

REPORT ON THE FIGHT AGAINST FORCED LABOUR AND CHILD LABOUR
MAY

TABLE OF CONTENTS

ABOUT THIS REPORT.....	1..
OVERVIEW OF THE BUSINESS AND ABOUT POSTMEDIA.....	1
POLICIES, PROCEDURES AND GOVERNANCE.....	1.
Code of Business Conduct and Ethics.....	2.....
Whistleblower Policy.....	2.....
OUR SUPPLY CHAINS AND RISKS OF FORCED LABOUR AND CHILD LABOUR.....	2
Editorial Content.....	3.....
Newspaper Production.....	3.....
Distribution.....	3.....
Newspapers.....	3.....
Flyer Force.....	3.....
Parcel Delivery.....	4.....
Customer Service.....	4.....
Postmedia Solutions Advertising.....	4.....
Procurement.....	5.....
ASSESSING OUR EFFECTIVENESS.....	5..
ATTESTATION.....	5..

ABOUT THIS REPORT

This Report is being made on behalf of Postmedia Network Canada Corp.

Code of Business Conduct and Ethics

Postmedia's Code of Business Conduct and Ethics ("Code") covers a wide range of business practices and procedures. The Code does not cover every issue that may arise, but sets out basic principles to guide all directors, officers and employees of Postmedia and other persons in similar relationships with Postmedia, such as contractors or consultants (collectively, with the directors, officers and employees of Postmedia, Postmedia Personnel). All Postmedia Personnel must conduct themselves accordingly and seek to avoid improper behaviour or even the appearance of improper behavior. Postmedia also provides the Code to and expects compliance by Postmedia's agents and representatives, including advisors.

All Postmedia Personnel are required to review the Code on an annual basis. The Code addresses matters such as compliance with laws, conflicts of interest, confidential information, fraud, protection and proper use of Postmedia assets and the reporting of illegal and unethical behaviour.

Postmedia Personnel who become aware of a conflict or potential conflict or departures from the Code are encouraged to bring it to the immediate attention of a supervisor or department head. Postmedia has also established additional procedures for confidential and anonymous reporting of complaints concerning breaches of the Code through its Whistleblower Policy.

Whistleblower Policy

The purpose of the Postmedia Whistleblower Policy is to establish procedures for receipt, retention, and treatment of complaints regarding accounting, internal accounting controls, auditing matters or violations of the Code, and the submission by Postmedia Personnel on a confidential and anonymous basis, of concerns regarding questionable accounting, auditing matters or violations of the Code.

The Whistleblower Policy unequivocally states that Postmedia prohibits discrimination, harassment and/or retaliation against any Postmedia Personnel who reports complaints regarding accounting, internal accounting controls, auditing matters or violations of the Code, and/or provides information or otherwise assists in an investigation or proceeding regarding any conduct which Postmedia reasonably believes to be a violation of employment or labour laws; securities laws or the commission or possible commission of a criminal offence. All Postmedia Personnel are responsible for ensuring that the workplace is free from all forms of discrimination, harassment and retaliation.

OUR SUPPLY CHAINS AND RISKS FOR FORCED LABOUR AND CHILD LABOUR

Postmedia Personnel are required to abide by our core values as set forth in the Code and other policies, as well as applicable laws and regulations in order to maintain levels of business output and business

own income. Flyer carriers must meet the minimum age of twelve years and, if under the age of majority in their province or territory, must have their application for a carrier position signed by a parent or guardian. Flyer carriers are not given a specific set time to deliver flyers and are given a manageable amount of flyer bundles to distribute within walking and biking distance in their local neighbourhoods. It is expected that any flyer carriers under the age of majority carry out their duties in the afternoon or early evenings after school. Rate of payment is determined per number of deliveries completed. Carrier positions are offered to members of the local communities of all ages. The flyer distribution network operates within all Canadian labour laws, requires parental permission and encourages parental supervision of the flyer routes. Furthermore, flyer delivery personnel are provided sufficient time to carry out their delivery duties when convenient outside of school attendance times.

Parcel Delivery

Postmedia Parcel Services carries out the sortation and final mile distribution of small parcels for large retail packaging corporations such as Amazon and Ziing. Parcels are picked up at sortation centres in Alberta, Saskatchewan, Manitoba, Ontario, and the Maritimes and taken to final mile sortation centres for delivery by certain third party Canadian distribution companies and independent carriers from Postmedia's existing newspaper delivery network.

As stated above under *Newspapers*, all distributors and independent carriers must execute Postmedia's standard contracts in which they agree to abide by the Code. Because all of our distributors and independent carriers are Canadian and are required to abide by standards set forth in their respective provincial Workers' Compensation Boards (in Ontario, Workplace Safety and Insurance Boards), and because Postmedia insists on the use of standard template agreements, we have determined that our Po(.5(an)

companies will continue to provide attestations to Postmedia on an annual basis. Postmedia has determined that these businesses carry a negligible risk of being defined as using child labour and forced labour.

Postmedia has also outsourced its centralized classified call centre operations to a third party in the United States. Because of the nature of the work and because the company is primarily located in the United States, which has its own laws regarding the use of forced labour and exploitation of workers to which these companies would be subject, we have determined that such activities carry a negligible risk of forced labour or child labour.

Procurement

Suppliers required for the day to