	—
Charles G. Cavell	223,080 ⁽⁴⁾	\$ 2,829,590	250,000 ⁽⁴⁾	604,160 ⁽⁴⁾	\$ 954,000	\$ 3,080,864
Érik Péladeau	—	—	225,000 ⁽³⁾	—	—	—
	—	—	684 ⁽⁴⁾	—	\$ 12,927	—
Pierre Francoeur	—	—	— ⁽³⁾	15,000 ⁽³⁾	—	—
			— ⁽⁵⁾	21,654,000 ⁽⁵⁾	—	—
Claude Hélie	—	—	69,999 ⁽³⁾	110,001 ⁽³⁾	—	—
			— ⁽⁵⁾	21,654,000 ⁽⁵⁾	—	—
Marc L. Reisch	—	—	—	—	—	—

(1) The aggregate value realized upon exercise is the difference between the closing price of the underlying security on The Toronto Stock Exchange 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, 2002. 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, 2002, was \$14.09 per share, and the closing price of the Subordinate Voting Shares of Quebecor World Inc. was \$35.00 per share. The Board of Directors of Quebecor Media Inc. determined that, as of December 31, 2002, the fair market value of the shares of Quebecor Media Inc. was lower than the exercise price of the said options.

(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.

Pension Benefits

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 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 actuarial reduction from the age of 61 years (in the case of the plans of the Company and of Quebecor Média Inc.) and the age of 62 years (in the case of the Quebecor World Inc. plan) if such executive officer has at least ten years of service.

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 \$86,111 (the salary generating the maximum qualified pension in accordance with the *Income Tax Act*), being a maximum of \$4,305 per year.

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

Compensation	Years of Membership				
	10	15	20	25	30
\$86,111 or more	\$ 17,222	\$ 25,833	\$ 34,444	\$ 43,056	\$ 51,667

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, 2002 for the Named Executive Officers are as follows: Mr. Pierre Karl Péladeau, three years and eight months, Mr. Charles G. Cavell, twenty-one years and six months, Mr. Érik Péladeau, eleven years, Mr. Pierre Francoeur, eight years and nine months, and Mr. Claude Hélie, two years and eight months.

Supplemental Post-Retirement Benefit Plan for Mr. Charles G. Cavell

In addition to the pension plan in force, Quebecor World Inc. provides to Mr. Charles G. Cavell the following additional benefits based on the number of years of credited service upon retirement.

Compensation	Years of Credited Service				
	10	15	20	25	30
\$1,100,000	\$ 211,389	\$ 317,083	\$ 422,778	\$ 528,472	\$ 634,167
\$1,300,000	\$ 251,389	\$ 377,083	\$ 502,778	\$ 628,472	\$ 754,167
\$1,500,000	\$ 291,389	\$ 437,083	\$ 582,778	\$ 728,472	\$ 874,167
\$1,700,000	\$ 331,389	\$ 497,083	\$ 662,778	\$ 828,472	\$ 994,167
\$2,000,000	\$ 391,389	\$ 587,083	\$ 782,778	\$ 978,472	\$ 1,174,167

Mr. Charles G. Cavell's pension is calculated on the basis of the average salary (including bonuses) for the best three consecutive years. The pension is payable without reduction from the age of 60 and is indexed each year. The pension 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, his surviving spouse will continue to receive $66\frac{2}{3}\%$ of the pension for life.

Mr. Charles G. Cavell's credited service at December 31, 2002 (two years per year of membership in the plan) was 28 years and six months.

Mr. 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

In addition to the basic Canadian pension plan, Quebecor World Inc. provides supplementary retirement plans for its Canadian executive officers. These plans are personalized and provide for the following additional benefits in accordance with the number of years of membership in the plan upon retirement:

Compensation	Years of Credited Service				
	10	15	20	25	30
\$300,000	\$ 27,127	\$ 40,691	\$ 54,255	\$ 67,818	\$ 81,382
\$400,000	\$ 42,627	\$ 63,941	\$ 85,255	\$ 106,568	\$ 127,882
\$500,000	\$ 58,127	\$ 87,191	\$ 116,255	\$ 145,318	\$ 174,382
\$600,000	\$ 73,627	\$ 110,441	\$ 147,255	\$ 184,068	\$ 220,882

The pension is payable in accordance with the same modalities as the basic Canadian Plan. At December 31, 2002, Mr. Érik Péladeau had been a member of the plan for one year and three months.

Supplemental Post-Retirement Benefit Plan for Designated Executives

In addition to the pension plan in force, the Company provides supplemental post-retirement benefits to designated executives. Messrs. Pierre Karl Péladeau, Mr. Pierre Francoeur and Mr. Claude Hélie 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 consecutive years. The pension is payable for life without reduction from the age of 62, if the designated executive has at least ten 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 period of 10 years.

The table below indicates the annual pension benefits that will be payable at the normal retirement age of 65 years.

Compensation	Years of Credited Service				
	10	15	20	25	30
\$ 400,000	\$ 62,778	\$ 94,167	\$ 125,556	\$ 156,945	\$ 188,333
\$ 600,000	\$ 102,778	\$ 154,167	\$ 205,556	\$ 256,945	\$ 308,333
\$ 800,000	\$ 142,778	\$ 214,167	\$ 285,556	\$ 356,945	\$ 428,333
\$1,000,000	\$ 182,778	\$ 274,167	\$ 365,556	\$ 456,945	\$ 548,333
\$1,200,000	\$ 222,778	\$ 334,167	\$ 445,556	\$ 556,945	\$ 668,333
\$1,400,000	\$ 262,778	\$ 394,167	\$ 525,556	\$ 656,945	\$ 788,333

Credited service at December 31, 2002 is as follows: Mr. Pierre Karl Péladeau, two years, Mr. Érik Péladeau (inactive participant of the plan), nine months, Mr. Pierre Francoeur, two years and six months and Mr. Claude Hélie, two years and eight months.

Employment Agreement

Claude Hélie. On March 27, 2000, Mr. Claude Hélie, Executive Vice President and Chief Financial Officer of the Company, entered into an employment agreement with the Company. Pursuant to the terms and conditions of such agreement, Mr. Hélie will receive an annual salary of \$350,000 in 2002. He will also be entitled to participate in the Company's Short-Term Incentive Plan, to receive stock option grants under the Company's Plan and to all other benefits attributable to his position.

REPORT ON EXECUTIVE COMPENSATION

Establishment of Compensation

The compensation of Mr. Pierre Karl Péladeau, and Mr. Claude Hélie for the fiscal year ended December 31, 2002, was established by the Compensation Committee of the Company. The compensation of Mr. Charles G. Cavell, of Mr. Érik Péladeau and of Mr. Marc L. Reisch was established by the Compensation Committee of Quebecor World Inc. The compensation of Mr. Pierre Francoeur was established by the Human Resources and Compensation Committee of Quebecor Media Inc.

The Compensation Committee has determined the compensation of the Company's officers in accordance with existing market standards. The Company's executive compensation policy is designed to attract and retain key executives necessary for the Company's long-term success and to motivate executives to meet the Company's objectives and further its development.

Executive compensation is reviewed annually by the Compensation Committee and includes the following three elements: base salary, annual bonus and grant of options to purchase Class B Shares. The strategy of the Company, for the purposes of hiring qualified and experienced officers, relies on these three elements. The Company strives to offer global compensation which is competitive, taking into account compensation standards currently in force on the market, and which provides incentives tied to performance, according to overall corporate objectives and the objectives of the officers and their respective areas of responsibility.

The annual bonus of the President and Chief Executive Officer is determined based on the attainment of predetermined financial results. In the event that the Company attains or exceeds such results, the President and Chief Executive Officer will receive between 100% and 160% of his base salary. Determination of the annual bonus of the executive officers other than the President and Chief Executive Officer is similar, except that it is also based on different percentages and the attainment of individual objectives.

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 exercise. Options to purchase shares are used not only to attract, but also to retain personnel while offering an incentive to participate in the long-term development of the Company and creating a direct relationship between executive rewards and enhanced shareholder value.

The foregoing report is submitted by the Compensation Committee:

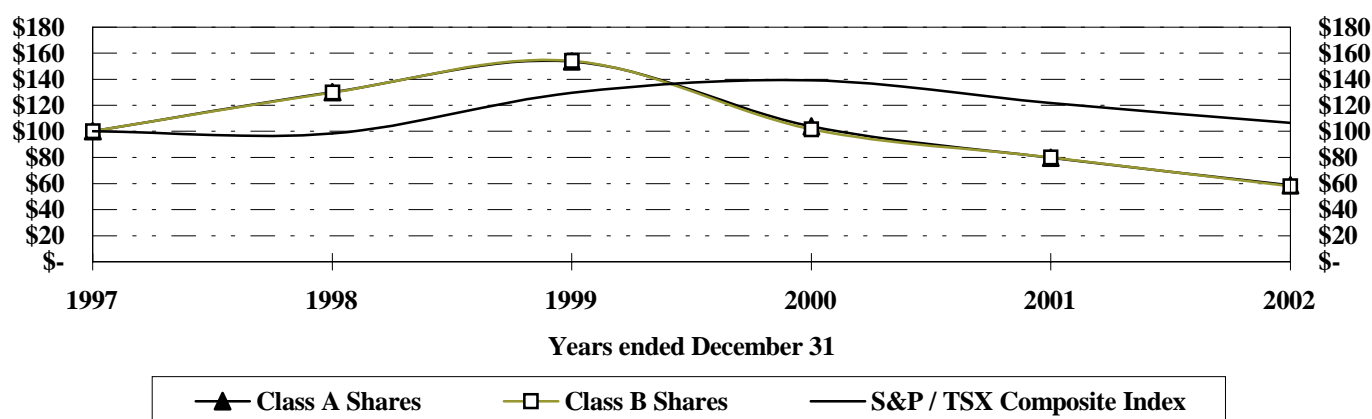
Alain Bouchard, Chairman
Robert Dutton
Raymond Lemay

PERFORMANCE GRAPH

The performance graph presented hereafter illustrates the five 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, 1997**



Years ended December 31	1997	1998	1999	2000	2001	2002
Class A Shares	\$ 100.00	\$ 130.02	\$ 153.74	\$ 103.71	\$ 79.67	\$ 58.77
Class B Shares	\$ 100.00	\$ 129.93	\$ 154.17	\$ 101.50	\$ 79.80	\$ 58.11
S&P / TSX Composite Index	\$ 100.00	\$ 98.36	\$ 120.63	\$ 139.23	\$ 121.73	\$ 106.5

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 A contains a description of the Company's practices in light of each of the guidelines.

The Company has recently undertaken a comprehensive review of its corporate governance practices in order to best comply with the existing guidelines as well as those proposed by The Toronto Stock Exchange in the fall of 2002. At its last meeting, held on February 13, 2003, the Board of Directors revised a draft mandate for the Board and reviewed the mandates of the Audit Committee and the Compensation Committee, which will become the Human Resources Committee. At that meeting, the Board of Directors also decided to form a Corporate Governance Committee and reviewed draft descriptions of duties for the Chairman of the Board and the Chief Executive Officer. The Board of Directors intends to approve all these documents, in their definitive form, at its meeting to be held on May 8, 2003.

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, 2002, the amount of the premium paid by the Company was US\$486,066. A deductible of US\$500,000 applies when the Company is authorized or obliged to indemnify the persons insured.

TRANSACTIONS WITH INTERESTED PARTIES

Except as disclosed in the Financial Statements (note 26) included in the 2002 Annual Report of the Company, 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, 2002, the Company and its subsidiaries did business, at market rates, with various organizations within the 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.

INDEBTEDNESS OF THE DIRECTORS AND OFFICERS

As of March 14, 2003, no amount is owed to the Company by any of the directors or officers of the Company or any of their associates.

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.

OTHER BUSINESS

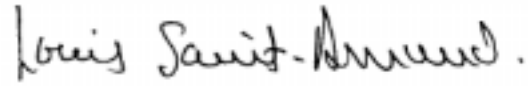
The Management of the Company knows of no other matters which should be put before the Meeting. If, however, any other matters properly come before the Meeting, the persons designated in the accompanying proxy shall vote thereon in accordance with their best judgment pursuant to the discretionary authority 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 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: <http://www.sedar.com>.

DIRECTORS' APPROVAL

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

A handwritten signature in black ink that reads "Louis Saint-Arnaud." The signature is written in a cursive style with a period at the end.

Louis Saint-Arnaud
Vice President, Legal Affairs and Secretary

APPENDIX "A"
QUEBECOR INC.
STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Corporate Governance Guidelines

Comments

- | | |
|--------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Board should explicitly assume responsibility for stewardship of the company, and specifically for: | The mandate of the Board of Directors of the Company is to assume stewardship of the Company's overall administration and to oversee the management of the Company's operations. On May 8, 2003, the Board of Directors of the Company intends to adopt an official mandate, which will set out the composition, responsibilities and method of operation of the Board of Directors (the "Mandate of the Board"). |
| a) Adoption of a strategic planning process | Every year the Company's senior management presents to the Board a summary of the strategic-planning sessions held by the two operating subsidiaries, Quebecor World Inc. and Quebecor Media Inc. 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 | <p>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.</p> <p>Reports are made at all Board of Director meetings on the two 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 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. In addition, the revised mandate of the Audit Committee that the Board of Directors intends to adopt on May 8, 2003 (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. The Company will also adopt a code of business ethics in order to comply with the corporate governance standards proposed by The Toronto Stock Exchange.</p> |
| c) Succession planning and monitoring senior management | <p>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.</p> <p>The Compensation Committee, which will become the Human Resources Committee pursuant to its revised mandate that the Board intends to approve</p> |

on May 8, 2003 (the "Mandate of the Human Resources Committee"), will assist the Board in these matters.

d) Communications policy

The communications policy followed by the Company will be formalized. Management is responsible for ensuring that all material financial information that is publicly disseminated is made available simultaneously 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.

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.

e) Integrity of internal control and management information systems

The Mandate of the Board indicates 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 or internal controls and related systems of the Company.

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

As of March 14, 2003, the Board of Directors consisted of nine directors, four of whom were unrelated directors. In determining which of its directors are unrelated, 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.

In order to increase the number of unrelated directors, the Company recommends the election of three new directors: Mrs. Françoise Bertrand, Mr. Jean La Couture and Mr. Pierre Parent. Mr. Charles G. Cavell, a related director, will not be seeking re-election. If all of the nominees as directors are elected, the Board will be composed of 11 directors, seven of whom will be unrelated directors, as currently defined in the guidelines of The Toronto Stock Exchange.

Of the nine seats filled last year on the Board, six directors were elected by the holders of Class A Shares, and three (all unrelated) were elected by the holders of Class B Shares, in accordance with the Articles of the Company. All the Class B Directors are unrelated. 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 one 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". Messrs. Érik Péladeau and Pierre Karl Péladeau control such shareholder through a special trust. The significant shareholder's investment in the Company corresponds to 22.27% of the

subscribed share capital. The requirement to equitably represent the investment of the minority shareholders is therefore satisfied.

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|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3. | Disclose for each director in office on March 14, 2003 whether he is related, and how that conclusion was reached (in accordance with the existing guidelines of The Toronto Stock Exchange) | Charles G. Cavell | Related | • Deputy Chairman of the Board of Quebecor World Inc. |
| | | The Right Honourable Brian Mulroney, P.C., C.C., LL.D. | Related | • Chairman of the Board of Quebecor World Inc. and Senior Partner, Ogilvy Renault, principal legal counsel to the Company. |
| | | Jean Neveu | Related | • Chairman of the Board of the Company and of TVA Group Inc. |
| | | Érik Péladeau | Related | • Vice Chairman of the Board of the Company, Vice Chairman of the Board and Senior Executive Vice President of Quebecor World Inc. and Vice Chairman of the Board, Quebecor Media Inc. He has an interest in Les Placements Péladeau inc., the significant shareholder. |
| | | Pierre Karl Péladeau | Related | • President and Chief Executive Officer of the Company and of Quebecor Media Inc. and Chairman of the Board of Nurun Inc. He has an interest in Les Placements Péladeau inc., the significant shareholder. |
| | | Alain Bouchard | Unrelated | |
| | | Robert Dutton | Unrelated | |
| | | Pierre Laurin * | Unrelated | |
| | | Raymond Lemay | Unrelated | |
| 4. | a) 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 | At its meeting to be held on May 8, 2003, the Board of Directors intends to approve the formation of a Corporate Governance Committee having the mandate (the Mandate of the Corporate Governance Committee”) to provide that the committee will be responsible 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 | | |

* In accordance with the new definition of unrelated directors included in the proposed guidelines of the Toronto Stock Exchange, which are not yet in force, Mr Laurin would have been considered as a related director as a result of his relation with the significant shareholder.

next annual meeting of shareholders and assisting the Board of Directors and its Chairman in determining Board Committee membership.

- b) Composed exclusively of outside (non-management) directors, a majority of whom are unrelated
5. Implement a process for assessing the effectiveness of the Board, its committees and individual directors
6. Provide orientation and education programs for new directors
7. Consider reducing size of the Board, with a view to improving effectiveness
8. Board should review compensation of directors in light of risks and responsibilities
- The Mandate of the Corporate Governance Committee provides that the committee will be composed of three directors, a majority of whom are unrelated.
- The Mandate of the Corporate Governance 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 of the Board and the individual directors.
- The Mandate of the Corporate Governance Committee provides that the committee will be responsible for developing and reviewing orientation and continuing-education programs for directors. For general information purposes, the Company has prepared a guide containing various information regarding the Company. This guide is updated every year and distributed to all Board members. The Senior Management also provides new directors with historical and prospective information relating to the market position, operations and financial condition of the Company.
- In accordance with the guidelines proposed by The Toronto Stock Exchange, the Mandate of the Corporate Governance 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 11 members will adequately ensure that its method of operation and decision-making are effective.
- The compensation paid to Board members is periodically reviewed by the Chairman, and appropriate recommendations are then presented by the Chairman to the Board of Directors. Such compensation is generally based on the inherent responsibilities of the position of director of the Company, and the base compensation and attendance fees generally paid to directors of companies of comparable stature.
- 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.
- 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 believes that the introduction of this plan means that the compensation of directors is adequately tied to the Company's overall performance.

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 two committees of the Board of Directors, the Audit Committee and the Compensation Committee.

The Audit Committee is composed of Mr. Pierre Laurin (Chairman), Mr. Alain Bouchard and Mr. Raymond Lemay. The Audit Committee is composed exclusively of outside and unrelated directors. The purpose of the Audit Committee is to monitor the integrity of the financial reporting process, to review the Company'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 responses of the Company's Management thereto. The Committee is also responsible for ensuring that the Company has in place adequate and efficient internal control systems to monitor the Company's financial information and that transactions involving the Company with related parties are made on terms that are fair for the Company. The Committee examines the audit fees to be paid to the Auditors and submits the appropriate recommendations to the Board of Directors. It also reviews the scope of the audit and the results of the examinations conducted by the Company's internal audit department.. The Committee meets with the Company's external Auditors at every regular meeting it holds and, once a year, with each Chairman of each Audit Committee of Quebecor World Inc. and of Quebecor Media Inc. accompanied by the internal auditor of these subsidiaries. Its members also hold private discussions without any members of senior management being present, or in the absence of the Company'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 four meetings during the past fiscal year. The Board of Directors has thoroughly reviewed the current mandate of the Audit Committee and on May 8, 2003 the Board intends to approve the committee's new mandate formalizing the proposals issued by The Toronto Stock Exchange. The committee must be composed of a minimum of three and a maximum of five 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 **Compensation Committee** is composed of Messrs. Alain Bouchard (Chairman), Robert Dutton and Raymond Lemay. This committee is composed of outside directors, all are unrelated. During the past fiscal year, the mandate of the Compensation Committee has been to examine the global compensation and benefits policies of the Company and those of its subsidiaries which did not have their own compensation committee, and to formulate appropriate recommendations to the Board of Directors, *inter alia*, concerning the granting of stock options. The Compensation Committee reviews, on an annual basis, the performance of the Company's Chief Executive Officer and determines his remuneration. The Chairman of the Compensation Committee reports on the activities of the Committee to the Company's Board of Directors. The Compensation Committee met six times during the last fiscal year.

As mentioned hereinabove, this committee will be designated as the Human Resources Committee as of May 8, 2003, and its new mandate will be approved by the Board. This committee will be responsible, *inter alia*, for ensuring that procedures are in place regarding senior-management succession planning.

The **Corporate Governance Committee**, which will be formed on May 8, 2003, will be composed of three directors, the majority of whom will be unrelated. It will be responsible, *inter alia*, for developing corporate governance procedures and ensuring the Board's effectiveness.

10. Board should expressly assume responsibility for, or assign to a committee general responsibility for, 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. The Mandate of the Corporate Governance Committee sets out that the committee is responsible for developing, monitoring and overseeing the presentation of information on these corporate governance structures and procedures.

11. a) Define limits to management's responsibilities by developing mandates for:

i) the Board

The Board of Directors intends to approve the Mandate of the Human Resources Committee on May 8, 2003.

ii) the CEO

Mandates for the Chief Executive Officer and the Chairman of the Board have been prepared and the Board intends to approve them on May 8, 2003. These mandates will delineate and define the limits of Management's responsibilities.

- b) Board should approve or set CEO's corporate objectives

The Mandate of the Human Resources Committee sets out that the committee is responsible for annually reviewing and recommending to the Board of Directors the objectives that the Chief Executive Officer is expected to attain, assessing the Chief Executive Officer's performance in accordance with these objectives and fixing his compensation.

12. Establish procedures to enable the Board to function independently of management

Given the mandates of the Board and the committees described hereinabove as well as the various levels of authority required to authorize any material commitment, the Company has adequate structures and methods to allow the Board to function independently of Management.

In addition, to better ensure that the Board of Directors may function independently of Management, the Mandate of the Board provides that the outside directors are invited to meet at their discretion in the absence of the inside directors.

Finally, all major decisions related to such matters as financing and strategic alliances must be submitted for the approval of the Board of Directors.

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 Mandate of the Board provides for the adoption of a policy which, subject to the approval of the Corporate Governance Committee, permits a Board member to retain the services of outside advisers at the Company's expense. In addition, the Audit Committee and the Human Resources Committee may hire outside advisers to help them carry out their respective mandates, subject to the requirement to inform the Chairman of the Board thereof.



QUEBECOR INC.