

ACTIVITY REPORT 2017



QUEBECOR

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QUÉBECOR

2017 IN BRIEF

PIERRE KARL PÉLADEAU

On February 16, Pierre Karl Péladeau resumed his position as President and Chief Executive Officer

\$1.59 BILLION

Adjusted operating income up 6.6%, the largest annual increase since 2009

\$4.12 BILLION

Quebecor's revenues up 2.6% year over year in 2017

TVA SPORTS

In June, TVA Sports registered the best Québec ratings since 2008 for the Stanley Cup final, which had been broadcast on a rival network from 2008 to 2014

CLUB ILLICO

In March, the original series *Victor Lessard* logged a million viewings on Club illico in less than two weeks

\$42 MILLION

Total value of philanthropy in 2017 - distributed among more than 400 organizations, more than half in the cultural sector



82

Number of cultural and sporting events at the Videotron Centre in Québec City, in addition to 17 corporate events

GESTEV

On April 4, Gestev announced the acquisition of Wasabi atelier expérientiel to enhance its experiential marketing expertise and spearhead its expansion into Montréal

1,000,000

Number of subscriber connections to Videotron's mobile network, the latest milestone for the service launched in September 2010

10,100

Number of employees of Quebecor and its subsidiaries

SPECTRUM

On June 20 and July 24, Videotron sold the wireless spectrum it held outside Québec, generating total cash inflows of \$614.2 million and total gains on disposal of \$330.9 million

360,000

Number of subscribers to Club illico, a 15% increase in one year

IPTV

In August, Videotron signed an agreement with Comcast Corporation to develop an innovative IPTV solution, based on Comcast's XFINITY X1 platform

73

Number of original productions for the TVA Group and Club illico platforms to which Quebecor Content contributed



9,800,000

Number of readers reached by TVA Publications' magazines in Québec and the rest of Canada

CINÉMA IMPÉRIAL

On August 22, Quebecor announced a strategic partnership with Cinéma Impérial to preserve the historic building and develop it as a cultural venue



Cinéma Impérial

55%

Percentage of Quebecers who read Quebecor's newspapers on all platforms

LARA FABIAN

In October, the Disques Musicor label signed singer Lara Fabian and made an agreement with Belgian label 9Productions

1st

TVA Group's market-share rank in Québec

312

Number of books published by the Books segment's 19 publishing houses

12

Number of consecutive years that Videotron has been named the most respected telecommunications provider in Québec

MOBILITY

In November, Videotron began including access to the mobile version of Club illico with all new subscriptions to some of its mobile plans

C'EST VICTOR LESSARD AU TÉLÉPHONE



98%

Videotron Business' industry-leading customer satisfaction rate

According to Léger Marketing, May 2017

HIGHLIGHTS

Financial years ended December 31, 2017, 2016 and 2015
(in millions of Canadian dollars, except per share data)

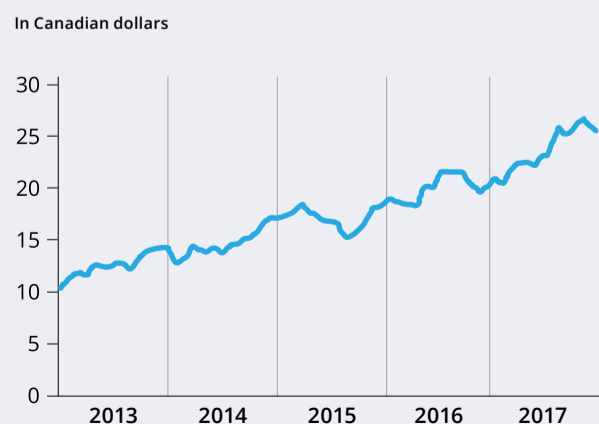
	2017	2016 ³	2015 ³
OPERATIONS			
Revenues	\$ 4,122.4	\$ 4,016.6	\$ 3,890.8
Adjusted operating income ¹	1,593.4	1,494.1	1,440.7
Contribution to net income attributable to shareholders:			
Adjusted income from continuing operating activities ²	330.0	305.5	239.9
(Loss) gain on valuation and translation of financial instruments	(195.6)	(68.4)	4.7
Unusual items	223.4	(42.4)	(79.0)
Discontinued operations	11.9	-	(13.8)
Net income attributable to shareholders	369.7	194.7	151.8
Cash flows provided by continuing operating activities	1,171.1	1,113.0	1,072.2
BASIC DATA PER SHARE			
Contribution to net income attributable to shareholders			
Adjusted income from continuing operating activities ²	\$ 1.37	\$ 1.25	\$ 0.98
(Loss) gain on valuation and translation of financial instruments	(0.81)	(0.28)	0.02
Unusual items	0.92	(0.17)	(0.32)
Discontinued operations	0.05	-	(0.06)
Net income attributable to shareholders	1.53	0.80	0.62
Dividends	0.10	0.09	0.07
Equity attributable to shareholders	2.91	1.86	1.22
Weighted average number of shares outstanding (in millions)	241.8	244.6	245.4
FINANCIAL POSITION			
Long-term debt	\$ 5,516.2	\$ 5,616.9	\$ 5,812.4
Equity	1,206.1	847.2	652.0
Total assets	9,685.8	9,262.3	9,275.9
EMPLOYEES			
	10 100	10 100	10 400

¹ See definition of «Adjusted operating income» on next page.

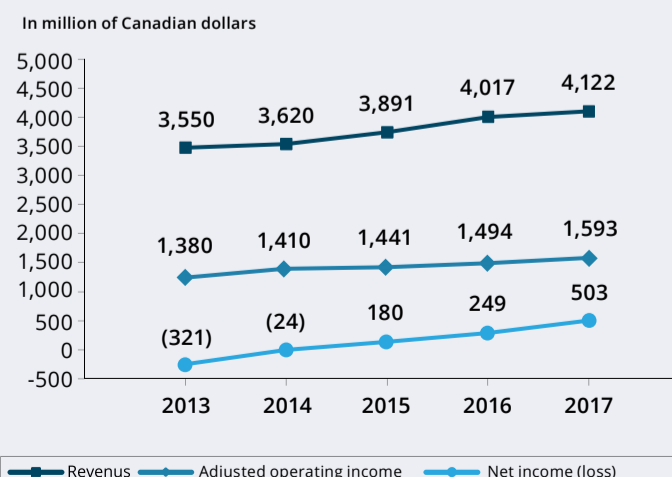
² See definition of «Adjusted income from continuing operating activities» on next page.

³ The number of shares and per-share data have been restated to reflect the two-for-one stock split on November 15, 2017.

Share Price (QBR.B)



Revenues, Adjusted Operating Income and Net income (loss)



DEFINITIONS

Adjusted operating income

In its analysis of operating results, the Corporation defines adjusted operating income, as reconciled to net income under International Financial Reporting Standards (IFRS), as net income before depreciation and amortization, financial expenses, (loss) gain on valuation and translation of financial instruments, charge for restructuring of operations, litigation and other items, gain on sale of spectrum licences, charge for impairment of goodwill and other assets, loss on debt refinancing, income taxes, and income (loss) from discontinued operations. Adjusted operating income as defined above is not a measure of results that is consistent with IFRS. It is not intended to be regarded as an alternative to other financial operating performance measures or to the statement of cash flows as a measure of liquidity. It should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The Corporation uses adjusted operating income in order to assess the performance of its investment in Quebecor Media. The Corporation's management and Board of Directors use this measure in evaluating its consolidated results as well as the results of the Corporation's operating segments. This measure eliminates the significant level of

impairment and depreciation/amortization of tangible and intangible assets and is unaffected by the capital structure or investment activities of the Corporation and its business segments.

Adjusted operating income is also relevant because it is a significant component of the Corporation's annual incentive compensation programs. A limitation of this measure, however, is that it does not reflect the periodic costs of tangible and intangible assets used in generating revenues in the Corporation's segments. The Corporation also uses other measures that do reflect such costs, such as cash flows from segment operations and free cash flows from continuing operating activities of the Quebecor Media subsidiary. The Corporation's definition of adjusted operating income may not be the same as similarly titled measures reported by other companies.

The table below provides a reconciliation of adjusted operating income to net income as disclosed in Quebecor's consolidated financial statements.

Reconciliation of the adjusted operating income to the net income

Financial years ended December 31, 2017, 2016 and 2015
(in millions of Canadian dollars, except per share data)

	2017	2016	2015
Adjusted operating income	\$ 1,593.4	\$ 1,494.1	\$ 1,440.7
Depreciation and amortization	(712.4)	(653.0)	(693.6)
Financial expenses	(309.0)	(328.0)	(335.0)
(Loss) gain on valuation and translation of financial instruments	(199.8)	(70.3)	6.7
Restructuring of operations, litigation and other items	(17.2)	(28.0)	116.9
Gain on sale of spectrum licences	330.9	-	-
Impairment of goodwill and other assets	(43.8)	(40.9)	(230.7)
Loss on debt refinancing	(15.6)	(7.3)	(12.1)
Income taxes	(138.0)	(117.8)	(93.1)
Income (loss) from discontinued operations	14.6	-	(19.7)
Net income	\$ 503.1	\$ 248.8	\$ 180.1

Adjusted income from continuing operating activities

The Corporation defines adjusted income from continuing operating activities, as reconciled to net income attributable to shareholders under IFRS, as net income attributable to shareholders before (loss) gain on valuation and translation of financial instruments, charge for restructuring of operations, litigation and other items, gain on sale of spectrum licences, charge for impairment of goodwill and other assets, loss on debt refinancing, net of income tax related to adjustments and of net income attributable to non-controlling interest related to adjustments, and before the income (loss) from discontinued operations attributable to shareholders. Adjusted income from continuing

operating activities, as defined above, is not a measure of results that is consistent with IFRS. It should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The Corporation uses adjusted income from continuing operating activities to analyze trends in the performance of its businesses. The above-listed items are excluded from the calculation of this measure because they impair the comparability of the financial results. Adjusted income from continuing operating activities is more representative for forecasting income. The Corporation's definition of adjusted income from continuing operating activities may not be identical to similarly titled measures reported by other companies.

MESSAGE TO SHAREHOLDERS

When Quebecor was founded, more than 50 years ago, Quebecers were taking control of their own economic future. Today, we are charting our course across a landscape dotted with global giants. In this environment, maintaining control over our economic, cultural and technological levers is a mounting challenge. Quebecor, its subsidiaries and their 10,000 employees tackle that challenge every day, drawing on the two strengths that have been driving our success for more than 15 years: innovation and our convergence strategy. That approach has delivered operational efficiencies and opened up new business opportunities.

In 2017, the soundness of this approach was again borne out by the numbers: revenues were up 2.6% and adjusted operating income was up an impressive 6.6%, the largest increase since 2009.

Quebecor's enviable financial performance places it in a strong position to face the challenges lying ahead for its three business segments: Telecommunications, Media, and Sports and Entertainment.

INNOVATING TO IMPROVE THE CUSTOMER EXPERIENCE

Videotron passed an historic milestone in 2017 when it added the millionth subscriber connection to its mobile telephony service in little more than seven years. It has spent more than \$2 billion to build out its network, created 1,000 jobs and spurred competition in wireless services. Videotron has been a constant driver of innovation, as is amply demonstrated by the success of its mobile service, an achievement of which we are justly proud.

Thanks to the leadership of President and Chief Executive Officer Manon Brouillette and the hard work of her team members, Videotron posted significant revenue growth again in 2017, increasing sales by 4.2% to nearly \$3.3 billion.

In an increasingly competitive environment, Videotron is distinguished by its agility and its ability to continually

renew its offerings, improve the customer experience and address future needs.

For example, we completed our exit from analog cable television and will now step up IPTV development under our agreement with the American cable giant, Comcast Corporation. Ultimately, this partnership will enable us to provide a peerless television experience. Videotron customers will be able to perform searches and navigate an expansive selection of content, simply and intuitively.

In 2017, we also continued the roll-out of our Giga Fibre Hybrid Internet service in order to meet the growing demand that will be generated by the Internet of Things, augmented reality, 4K video and cloud computing in the coming years.

We maintained our participation in the Open-Air Smart Living Laboratory to help deliver the full benefits of these technological advances to society as a whole. The Laboratory was launched by Videotron in partnership with Ericsson, École de technologie supérieure and the Quartier de l'innovation de Montréal, as a platform for the development of innovative projects and new applications powered by 5G technology that promise to improve Quebecers' daily lives.

In all these initiatives, our efforts continue to revolve around the customer, a focus that is widely recognized and highly appreciated. For example, Videotron ranked as Québec's most respected telecommunications provider in the annual Léger - *Les Affaires* survey for the 12th consecutive year. Videotron also placed at the top in two categories on the 2017 Ipsos-*Infopresse* index: most forward-thinking and most engaged Québec brand.

Videotron Business, the one-stop shop for Internet, business and mobile telephony, cable television, private network and data hosting solutions for Québec businesses of all sizes, also scores stellar customer satisfaction rates. Our investing strategy, notably the acquisition of 4Degrees Colocation and Fibrenoire, paid off with a significant contribution to the Business segment's revenue increase in 2017.

MORE CONTENT ON ALL PLATFORMS

In addition to its initiatives as a technology leader, Quebecor harnesses all its capabilities to produce high-quality original content, showcasing homegrown talent on all its platforms.

TVA Group spent more than \$261 million on Canadian programming in 2017 alone, propelling it to a combined market share of 37.3% for TVA Network and the specialty channels.

In line with the vision espoused by France Lauzière, the new President and Chief Executive Officer appointed in October 2017, TVA Group will continue broadcasting shows that bring us together and tell our stories, such as the million-viewer programs *La Voix*, *La Voix Junior* and *L'Échappée*.

To highlight its central role in Québec's cultural and economic life, TVA Group launched a campaign featuring many of its television personalities, artists and professionals in the fall of 2017 under the slogan *Pour notre culture, notre télé doit rester forte* (our television industry must remain strong to support our culture).

Over the past five years, Videotron has also played a leading role in producing original Québec content through **Club illico**. With almost 360,000 subscribers, Club illico is now the most popular French-language subscription video on demand service in Québec.

In collaboration with **Quebecor Content**, Club illico brought its subscribers four original Québec productions in 2017: *Victor Lessard*, season 2 of *Blue Moon*, the teen series *L'Académie*, and Club illico's first original documentary, *Pablo Escobar raconté par son fils*.

Quebecor is also leveraging its reach to disseminate its content outside Québec. For example, *Victor Lessard* and *Mensonges* are in development for English Canada and the U.S., while *Pablo Escobar raconté par son fils* has been sold to major broadcasters in some 20 countries.

MELS is another important component of Quebecor's international footprint. The outstanding quality of its sound editing and visual effects design services earned repeated recognition in 2017, including a BAFTA award for Best Sound for the Denis Villeneuve film *Arrival*.

Quebecor is a leader in news media, music production and distribution, and book publishing.

Our newspapers, magazines and websites are key platforms for disseminating an abundance of high-quality content, videos and exclusive reports to our audiences.

Le Journal de Montréal and **Le Journal de Québec**, the foundations on which Quebecor was built, held their number 1 positions in their markets in 2017. *Le Journal de Québec* marked its 50th birthday during the year. Including the free newspaper *24 heures*, Quebecor's three dailies reach more than 55% of Québec's population on all platforms combined. One of the factors in their ongoing success is the considerable resources devoted to strengthening our Investigative and Parliamentary Bureaux. Given the renewed attention paid to investigative journalism, we are now positioned to provide readers with the best coverage of issues of public concern.

At a time when the **magazine** industry is stagnating, TVA Publications' magazines increased their readership in 2017, led by category leaders such as *ELLE Canada*, *ELLE Québec*, *Clin d'œil*, *Coup de pouce* and *Style at home*.

In 2017, Quebecor launched a **digital offensive** with, among other things, new digital brands targeted at a younger, more digitally oriented audience. The websites of Quebecor's media outlets far outpace their rivals, chalking up a combined total of more than 7.2 million unique visitors per month.

Our **Music** and **Books** segments are important activities for the Corporation, reflecting our attachment to the development of Québec culture. Disques Musicor released close to 20 albums and DVDs in 2017 and signed some prominent artists, including Lara Fabian, Alex Nevsky, Corneille, Charles Kardos, Geneviève Leclerc and TiBZ, cementing its position as a Québec music industry leader. Sogides Group's publishing houses, the largest family of general literature publishers in Québec, and leading educational publisher CEC Publishing, released more than 310 new titles, including 7 of the 20 bestselling books in Québec, in 2017.

In short, Quebecor's media businesses are powerful dissemination vehicles that are bringing our artists, our creators, and our culture to a wider audience than ever before.

THE "LIVE" EXPERIENCE

In August 2017, Martin Tremblay was appointed Chief Operating Officer of Quebecor Sports and Entertainment Group. His responsibilities include the **Videotron Centre**, one of Canada's top five arenas by ticket sales in 2017, according to *Pollstar* magazine. In addition to many

corporate events and Québec Remparts games, 48 major cultural and sporting events were held at the venue, including headliners such as Ed Sheeran, Bruno Mars, Katy Perry, Iron Maiden, Maroon 5, Keith Urban, The Lumineers, Paul Piché, Roger Waters and Green Day.

Quebecor is also a leading player in the organization of cultural and sporting events. Events produced by **Gestev** in 2017 included the FIS Cross-Country World Cup races in Québec City, where Alex Harvey was crowned sprint champ. The meet drew 60,000 spectators and was broadcast on TVA Sports. The acquisition of the Wasabi atelier expérientiel marketing agency will help Gestev better serve its growing customer base in Montréal.

BUILDING OUR FUTURE ON THE BEDROCK OF OUR PAST

Quebecor's history is a story of success, self-assertion and progress. It has been fashioned, day by day, by thousands of employees who excel at what they do and care about fulfilling the expectations of the Corporation's customers, business partners and shareholders.

Quebecor is carrying on the philanthropic work of its founder, Pierre Péladeau. It remains present and deeply involved in the community, supporting more than 400 organizations in 2017. For example, we came through with special assistance for the Festival en chanson de Petite-Vallée after the fire at the Théâtre de la Vieille Forge, and we secured the future of the Théâtre Impérial, one of Montréal's most beautiful venues.

Quebecor's success reflects the vitality of Québec culture. In 2017, culture was often in the news, and as in years past Quebecor was an active participant in the debate. We repeatedly denounced the preferential treatment afforded the global telecommunications and entertainment giants. We called attention to the importance of lightening the regulatory burden on Canadian businesses and the need to encourage innovation in order to enable us to compete against the global giants and continue promoting our culture.

Despite the obstacles, our culture remains vibrant. At Quebecor, we are creative, we are enterprising, and we listen to Quebecers' needs, expectations and tastes.

Pierre Péladeau was deeply attached to Québec and its culture. He would be proud to see Quebecor matching business success with the vigorous promotion of homegrown content and culture 20 years after his passing.

We are profoundly grateful to everyone who contributes to this effort: our shareholders, directors, customers, partners and talented employees.



The Right Honourable
Brian Mulroney
Chair of the Board



Pierre Karl Péladeau
President and Chief Executive Officer



Pierre Péladeau

1925 - 1997

December 24, 2017 was the 20th anniversary of the death of Quebecor's founder, Pierre Péladeau.

Not only did he build this company, but he left an imprint on Québec society as a whole, along with a precious legacy that survives to this day. Pierre Péladeau was a man of many commitments. His entrepreneurial spirit, his generosity to his community, his love of the arts and of artists, and his deep attachment to his roots continue to inspire us every day.

TELECOMS

- Videotron
 - *Mobility*
 - *Club illico*
 - *Videotron Business*
 - *MAtv*
 - *Vidéotron le superclub and Microplay™*



VIDEOTRON

Videotron, a leader in cable television, interactive multimedia development, Internet access service and cable and mobile telephony, has held its position by constantly renewing its offerings, by providing the best possible customer experience, and by delivering a regularly refreshed selection of diverse and abundant content supported by innovative, constantly evolving technology.

MOBILE SERVICE: VIDEOTRON CELEBRATES ITS MILLIONTH CUSTOMER!

Videotron is now one of the main mobile carriers in its service area. Launched in 2010, Videotron's mobile service passed the one million residential and business subscriber connections mark on November 8, 2017. Videotron has added more mobile connections than any of its competitors in each of the last four quarters.



New features to meet customers' needs

The Daily Traveller Pass lets travellers use their mobile plan abroad as if they were at home for a flat fee of \$6 per day in the U.S. and \$10 per day in more than 100 other countries.

The **inclusion of Club illico in Videotron's mobile plans** anticipates consumers' preferences as they turn increasingly to their mobile devices to access content. According to a Media Technology Monitor (MTM) study published on August 31, 2017, 85% of Francophone Canadians aged 18 to 34 who own a smartphone had streamed videos on their device during the previous month.

The new **Voice over LTE (VoLTE)** feature gives customers with compatible devices improved intra-building coverage and faster call connection. As well, VoLTE calls between Videotron customers have unprecedented high-definition (HD) sound quality.



DIFFERENTIATION THROUGH INNOVATION

Québec's top Internet Service Provider

To accommodate exponential growth in data usage, Videotron has stayed at the cutting edge and offers its customers the most advanced Internet solutions.

Videotron's Fibre Hybrid 120 and Fibre Hybrid 200 services are the only Internet access services of that speed available on such a large portion of Québec's territory. Since the summer of 2016, Videotron has also offered **Giga Fibre Hybrid** Internet service, which supports connection speeds of up to 940 Mbps for residential and business customers. In 2017, Videotron continued the roll-out of the ultra-fast service across its service area.

Investing in infrastructure: \$1.1 billion in 5 years

Over the past five years, Videotron has spent \$1.1 billion to boost the capacity and speed of its wireline network. The explosive growth of online video streaming services has by itself necessitated investments of approximately \$375 million.

In 2017 alone, capital expenditures on technology totalled \$269 million.

IPTV: Toward the television of the future

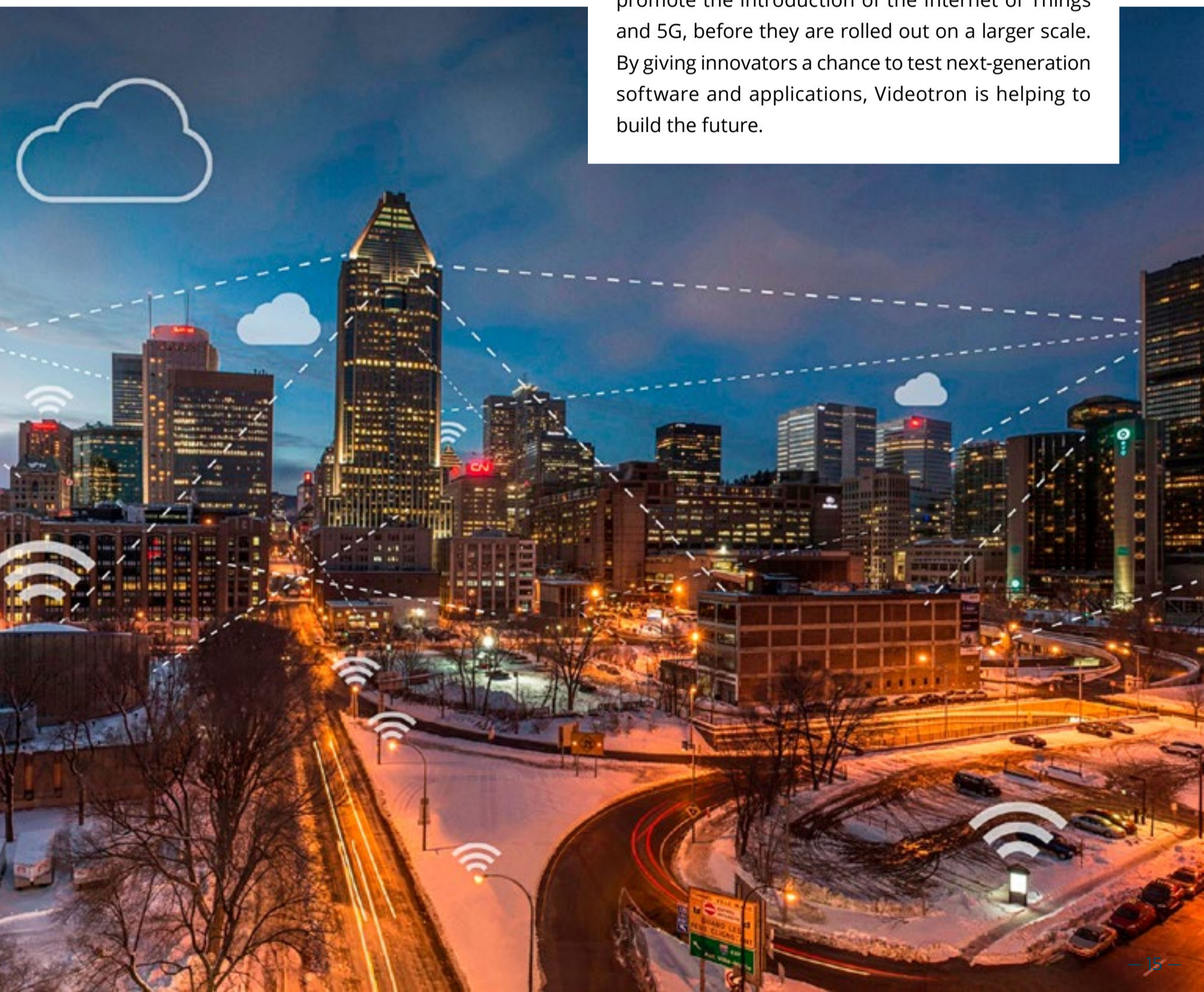
Videotron's digital switchover, begun in 2014, has now been completed. The major technological transition involved smoothly migrating all remaining analog customers to digital cable television service.

In 2017, to accelerate IPTV development, Videotron formed a strategic partnership with Comcast Corporation to develop an innovative solution based on the XFINITY X1 platform. Videotron customers will be able to access a wide array of content more simply, intuitively and quickly.

Open-air Smart Living Laboratory

In the fall of 2017, the Open-Air Smart-Living Laboratory opened its doors to all with the launch of its website <www.labvi.ca>. Tech startups, established firms, researchers and members of the public can all submit project proposals on the site. Proposals were also submitted spontaneously at Startupfest, in which the Laboratory was a participant.

What is it? The Laboratory was launched in September 2016 at the initiative of Videotron in partnership with Ericsson, the École de technologie supérieure and the Quartier de l'Innovation de Montréal (QI) to set up a testing ground at QI to support the development of new technologies and promote the introduction of the Internet of Things and 5G, before they are rolled out on a larger scale. By giving innovators a chance to test next-generation software and applications, Videotron is helping to build the future.



CUSTOMER EXPERIENCE: THE NEXT GENERATION

In 2017, Videotron found innovative ways to exploit the potential of digital tools while maintaining the personal, human touch for which its customer service is known.

Forum: The Videotron Community

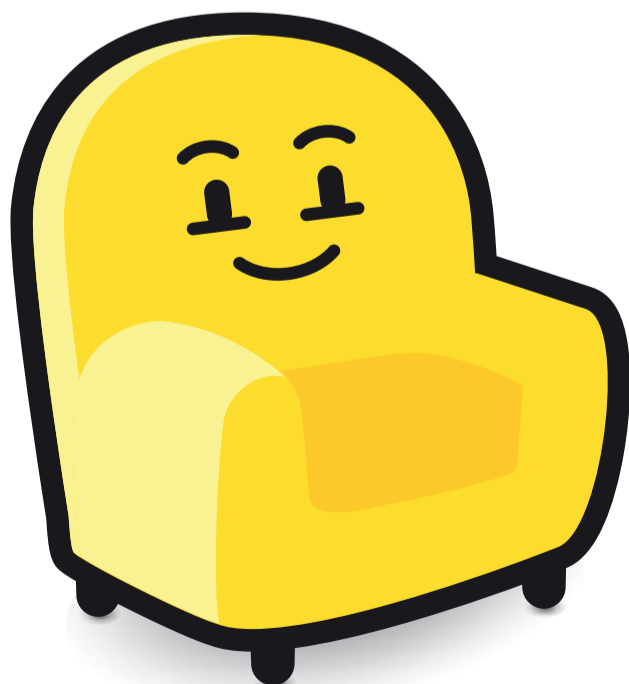
True to the spirit of the Web, where users are accustomed to finding the solution to their problem or the information they seek on their own, Videotron's new **online forum**, launched in June 2017, is a place where users can exchange views and ask questions about telecommunications products. To encourage participation in the Videotron Community, members are rewarded for their contributions. As they collect reward badges, members can climb the levels and eventually become a Videotron Community Superhero!



"The focus on customer experience is in our DNA. Day after day, we make a concrete effort to maintain our lead on this front. Our customers have high expectations and we are more determined than ever to continue improving our processes and services in order to deliver the best customer experience anywhere."

Manon Brouillette

President and Chief Executive Officer, Videotron



Chillico: Artificial intelligence in action

Videotron's Chillico, the first Facebook Messenger **chatbot** from a Canadian telecommunications provider, converses with users and recommends selections from the illico.tv video-on-demand catalogue. It was launched on a trial basis in 2017. Chillico will improve Videotron's understanding of the ways users interact with new artificial intelligence tools.



Awards and distinctions for Videotron: The best customer experience

Excellent customer experience yields measurable results. Year after year, multiple studies and surveys have confirmed Quebecers' attachment to Videotron. In 2017, Videotron again earned numerous distinctions:

- Québec's **most respected telecommunications provider** for the 12th year in a row (Léger-*Les Affaires* survey)
- Québec's **best telecommunications retailer** for the 6th year in a row (Léger-*Les Affaires* survey)
- **The best performing mobile network** in eastern Canada for the 3rd year in a row (J.D. Power)
- **Most forward-thinking and engaged Québec brand** (2017 Ipsos-*Infopresse* index)

Videotron in the community

Every year, Videotron forms strategic partnerships with numerous organizations that have deep roots in the community.



CLUB ILLICO

As it celebrates its 5th anniversary in 2018, Club illico is the most popular French-language subscription video on demand (SVOD) service in Québec and boasts the largest selection of French-language content. In 2017, it increased its subscriber base by 15% to more than 360,000. Club illico has logged a total of nearly 300 million views since its creation.

Club illico owes its growing popularity to its high-quality, made-for-binge-viewing original series. The inclusion of Club illico in Videotron's mobile plans has also increased its reach among young people and helped spur their interest in Québec cultural products.

Made-in-Québec original series reach international audiences

Club illico is now a key player in the production of original Québec content. Its customer base of loyal subscribers has enabled Videotron to mount eight original productions, in collaboration with Quebecor Content, during Club illico's short history.

2017 was a banner year:

- **Victor Lessard**, produced by Pixcom and the first Québec series shot in Ultra HD (4K), won the Rockie Award in the "Francophone Program" category at the Banff World Media Festival;
- **Blue Moon**, produced by Ætios Productions, is the most-watched series on Club illico with more than 6 million views in seasons 1 and 2. Season 3 was shot in 4K in 2017;

- With the teen series **L'Académie** and **La dérape**, Club illico's original productions moved into a new niche, bringing the whole family together in front of the same screen;
- **Pablo Escobar raconté par son fils**, Club illico's first original documentary, was shot in Colombia and has already been sold in a number of countries. It features Sebastian Marroquin (formerly known as Juan Pablo Escobar), the son of notorious drug lord Pablo Escobar.



Pablo Escobar
raconté par son fils



club illico

Quebecers' favourite
entertainment platform with

360 000 subscribers !

La servante écarlate



The best international series, in French

Club illico's high profile enables it to snap up rights to the most popular series in the world and bring its subscribers the best international series of the day in French, on an exclusive basis, shortly after their release in their original language. Examples include:

- *Survivant désigné (Designated Survivor)*
- *La servante écarlate (The Handmaid's Tale)*
- *Shooter : tireur d'élite (Shooter)*
- *National Geographic (series of 11 documentaries)*
- *La liste noire : Rédemption (The Blacklist: Redemption)*



VIDEOTRON BUSINESS: CUSTOMIZED INTEGRATED SOLUTIONS

Videotron Business, the top choice of Québec businesses, continued to grow rapidly in 2017. Its progress, like that of Videotron's residential services, was driven by exceptional customer experience and a full array of services.

Videotron Business offers integrated Internet, business and mobile telephony, cable television, private network and data hosting solutions, custom designed by experts to meet the specific needs of businesses large and small. More than ever, Videotron Business is the foremost **one-stop shop** for business.

Fast and reliable Internet connection for business – guaranteed!

Businesses depend on a reliable Internet connection with no downtime. That is why Videotron launched its exclusive **Guaranteed Internet Access** service in 2017. If the wired Internet link goes down, the wireless LTE network automatically kicks in and seamlessly maintains a continuous connection. The connection switches back to the wired network as soon as it becomes available.

98% satisfaction rate

Videotron Business scored the highest customer satisfaction rate in a May 2017 Léger Marketing survey of Québec companies that use only business services.

No. 1 business
telecommunications
provider

According to Léger Marketing, March 2017



Expanded presence in the corporate market

Through its Fibrenoire subsidiary, a provider of very-high-speed connectivity to more than 2,500 businesses and organizations, and its 4Degrees Colocation subsidiary, a key player in data hosting and cloud computing, Videotron Business continued enhancing its range of services in 2017 and expanding its presence in the big-business market.

Videotron Business now serves businesses of all sizes in industries ranging from health and aeronautics to insurance and video gaming.

4Degrees Colocation expands services with the addition of cloud computing solutions

4Degrees Colocation data centres meet the needs of businesses seeking the most reliable solutions for fail-safe data security, business continuity and, most recently, access to the best public cloud services.

In January 2017, 4Degrees Colocation announced an agreement with global secure interconnectivity leader **MegaPort (USA) Inc.** The partnership enables 4Degrees Colocation to give businesses fast, direct, fully secure access to the world's largest public cloud providers.

In November 2017, thanks to the interconnection of its two data centres in Montréal and Québec City, 4Degrees Colocation became one of the few providers in Canada to obtain the prestigious **Tier III Design and Construction** dual certification from the independent Uptime Institute, the international gold standard in data centre design.



4Degrees
Colocation data
centre in Montréal

MAtv

For 40 years, Videotron's community channel MAtv has been reflecting Québec's diversity with programming that is useful, informative and educational. It features projects submitted by citizens who want to highlight their region's interests, share their passion or display their talents.

MAtv and its network of local channels produced nearly 2,150 hours of original programming in 2017, with the help of a team of dedicated professionals and more than 12,000 volunteer hours.

60% of MAtv's programming is produced locally. It reflects civic life, local culture, and the diversity and know-how found in the Québec communities where Videotron is present.

MAtv: Programming by and for the community

- *Mise À Jour* : An exploration of the issues of the day in small-town Québec
- *Ère libre* : Inspired and inspiring seniors talk about their lives (in collaboration with FADOQ)
- *Urban Nations* : The lives of Aboriginal people living and working in Montréal
- *Montrealers* : Montréal personalities tell their stories
- *Des chemins, des histoires* : The Québec City area's heritage
- *Festival Country Saint-Antoine* : The Festival attracts more than 25,000 visitors and helps put the Lower St. Lawrence region on the map

Michèle Sirois
Ère libre



VIDÉOTRON LE SUPERCLUB AND MICROPLAY™

In a fast-changing marketplace, Videotron has reviewed the business model for its Vidéotron le superclub chain with a view to transforming it into a true franchise network, marketing telecommunications products and services. This approach, which entails investing in the stores to constantly improve service offerings and customer experience, is yielding improved profitability.

Thus far, nearly \$3.5 million have been spent on upgrading the sections of the stores devoted to telecommunications product sales and advice. The new Vidéotron le superclub / Microplay™ Web platform has also helped improve the online customer experience.

Together, the components of this business strategy have served to maintain the leading position that Vidéotron le superclub has enjoyed as a destination of choice for entertainment products for nearly 30 years.

A man with a beard is sitting on a bench at night, illuminated by a blue light. He is wearing a dark jacket and is using a laptop while talking on a mobile phone. The background is dark with some blurred lights.

MEDIA

- Broadcasting
- MELS
- Quebecor Content
- Newspapers
- Magazines
- Out of home
- Digital
- Books
- Music



BROADCASTING

TVA Group lengthened its lead as the dominant market player in 2017. TVA Network and the specialty channels achieved a combined market share of 37.3%, far ahead of their rivals. During the year, TVA Group spent more than \$261 million on Canadian programming.

TVA NETWORK: AHEAD IN EVERY AGE GROUP

TVA Network was the most-watched network in Québec, placing first every day of the week and among all generations. It attracted more viewers than the other two French-language over-the-air networks combined.

TVA Network is a unifying force, with a bevy of million-viewer shows. Thirteen of its programs made the Top 20 in Québec in 2017. Live viewing accounted for 91% of total viewership, higher than any of its competitors.

Both live streaming and catch-up viewing on *TVA.ca* have risen steadily since the platform's launch in November 2016. *TVA.ca* meets a growing need created by audiences' changing behaviours and new viewing habits.



"TVA Group spent more than \$261 million on Canadian programming content and remains committed to producing original content that reflects our culture and brings us together."

France Lauzière
President and Chief Executive Officer, TVA Group
Chief of Content, Quebecor Content

Some of TVA Network's flagship shows:

- **La Voix** : The most popular family-oriented show on Québec television for the 5th consecutive season, with an average of nearly 2.3 million dedicated fans and a 54.5% market share.
- **La Voix Junior** : The No. 1 fall show for the second year in a row with an average of 1,890,000 viewers and a market share of nearly 37% in the 18-34 age group.
- **L'Heure bleue** : The family drama starring Céline Bonnier and Benoît Gouin was seen by an average of 1,206,000 viewers during the winter 2017 season.
- **La vraie nature** : An average of 1,053,000 people watched Jean-Philippe Dion's authentic, down-to-earth encounters with extraordinary people.
- **Lâchés lousSES** : An average audience of more than 930,000 watched Charles Lafortune and Messmer demonstrate the awesome power of hypnosis.
- **Boomerang** : 1,142,200 viewers watched the sometimes comic, sometimes moving twists and turns of Karine and Patrick's relationship every week.
- **Conversation secrète** : This documentary series, in which host Paul Arcand interviewed exceptional guests, was an event watched by an average of 988,000 viewers.
- **Le Tricheur** : On Friday, November 10, 2017, episode 1,000 drew more than 962,000 viewers and close to a 40% market share.



Salut Bonjour ! turns 30

The morning show *Salut Bonjour !* marked its 30th birthday in January 2017 and host Gino Chouinard celebrated 10 years with the show, which has a market share of more than 44% on weekdays and almost 36% on the weekend.



No. 1 news source on TV and online

TVA Network had the most-watched news coverage in Québec by far. The newscasts anchored by **Pierre Bruneau**, **Sophie Thibault** and **Pierre Jobin** dominated their time slots, pulling in a combined total of more than 4.6 million viewers per week.

LCN was Québec's most-watched cable news channel and ranked 4th among all French-language channels, including the over-the-air networks, with a 5% market share. Its coverage of Hurricane Irma set a new record, with about a 13% market share, twice that of the rival news channel.

On the Web, the *TVA Nouvelles* Facebook page was the most-followed news site in Québec, reaching an average of more than 1.5 million people per day.

LCN



TVA GROUP'S SPECIALTY CHANNELS LEAD THE PACK

TVA Group's specialty services, which include entertainment, sports and news channels, had a combined market share of 13.2%.

- **TVA Sports** increased its audience by 37% between 2015 and 2017, making it the fastest-growing sports channel in Québec. In the spring of 2017, 1,216,000 viewers watched the Pittsburgh Penguins win the Stanley Cup, the best ratings for the hockey finals since 2008. TVA Sports' agreements with the National Hockey League (NHL), Major League Baseball (MLB) and the Toronto Blue Jays, Major League Soccer (MLS) and the Montréal Impact, the Rogers Cup, the Laver Cup, plus the World Wrestling Entertainment (WWE), translate into comprehensive coverage of the world of sports, 12 months of the year.
- The news channel **LCN** celebrated its 20th anniversary in 2017. Standards such as *La joute*, *Le Québec matin*, *Mario Dumont* and *Denis Lévesque* have a loyal following.
- **Prise 2** was the fastest-growing entertainment channel. In the summer of 2017, its market share rose to a record 2.8%. The number of viewers in the 25-54 age group increased by 40% between fall 2016 and fall 2017.



- **CASA**, was the leading French-language real estate and renovation channel, far ahead of the competition. Its new original productions included *Du cœur et des bras* featuring Hugo Girard and Valérie Taillefer, *Le monde selon Chuck* hosted by Chuck Hughes, and *Rêvons maisons* with Valérie Taillefer.
- On the drama channel **addik**^{TV}, season 1 of *Blue Moon* was the second most popular show on all Québec entertainment specialty channels during the winter 2017 season.
- With shows such as *BAM*, *Hank Zipzer*, *L'autre Royaume* and *Harry Danger*, the **Yoopa** channel increased its audience in the 8-12 age group by 54%.
- **MOI&cie** received extensive media attention with important and powerful shows such as the docu reality series *Face à la rue* about homelessness and the documentary series *Tu ne m'as pas tuée*, in which people discuss family tragedies they have experienced.

TVA FILMS

With a wide-ranging catalogue of more than 1,000 Québec and foreign movies, television series, comedy performances, documentaries and other content, TVA Films has been one of the main players in the Canadian audiovisual distribution market for almost 20 years.

TVA Films takes care of every stage of the marketing of the titles in its catalogue: marketing, promotion, sales.

TVA Films attaches particular importance to promoting the work of Québec artists. It brings their work to the widest possible audience through distribution on platforms including video on demand (VoD), DVD, the Internet and in theatres. In 2017, artists such as **Emmanuel Bilodeau**, **Olivier Martineau** and **Daniel Lemire**, and the makers of series like *L'imposteur* and *L'Heure bleue*, benefited from the efforts of TVA Films' team of professionals.

TVA Films also distributed international products of high quality, including the movies *Mal de pierres* and *La danseuse* from France and the British film *Lady Macbeth*, through theatrical release, VoD, DVD, television and digital formats.

TVA Films is pursuing its strategic development by working to bring the viewing public more content on a variety of platforms.





MELS

MELS is an internationally recognized provider of comprehensive services for the cinema, television and advertising industries that has won a slew of prestigious awards.

In 2017, MELS' top-quality sound editing and visual effects design services earned it international acclaim. Denis Villeneuve's film *Arrival* won the award for Best Sound Editing at the BAFTA Awards. The movie *Race* took three Canadian Screen Awards for Achievement in Visual Effects, Achievement in Sound Editing and Achievement in Overall Sound. *Two Lovers and a Bear*, directed by Kim Nguyen, won the Iris award for Best Sound at the Gala Québec Cinéma.

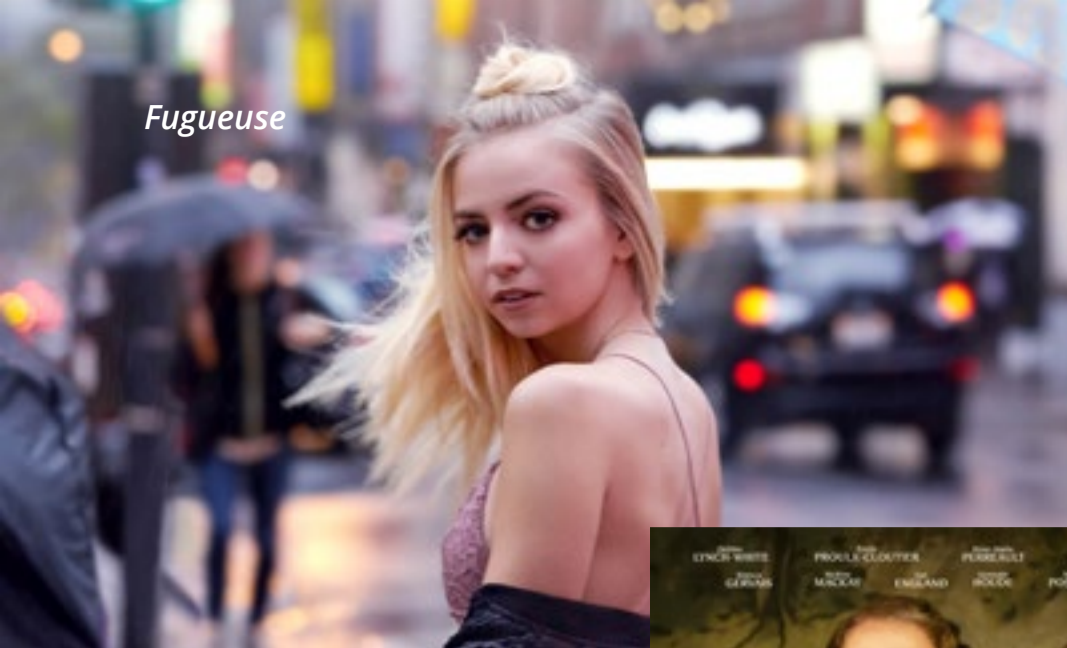
Early in 2018, MELS also won two Canadian Screen Awards for Achievement in Visual Effects and Achievement in Overall Sound for the movie *Hochelaga, Land of Souls*, directed by François Girard.



Race

Arrival

Fugueuse



MELS in 2017:

A busy year on every front

Postproduction : 13 feature films, 20 TV series, 5 TV movies, 9 projects for *Éléphant* : mémoire du cinéma québécois

Sound : 21 feature films, 20 TV series, 6 TV movies, 7 commercials

Visual effects : 40 feature films and TV series, 14 commercials

Subtitles and described video : 210 major projects

Dubbing : 48 series and 5 TV movies

Commercials : 390 projects

Distribution : Revenues up 15.2% year over year

Again in 2017, some of the most talented makers of movies and television programs used MELS' soundstages to film a string of major, world-class productions. Here are some examples.

QUÉBEC PRODUCTIONS

Blue Moon – season 3

La Bolduc

La Voix – season 2

Victor Lessard – season 2

Cheval-Serpent – season 1

District 31 – season 2

Fugueuse – season 1

Triomphe de l'argent

L'échappée – season 2

L'imposteur – season 2

INTERNATIONAL PRODUCTIONS

La vérité sur l'Affaire Harry Quebert

X-Men: Dark Phoenix

The Bold Type – season 1

The Gift

Jack Ryan – season 1

Chaos Walking

Flarsky

40 North

On the Basis of Sex

Cash Nexus





QUEBECOR CONTENT

At a time when Quebecers have access to quality content from around the world, Quebecor Content is playing a crucial role by offering the best homegrown content across all Quebecor platforms and by acquiring rights to the best international productions.

Quebecor Content serves as a springboard for local producers and artists. It develops original Québec productions, brings them to the most popular platforms, and leverages its relationships with the world's leading film and television industry players to export Québec productions and formats around the world.

Local talent in the limelight

In 2017, Quebecor Content helped develop and produce **73 original projects** of all types for TVA Group's platforms and Club illico. They included original formats with strong potential, such as *Fugueuse*, *En tout cas*, *Victor Lessard*, *Mensonges*, *Face à la rue*, *Tu ne m'as pas tuée*, *Bouffe MTL*, *L'Académie* and *Pablo Escobar raconté par son fils*, and Québec versions of successful international formats, such as *Conversation secrète*, *La vraie nature*, *Lâchés lousSES* and *Face au mur*.

Acquisition of content for children was not neglected, with more than 70 titles offered on Quebecor's platforms. For example, Quebecor Content was involved in developing and producing *BAM*, a children's show featuring cartoonist Tristan Demers that airs on the Yoopa channel.

Quebecor Content also supports filmmaking in Québec and the rest of Canada. In 2017, it purchased the rights to



Lâchés lousSES

two films by Québec directors: *The Death and Life of John F. Donovan*, Xavier Dolan's latest movie, and *Gut Instinct*, a film directed by Daniel Roby, produced by Caramel Films and starring Antoine Olivier Pilon (1:54).

Québec productions penetrating international markets

International sales of Québec television programs and formats are injecting new money into Québec's cultural industry and supporting its financing.

Highlights of international sales in 2017:

- The *Victor Lessard* and *Mensonges* series are now in development in English Canada and the U.S.;
- In France, the series *Pour Sarah* is in development and a pilot has been shot for the *Sur invitation seulement* format;
- The *Pablo Escobar raconté par son fils* documentary series was sold to major broadcasters in some 20 countries, including the U.S., France and most Latin American countries.

Top international series now available on Quebecor platforms

The growing popularity of Quebecor's platforms – especially Club illico – is due in large part to Quebecor Content's work on developing and acquiring successful productions.

The reputation Quebecor Content has earned makes it easier to negotiate exclusive French-language broadcast rights to the best series in the world.

In all, more than 30 first-run drama series were aired on Quebecor's platforms, including *La servante écarlate* (the French version of *The Handmaid's Tale*), *La pécheresse* (*The Sinner*), *Shooter : tireur d'élite* (*Shooter*), *S.W.A.T.*, and *Survivant désigné* (*Designated Survivor*).

The well-known National Geographic brand also made its appearance, along with popular shows such as *Maison à gagner* (*Home to Win*) and *Kids vs Wild – Seuls face à la nature* (*Bear Grylls Survival School*).



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THE MOST-READ NEWSPAPERS IN QUÉBEC

Le Journal de Montréal, Le Journal de Québec and the free daily **24 heures** have more than 4 million readers per week on all platforms. More than 55% of Quebecers look to them for news.

Their digital platforms have made Quebecor's newspapers leaders on Québec's new media landscape. With more than 4.1 million unique visitors per month, *journaldemontreal.com* and *journaldequebec.com* are now the **top French-language multiplatform online news sites in Canada.**

While some competitors are abandoning readers who still prefer hard copy, Quebecor's newspapers have enhanced their print editions by adding substantial new content, especially to the Saturday and Sunday editions. With more travel, books, international reports, opinions and sports, readers of *Le Journal de Montréal* and *Le Journal de Québec* are now better served than ever.



"While some competitors are abandoning readers who still prefer hard copy, Quebecor's newspapers have enhanced their print editions."

Lyne Robitaille
Senior Vice President, Newspapers, Magazines,
Distribution and Printing, Quebecor
President and Publisher, Le Journal de Montréal



Le Journal de Montréal: Number 1 in Québec

With some 2,962,000 readers per week on all platforms, *Le Journal de Montréal* continues to dominate the competition. The print edition alone reaches 2,344,000 readers per week.

Le Journal de Montréal is now the only major French-language daily newspaper in the Montréal market to publish a print edition 7 days a week, while delivering the news on other platforms of the reader's choice.

Le Journal de Québec: Celebrating 50 years of success

In 2017, *Le Journal de Québec* marked its 50th birthday with a number of initiatives to celebrate its founding and to pay tribute to Pierre Péladeau, who built the company on the success of his newspapers.

With record weekly readership of 1,640,000 across all platforms, *Le Journal de Québec* now reaches more than twice as many readers as its nearest rival.

24 heures for urban millennials

The free daily *24 heures* is widely distributed on the Island of Montréal and reaches 1,027,000 readers per week on all platforms. More than 35% of its readers are under 35, 74% have a college or university degree, and 41% speak a mother tongue other than French.



INVESTIGATIVE BUREAU

The Investigative Bureau's veteran team was on the mark again in 2017 with a string of reports that uncovered questionable public spending, exposed dubious political links, unmasked fraud artists, and informed the public about practices that some would have preferred to keep hushed up. Their investigations led the TVA newscasts on numerous occasions and were frequently featured on the front pages of Quebecor publications, including 120 appearances on page 1 of *Le Journal de Montréal* during the year.



QMI AGENCY

QMI Agency, Quebecor's wire service, celebrates its 10th birthday in 2018. It serves Quebecor's media outlets, producing texts and images on topics running the gamut from politics and business to the police beat, culture and sports for the Web, print media and television. In 2017, QMI Agency continued distributing credible, high-quality texts and compelling news photos produced by its team of seasoned journalists and photographers.

DISTRIBUTION: MESSAGERIES DYNAMIQUES IN THE LEAD

Messageries Dynamiques is the largest distributor of newspapers and magazines in Québec. In 2017, it distributed 35 million copies of **4,800 magazine titles**, including leading publications such as *7 Jours*, *La Semaine*, *Allô Vedettes*, *Paris Match*, *Ricardo*, *Coup de pouce*, *ELLE Québec*, *Châtelaine*, *Science & Vie* and the quarterly *Trois fois par jour*.

Messageries Dynamiques also distributed 48.9 million copies of newspapers in 2017, including *Le Journal de*

Montréal, *Le Journal de Québec* and *Le Devoir*. Its distribution network spans 12,400 retail points of sale and also reaches 215,480 households per day.

In 2017, *Le Journal de Montréal / Le Journal de Québec* call centre, managed by Messageries Dynamiques, fielded approximately 6,200 calls per week; 1,300 calls per week from magazine subscribers were added to its call load.



MAGAZINES

TVA PUBLICATIONS, THE TOP PUBLISHER IN QUÉBEC AND A KEY PLAYER IN CANADA, CONTINUES TO GROW

TVA Publications' increasingly strong brands reached 3.3 million French-speaking and 7.6 million English-speaking readers in 2017. While the magazine industry's overall numbers are flat, TVA Publications' magazines increased both their cross-platform and print readership in 2017. They were read by 2.3 million members of the millennial demographic so coveted by advertisers. In all, TVA Publications published a total of 468 issues of its titles in 2017.

Fashion

ELLE Canada, in English, and **Clin d'œil**, in French, are Canada's most popular fashion magazines. **ELLE Québec** is the leading French-language fashion magazine among women aged 25 to 54. Between them, **Clin d'œil** and **ELLE Québec** reach a total of more than 970,000 people per month.

Lifestyle

With 4.2 million readers on all platforms, **Canadian Living** is the number 1 magazine among Canadian women. In French, **Coup de pouce** is the most-read lifestyle magazine with nearly 1.5 million readers on all platforms. **Good Times** (616,000 readers) and **Bel Âge** (952,000 readers) round out TVA Publications' offerings in the Lifestyle category.





TVA Publications magazines shine in Canadian Online Publishing Awards

- **Coup de pouce** : GOLD, Best Service Website
- **Coup de pouce** : SILVER, Best Digital Solution
- **ELLE Québec** : SILVER, Best Lifestyle Article or Series
- **ELLE Canada** : SILVER, Best Video Content
- **Clin d'œil** : SILVER, Best Online Campaign

Decorating

Style at Home is the leading English-language decorating magazine among women aged 18 to 54, while **Les idées de ma maison** is the decorating authority for more than 758,000 readers.

Entertainment news

Close to 1.3 million people follow celebrity news by reading TVA Publications magazines. **7 Jours** alone reaches 574,000 readers.

Sports

The Hockey News, the Canadian sports fan's bible with 1.5 million readers on all platforms, was sold to Roustan Media in January 2018.





OUT OF HOME

Quebecor's Out of Home segment, the Québec leader with a 43% market share, is a key vehicle for national, regional and local advertisers.

Under agreements with local transit systems – the Société de transport de **Montréal** (2012), the Société de transport de **Laval** (2014), the Société de transport de **Lévis** (2015) and the Société de transport de **Sherbrooke** (2018) – Quebecor installs and maintains their bus shelters and manages more than 7,200 advertising faces on their buses and bus shelters. Under an agreement with Taxelco (2016), the Out of Home segment also offers advertisers a complementary advertising platform on **Téo Taxi** electric taxicabs, selling space on close to 100 taxi roof signs.

In 2017, Quebecor installed 180 new standard bus shelters and 30 digital bus shelters on the territory of the Société de transport de Montréal, bringing the total to 3,062 standard and 105 digital bus shelters. Approximately 60% of the shelter network has now been modernized through the installation of new structures.

The innovations supported by the bus shelters have resulted in numerous impactful campaigns. With the help of the Out of Home segment's team of experts,

advertisers have exploited the potential of the structures by creating spectacular works, adding music or olfactory marketing, and handing out free samples near the shelters. For example, during Montréal's 375th birthday celebrations, some bus shelters were decorated to mark the *Escales découvertes* project, featuring themes related to Montreal's history. McDonald's Restaurants used the shelters for two campaigns, one of which won the Boomerang award in the Interactive Interface Other Than Web and Mobile category.

More than
7,200
advertising faces



DIGITAL

QUEBECOR STRENGTHENS ITS DIGITAL PRESENCE

The new digital team that Quebecor set up in 2017 grew quickly from 20 employees to more than a hundred by year's end. It serves as a centre of digital expertise and innovation, pursuing two key strategic objectives:

- Manage and develop all the websites of Quebecor subsidiaries and support their ongoing innovation efforts;
- Create new digital brands targeted at a younger, better-educated audience.

New commercial digital content

A digital content production and management team was formed to develop strategies and create native and sponsored content, in collaboration with Advertising Sales & Marketing, and to specialize in content marketing, for the benefit of Quebecor's advertisers.

New digital brands for the under-35 demographic

To reach younger audiences, new digital brands such as *Tabloid*, *Billie Jean*, *Silo 57*, *Pèse sur Start* and *Se partir une page de mêmes ironiques* in 2017 were created. Exploitation of the **Le Sac de Chips** brand, created in 2013, was intensified with the addition of television content and commercial content. *Le Journal de Montréal's* well-known **En 5 minutes** brand was further developed using digital technology.



Quebecor's news websites take the lead

Quebecor's digital offensive has proven highly effective. In the news segment, its websites have registered impressive growth, propelling *Le Journal de Montréal* and *Le Journal de Québec* to the lead over their multiplatform news rivals.

	UNIQUE VISITORS PER MONTH	
	November 2017	Increase since November 2016
Quebecor digital sites		
<i>Le Journal de Montréal</i>	3,802,289	26%
<i>TVA Nouvelles</i>	3,548,804	34%
<i>Le Journal de Québec</i>	1,999,636	29%
Quebecor Media segment sites combined	7,226,939	5%

GOJI: SUPPORTING YOUTUBERS

Goji is a talent collective that now consists of some 30 online video content creators (YouTubers) who receive production support and personalized assistance to help them grow their audiences and develop their projects.

Notable developments in 2017 included the addition of **Catherine Francœur**, one of the most-followed YouTuber in Québec with more than a million subscribers to her **girlyaddict** channel. For the second year in a row, the Numix award in the YouTube Webseries category went to a member of Goji: Guillaume Duranceau-Thibert for his **Guillaume sans destination** channel. The **Topsicle Cinéma** channel launched in 2017 had more than 58,000 followers by the end of the year and its videos had been viewed more than 7.5 million times.

A number of television shows and webseries were produced based on concepts developed by Goji creators, including **Destination jardin avec Guillaume** and **Saint Crème la série**, both on the CASA channel. Goji members also worked on a book and appeared on numerous television shows, including *La clique de Maripier*, *La Voix Junior*, *Salut, Bonjour !*, *Deux filles le matin* and *Vlog*.



Guillaume Duranceau-Thibert

BOOKS

Quebecor's Books segment includes the largest general literature publishing group in Québec, as well as the leading educational publisher, CEC Publishing. Together, its 19 publishing houses produced more than 310 new releases in print in 2017.

GROUPE HOMME

Books published by Les Éditions de l'Homme received numerous awards and honours, including the Prix Marcel-Couture at the Salon du livre de Montréal for *Les Montréalais – Portraits d'une histoire* by Jean-François Nadeau.

Three titles were among the 20 bestselling books of the year in Québec: *Famille futée 3* by nutritionist Geneviève O'Gleman and media personality Alexandra Diaz; *Le guide de l'auto 2018* by Denis Duquet, Gabriel Gélinas, Marc Lachapelle and Daniel Melançon; and *Discussions avec mes parents* by humourist François Morency. Les Éditions de l'Homme also published *EAU – Dans le sillage du temps*, the third volume in the Archéologie du Québec collection, in partnership with Québec's ministry of culture and communications and Pointe-à-Callière, the Montréal Archeology and History Complex.

Raconte-moi, a biography collection published by Éditions Petit Homme that tells young readers about stars and celebrities, has been a resounding success. New releases in 2017 included books about Xavier Dolan, the Dufour-Lapointe sisters, Martin Matte, Yan England and Pierre Lavoie.

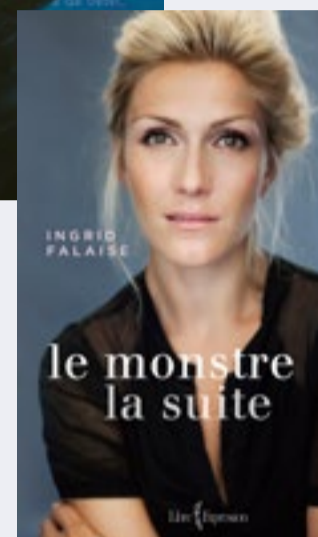


LE GROUPE VILLE-MARIE LITTÉRATURE

Le Groupe Ville-Marie Littérature's publishing houses distinguished themselves in several ways in 2017.

The children's literature publisher Les Éditions de La Bagnole garnered public and critical acclaim again with no fewer than 32 award-winning or short-listed works for various literary awards, including *Même pas vrai* by Larry Tremblay, illustrated by Guillaume Perreault, and *Fred Petitchatminou* by Christiane Duchesne and Marion Arbona.

Le Livre noir des Hells Angels, an investigation of the Hells Angels published by Éditions du Journal, was also an enormous success. The respected poetry publisher Les Éditions de l'Hexagone released the *Boîte d'images* collection by Denise Boucher, which won the Grand Prix Québecor at the Trois-Rivières International Poetry Festival, accompanied by a \$15,000 bursary.



GROUPE LIBREX

At Éditions du Trécarré, author Kim Thúy was particularly busy in 2017. She contributed to *L'autisme expliqué aux non-autistes* by Brigitte Harrison and Lise St-Charles, and published a cookbook, *Le secret des Vietnamiennes*. Translation rights to the two books have been sold in France, English Canada, Italy, Sweden and Germany.

For the fourth year in a row, Les Éditions Libre Expression was the publisher of the bestselling biography in Québec. This year's chart-topping release was *Le monstre - La suite* by Ingrid Falaise. Jean-Marie Lapointe continued his investigation of homelessness in *Être face à la rue*, inspired by the television series on the MOI&cie channel.

Éditions Logiques published successful and prolific author Denis Monette's final opus, *Les enfants de Mathias*. Monette is laying down his pen after 27 books and more than a million copies sold.

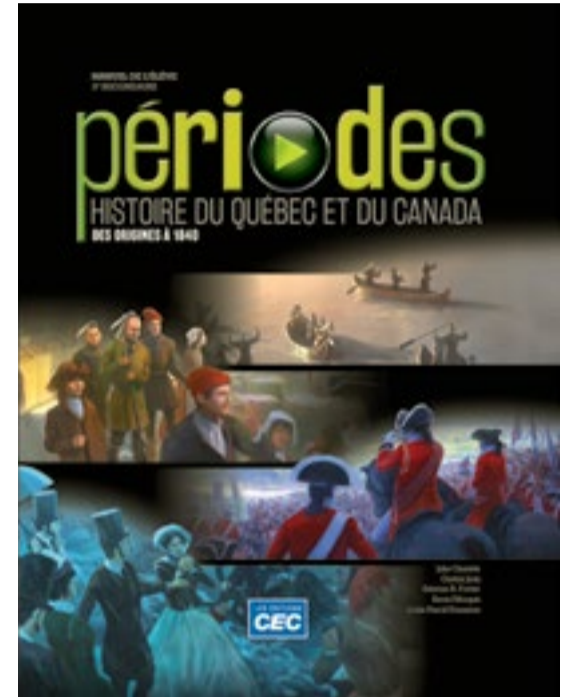


CEC PUBLISHING

CEC Publishing, a leader in educational publishing for more than 60 years, increased its revenues by 9.4% and its digital revenues by 33%. Its *MaZoneCEC* site, used by more than 160,000 teachers and students, is one of the most widely used online educational platforms for Québec elementary and high schools.

Major publications in 2017 included:

- **Périodes**, a collection designed for the Grade 9 and 10 Québec and Canadian history course, the preferred choice of Québec high school history teachers
- **Mes dossiers**, a set of six booklets for the new Grade 11 finance course
- **Parenthèse**, a new Grade 9 French collection for adults
- **Rendez-vous sans fautes**, for college-level French courses



Quebecor's publishing houses published 7 of the 20 bestselling books in Québec in 2017

Les Éditions de l'Homme	<i>Famille futée 3</i>	The No. 1 bestseller in Québec in 2017
	<i>Le guide de l'auto 2018</i>	Canada's automotive bible for 52 years
	<i>Discussions avec mes parents</i>	Humour by François Morency
Les Éditions La Semaine	<i>Famille futée 2</i>	The second instalment was a repeat success, placing among the bestsellers of 2016 and 2017
Les Éditions du Journal	<i>Le Livre noir des Hells Angels</i>	One-of-a-kind investigative journalism (collective work)
Éditions du Trécarré	<i>Le secret des Vietnamiennes</i>	Recipes and stories from Kim Thúy
Les Éditions Libre Expression	<i>Le monstre - La suite</i>	The sequel to Ingrid Falaise's bestselling autobiography

MUSIC

Through the activities of Disques Musicor and Distribution Select, Quebecor is making a major contribution to the development of Québec music. The two thriving subsidiaries are maintaining their sales in a contracting market.

DISQUES MUSICOR

Disques Musicor, a major player on Québec's music scene, produces albums and videos and is the partner of choice of French-speaking artists. In a fast-changing and generally risk-averse market, it is taking an aggressive and visionary tack.

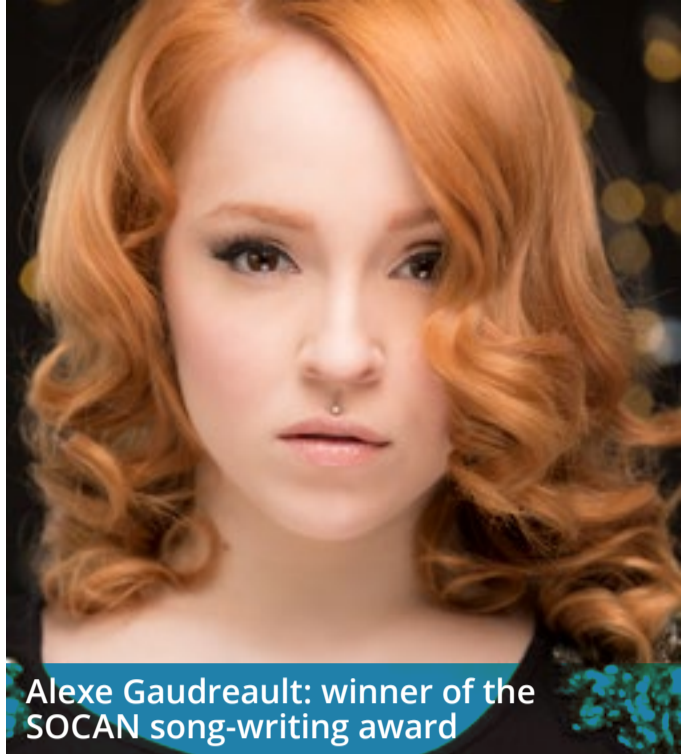
Over the course of the year, Disques Musicor released 12 full-length albums, a vinyl album, two digital singles and four DVDs, including *28 jours pour un corps plus ferme* by **Josée Lavigne**. It signed a number of new artists to enrich its catalogue, including well-known names such as **Lara Fabian**, **Corneille** and **Alex Nevsky**, and promising young talents such as **Geneviève Leclerc**, **Charles Kardos**, and **TiBZ** from France.

In 2017, Disques Musicor continued its push into international markets by signing agreements with the Belgian record label 9Productions (Lara Fabian), Warner Music France (*Saturday Night Fever*, the musical) and the record label Wagram, which will promote the singer Alexe Gaudreault in France.



"In a fast-changing and generally risk-averse market, it is taking an aggressive and visionary tack."

Anne Vivien
Executive Vice President
Development and Music,
Quebecor



Alexe Gaudreault: winner of the SOCAN song-writing award

The bold approach is bearing fruit. The streaming catalogue grew by over 35% in 2017 and Disques Musicor's share of the Québec and Canadian markets for new releases increased slightly in a shrinking market.

Disques Musicor's releases were also distinguished by their quality. The SOCAN song-writing prize was awarded to the song *Éclat*, co-written and performed by **Alexe Gaudreault**. Disques Musicor's artists earned three ADISQ award nominations: **Marie-Ève Janvier** and **Jean-François Breau** in the Band or Duo of the Year category; the band **Caravane**'s album *Fuego* in the Rock Album of the Year category; and **Alexe Gaudreault** for Best New Artist



©MARIPHOTOGRAPHE

Geneviève Leclerc



©FLIP VANROE

Lara Fabian

Distribution Select

Distribution Select is the largest independent music distributor in Canada, with a 68% share of the French-language market in Québec and 30% of all audio products sold in Québec. Its catalogue contains 8,600 audio titles, 1,800 video titles and 117,000 digital tracks.

After DEP Distribution discontinued its operations at the beginning of the year, Distribution Select signed 57 new distribution agreements with labels including Instinct Musique, Spectra Musique, La Tribu, Dare to Care and Disques Tempêtes. It also renewed the five agreements that were due to expire at the end of the year.

Distribution Select's network has expanded to a new high of 2,964 points of sale, including 500 at non-traditional retailers such as Giant Tiger and the Jean Coutu drugstore chain, for which Distribution Select is the exclusive distributor. It also entered into an agreement with Walmart to manage the audio category at their locations. During the year, Distribution Select distributed 502 new audio releases and 175 video releases.

57 new distribution agreements



Nation by TiBZ: No. 1 on French-language radio for 15 consecutive weeks

A vibrant, low-angle shot of a crowd at a sports event. In the foreground, a young woman with long blonde hair, wearing a blue tank top, is cheering with her mouth open and her right arm raised high. Behind her, other people are also cheering, with some raising their hands. The background is filled with a dense crowd of people, mostly in shades of blue and white, creating a sense of a large, energetic gathering. The lighting is bright, suggesting an outdoor daytime event.

SPORTS AND ENTERTAINMENT

- Videotron Centre
- GesteV
- Hockey



CENTRE VIDÉOTRON

As the manager of the Videotron Centre, Quebecor has become a leading player in the organization of major international cultural and sports events, on the strength of Gestev's unique expertise.

THE VIDEOTRON CENTRE: THE QUÉBEC CITY STOP FOR INTERNATIONAL TOURS

Since its opening in September 2015, the Videotron Centre has become a mainstay of the sports and entertainment scene in Québec City. The world-class multifunctional venue features cutting-edge technology and has hosted some of the world's most popular artists. In 2017, headliners such as **Ed Sheeran**, **Bruno Mars**, **Iron Maiden**, **Maroon 5**, **Keith Urban**, **The Lumineers** and **Green Day** drew spectators from the U.S., Ontario and New Brunswick, as well as from all parts of Québec.

The Videotron Centre was also the site of high-adrenaline sporting events such as Professional Bull Riders and the Lucian Bute / Eleider Álvarez fight. Family events included an 8-date run by *Disney on Ice: Dream Big* and seven performances of the Cirque du Soleil show *Crystal*.



Ed Sheeran

In all, the Videotron Centre hosted 48 major cultural and sporting events in 2017, not counting Québec Remparts games. According to the authoritative concert industry news source *Pollstar*, the Videotron Centre ranked fifth in ticket sales among Canadian arenas in 2017.

Petite-Vallée benefit at the Videotron Centre

Following the fire at the Théâtre de la Vieille Forge in Petite-Vallée in August 2017, some 50 artists put on a benefit show at the Videotron Centre. Our Sports and Entertainment team was actively involved and over 6,000 people attended.

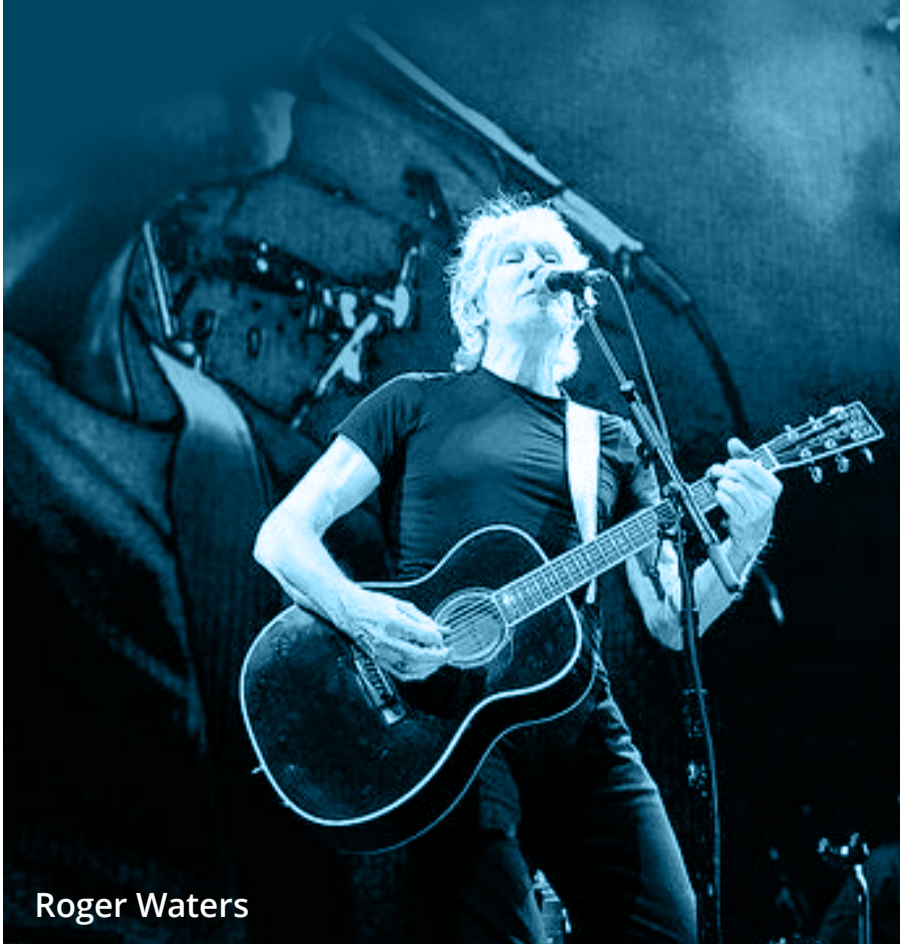


"We strive to provide a unique experience for each and every guest at the Videotron Centre, the arena of all Quebecers."

Martin Tremblay
Chief Operating Officer
Quebecor Sports and Entertainment Group

A busy Thanksgiving weekend at the Videotron Centre!

Two shows by **Roger Waters** and one by **Katy Perry** at the Videotron Centre in October drew more than 35,000 concertgoers.



Roger Waters

Cirque du Soleil





GESTEV

Gestev creates event concepts and organizes major cultural and sporting events.

Je Cours QC

Its activities in 2017 included:

- Organizing the five **Je Cours QC** running events: the SSQ Quebec City Marathon, the Oasis Lévis Half-Marathon, the Trail Coureur des Bois Duchesnay, the Descente Royale de Québec and the Défi Escaliers Québec.
- Co-producing 50 performances of the popular music-and-dance show **Saturday Night Fever** at the Capitole de Québec, which drew 60,000 spectators.
- Hosting more than 32,000 people at **Jamboree**, home of the FIS Snowboard Big Air and Freeski world cups, and organizing the **Vélirium** mountain biking festival.
- Coordinating performances by the **La Machine** street theatre company, in which two enormous mechanical creatures roamed the streets of downtown Ottawa for Canada's 150th birthday celebrations.



Saturday Night Fever

Gestev also helped design and develop 167 turnkey corporate event and sponsorship activation concepts for prestigious clients including Desjardins, Brasseurs RJ, Société de l'assurance automobile du Québec, Les Producteurs de lait du Québec and Videotron.

Gestev now in Montréal

To better serve its growing customer base in Montréal, Gestev acquired the Montréal-based agency **Wasabi atelier expérientiel**. The acquisition enhances Gestev's services, particularly in experiential marketing, in both Montréal and Québec City.

International Ski Federation (FIS) Cross-Country World Cup: Gliding at a global pace!

Between March 17 and 19, 2017, the world's best cross-country skiers performed before their fans on the Plains of Abraham in Québec City. More than 60,000 spectators turned out for the FIS Cross-Country World Cup, produced by Gestev, sponsored by Quebecor and broadcast on TVA Sports. Its success prompted the FIS to put Québec City on the World Cup circuit for 2019 and 2020.

More than
60,000
spectators
turned out for the FIS
Cross-Country World Cup





HOCKEY

Quebecor has a significant presence in the Québec Major Junior Hockey League as owner of the Québec Remparts and the Blainville-Boisbriand Armada.

20th anniversary of the Québec Remparts

The Québec Remparts have some of the highest attendance numbers in Canadian junior hockey. In 2017, the team played 32 home games, including 2 playoff games, before its fans.



To help maintain fan identification with the team, the Québec Remparts organization launched the **#TATOUÉREMPARTS** campaign and placed the team's supporters at the heart of all its activities throughout the season. It also retired the number 10 jersey worn by Réal Cloutier from 1972 to 1974.

Cheering for the Armada

After winning three division championships in the last five years, the Blainville-Boisbriand Armada performed strongly again in 2017, reaching the President's Cup finals.

The team's on-ice success, never-say-die spirit and consistent effort to maintain its close relationship with fans translated into a 5.46% increase in home attendance, despite the arrival of a professional team in Laval. The slogan *J'embarque dans l'Armada* (I'm with the Armada) was increasingly in evidence, both at the arena and on social media.

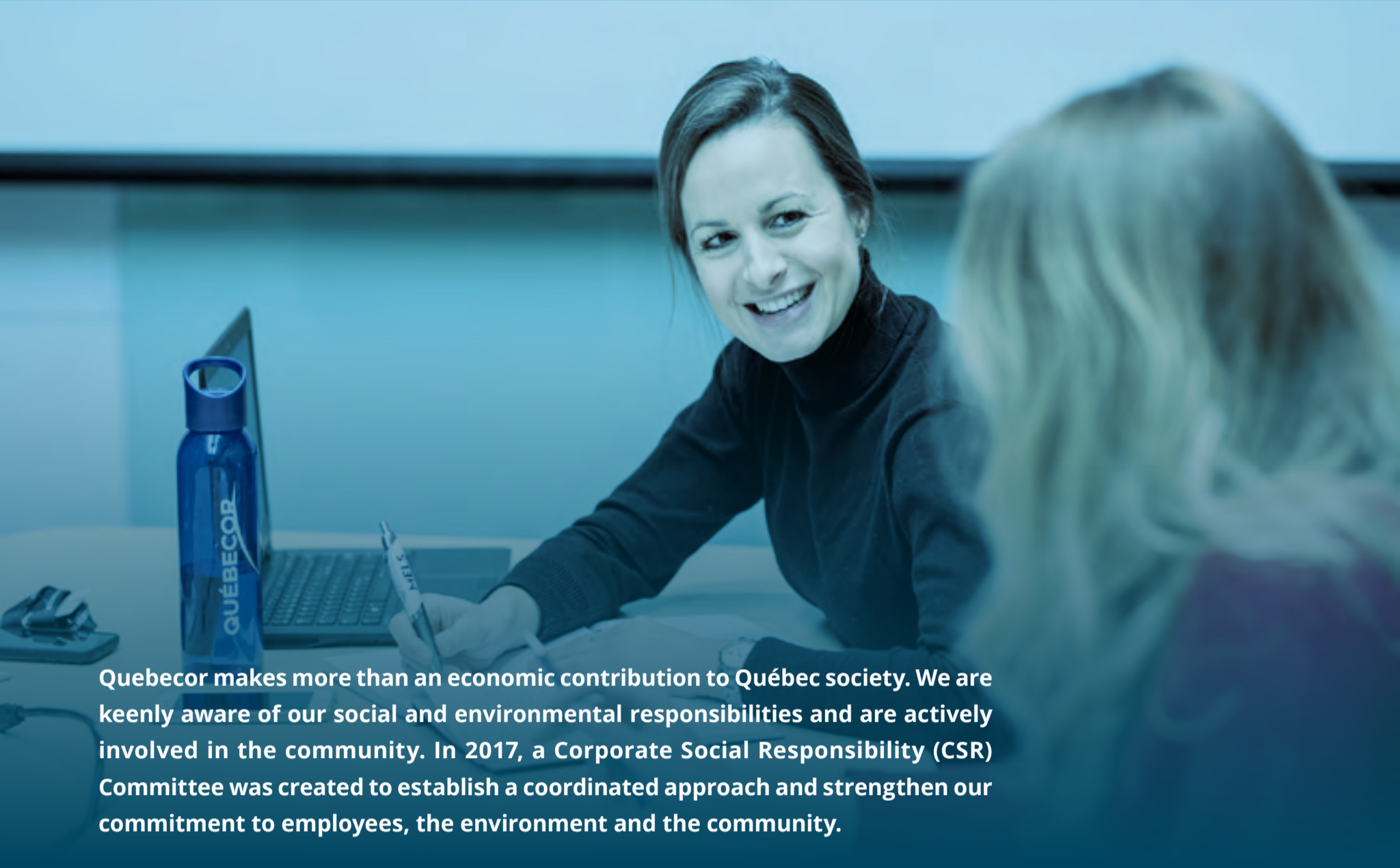


Marie-Pierre Simard
Director, Legal Affairs,
Head of Sports and
Entertainment Group,
QMJHL Governor of the
Blainville-Boisbriand
Armada



CORPORATE SOCIAL RESPONSIBILITY

- Commitment to employees
- Commitment to the environment
- Commitment to the community



Quebecor makes more than an economic contribution to Québec society. We are keenly aware of our social and environmental responsibilities and are actively involved in the community. In 2017, a Corporate Social Responsibility (CSR) Committee was created to establish a coordinated approach and strengthen our commitment to employees, the environment and the community.

COMMITMENT TO EMPLOYEES

In a fast-changing market, Quebecor knows how important it is to have talented employees. We are committed to offering our people a stimulating and healthy work environment that allows them to develop personally and professionally. Quebecor and its subsidiaries strive to be employers of choice, promoting respect, inclusion, health and wellness in the workplace.

Attracting, developing and engaging talent

In 2017, more than 130 employees from all Quebecor subsidiaries took the *Belonging* training module at Campus Québec. The one-day session increased employees' sense of belonging to the organization, expanded their knowledge of the Corporation's history, objectives, key behaviours and operations, and gave them an opportunity to network with their colleagues.

Proactive recruiting strategies were also implemented to help attract the best talent and raise the profile of our employer brand.

We are now developing a new **integrated human resources management system** that will make it easier for employees to access their employee files and other services. The new system will allow Quebecor's human resources departments to improve their employee program analysis and implementation processes.

Videotron's employee engagement index: 78%

Videotron employees responded in large numbers to a survey covering various aspects of their experience at work. Their feedback enabled management and specific work teams to pinpoint priority actions to increase engagement and ramp up productivity.

Occupational health, safety and wellness

Quebecor has various programs to promote health, safety and wellness in the workplace. The measures implemented include standardizing work-injury prevention methods, prevention action plans, and health and wellness programs (such as vaccination clinics and information sessions). Employees also have access to a gym at the Corporation's head office.

Psychological harassment was a hot topic in the news in 2017. To raise awareness of the issue, an informative video was shown at Quebecor subsidiaries.



Promoting sound management principles

We introduced various initiatives in 2017 to promote sound management practices and increase employee engagement and retention.

- 90 managers from Quebecor and its subsidiaries attended the first **Leaders' Forum** on the Corporation's strategic priorities.
- At Campus Québecor, a management and skills development program designed specifically for Quebecor managers was piloted and is now available to managers from all subsidiaries.
- A development program was put in place for all Videotron directors to strengthen collaboration.

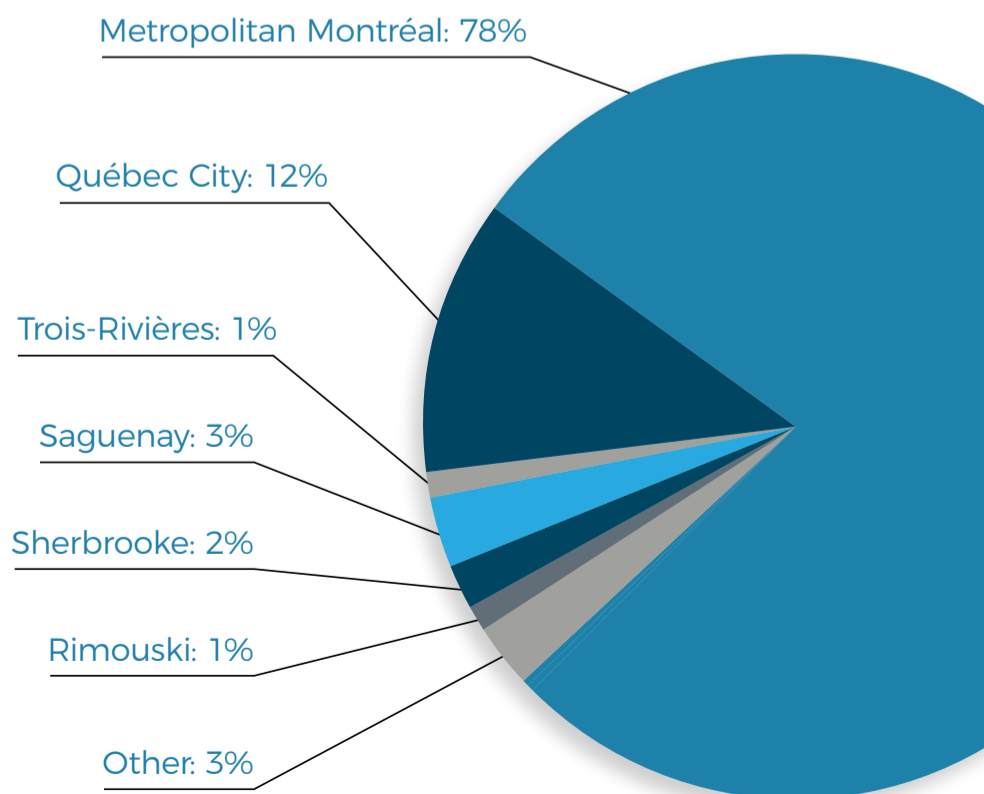
Respect and diversity at work

Quebecor firmly believes that diversity is a valuable asset and is committed to creating an inclusive, fair, equal-opportunity workplace for all, regardless of age, gender, culture, religion, disability or sexual orientation.

The values that Quebecor seeks to foster among its employees are performance, openness to innovation and creativity, a passion for customer service, teamwork and agility.

For employees who embrace those values, Quebecor offers a challenging and dynamic workplace where each person has the chance to make the most of their skills and personal strengths.

QUEBECOR AND ITS SUBSIDIARIES: 10,100 EMPLOYEES





Grandfondo Garneau-Québecor

EMPLOYEES PITCH IN FOR THE COMMON GOOD

Every year, employees of Quebecor and its subsidiaries participate in a wide variety of CSR activities. Here's a look at what we did in 2017:

- More than 150 employees participated in various activities at the Grand défi Pierre Lavoie, an event that promotes healthy lifestyle choices.
- More than 130 employees joined the Granfondo Garneau-Québecor cycling event to raise funds for Little Brothers.
- On Jour de la Terre, many of our environmentally conscious employees participated in the 375,000 Trees planting program, *PARK(ing) Day* and environment fairs held at the Quebecor Head Office and at TVA Group.



The Grand défi Pierre Lavoie 1000-km event



Planting trees for Jour de la Terre Québec

COMMITMENT TO THE ENVIRONMENT

Quebecor is committed to fighting waste and unnecessary consumption by recovering, recycling and reusing unused materials. All our employees have a role to play in reducing our environmental footprint and in encouraging our clients and suppliers to do the same.

Reducing paper consumption

In addition to its ongoing efforts to reduce paper consumption, Quebecor uses only recycled paper containing 100% post-consumer fibre for black-and-white books printed by its publishing houses. Most of our magazines are printed on Forest Stewardship Council-certified environmentally responsible paper.

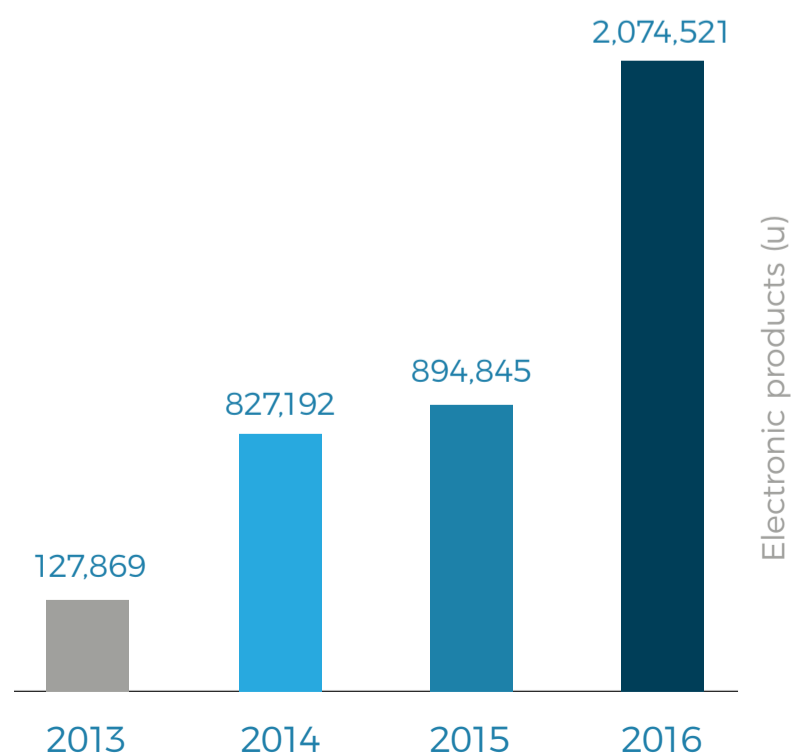
In 2017, Videotron launched a new promotional campaign to encourage customers to switch to online billing.

Promoting reuse, recycling and social integration

Quebecor is working with the Service d'intégration au travail – Mauricie to manage the waste generated by the construction and maintenance of Videotron's network in an environmentally responsible manner. Every year, this community organization runs social integration programs for approximately 200 people living with mental health issues. In 2017, Quebecor also introduced an experimental program to recover coaxial cables, which are complicated to reuse. Meanwhile, the Videotron Centre introduced a food waste collection program at its food concessions.

We Recycle: Millions of electronic devices

The popularity of *We Recycle*, our electronic device collection program, skyrocketed in 2016 with nearly 2.1 million products recovered. In 2017, the number of collection points jumped from 26 to 36, but the year's results won't be available until summer 2018.



Fighting climate change with greener transportation

Quebecor tracks the greenhouse gas emissions generated by its operations, including those produced by its buildings, vehicles and business travel. We have been reporting our emission levels to the international *Carbon Disclosure Project* since 2011. As vehicles account for 56% of our emissions, we are buying more electric vehicles, installing charging stations and gradually installing electrical systems to lift aerial buckets so that the truck engines can be turned off. Finally, we have equipped more than 700 vehicles with telematics modules.

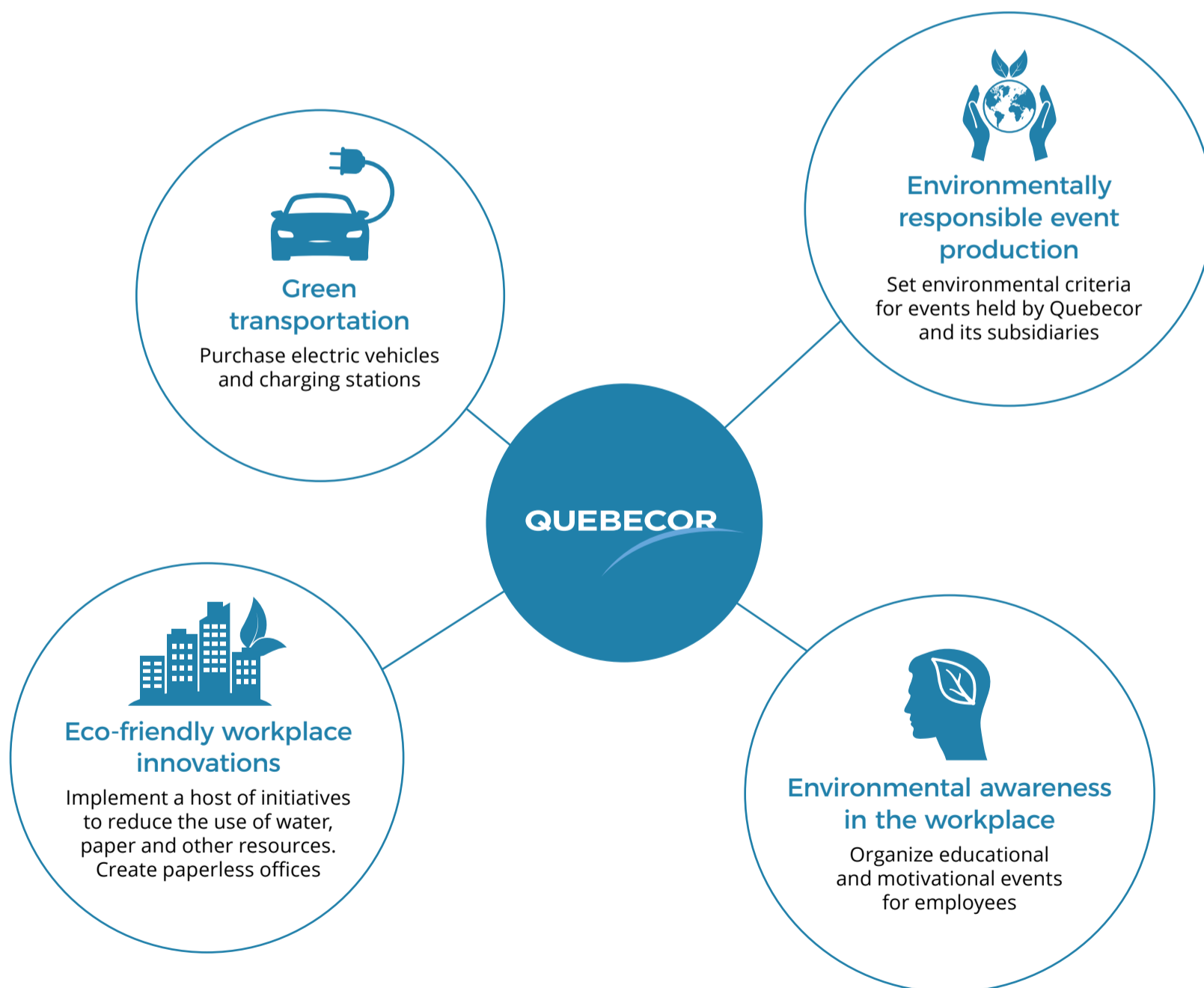
Supporting environmental initiatives

Quebecor has been a proud partner of Jour de la Terre Québec for 10 years and every spring we conduct a major ad campaign across all of our media platforms to raise public awareness of environmental issues.

Gestev does its part by constantly seeking new ways to make its projects more eco-friendly. The event-production firm won the 2017 Grand Vivat award for the sustainable practices used for the 2016 Transat Québec-Saint-Malo, an international race that attracted more than 106,000 spectators.

2020 ENVIRONMENTAL TARGETS

Quebecor plans to continue its efforts with a focus on four areas



COMMITMENT TO THE COMMUNITY

Faithful to its values, Quebecor gives back to communities across Québec by backing organizations that make a real difference in areas such as youth, education, community support, entrepreneurship, amateur sport, healthy living, health and research, and, of course, culture.

Quebecor continues to be inspired by the philanthropic example set by its founder, Pierre Péladeau. Not only was he a great businessman, he was also a generous individual known for giving back to the community. Time and again, he demonstrated compassion for people from all walks of life. And while Mr. Péladeau was concerned about all aspects of society, he always had a special interest in culture.

Quebecor's community involvement in 2017:

- Total value of donations and sponsorships: \$42 million, or 2.7% of EBITDA
- Number of organizations supported: 400
- Percentage of donations allocated to Québec culture: More than 50%



Fort de Ville-Marie – Quebecor Pavilion

Celebrating our history

On the occasion of Montréal's 375th anniversary, Quebecor donated more than **\$1.1 million to the Pointe-à-Callières Foundation** for its major fundraising campaign and saw its name added to the Fort de Ville-Marie-Quebecor Pavilion, located on the site where Montréal began.

Preserving and revitalizing the Cinéma Impérial

Quebecor has partnered with the non-profit organization that owns the Cinéma Impérial, one of Montréal's most beautiful cinemas, to secure the future of the historic institution. The move guarantees that the building will be preserved and remain a vibrant cultural venue. Quebecor bought the mortgage on the property, allowing the non-profit to remain the owner while Quebecor will have priority rental rights.



Quebecor Gallery showcases Québec artworks

The Quebecor Gallery on the ground floor of our Head Office presented two major exhibits in 2017: *La couleur tombée du ciel*, paintings by **Françoise Sullivan**, and *L'Ordre des choses, œuvres choisies de 2000 à aujourd'hui*, sculptures by **Michel Goulet**.



\$15 million for the Fondation du CHUM

In February 2018, Quebecor announced a \$15-million donation to the Fondation du CHUM, the largest ever received by the organization. The money will help the major Montréal hospital continue offering healthcare of the highest standard.



History rides the Montréal metro

In February 2017, Quebecor partnered with the **Fondation Lionel-Groulx** and the Société de transport de Montréal to mount an exhibit entitled *Le métro, véhicule de notre histoire*. Commemorative plaques were installed on the platforms of 28 metro stations named after key figures in Québec's history and an exhibition featuring them was displayed at the Place-des-Arts metro station and the Quebecor Gallery.

\$2.5 million for the Fondation Charles-Bruneau

Thanks to a \$2.5 million donation from Quebecor, the Fondation Charles-Bruneau was able to bolster its support for childhood cancer research.





Gold medal for Alex Harvey!

Cross-country skier Alex Harvey, whose main sponsor is Quebecor, captured gold in the sprint at the FIS Cross-Country World Cup event in Québec City, organized by Gestev. A Quebecor team was on-site to help create a memorable experience for Alex Harvey's fans.



Evio inc.

Pierre Péladeau Bursaries: Supporting the next generation of entrepreneurs

In 2017, Quebecor awarded a \$50,000 bursary to Louis-Rafaël Robichaud and Simon Duval of Université Laval to help them start up **Femtum**, a company that designs fibre-optic-based infrared lasers to replace the conventional scalpel. Justine Richard-Giroux, also of Université Laval, was awarded a \$30,000 bursary for **Exuvie**, provider of an innovative waste management solution for the animal feed industry. A \$20,000 bursary went to Nury Ardila and Mounia Arkoun of Polytechnique Montréal for **Evio inc.**, which makes packaging that extends the shelf life of food.

Quebecor Prize: Honouring the greats!

Last May, Quebecor Prizes were awarded to sculptor **Armand Vaillancourt** and singer-songwriter and actor **Claude Gauthier** in recognition of their lifetime achievements. Both winners also received a \$50,000 prize.



Helping rebuild Théâtre de la Vieille Forge de Petite-Vallée

Quebecor believes that community support means being there in good times and bad. When the Théâtre de la Vieille Forge on the Gaspé Peninsula burned down last summer, Quebecor responded to the appeal from its partner, the Festival en chanson de Petite-Vallée, by letting it hold a benefit concert at the Videotron Centre. Ticket sales generated \$183,245 and Quebecor topped up the amount to \$250,000. Quebecor supported the Festival with a far-reaching media campaign.

SOME ORGANIZATIONS SUPPORTED BY QUEBECOR IN 2017

Culture

Bibliothèque et Archives nationales du Québec
Camp chanson Québecor de Petite-Vallée
Canadian Music Competition
Cirque Éloize
Concours de Châteaux de sable des Îles de la Madeleine
Darling Foundry
Éléphant : mémoire du cinéma québécois
Entre'acte
Espace Félix-Leclerc
Fantasia International Film Festival
Festi Jazz international de Rimouski
Festival de la chanson de Tadoussac
Festival de la Poutine de Drummondville
Festival de musique émergente en Abitibi-Témiscamingue
Festival du nouveau cinéma de Montréal
Festival Quartiers Danses
Festival Vue sur la Relève
First People's Festival
Fondation de la Société professionnelle des auteurs et des compositeurs du Québec (SPACQ)
Fondation des Artistes
Fondation du Musée national des beaux-arts du Québec
La Fête de la Musique de Tremblant
Le Groupe de la Veillée
L'école et les arts
Les Correspondances d'Eastman
Les Muses: Centre des arts de la scène
Fiducie du patrimoine culturel des Augustines
Maison René-Lévesque
Morrin Centre
Montréal Museum Day
Montréal Pride
Musée d'art contemporain des Laurentides
Prix de la danse de Montréal

Salon du livre de la Côte-Nord
Segal Centre for Performing Arts
Sibyllines, théâtre de création
Société pour l'avancement de la chanson d'expression française (SACEF)
Théâtre de la Dame de Cœur
Théâtre du Rideau Vert
Théâtre La Bordée
Théâtre La Chapelle
Trois-Rivières International Poetry Festival
Usine C
Vision Diversité
Vues d'Afrique
Wapikoni mobile

Youth

Canadian Tire Québec Jumpstart
Fondation Jeunes en Tête
Fondation maman Dion
Fondation Madeli-Aide
Fondation Père Sablon
Jeunes musiciens du monde
L'Ancre des Jeunes
Motivaction Jeunesse
Refuge des Jeunes
Société pour les enfants handicapés du Québec

Education

École de technologie supérieure
Fondation Asselin du Cégep de Jonquière
Fondation du Cégep Limoilou
Fondation du Salésien de Sherbrooke
Fondation pour l'encouragement scolaire
Fondation Sourdine
Université de Montréal

Community support

Canadian Red Cross
Dans la rue

Éducaloi
Fondation Centre Philou
Fondation Martin-Matte
L'Itinéraire
Old Brewery Mission
Operation Red Nose
Regroupement des Magasins-Partage de l'île de Montréal
Un vélo une ville
YWCA Québec

Entrepreneurship

Anges Québec
Fondation de l'entrepreneurship
Fondation Montréal inc.
Jeunes entreprises du Québec
Notman House
OSEntreprendre Challenge
Startupfest

Amateur sport and healthy lifestyles

FitSpirit
Grand défi Pierre Lavoie
Grand Prix cycliste de Saguenay
Grands Prix cyclistes de Montréal et de Québec
Granfondo Garneau-Quebecor
Société des Jeux d'été OSQ Québec

Special Olympics Québec

Health and research

Special Olympics Québec
CHU Ste-Justine Foundation
Fondation du CHU de Québec
Fondation du CHUM
Fondation les petits trésors
Fondation Néz pour vivre
Institut universitaire de cardiologie et de pneumologie de Québec Foundation
Maison St-Raphaël



GOVERNANCE

Quebecor considers good governance vital to maintaining a prosperous business and building an effective and honourable corporate culture that meets the needs of all stakeholders.

Independent majority on the Board

As the Chairman of the Board of Directors is not an independent director, the Board has appointed an independent Lead Director. The Board's two committees also consist entirely of independent directors:

- The Audit Committee monitors the financial reporting process, the integrity of systems and information, and effective management and control of significant risks.
- The Human Resources and Corporate Governance Committee reviews issues related to executive compensation and appointments, Board appointments and governance.

High ethical standards

- A code of ethics applies to all employees and directors, and those of the subsidiaries, with the exception of TVA Group and Videotron, which have their own codes of ethics.
- A policy on the use of privileged information governs authorized transactions by directors, officers and employees of Quebecor who may have access to confidential information.

- Employees can use the confidential ethics line to obtain information, on a confidential basis, about any ethical doubts or conflict of interest issues. Such issues are brought to the attention of the Board.

Board's responsiveness to shareholder demands

- Target of at least 40% women on the Board by 2020.
- Advisory vote by shareholders on executive compensation since 2016.
- Policy on clawing back incentive compensation paid to some senior managers in the event of restatement of the financial statements or willful misconduct.
- Disclosure of results of shareholder votes by share class.

BOARD OF DIRECTORS AND OFFICERS OF QUEBECOR INC.*

BOARD OF DIRECTORS

André P. Brosseau ^{1,2}

Chair of the Board and Chief Executive Officer,
Du Musée Investments Inc.

Chantal Bélanger ¹

Corporate Director

Christian Dubé

Executive Vice President, Québec,
Caisse de dépôt et placement du Québec

Sylvie Lalande ²

Vice Chair of the Board and Lead Director,
Quebecor Inc. and Quebecor Media Inc.,
Chair of the Board,
TVA Group Inc., and
Corporate Director

Andrea C. Martin ²

Corporate Director

The Right Honourable Brian Mulroney, P.C., C.C., LL.D

Chair of the Board,
Quebecor Inc. and Quebecor Media Inc., and
Senior Partner,
Norton Rose Fulbright Canada LLP

Robert Paré

Strategic Advisor,
Fasken Martineau DuMoulin LLP

Érik Péladeau

President,
Groupe Lelys inc.

Normand Provost ¹

Corporate Director

OFFICERS

The Right Honourable Brian Mulroney, P.C., C.C., LL.D

Chair of the Board

Sylvie Lalande

Vice Chair of the Board and
Lead Director

Pierre Karl Péladeau

President and Chief Executive Officer

Jean-François Pruneau

Senior Vice President and
Chief Financial Officer

Marc M. Tremblay

Senior Vice President, Chief Legal Affairs
and Public Affairs, and
Secretary

Sylvain Bergeron

Vice President, Taxation

Chloé Poirier

Vice President and Treasurer

Denis Sabourin

Vice President and Corporate Controller

Emilie Duguay

Assistant Secretary

Dominique Poulin-Gouin

Assistant Secretary

¹ Member of the Audit Committee

² Member of the Human Resources and Compensation Committee

* As of May 8, 2018

BOARD OF DIRECTORS AND MANAGEMENT COMMITTEE OF QUEBECOR MEDIA INC.*

BOARD OF DIRECTORS

André P. Brosseau ^{1, 2, 3}

Chair of the Board and Chief Executive Officer,
Du Musée Investments Inc.

Chantal Bélanger ¹

Corporate Director

Christian Dubé

Executive Vice President, Québec,
Caisse de dépôt et placement du Québec

Sylvie Lalande ²

Vice Chair of the Board
and Lead Director,
Quebecor Inc. and Quebecor Media Inc., and
Chair of the Board,
TVA Group Inc., and
Corporate Director

Andrea C. Martin ²

Corporate Director

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Senior Partner,
Norton Rose Fulbright Canada LLP

Robert Paré ³

Strategic Advisor,
Fasken Martineau DuMoulin LLP

Érik Péladeau

President,
Groupe Lelys inc.

Normand Provost ^{1, 3}

Corporate Director

MANAGEMENT COMMITTEE

Pierre Karl Péladeau

President and Chief Executive Officer

Manon Brouillette

President and Chief Executive Officer,
Videotron Ltd.

France Lauzière

President and Chief Executive Officer,
TVA Group Inc., and
Chief of Content, Quebecor Content

Jean-François Pruneau

Senior Vice President and
Chief Financial Officer

Marc M. Tremblay

Senior Vice President,
Chief Legal Officer and Public Affairs,
and Secretary

J. Serge Sasseville

Senior Vice President,
Corporate and Institutional Affairs

Denis Desaulniers

Vice President, Human Resources

Lyne Robitaille

Senior Vice President, Newspapers,
Magazines, Distribution and Printing, Quebecor, and
President and Publisher, *Le Journal de Montréal*

Martin Tremblay

Chief Operating Officer,
Quebecor Sports and Entertainment Group

Christian Jetté

President, Publishing, Book Segment,
Quebecor, and Chief Executive Officer, CEC Publishing Inc.

Donald Lizotte

Executive Vice President,
Advertising Sales and Marketing, Quebecor, and
Vice President, Sales and Marketing, TVA Group Inc.

Anne Vivien

Executive Vice President,
Development and Music, Quebecor

¹ Member of the Audit Committee

² Member of the Human Resources and Corporate
Governance Committee

³ Member of the Executive Committee

* As of May 8, 2018

Cautionary statement regarding forward-looking statements

Please refer to the cautionary statements regarding forward-looking statements in the Corporation's public filings, available at <www.sedar.com> and <www.quebecor.com>.

ACTIVITY REPORT
2017

