

GIVEN TO GUILD:
DATE: _____
TIME: _____

**PUBLISHER'S PROPOSED
ETHICS CODE COVERING GUILD-REPRESENTED EMPLOYEES**

This Ethics Code applies to all employees covered by the collective bargaining agreement between The Baltimore Sun Company and the Washington-Baltimore Newspaper Guild. These employees are referred to as "employee" or "employees" in the Code. Part III of this Code applies only to employees of the News and Editorial Departments.

PART I. INTRODUCTION

Integrity is one of the fundamental values to which The Baltimore Sun Company (the "Company" or the "Publisher") is committed in carrying out its mission. Truth, objectivity, and independence are the foundation of our business. They are the standards that every employee should meet in all business conduct.

The Ethics Code is intended to help ensure compliance with the highest legal and ethical standards. It is the responsibility of every employee of the Company to understand and adhere to the Code.

This Ethics Code is not intended to cover every possible situation. The Publisher reserves the right to establish and enforce rules protecting the integrity and credibility of the Publisher, its publications and its employees, even though such rules may not be expressly encompassed within this Ethics Code.

This Ethics Code is intended to address the Publisher's legitimate business goal of safeguarding the integrity and credibility of the Publisher, its publications and its employees. It is not intended to interfere with the rights of employees to engage in activities protected by Section 7 of the National Labor Relations Act that do not compromise the integrity or credibility of the Publisher, its publications, or its employees.

The Publisher reserves the right in its sole discretion to modify or change this Ethics Code.

If any term or provision of this Ethics Code is at any time in conflict with any law, such term or provision shall continue in effect only to the extent permitted by such law. If any term or provision of this Code is or becomes invalid or unenforceable, such invalidity or unenforceability shall not affect or impair any other term or provision of this Ethics Code.

This Ethics Code is effective as of September 27, 2004.

PART II. GENERAL PROVISIONS

Part II of this Ethics Code, General Provisions, is applicable to all employees.

1. LEGAL COMPLIANCE

It is Company policy to comply with all laws and government regulations applicable to our business, both in the United States and in other countries. Employees should consult their supervisor or Company legal counsel about instances where there is doubt or ambiguity concerning legal requirements or appropriate practices.

2. AUTHORIZED TRANSACTIONS AND ACCURATE ACCOUNTING

Expenditures of Company funds and use of Company property should be made only as properly authorized. The Company requires accurate and complete accounting in compliance with accepted accounting rules and controls. All expenditures and payments should be properly recorded and documented. Employees who suspect financial or accounting irregularities or fraud should report it immediately to their supervisor or Company legal counsel.

3. IMPROPER PAYMENTS

The Company does not permit or condone any illegal or improper payments, transfers or receipts. Employees should not offer, give, solicit or accept any money or anything else of value for the purpose of obtaining or bestowing business or preferential treatment. (This rule does not prohibit authorized and appropriate business entertainment and gifts. See Part II.4, below.)

No outside consultant, attorney, accountant, contractor, vendor, or agent of any kind should be used in any manner that would be contrary to this prohibition against illegal or improper payments. Fees, commissions and expenses that are paid to such outside agents should be based upon proper billings and reasonable standards for services rendered. As a general rule, payments should be for services or activities of such nature as to qualify for income tax deductibility.

4. COMPETITION AND FAIR DEALING

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance, never through unethical or illegal business practices. Each employee should endeavor to deal fairly with the Company's customers, suppliers, competitors and employees. With respect to our competitors, no employee should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair-dealing practice.

Employees should not provide or accept, from any person or entity doing business with the Company, discounts, business entertainment and/or gifts that exceed reasonable business standards (but see Part III.1.F. for News and Editorial Department employees). Employees should never solicit such discounts, entertainment or gifts. No cash or cash equivalents, such as gift certificates, should be accepted.

All funds expended for business entertainment and gifts must be fully and accurately documented and reflected in the books and records of the Company.

5. CONFLICTS OF INTEREST

It is Company policy that employees should avoid any personal or business relationships, dealings or investments that might create a personal interest that conflicts with the interests of the Company. A conflict situation can arise when an employee takes actions or has interests that may make it difficult to perform his or her Company work objectively and effectively. It is not possible to foresee or define with precision every situation that may constitute a conflict of interest. Conflicts may be actual, potential and even matters of perception. In addition, conflicts may occur in, but are not limited to, situations where an employee or a closely-related family member¹:

1. Has a significant financial interest² in, or obligation to, a competitor, supplier, or customer of the Company.
2. Is employed, part-time or otherwise, by a competitor, supplier or customer of the Company (in the case of a family member, as a supervisor or manager), or sells products to Company employees or recruits Company employees to sell or distribute products.
3. Serves on the board of directors of, or acts as a consultant or advisor to, a competitor, supplier or customer of the Company (other than at the request of the Company).
4. Transacts business with the Company, including buying from or selling to the Company any goods or services (other than transactions in the ordinary course of the Company's businesses, e.g., newspaper subscriptions).
5. Uses equipment, computer software and services, materials, supplies, content (including outtakes), data and other information or business relationships obtained in the course of employment with the Company to advance personal interests.
6. Has a personal business interest that is similar or related to work the employee, the Company, or any of its business units performs or produces.
7. Receives improper personal benefits as a result of his or her position in the Company.

¹ Closely-related family members generally include an employee's spouse (or domestic partner), children, parents, brothers and sisters, and any person dependent on the employee for support.

² An interest amounting to less than one percent of any class of securities listed on any of the national securities exchanges or regularly traded over-the-counter will not be regarded as a "significant" financial interest in the absence of unusual circumstances.

8. Receives a loan or loan guarantee from the Company.

Failure to disclose an actual or potential conflict of interest is a violation of the Code. Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with higher levels of management or Company legal counsel. Any employee who becomes aware of a conflict or potential conflict should bring it to the attention of a supervisor, manager or other appropriate personnel or consult the procedures described in Part II.12 of this Code.

6. CORPORATE OPPORTUNITIES

Employees are prohibited from taking for themselves personally opportunities that are discovered through the use of corporate property, information or position without the consent of the Publisher. No employee may use corporate property, information, or position for improper personal gain, and no employee may compete with the Company directly or indirectly. Employees owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.

7. CONFIDENTIALITY

Employees must maintain the confidentiality of confidential information entrusted to them by the Company or its customers, except when disclosure is authorized by Company legal counsel or required by laws or regulations. Confidential information includes all non-public information that might be of use to competitors, or harmful to the Company or its customers, if disclosed. It also includes information that suppliers and customers have entrusted to us. The obligation to preserve confidential information continues even after employment ends.

8. PROTECTION AND PROPER USE OF COMPANY ASSETS

All employees should endeavor to protect the Company's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the Company's profitability. Any suspected incident of fraud or theft should be immediately reported for investigation. Company equipment should not be used for non-Company business, though incidental personal use may be permitted.

The obligation of employees to protect the Company's assets includes its proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information and any unpublished financial data and reports. Unauthorized use or distribution of this information would violate Company policy. It could also be illegal and result in civil or even criminal penalties.

9. POLITICAL CONTRIBUTIONS

No Company funds or assets may be contributed to any political candidate or political party, unless such contribution is expressly permitted by law, recommended by the Vice President, Washington Affairs, and authorized by the Company's President and Chief Executive Officer. Any such payments shall be reported to the Audit Committee annually. This prohibition relates only to the use of Company funds or assets.

10. SECURITIES LAWS

Insider Trading Is Prohibited. Under the federal securities laws and this policy, employees of the Company are prohibited from buying or selling Tribune Company securities while they are in possession of material inside information concerning the Company. "Inside information" is any information that has not been publicly disclosed. "Material information" is any information that would be of significance to an investor in deciding whether to buy, sell or hold a security or if it would have a substantial effect on the market price of a security if it were disclosed. These prohibitions apply not only to the employee but also to the employee's spouse (or domestic partner), children, relatives who share the individual's residence and certain trusts, partnerships or other entities controlled by the individual.

The Prohibition Also Applies To Other Companies' Securities. The insider trading prohibition also applies to securities of other companies. Employees who learn material inside information about other companies through their work at the Company are prohibited from trading securities of that company while they are in possession of material inside information about that company. This situation could arise in many contexts, including in regard to information employees may learn during the course of the preparation or release of news reports, and information employees may learn about existing or potential customers, suppliers, acquisition targets or business partners of the Company.

Inside Information Should Not Be Provided To Others. It is also a violation of the federal securities laws and this policy to provide other people (friends, financial advisors, business associates, etc.) with any material inside information. This is known as "tipping" and it can result in liability to the employee as well as the other person, even if the employee did not receive monetary profit from the other person's illegal trading. Accordingly, all employees should exercise extreme care when they are in possession of material inside information to ensure that such information is not disclosed, either on purpose or by accident, to any other person other than those to whom the information is essential for Company-related business, and even in that situation, the employee should make it known that such information has not been publicly disclosed.

Penalties For Violations Can Be Severe. In addition to being required to disgorge any profit from a securities trade made in violation of the insider trading prohibition, an individual is subject to a

civil penalty of up to three times the profit gained or loss avoided and criminal penalties not exceeding \$5,000,000 and/or imprisonment for 20 years.

Examples of Material Inside Information. Some examples of information about a company that might be material are:

- A proposed acquisition or divestiture.
- A stock split or a change in the dividend rate.
- A significant expansion or curtailment of operations.
- A significant change in revenues or earnings from those from a prior period or from those publicly projected.
- A significant product development or significant information regarding a product.
- The institution of a stock repurchase program.
- Extraordinary management or business developments.

If this type of information is known to an employee and has not been publicly disclosed by the company to which it relates, that employee is prohibited from trading in the securities of that company or encouraging others to trade in those securities.

Employees are urged to contact their manager or supervisor if they have any questions regarding these rules. These standards related to the securities laws and the insider trading prohibition are not intended to prevent our journalists from reporting previously undisclosed information as part of their news reporting duties.

11. REPORTING ANY ILLEGAL OR UNETHICAL BEHAVIOR

Employees should talk to supervisors, managers or other appropriate personnel about observed illegal or unethical behavior and when in doubt about the best course of action in a particular situation. It is the policy of the Company not to allow retaliation for reports of misconduct by others made in good faith by employees. Employees are expected to cooperate in internal investigations of misconduct.

12. COMPLIANCE PROCEDURES

We must all work to ensure prompt and consistent action against violations of this Code. However, in some situations it is difficult to know what is acceptable. Since we cannot anticipate every situation that will arise, it is important that we have a way to approach a new question or problem. These are the steps to keep in mind:

- Make sure you have all the facts. In order to reach the right solutions, we must be as fully informed as possible.

- Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper? This will enable you to focus on the specific question you are faced with, and the alternatives you have. Use your judgment and common sense; if something seems unethical or improper, it probably is.
- Clarify your responsibility and role. In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others involved and discuss the problem.
- Discuss the problem with your supervisor. This is the basic guidance for all situations. In many cases, your supervisor will be more knowledgeable about the question, and will appreciate being brought into the decision-making process. Remember that it is your supervisor's responsibility to help solve problems.
- Seek help from Company resources. In the rare case where it may not be appropriate to discuss an issue with your supervisor, or where you do not feel comfortable approaching your supervisor with your question, discuss it with a senior manager or your department's Human Resources business partner or the Vice President for Human Resources and Legal Affairs. If you prefer to write, address your concerns to: General Counsel, Tribune Company, 435 North Michigan Avenue, 6th Floor, Chicago, Illinois 60611. Alternatively, you can submit your question or issue via a confidential hotline by dialing 1-800-216-1772.
- You may report ethical violations in confidence and without fear of retaliation. If your situation requires that your identity be kept secret, your anonymity will be protected. The Company does not permit retaliation of any kind against employees for good faith reports of ethical violations.
- Always ask first, act later: If you are unsure of what to do in any situation, seek guidance before you act.

PART III. NEWSROOM AND EDITORIAL DEPARTMENT ETHICS

The Sun's mission is to “be the most trusted source of news and information” for its readers. Credibility is essential to our success. The integrity of our news and opinion pages must be unassailable. Employees of the News and Editorial departments (collectively “staff members” for purposes of this portion of the Code) must carefully guard *The Sun's* independence, credibility and integrity.

As an institution, we scrutinize the values and conduct of public officials, organizations, professionals and others in our communities. Therefore, we must set standards for ourselves that are just as high, if not higher. For more than 167 years, *The Sun* has set a very high standard, maintaining its credibility by treating its readers and news sources fairly, openly and impartially. Part III of this Code is designed to provide newsroom and editorial employees with written guidelines that will help them in their continuing effort to protect and enhance *The Sun's* reputation.

No set of rules can cover every situation that might arise in this complex arena. Part III of this Code sets forth broad principles and a variety of examples; more importantly, Part III emphasizes two important values: individual responsibility and collaborative decision-making. If staff members continue to take their ethical responsibilities seriously and collaborate to address the knottiest issues, *The Sun* will maintain the highest standards of journalistic integrity. But this process will only work if there is open communication regarding these issues. Any staff member who is aware of potential ethical problems – whether it involves their own activities or those of a colleague -- has an obligation to notify a supervising editor and/or the Public Editor immediately. Similarly, any editor to whom an ethical issue is brought should notify the Editor, the Managing Editor, the Editorial Page Editor or the Public Editor as soon as possible.

1. CONFLICTS OF INTEREST

Conflicts of interest are many, varied and often complex. We encourage public scrutiny of our activities, so special vigilance is required throughout our News and Editorial departments to guard not only against conflict, but also the appearance of conflict.

Staff members are obliged to make certain that no outside personal, ideological or financial interests conflict with their professional performance of duties or raise doubts about *The Sun's* independence, credibility and integrity. Additionally, staff members should avoid activity that could create the appearance of a conflict of interest.

In this and all other areas, the rule always should be that a supervising editor must be consulted if there are doubts about the appropriateness of an affiliation, a practice or a course of action. This consultation should take place before the actual or apparent conflict of interest may occur.

A. *USE OF SUN CONNECTIONS*

Newsroom and Editorial employees must not use their job title or the company's name or influence for their personal benefit or gain and should not seek treatment different from that afforded to the general public.

For example, a staff member should not use *Sun* letterhead to write a personal complaint to a merchant. A staff member should not mention that he or she works for *The Sun* or use their Sun business card in an attempt to gain leverage in negotiating a price on a personal item.

Similarly, Newsroom and Editorial employees must never threaten to publish an article or block publication of an article or otherwise use Sun connections to gain special treatment or benefits.

One exception to this rule relates to corporate discounts available to all Company employees – e.g., discounts offered by the Downtown Athletic Club. This type of program is offered to media and non-media companies on the same basis and is therefore acceptable. However, discounts of

this sort may create the appearance of a conflict in certain circumstances, particularly if the discount is offered to a staff member responsible for the coverage of the company offering the discount. If a staff member has any concerns about an apparent conflict of interest relating to these programs, he or she should consult their supervising editor.

B. *RELATIONSHIPS*

Staff members must avoid actual or apparent conflicts of interest arising out of relations with relatives, friends and institutions. Staff members should not write about, photograph or make news judgments about any individual related by blood or marriage. This prohibition includes all aspects of our coverage, including obituaries. Similarly, staff members should generally not play a role in *The Sun*'s coverage of people with whom they have a close personal or financial relationship. To ensure the newspaper's impartiality, staff members should disclose their relationships with people or organizations they make news judgments about to their supervising editor before any such coverage appears in *The Sun*.

Staff members should be particularly careful to avoid any appearance of partiality when writing, editing, assigning or otherwise participating in stories that involve their immediate world -- their children's schools, their neighborhoods, their religious institutions, for example. Once again, early disclosure of the personal connection to a supervising editor is essential. In some cases, disclosure to readers will be appropriate, particularly when the personal connection is the story -- a columnist writing about her children, a feature writer telling a tale about a family member or friend.

Staff members should seek guidance from their supervisors about whether it is appropriate to write stories about Sun employees (in non-Sun related matters) or their relatives, or even include them in stories. We will be careful to report immediately and fairly when a Sun colleague has a serious encounter with the legal authorities. There ought never be the suggestion of a cover-up to keep the spotlight off ourselves when we would have focused it on others in similar circumstances. We should cover *The Sun*, Tribune Company and its business units as we would any other company.

C. *CONFIDENTIALITY*

Sensitive information and material obtained by a staff member in connection with his or her employment is to be treated as confidential and not disclosed to anyone outside *The Sun*. Such information includes not only our own work and that of colleagues, but also information relating to future activities, as-yet-unpublished news and material that was reported but ultimately not included in articles.

D. ADMISSIONS AND TRAVEL

We avoid freebies, junkets and subsidized travel; whenever possible, we pay our own way. Staff members assigned to cover spectator, sporting or entertainment events may use such facilities as review seats, press boxes, press rooms and photo galleries. If no seats are set aside for working press, *The Sun* will pay for admission for staff members who are covering the event.

Staff members must be scrupulous to avoid seeking or accepting free admission to events for personal benefit, except if free admission is available to the general public. Therefore:

- It is improper for staff members to seek or accept free admission to events they are not involved in covering. That means a columnist, for example, cannot justify accepting free tickets to a concert by saying he/she might someday write about it. Similarly, the free movie passes that come to the newsroom fall into the “Gifts” category of this policy and should not be utilized except by staff members who are covering the event.
- Staff members should not seek or accept access to press boxes or free admissions for their families or friends.

Staff members should not use their position at *The Sun* to purchase tickets to an event that are otherwise unavailable to them as members of the public or accept special offers aimed at members of the news media for personal use, even if the staff member would be paying the box office price. For example, a staff member should not solicit or accept an offer from a publicist promoting a sold-out show at the Hippodrome to purchase a ticket unless the staff member is attending the show because of his or her job responsibilities.

Generally speaking, working staff members don’t pay admission to ordinary news events – speeches, lectures, conferences, conventions, etc. where press coverage is expected and often invited. This is particularly important when events are sponsored by partisan organizations with a legislative or regulatory agenda. *The Sun* and its staff members will not purchase tickets to political fundraisers because to do so makes *The Sun* a campaign contributor, and listed as such in public documents. If the organizers of such events won’t allow a reporter entry without a ticket, we would not attend and would find other ways to cover the event if warranted.

When *The Sun* determines that travel will be necessary to the performance of a staff member’s professional duties, these expenses shall be paid by *The Sun*, even if the transportation is provided by government or military agencies. If a staff member takes a charter flight with a political campaign, for example, he/she must make arrangements to pay his/her share. In emergency situations, staff members should use common sense to ensure that *The Sun* gets the story. For example, if the only access to a disaster or military action is by military helicopter, a staff member trying to cover the story should use the transportation and inform a supervising editor as soon as possible. If possible, arrangements for payment will then be made.

E. MEALS AND OTHER EXPENSES

As with travel, it is always better for a staff member to pay for his or her own meals. Occasionally, a news source may buy a staff member a beverage. This is harmless if it is a simple courtesy. The staff member should take the next opportunity to repay the courtesy. But staff members should avoid eating for free at events they are covering – including political fundraisers, sporting events, society or arts events, press conferences and dinner speeches – even if the sponsors of the event encourage the staff members to enjoy the meal. Eating free at such events may raise questions about *The Sun*'s impartiality or integrity. If staff members do eat at those events, the staff member should arrange for *The Sun* to reimburse the sponsor for the meal(s). (This can typically be done discreetly the next day.) If reimbursement is refused, *The Sun* will make an appropriate donation to charity and notify the sponsoring organization that it has done so.

Staff members may encounter rare situations in which it may be socially awkward or logistically difficult to refuse or pay for a meal. For example: a reporter is interviewing a farm family all day and is invited to lunch with the family in the kitchen. Refusing may be interpreted as an insult. Under such circumstances, the reporter may accept the lunch, but the next meal (if any) shared with the family should be at *The Sun*'s expense. In all such cases, staff members should carefully consider the question of how the journalist's conduct might appear to others.

F. GIFTS

Staff members should never solicit merchandise, cash, services or other gifts in connection with their work. Staff members and their families may not accept gifts, including free tickets, memberships and use of facilities, or any other favors, from news sources or individuals or organizations covered by *The Sun* or likely to be covered by *The Sun*. Buying premium tickets at face value from such sources is also prohibited unless they are generally available to the public. (For example, choice sports event seats controlled by a lobbyist or corporation.)

Gifts of nominal value – valued at less than \$10 – may be accepted, though staff members are strongly encouraged to discard them or donate them to charity. All other items are to be returned to the source with the explanation that accepting gifts violates *The Sun*'s policy. When it is impractical to return a gift, including food items sent to *The Sun*, it should be given to charity and the sources advised of the reason.

Similarly, staff members and their families should not provide gifts to news sources or individuals or organizations that *The Sun* covers. Though these gifts may seem entirely innocent, they create a serious risk that readers or other members of the community will perceive them as tokens of affection or esteem; this may be taken as an indication that *The Sun*'s coverage is not impartial or credible.

Books, videos, software, recordings and other similar review materials may be kept by the person reviewing them. Staff members are not permitted to sell review copies for any reason. Materials deemed useful references may also be retained but they remain property of *The Sun* and should not be taken home or sold by any staff member. All other items sent to *The Sun* or its staff members, including wine, should be deposited in an area identified for donation to a charity designated by *The Sun*.

G. *COMPETITIONS, CONTESTS AND AWARDS*

The Sun is careful in submitting staff entries for recognition and awards to limit participation to those contests whose central interest is recognition of journalistic excellence. It makes every effort to avoid those contests that exist primarily to publicize or further the cause of the sponsoring organization. For that reason, those staff members who would like their work entered in a contest must receive the approval of their supervising editor.

By the same token, any staff member offered an award, monetary or otherwise, from any person, company or organization, including such groups as journalism, college, medical or bar associations, should notify their supervising editor and receive approval before accepting. In that manner, we can best ensure that there will be no appearance of undue influence. Staff members who receive awards that are not approved because the sponsoring organization does not meet the standards of this policy should decline to accept the award.

Staff members may not take part as judges or contributors in competitions that exist primarily to publicize or further the cause of the organization sponsoring the contest. Participation in these events makes *The Sun* a part of the event being covered and may raise questions about our independence. This prohibition covers all competitions in which critics, sportswriters and other staff members are invited to vote, including: most valuable player, all star and rookie of the year honors; admission to halls of fame; industry awards, such as the Tony Awards; and local arts award ceremonies.

H. *OUTSIDE ACTIVITY*

The newspaper's reporting must always be objective and detached. The public's perception of the newspaper is important, and the activities of staff members must never compromise or appear to compromise the paper's independence, integrity or credibility. It is often difficult to discern which activities will present a perceived or actual conflict. Therefore, this Code requires disclosure to supervisors of any ongoing or proposed activities, relationships, dealings or investments that could damage the credibility and integrity of *The Sun* or conflict with its interests. The Code further requires approval of those activities. Keep in mind that *The Sun* reserves the right to withdraw its prior approval for any outside activity at any time.

(1) Civic and Political Activity

Generally, staff members will receive approval to participate in civic, charitable, religious, social or residential organizations, so long as they are not involved in an organization or issue that he or she covers or supervises. For example, a medical reporter may join a PTA; the national editor may join a neighborhood association; a state political writer may be a Big Brother or Big Sister. These community organizations do not typically generate news coverage in *The Sun*. In assessing these activities, staff members should remember that the farther the activity is from their area of journalistic responsibility, the less likely it is to be a problem.

No staff member should contribute money to, or raise money for, any political candidate or election cause. Given the public's easy access to information from public records, campaign contributions create a substantial risk that readers will improperly conclude that *The Sun* and its staff members are partial.

Staff members should also avoid active involvement in partisan causes – politics, community affairs, social action demonstrations – that could compromise or could seem to compromise the paper's ability to report and edit fairly. Because such activities can create a perception, intended or not, of partiality on the part of the newspaper, staff members may not:

- seek public office;
- campaign for or endorse candidates, partisan political organizations or campaigns, including those seeking legislative or regulatory change;
- serve on government bodies;
- sign petitions;
- wear political buttons, display bumper stickers or campaign signs; or
- publicly espouse a cause or participate in a demonstration.

The Sun recognizes that the legitimate civic, political and professional activities of spouses, companions and other relatives can create journalistic conflicts or the appearance of a conflict. While *The Sun* does not wish to interfere in the private lives of its staff members' family and friends, there may be circumstances in which a staff member's beat, assignment or job may be restricted or changed to avoid concerns that may arise as a result of such a conflict. When a potential conflict of this sort arises, staff members should discuss the situation with a supervising editor immediately.

Fundraising for any organization or cause, no matter how worthy, also has the potential to create a conflict of interest or the appearance of one. The rule of thumb is that staff members should not engage in or lend their names to fundraising efforts, even if their Sun connection is not explicitly mentioned. Certainly, news and editorial employees must never solicit people, companies or foundations covered by the newspaper for cash contributions or any other kind of assistance. This prohibition on fundraising is not meant to exclude such things as taking the collection at church or selling cookies or candy. Nor is it designed to preclude employees from seeking money from foundations such as McCormick/Tribune or similar groups for fellowships or other

legitimate journalistic initiatives. Any other fundraising activity requires specific approval from the Editor, Managing Editor or Editorial Page Editor.

No newsroom or editorial employee should permit their Sun affiliation to be noted in any outside organization's materials; what may be intended only as identification is all too easily misread as an association with *The Sun*. Exceptions to this policy include situations in which staff members serve as representatives of *The Sun* or when the notation is simply a biographical reference in materials for an organization that has no partisan or lobbying agenda – e.g., a Sun staff member might serve on his college advisory board or serve as a recruiter and be identified as a Sun editor on some college materials.

(2) Memberships

Staff members are not permitted to join partisan organizations with political and/or lobbying agendas – even for the sole purpose of receiving their literature – because to do so lists the newspaper and/or staff members as members of the organization and supports its work. There may be rare exceptions but they must be approved in advance by the Editor, Managing Editor or Editorial Page Editor.

(3) Endorsements

Under no circumstances should staff members make endorsements or participate in broadcast commercials, web promotions or print advertisements for products or enterprises other than *The Sun* without the consent of the Editor, Managing Editor or Editorial Page Editor.

(4) Outside Employment, Freelancing and Speaking Engagements

Any outside employment, freelancing or speaking engagement that would create conflicts of interest for *The Sun* should not be undertaken. The conflict presented by some activities is apparent. Staff members may not do public relations work or otherwise advise individuals and organizations who could be the subject of coverage in *The Sun*. Similarly, staff members may not work for or contribute to projects associated with or commissioned by individuals, companies or organizations they might cover or participate in news judgments about. For instance, a sportswriter would not be permitted to ghostwrite an autobiography for a football star he covers because that activity would establish a relationship between the journalist and the player that might call the staff member and *The Sun*'s impartiality into question.

Outside employment, freelancing and speaking engagements are only permitted when supervising editors determine they do not constitute a conflict of interest or otherwise interfere with the performance of a staff member's job. Any outside employment, freelancing or speaking engagement should therefore be disclosed to supervisors to ensure there is no conflict or perceived conflict. To ensure that supervisors have the opportunity to consider these endeavors carefully before deciding whether to grant permission, all staff members must disclose each such

arrangement: (a) to the editor hiring the staff member upon receipt of an offer of employment; and (b) to their supervising editor before undertaking any outside employment, freelance project or speaking engagement. In addition, staff members are required to disclose these activities in the attached form (Appendix A) on an annual basis.

Print and Online

Generally, staff members will be permitted to undertake freelance writing, photography, illustration or editing for publications that are not in competition with *The Sun*. However, staff members will not be permitted to pursue activities that might compromise the integrity of the newspaper or create an appearance of partiality. For example, staff members may not write for publications, whether in print or online, where the content is controlled by an organization we cover, such as Major League Baseball or Legg Mason, or a partisan organization, such as the National Rifle Association.

All companies that publish news or information on the World Wide Web are by definition in competition with *The Sun* for readers and advertising dollars. Even a staff member's personal Web site of almost any nature could be seen as competition to *The Sun* and its affiliates' various online offerings, so proposals will be examined closely before permission is granted. Some interactive offerings will be readily permitted – e.g., a personal site containing family news and pictures. Others, including websites, chat rooms or blogs that compete with *The Sun*'s products and services, violate the newspaper's standards or threaten its credibility, will not be permitted.

Work that evolves directly from Sun assignments and beats may not be offered to other publishers, broadcasters or websites without prior permission from the Editor, Managing Editor or Editorial Page Editor. Staff members may not use any Sun supplies, materials, equipment, content (including outtakes) or other materials in the course of any outside employment or freelance effort.

Speaking Engagements and Broadcast Appearances

Typically, staff members will receive permission for outside speaking appearances at events or forums sponsored by educational or not-for-profit groups whose main focus does not include lobbying or political activity. Speaking before college classes, booster clubs, religious groups, book clubs, journalism organizations, civic or community organizations or parent groups, for example, is almost always acceptable.

No staff member may participate as a speaker or panelist before any outside organization where participation would create an actual or apparent conflict of interest or undermine public trust in the staff member or Sun's impartiality.

As long as the staff member's supervising editor is satisfied that the group making the invitation falls safely within the guidelines contained within this policy, staff members may accept reimbursement of travel expenses and a reasonable fee or honorarium for a speaking engagement. Staff members' immediate family or household may not accept payment as part of the arrangement. To ensure that the supervisor's decision is fully informed, the staff member will disclose all financial arrangements at the time he/she seeks approval of the speaking engagement.

On occasion, the newspaper may authorize speeches to special interest groups – trade or professional associations, business groups or individual companies – when the appearance does not conflict with the spirit of this policy. All such requests must be authorized by either the Editor, Managing Editor or Editorial Page Editor. In these cases, staff members will typically not be permitted to accept any fee or honorarium.

Even if an invitation comes from a group that falls within the guidelines of this policy, staff members should be sensitive to an appearance of impropriety if it is a group whose interests they cover directly, or whose coverage they edit or supervise. While *The Sun* does not intend to ban outright such appearances, staff members must receive permission from either the Editor, Managing Editor or Editorial Page Editor before agreeing to accept such an engagement. In these cases, staff members will typically not be permitted to accept any fee or honorarium.

Radio or television interviews, broadcast panels, appearances or programs, paid or unpaid, shall be treated as freelancing under this policy, except when the appearance is made at the request of the Editor, Managing Editor or Editorial Page Editor as part of *The Sun's* multimedia efforts. In choosing whether to seek permission to appear on a broadcast, staff members should be mindful of the tone and content of the program and the role they are to play, to ensure that any appearance they make is in keeping with the journalistic standards of *The Sun*. As a rule of thumb, staff members should not say anything on any program that they would not be allowed to publish in *The Sun*. In particular, staff members should avoid saying anything that could compromise the newspaper's standards or reputation for accuracy, fairness and balance.

Generally, staff members must be identified as employees of *The Sun* in all speaking engagements or broadcast appearances. This rule would not apply if a staff member is speaking because of expertise in an outside interest. A photographer, for example, might be an orchid expert; there is no need to mention her Sun affiliation when speaking to the Orchid Growers Association.

(5) Scoops, Exclusives, and Breaking News

If a staff member obtains news, information or other material that might be published, distributed or broadcast by *The Sun*, the staff member should notify his supervisor immediately, whether the information relates directly to the staff member's regular beat or not. Staff members are

forbidden from providing such material to any company or endeavor other than *The Sun* without approval from their supervising editor.

(6) Investments and Personal Business Activities

As journalists, our personal investing activities must not compromise our objectivity and our ability to report on a subject fairly and accurately. To that end, reporters, writers and editors, especially those who cover business or who impact our business coverage, may not own stock or other securities in companies or industries they are likely to write about or supervise coverage of as part of their usual assignments. There is one exception to this rule: it may be necessary for business reporters or editors to own a single share of a company's stock to permit immediate access to shareholder information. This type of arrangement should be pre-approved by the Assistant Managing Editor/Business or the Managing Editor.

To further elaborate on the stock ownership rule, a financial reporter or editorial writer, who covers the banking industry, should neither own stock in Mercantile Bankshares Corporation, which is a local company, nor in any other financial institution. If a staff member owns stock in a company he/she is not routinely assigned to cover and one day is chosen to write or edit a story about that company or its industry, he or she must discuss the matter with a supervisor before undertaking the assignment.

No staff member should buy or sell individual stocks or other securities based on advance knowledge of an article or editorial that will be published in *The Sun*.

Staff members are forbidden from using "insider information" as an investing tool. Staff members should keep in mind that information obtained in connection with their job that has not been publicly disclosed is "inside information". This information may include information relating to acquisitions, mergers, divestment, stock splits, dividend rates, earnings, major management changes, expansion plans and other important developments.

Staff members must recognize that the investments and business interests of their spouses, family members and domestic partners may also create actual or apparent conflicts of interest. Therefore, staff members shall be responsible for ensuring that the business activities of their spouse, immediate family and/or domestic partner do not violate the letter or spirit of this section of the Code. If any conflict exists or arises, the affected staff member must disclose the circumstances to a supervising editor immediately.

(7) Gambling

To avoid any appearance of bias, no staff member may gamble on any event they are covering. This prohibition covers wagering of all sorts, whether legal or illegal, friendly or serious.

2. TRUTH, INTEGRITY, AND ACCOUNTABILITY

The Sun's business is to seek and report the truth with the appropriate context and perspective to make it relevant, useful and interesting to the public. The accuracy of our information—whether text, pictures, audio or graphics—is essential to our success. Invented material has no place in *The Sun*, except in cases in which fictional material is identified as such. Fabrication of names, quotes, events or descriptive details is forbidden.

A. *PHOTOGRAPHY AND GRAPHICS*

In Features sections, such as entertainment, fashion or cooking, it is commonplace and acceptable to stage illustrations or manipulate images. Whenever appropriate, readers or viewers should be alerted in those instances, usually with nothing more than a small caption that says “photo illustration.”

Images in our news pages, however, must be genuine. Nothing may be altered, rearranged, reversed, distorted or removed from a scene, except for the recognized practices of cropping, dodging, burning and toning, without the approval of an assistant managing editor. The guidelines for fair and accurate reporting should be the criteria for judging what may be done digitally to a photograph. Photos of news events should not be set up, nor should situations be recreated or re-enacted. The public must always know that to the best of our ability we are reporting news events exactly as they occurred or appeared.

B. *QUOTES*

Quotes should not be altered. We should not clean up anyone's language or distort the speaking style of the person quoted. (If a quote includes an objectionable word, it should be used only when the news value of the story depends on it.) Among the reasons we discourage correcting grammatical mistakes or otherwise modifying quotations is that in this age of 24-hour news, our readers can see quotes in our paper and realize they are different from what is coming out of the speaker's mouth on television. This erodes our credibility.

C. *BUSINESS CONSIDERATIONS*

Our integrity may be damaged if *The Sun* fails to distinguish clearly between news/editorial content and advertising content. It is appropriate for *The Sun*'s departments to work together to build the company's financial strength, but never in a way that would jeopardize the integrity of our news coverage. The News and Editorial departments' mission is to pursue the truth accurately and fairly, even if doing so may adversely impact the newspaper's advertising revenue.

D. *ATTRIBUTION AND PLAGIARISM*

When we use facts gathered by other news organizations, we attribute them. This policy applies to material from newspapers, magazines, news agencies, books, broadcasts and on-line news services. General information available from multiple sources need not be credited. But news material available only from a single source must be credited.

Staff members must not use anyone else's work and present it as theirs. That means we do not use anyone else's reporting, language, analyses or interpretations – even if it's just a phrase or two – unless they are clearly attributed. When in doubt, consult a supervising editor or the Public Editor.

E. *BREAKING THE LAW*

Breaking the law in pursuit of a story is not allowed even if the end appears to justify the means. Taking documents off a desk is theft. Hacking into a computer to obtain information or accessing voice mail recordings without authorization is illegal. So is breaking and entering. Many of the states we report in forbid electronic eavesdropping or clandestine tape recording of conversations.

Staff members should not engage in illegal activities and editors should never encourage illegal behavior of any kind, although some minor infractions such as traffic violations, double-parking or technical trespass are likely to occur in everyday news coverage.

F. *MISREPRESENTATION*

Except in highly unusual circumstances, staff members will not misrepresent their identity in gathering news. Identifying yourself as someone or something you aren't, donning costumes like doctor's coats or military uniforms or taking a job to see an organization or institution from the inside is not permissible without prior approval from the Editor and Publisher.

There are occasional exceptions. A restaurant critic, for example, must adopt a false identity to do the job successfully. But reporters who contact news sources with the intention of gathering material for a story should be upfront about who they are and what they are doing. Impersonating someone else to get information is wrong. So is pretending to be part of an authorized group to gain access to a closed area like a government building or hospital ward.

On the other hand, if a reporter or photographer pursues an assignment in circumstances already open to the general public, there is no obligation to identify one's self unless asked. Reporters may remain silent to observe an institution's dealings with the public, or the behavior of people at a public event. If questioned at such events, reporters must properly identify themselves as

journalists unless it would compromise their safety. (Such exceptional circumstances might include a foreign correspondent operating in a volatile, belligerent situation.)

G. CORRECTIONS

The Sun strives to be as fair and accurate as possible in its news coverage, and recognizes an ethical responsibility to correct all its factual errors. The newspaper's credibility can be damaged if it doesn't correct mistakes quickly, or gives the impression of covering them up.

Any error that could require correction or clarification should be relayed to a supervising editor and investigated promptly. The supervising editor should promptly notify the appropriate assistant managing editor of any potential error of fact or context. The Public Editor also will be investigating questions from readers about possible errors and will contact supervising editors to investigate those questions. Fairness demands that a correction or clarification be published as soon as is practicable.

A correction, like any other article published in *The Sun*, should be clear and complete. Corrections represent the official voice of the paper and, therefore, should be written carefully and in full context. Each correction must make sense to all readers, even those who have not seen the original item. To accomplish this, the correction must establish enough context for the reader to understand what was wrong and exactly what *The Sun* is correcting. If that means repeating the original error, repeat as much of the original error as is necessary, so long as you identify it as erroneous.

Whenever practicable, the correction should state the origin of the error. Because a reporter is assumed to be the source of any mistake in the text of a story, it is only fair to describe mistakes as editing errors when that is the case. The reporter is the only named person linked to the mistake; when he/she is not at fault, it is in the newspaper's interest to protect his credibility.

Each correction is to be reviewed by the Assistant Managing Editor of the appropriate department and, whenever possible, the Public Editor before it moves to the copy desk. Before publication, each correction must be approved by either the Editor, Managing Editor, Public Editor, copy chief or, where appropriate, the Editorial Page Editor (or a designee).

3. IMPLEMENTATION

The purpose of this Code is to illuminate a set of professional standards that should help all of us in our never-ending effort to protect the credibility of *The Sun*. Every staff member is expected to be familiar with its terms and to comply in all respects. To ensure careful compliance and to assist in the identification and review of any potential issues, staff members will complete and submit the attached form annually to the Editor.

Any staff member who violates any provision of this policy will be subject to disciplinary action, up to and including termination. Ignorance of the Code is no excuse.

There may be some areas of overlap between Parts II and III. In the event of any conflict between the provisions of this Part III and the General Provisions of Part II above, the provisions of this Part III shall govern for News and Editorial Department employees. Any questions about which provisions govern should be raised with your supervising editor or the Vice President for Human Resources and Legal Affairs.

Finally, since readers do not distinguish between content provided by staff members and material created by freelancers, editors and other staff members should do their best to ensure that freelance contributors adhere to the standards of this Code. While these contributors are not employees of *The Sun* and therefore are not subject to discipline, contributors who violate this Code may be denied further assignments.

PART IV. COMPLIANCE

All employees are required to complete and sign the Statement of Compliance with The Ethics Code (attached as Appendix A) once each calendar year by the date selected by the Publisher.

Any employee who violates any provision of this Code may be subject to disciplinary action, up to and including termination. Employees who have questions concerning the Code or become aware of a possible violation of the Code should promptly contact their supervisor, the Vice President for Human Resources and Legal Affairs or, alternatively, should follow the guidelines described in Part II.12 of this Code.

APPENDIX A

STATEMENT OF COMPLIANCE WITH THE ETHICS CODE

I have received and read the Company's Ethics Code and I agree to comply with its provisions. I also affirm that my answers to the following questions are true and correct to the best of my knowledge. I understand that any intentional omission or misrepresentation of information on this form may result in disciplinary action, including termination.

If the answer to any question is yes, describe below or on an attached sheet. Even if you have disclosed an incidence in prior years, you must disclose it again, if still applicable.

The first page of the Statement of Compliance must be completed and signed by all employees. News Department and Editorial Department employees must also complete and sign page 2 of the Statement of Compliance.

1. Have you violated any provisions of the Code? If yes, please describe.

Yes [] No []

2. Are you aware of any actual or possible conflict of interest (as described in Part II.5 of the Code) involving you or a closely-related family member? If yes, please describe (e.g., if you have a significant personal interest in a competitor, supplier, advertiser or customer, describe fully the interest and any transactions between such entity and the Company of which you are aware).

Yes [] No []

3. During the last twelve months, were you employed by, or did you act as an independent contractor, representative or agent for an entity other than the Company? If yes, describe your responsibility to the other entity. Exclude activities prior to beginning employment with the Company. For News and Editorial Department Employees, include freelance work or assignments and speaking engagements.

Yes [] No []

4. During the last twelve months, did you accept any single business gift, purchase discount or other benefit with a value in excess of one hundred dollars (for News Department and Editorial Department employees, respond if the value is in excess of ten dollars)? If yes, describe the gift, discount or other benefit and provide the estimated value.

Yes [] No []

5. During the past five years, have you been convicted or pleaded guilty in a criminal proceeding (excluding minor traffic violations)? If yes, please describe.

Yes [] No []

Name (print or type)

Signature

Position

Date

Department

Phone Number

STATEMENT OF COMPLIANCE WITH THE ETHICS CODE

page 2

This page is for completion by News Department and Editorial Department employees.

Please list any memberships, investments, outside employment, activities, endeavors, or any other interests you have that might give rise to a conflict of interest under Part III of the Ethics Code (Newsroom and Editorial Department Ethics).

I have read the foregoing Ethics Code and, other than the matters disclosed above, I am not involved in any memberships, investments, endeavors or activities that might give rise to any conflicts of interest or the appearance thereof. I certify that I am in compliance with the standards set forth in the Ethics Code.

Name (print or type)

Signature

Position

Date