

QUAD/GRAPHICS, INC.

AUDIT COMMITTEE CHARTER

I. Statement of Purpose and Responsibilities

The Board of Directors shall have an Audit Committee (the “Committee”). The Committee shall provide assistance to, and discharge certain responsibilities of, the Board of Directors (the “Board”) of Quad/Graphics, Inc. (the “Company”) in overseeing the reliability of financial reporting, the effectiveness of internal control over financial reporting, the process for monitoring compliance with corporate codes of conduct, control of the internal auditors and audit functions and control and the independence of the external auditors and audit functions.

While the Committee has the responsibilities and functions set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company’s financial statements are complete and accurate and are in accordance with United States generally accepted accounting principles. This is the responsibility of management and the independent auditors. Nor is it the duty of the Committee to conduct investigations, to resolve disagreements, if any, between management and the independent auditors or to assure compliance with laws and regulations.

The Committee’s primary responsibilities and functions shall be to:

A. With respect to the independent auditor,

1. Evaluate the performance of independent auditors and be directly responsible for the appointment, compensation, retention and oversight of the independent auditors, who are ultimately accountable to the Committee and the Board;
2. Review the experience and qualifications of the senior members of the independent auditor team and the quality control procedures of the independent auditor;
3. Review and approve the scope of the independent audit;
4. Discuss with the independent auditors and management the Company’s accounting principles, policies and practices and its reporting policies and practices, including any such principles, policies and practices that may be viewed as critical, and review and discuss any significant changes in the Company’s accounting principles, policies and practices and its reporting policies and practices;
5. Review and discuss with the independent auditors and management any regulatory and accounting initiatives and their impact on the Company’s financial statements and the material financial arrangements of the Company that do not appear on the financial statements;

6. Review and discuss with the independent auditors and Company management the Company's audited annual financial statements and the results of the annual audit, including any difficulties encountered in the course of the audit work and any disagreements with management, and the Company's interim financial statements and Management's Discussion and Analysis included in the Company's Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q;
7. Discuss with the independent auditors the items required to be disclosed by the auditors pursuant to Auditing Standard No. 16 and AU Section 722A of the Public Company Accounting Oversight Board (the "PCAOB"), and consider the independent auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting and alternative United States generally accepted accounting principles provisions that have been discussed with management;
8. Establish policies concerning the provision of non-audit services by the independent auditors. Consider whether the independent auditors' provision of non-audit services is compatible with maintaining the independent auditors' independence. The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, including the authority to grant preapprovals of audit and permitted nonaudit services, provided that decisions of such subcommittee to grant preapprovals shall be presented to the full Committee on an annual basis;
9. Ensure that the independent auditors submit periodic reports to the Committee delineating all relationships between the independent auditor and the Company, and recommend that the Board take appropriate action to satisfy itself of the independence of the independent auditors.

B. With respect to financial reporting,

1. Discuss with the independent auditors and the Company's internal auditor the adequacy of the Company's or any of its subsidiaries' accounting, financial and operational controls and the effectiveness of the Company's internal control over financial reporting, and management's report, when required, and the independent auditors' attestation relating thereto, required by Sarbanes-Oxley Act Section 404 and the related rules of the United States Securities and Exchange Commission and the PCAOB;
2. Review any reports to shareholders containing financial information, quarterly earnings press releases and other financial information and earnings guidance, if any, provided to external parties;
3. Discuss with management the Company's risk assessment and risk management guidelines, policies and processes and oversee risks relating to the financial statements and financial reporting process;

4. Initiate such accounting principles, policies and practices and reporting policies and practices as it may deem necessary or proper;
5. Prepare for inclusion in the Company's proxy statement relating to the annual meeting of shareholders the annual Audit Committee Report required by the rules of the United States Securities and Exchange Commission and, in connection therewith, receive the written disclosures from the independent auditor describing relationships the auditor has with the Company, as required by the applicable requirements of the PCAOB regarding the independent auditor's communications with the Committee concerning independence, discuss with the independent auditor the independent auditor's independence and recommend to the Board whether the audited annual financial statements should be included in the Annual Report on Form 10-K.

C. With respect to Internal Audit,

1. Review and approve the Company's annual internal audit plan and discuss results of internal audits;
2. Review and approve the Internal Audit Charter at least annually;
3. Audit Committee Chair will provide input on the appointment and replacement of the Director of Internal Audit;
4. Audit Committee Chair will provide input for the annual evaluation of the Director of Internal Audit.

D. With respect to Compliance,

1. Review procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, controls or auditing matters, and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
2. Obtain regular updates from the Chief Risk and Compliance Officer regarding compliance matters;
3. Review proposed changes to the Compliance Committee Charter;
4. Approve changes in members of the Compliance Committee, as needed;
5. Review the process for communicating the code of conduct to the Company's personnel and for monitoring compliance.

E. With respect to cybersecurity, receive and discuss reports from management on an annual and as needed basis.

- F. Set policies concerning the hiring by the Company of employees or former employees of the independent auditor.

II. Membership

The Committee shall be comprised of three or more directors as determined by the Board, each of whom shall be an independent director. As used herein, no person shall be considered an “independent director” unless such person:

- A. Is not and has not been employed by the Company or any of its affiliates within the last three calendar years.
- B. Does not accept (or have a family member who accepts) any compensation from the Company in excess of \$120,000 during any period of twelve consecutive months within the past three years, other than compensation for Board or committee service or certain benefits relating to prior service.
- C. Is not, and does not have a family member who is, a partner, controlling shareholder or executive officer of any organization to which the Company made, or from which the Company received, payments for property or services that exceed 2% of the organization’s annual revenues, or \$200,000, whichever is more, in the current or any of the past three fiscal years.
- D. Is not a current partner or employee of the independent auditor; does not have a family member who is a current partner of the independent auditor or a current employee of the independent auditor who personally works on the Company’s audit; and was not, and does not have a family member who was, a partner or employee of the independent auditor who personally worked on the listed company’s audit within the last three years.
- E. Is not, and does not have a family member who is, employed as an executive of another corporation in which any of the Company’s executives serves or served within the past three years on that corporation’s compensation committee.
- F. Is not a family member of an individual who is, or has been within the last three calendar years, an executive officer of the Company or any of its affiliates.

For purposes of this Charter, a “family member” includes a person’s spouse, parents, children, siblings, mothers-in-law and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than domestic employees) who shares such person’s home.

In addition to the above, no Committee member may (i) receive any consulting, advisory or other compensatory fees from the Company, other than Board or committee fees and fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the Company (provided that such compensation is not contingent in any way on continued service); or (ii) own more than 10% of any class of the Company's outstanding shares of capital stock.

The members of the Committee shall be elected annually by a majority vote of the Board and any vacancies on the Committee shall be filled by a majority vote of the Board. The Board may remove any or all members of the Committee at any time in its sole discretion. All members of the Committee shall be financially literate and at least one member of the Committee shall have accounting or related financial management expertise qualifying such person as an "audit committee financial expert" under the rules of the United States Securities and Exchange Commission.

Unless a Chair is appointed by the full Board, the members of the Committee may designate a Chair by a majority vote of the full Committee membership. The affirmative vote of a majority of the full Committee membership shall be the act of the Committee, unless the Wisconsin Business Corporation Law, the Articles of Incorporation of the Company or its Bylaws require the vote of a greater number of directors or the entire Board. The Committee shall not have the authority to delegate any of its responsibilities or duties as enumerated in this Charter to any subcommittees.

III. Meetings

The Committee shall meet at least four times annually, or more frequently as circumstances dictate, or if requested by the Chief Executive Officer, Chief Financial Officer or any Committee member. The Committee shall meet at least once each calendar year in executive session, without Company management present. The Committee may retain outside advisors as it deems necessary or appropriate to assist it in carrying out its duties, may request such advisors to attend any meeting and to provide such pertinent information as the Committee may request, and may conduct or authorize investigations into any matters within the scope of its responsibilities. The Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of or consultants to the Committee. Subsequent to each Committee meeting, a report of the actions taken by the Committee shall be made to the Board of Directors.

IV. Funding and Other Matters

A. Funding. The Company shall provide appropriate funding, as determined by the Committee, to compensate the Company's independent auditor and any advisors engaged by the Committee and to pay ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

- B. Charter and Self-Assessment. The Committee shall review its charter at least annually and update it as necessary, and perform an annual self-assessment relating to the Committee's purpose, duties and responsibilities.
- C. Legal and Business Risks. The Committee shall review with the Company's counsel legal matters that could have a material impact on the Company's financial statements, and shall discuss the Company's process for identifying and managing significant business and financial risk exposures and steps taken by management to control or mitigate those exposures.