

For immediate release

TC Transcontinental proposes the creation of a circular economy for plastic
The Publisac will be made of 100% recycled plastic starting this fall

Montréal, May 17, 2019 – The President and Chief Executive Officer of TC Transcontinental (TSX: TCL.A TCL.B), Mr. François Olivier, will present today the Corporation's brief in the context of public consultations by the Montréal Metropolitan Community (MMC) on its Draft Amendment to the 2015-2020 Residual Materials Management Plan (RMMP). It will propose the creation of a circular economy for plastic in Québec in order to ensure that plastic is effectively managed from sourcing to end-of-life.

"TC Transcontinental has been an important player in the creation of a circular economy for paper in Canada," stated Mr. François Olivier, President and Chief Executive Officer of TC Transcontinental. "In Québec, sawmill residues are recovered in order to manufacture newsprint inserts and flyers with a recovery rate of 86%. As a leader in flexible packaging in North America, we have the resources, the knowledge, the financial capacity and the desire to play a similar role to ensure the transition towards a circular economy for plastic in Québec. This effort will benefit from a collaborative approach involving all stakeholders, including private companies and industry groups as well as public administrations, sorting facilities, legislators and regulatory authorities, academics and experts, environmental organizations, citizens and citizen groups. Today, we are calling on all of them in order to realize this major and forward-looking project for Québec."

In this context, TC Transcontinental is announcing a first step to a circular economy for plastic in Québec. Starting this fall, the Publisac, currently made from virgin and recyclable plastic, will be replaced by a bag that reuses 100% residual plastic. This new bag will still be 100% recyclable. Tests will take place over the summer including for bag formats that use less plastic and for paper jacket alternatives.

TC Transcontinental intends to reuse residual plastic in its flexible packaging production and for the Publisac. All plastic packaging should be recovered and recycled. The MMC, and the City of Montréal as the party responsible for sorting facilities on its territory, have an important role to play in this regard.

In March, TC Transcontinental became the first Canadian-based manufacturer to sign the Ellen MacArthur Foundation's New Plastics Economy Global Commitment, a large-scale initiative. This foundation unites organizations worldwide and TC Transcontinental invites the MMC and its members to consider joining it. TC Transcontinental thus pledged, by 2025, for 100% of its plastic packaging to be reusable, recyclable or compostable, among other things.

Reduction at source is an important element of residual materials management. That said, TC Transcontinental believes that the concept of reduction should be considered in its broader sense, namely reducing the environmental footprint of a business activity, a product or a service during its entire life cycle. In this sense, judicious use of plastic contributes, for example, to preserving food and reducing waste since about 30% of food produced in the world for human consumption gets lost or wasted¹. Due to its light weight and low volume, flexible packaging uses less fossil energy, reduces greenhouse gas emissions and uses less water than other alternatives.

¹ Source: Food and Agriculture Organization of the United Nations: <http://www.fao.org/save-food/resources/keyfindings/en/>

TC Transcontinental invests on average \$15 million per year in R&D for flexible packaging and recently won two awards for its eco-responsible solutions, notably in January 2019, for the design of a 100% recyclable pouch, in collaboration with U.S. tea producer Harney & Sons; and, in 2018, for producing a peanut bag made from certified compostable materials in order to support arenas and stadiums' green initiatives.

TC Transcontinental's brief summary will be available at www.tc.tc following Mr. François Olivier's presentation to the MMC, which will take place around 3:00 p.m. today.

About TC Transcontinental

TC Transcontinental is a leader in flexible packaging in North America, and Canada's largest printer. The Corporation is also a Canadian leader in its specialty media segments. For over 40 years, TC Transcontinental's mission has been to create products and services that allow businesses to attract, reach and retain their target customers.

Respect, teamwork, performance and innovation are the strong values held by the Corporation and its employees. TC Transcontinental's commitment to its stakeholders is to pursue its business activities in a responsible manner.

Transcontinental Inc. (TSX: TCL.A TCL.B), known as TC Transcontinental, has over 9,000 employees, the majority of which are based in Canada, the United States and Latin America. TC Transcontinental had revenues of more than C\$2.6 billion for the fiscal year ended October 28, 2018. For more information, visit TC Transcontinental's website at www.tc.tc.

– 30 –

For information:

Media

Nathalie St-Jean
Senior Advisor, Corporate Communications
TC Transcontinental
Telephone: 514-954-3581
nathalie.st-jean@tc.tc

Financial Community

Mathieu Hébert
Corporate Treasurer
TC Transcontinental
Telephone: 514 954-4029
mathieu.hebert@tc.tc