



tc.

Investor Relations Presentation

January 2023



Notes to readers

In this document, unless otherwise indicated, all financial data are prepared in accordance with International Financial Reporting Standards (IFRS) and the term “dollars” as well as the symbol “\$” designate Canadian dollars. In this document, we also use non-IFRS financial measures for which a complete definition and a reconciliation to financial information in accordance with IFRS is presented in Note 3 “Segmented Information” to unaudited interim condensed consolidated financial statements for fiscal year ended October 30, 2022. These measures should be considered as a complement to financial performance measures in accordance with IFRS. They do not substitute and are not superior to them.

Forward-looking information

Our public communications often contain oral or written forward-looking statements which are based on the expectations of management and inherently subject to a certain number of risks and uncertainties, known and unknown. By their very nature, forward-looking statements are derived from both general and specific assumptions. The Corporation cautions against undue reliance on such statements since actual results or events may differ materially from the expectations expressed or implied in them. Forward-looking statements may include observations concerning the Corporation's objectives, strategy, anticipated financial results and business outlook. The Corporation's future performance may also be affected by a number of factors, many of which are beyond the Corporation's will or control. These factors include, but are not limited to, the impact of digital product development and adoption on the demand for retailer-related services and printed products, the global economic environment, including inflation and recession risks and disruptions in the supply chain, the Corporation's ability to generate organic growth in highly competitive industries, the Corporation's ability to complete acquisitions and properly integrate them, the inability to maintain or improve operational efficiency and avoid disruptions that could affect its ability to meet deadlines, raw materials, transportation and consumed energy costs, availability of raw materials, the impact of a pandemic, an epidemic or an outbreak of an infectious disease on the Corporation's operations, operating results and financial position, cybersecurity and data protection, recruiting and retaining qualified personnel, the political and social environment as well as regulatory and legislative changes, in particular with regard to the environment or door-to-door distribution and use of plastic, changes in consumption habits related, in particular, to issues involving sustainable development and the use of certain products or services such as door-to-door distribution, loss of a major customer, customer consolidation, structural changes in the industries in which the Corporation operates, the safety and quality of its packaging products used in the food industry, the impact of economic cycles on product demand, data confidentiality, the protection of its intellectual property rights, bad debts from certain customers, import and export controls, exchange rate fluctuations, interest rates and availability of capital at a reasonable cost, litigation and respect of privacy, the impact of major market fluctuations on the solvency of defined benefit pension plans, taxation, including changes in tax legislation that could adversely affect profitability, disputes with tax authorities or amendments to statutory rates in force, and results of impairment tests on the value of assets. The main risks, uncertainties and factors that could influence actual results are described in the Management's Discussion and Analysis for the year ended October 30, 2022, and in the latest Annual Information Form.

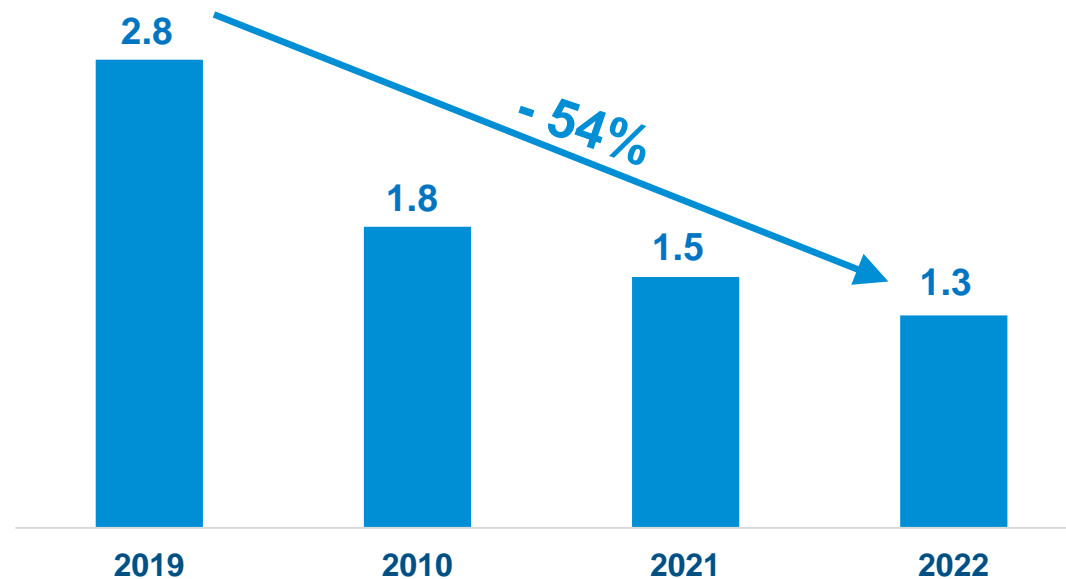
Unless otherwise indicated by the Corporation, forward-looking statements do not take into account the potential impact of non-recurring or other unusual items, nor of disposals, business combinations, mergers or acquisitions which may be announced or entered into after the date of December 13, 2022. The forward-looking statements in this presentation are made pursuant to the “safe harbour” provisions of applicable Canadian securities legislation. The forward-looking statements in this presentation are based on current expectations and information available as at December 13, 2022. Such forward-looking information may also be found in other documents filed with Canadian securities regulators or in other communications. The Corporation's management disclaims any intention or obligation to update or revise these statements unless otherwise required by the securities authorities.



SAFETY

WE ARE COMMITTED TO PROVIDE A SAFE WORKSPACE FOR OUR COWORKERS

Total Incident Rate (TIR)



Our shared values



Respect



Teamwork



Performance



Innovation

- ▶ Performing root cause analysis of each incident in order to eliminate all injury and provide a safe workspace for our coworkers
- ▶ Significant improvement towards our zero-injury vision

Note: TIR = (Number of recordable incidents X 200,000) / Employee total hours worked



RESILIENT INVESTMENT CASE: LONG TERM VISION & INCOME GENERATION



Diversified operations in flexible packaging, printing and media



Leadership position in most of our verticals driven by deep customer relationships



Leading commitment to sustainability and a circular economy



Resilience during recession with ability to transfer higher costs from raw materials and inflation to customers



Strong and reliable cash flow and investment grade credit rating providing flexibility for future investments



Disciplined M&A strategy with track record of successful integrations, prudent balance sheet management, and post-acquisition deleveraging / aligned with strategy



Attractive dividend yield and track record of dividend growth (yield at 5.9% as of January 13, 2023)



- **Company Overview**
- **Our Strategy**
- **Corporate Social Responsibility**



TC TRANSCONTINENTAL AT A GLANCE

- Family-controlled business founded in 1976
- Solid financial position and investment grade credit rating
- Track record of pursuing our activities responsibly recognized by stakeholders (Sustainalytics, MSCI, Corporate Knights)



\$3.0B

2022 Revenues



~8,300

Employees



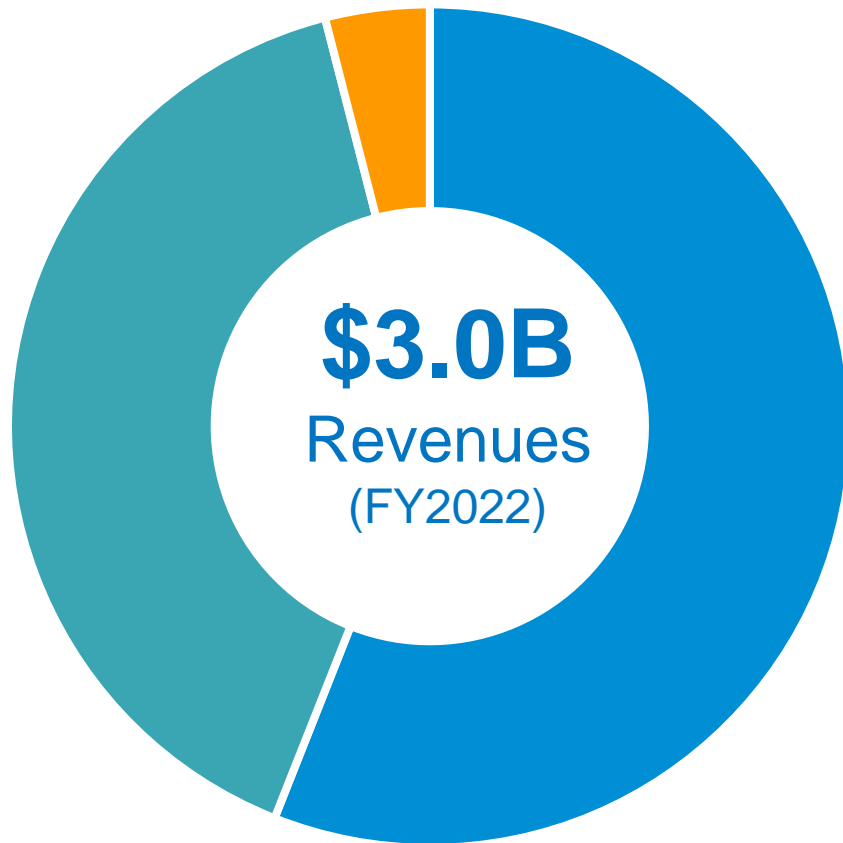
41

Production facilities



LEADER IN OUR MARKETS

Revenue composition by sector¹



tc • TRANSCONTINENTAL
PACKAGING

A leader in flexible packaging in North America

56%

tc • TRANSCONTINENTAL
PRINTING

Canada's largest printer, and one of the largest in North America

40%

tc • MEDIA

The leading Canadian French-language educational publishing group

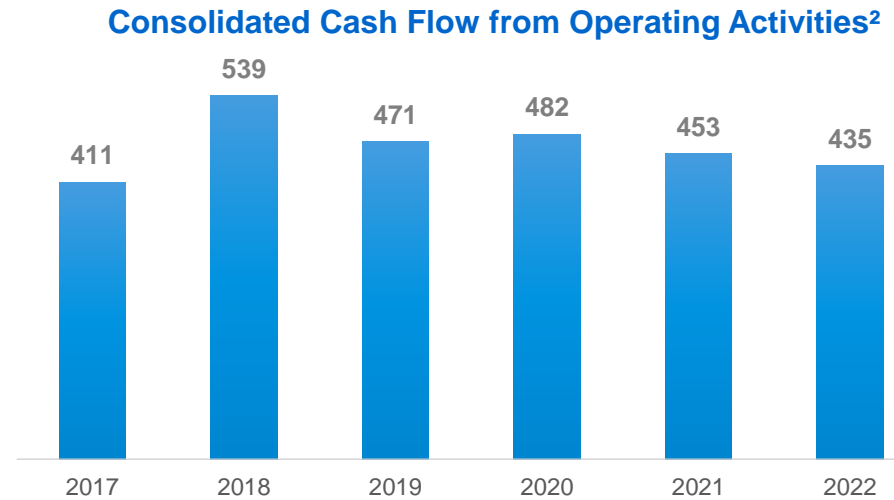
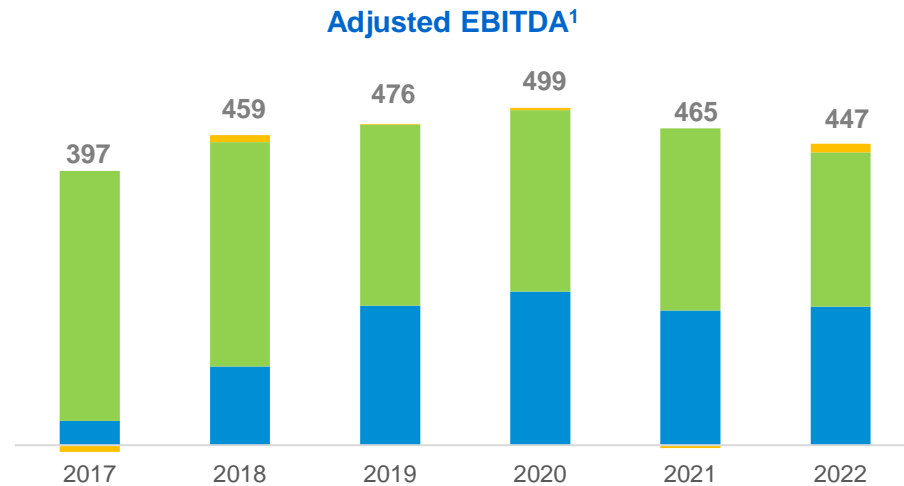
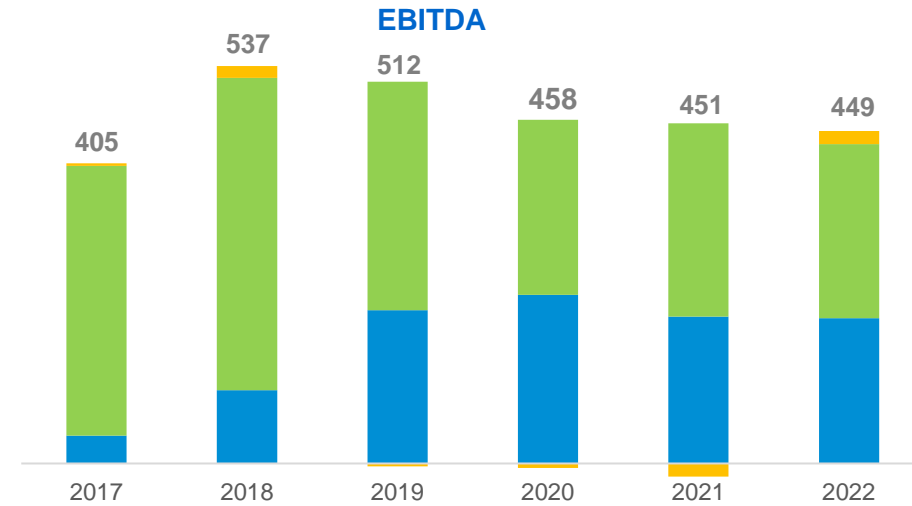
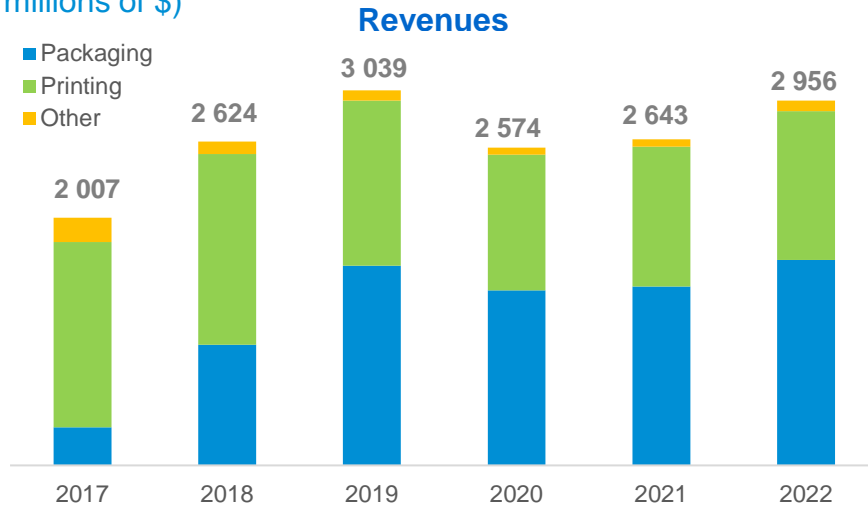
4%

¹. As a percentage of revenues (excluding inter-segment eliminations).



2017-2022 PERFORMANCE HIGHLIGHTS

(in millions of \$)



**~\$2.8B cash flows from operating activities generated since FY2017
(average of ~\$465M/year)**

¹ Non-IFRS financial measure.

² Before changes in non-cash operating items and income taxes paid

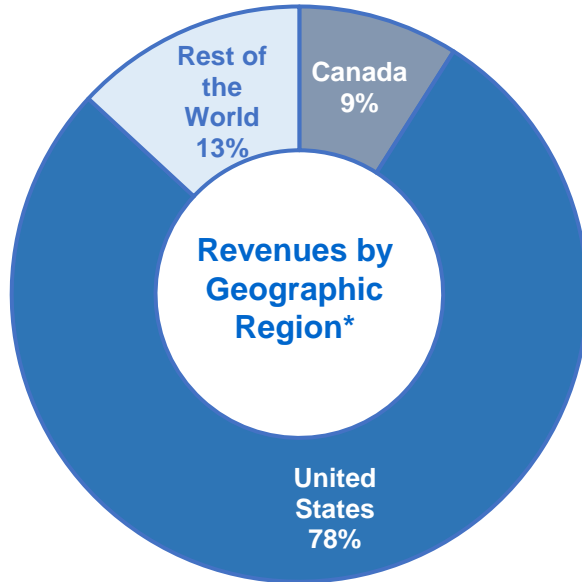


tc •

**TRANSCONTINENTAL
PACKAGING**



OUR TC PACKAGING NETWORK



FY22 Revenue: \$1.7B
Adj EBITDA: \$205M

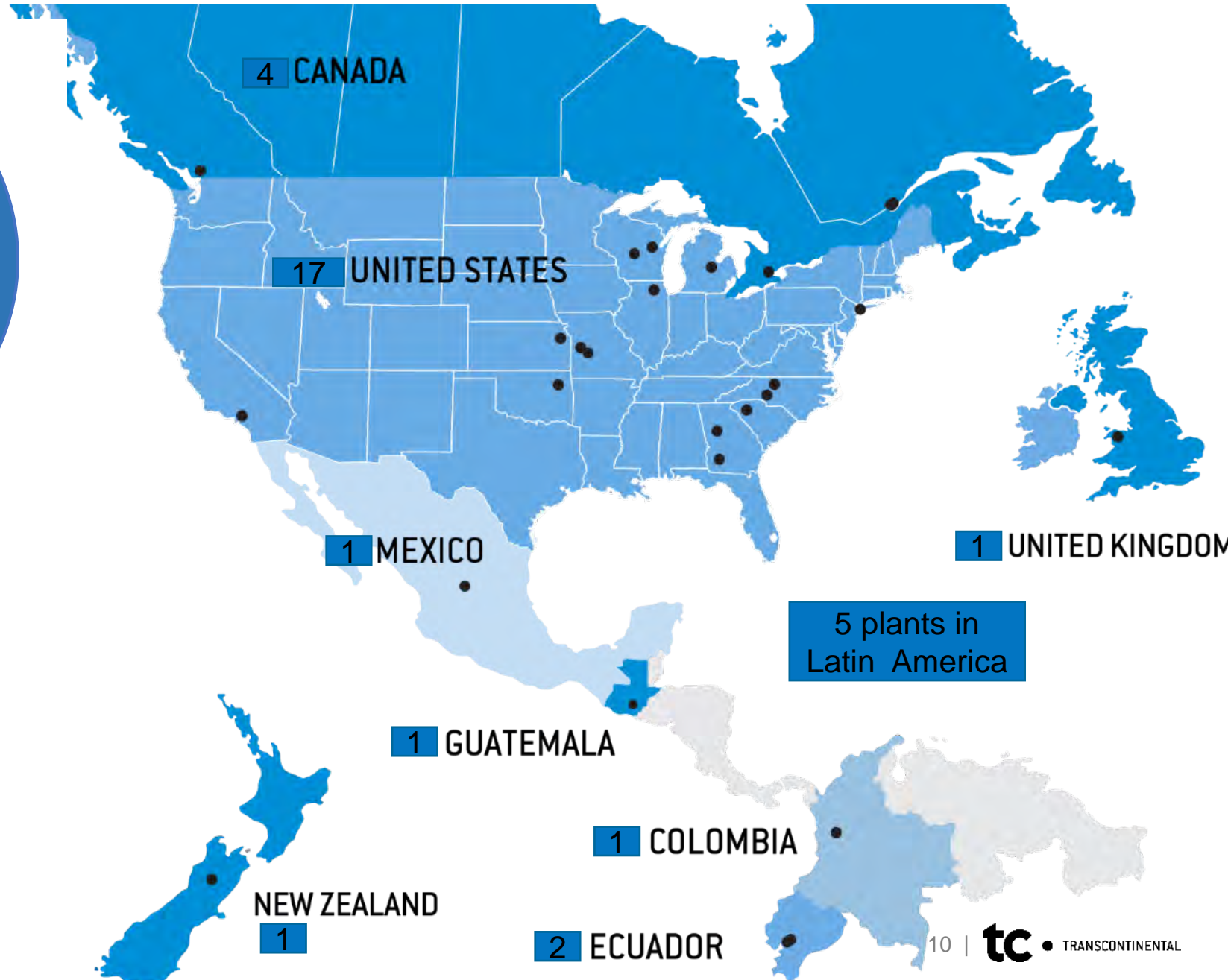


28 plants



4000 employees

*based on plant locations





DIVERSE PORTFOLIO OF PRODUCTS AND CUSTOMERS

Broad Array of Flexible Packaging Products

Shrink Bags and Thermoforming Films



Vacuum Shrink Bags



Vacuum Frozen Bags

Films and Lamination



Shrink Films



Form, Fill and Seal

Plastic Bags and Pouches



Flat Bottom



Frozen

Multi-wall Paper and Composite Bags/Sacks



Paste Valve (Paper)



Pinch/WPP (Comp)

Fruit Bags and Packaging



Banana Treebags



Banana Packaging

Outdoor Films and Wraps



Sillage/ Waste Wrap



Greenhouse Films

Diverse End-Markets



Consumer



Dairy



Agriculture



Beverage



Protein



Pet Food



Industrial



Advanced Coating





tc •

**TRANSCONTINENTAL
PRINTING**



OFFERING A STATE-OF-THE-ART NATIONAL PRINTING NETWORK

The largest printer in Canada. TC Transcontinental Printing offers innovative print solutions for flyers, in-store marketing products, newspapers, magazines and 4-colour books.



FY22 Revenue: **\$1.2B**
Adj. EBITDA: **\$228M**



~3,700
employees



13
printing
plants

1 British Columbia

1 Alberta

CANADA

5 Quebec

1 Nova Scotia

5 Ontario



PRINTING: CORE SERVICES AND PRODUCTS

1. Comprehensive Service and Product Offerings for Retailer's Marketing Strategy and Customer Experience Cycle



2. Printing



3. Niche/ Specialty Products





tc • MEDIA



PROVIDING A RANGE OF MULTIPLATFORM PRODUCTS & SERVICES



BOOKS AND EDUCATIONAL GROUP

Publishing of educational, supplemental and trade books publishing, as well as innovative digital educational products; distribution of specialized books.



CHENELIÈRE
ÉDUCATION

CAR
ACT
ERE

Beauchemin
CHENELIÈRE ÉDUCATION

MODULO

EDISEM

ERPI

scolab

Somabec
DIFFUSEUR & DISTRIBUTEUR

CONSTRUCTO GROUP

Publication of strategic information for the construction sector in Québec, through its print and digital media.



constructo.ca

emplois
Bâti pour la construction

L'AVISEUR



- **Company Overview**
- **Our Strategy**
- **Corporate Social Responsibility**



People & Culture

Cultivate a positive and inclusive work environment for our people



Transformation

Actively engage in M&A to further solidify our leading position in Packaging



Diversification

Continue to diversify our offering and customer base

Long-Term Objective

Further solidify our leading position in Packaging Industry across North America

Improve profits and cash flow generation

Continue strong capital return to shareholders

Our Values



Performance



Respect



Innovation

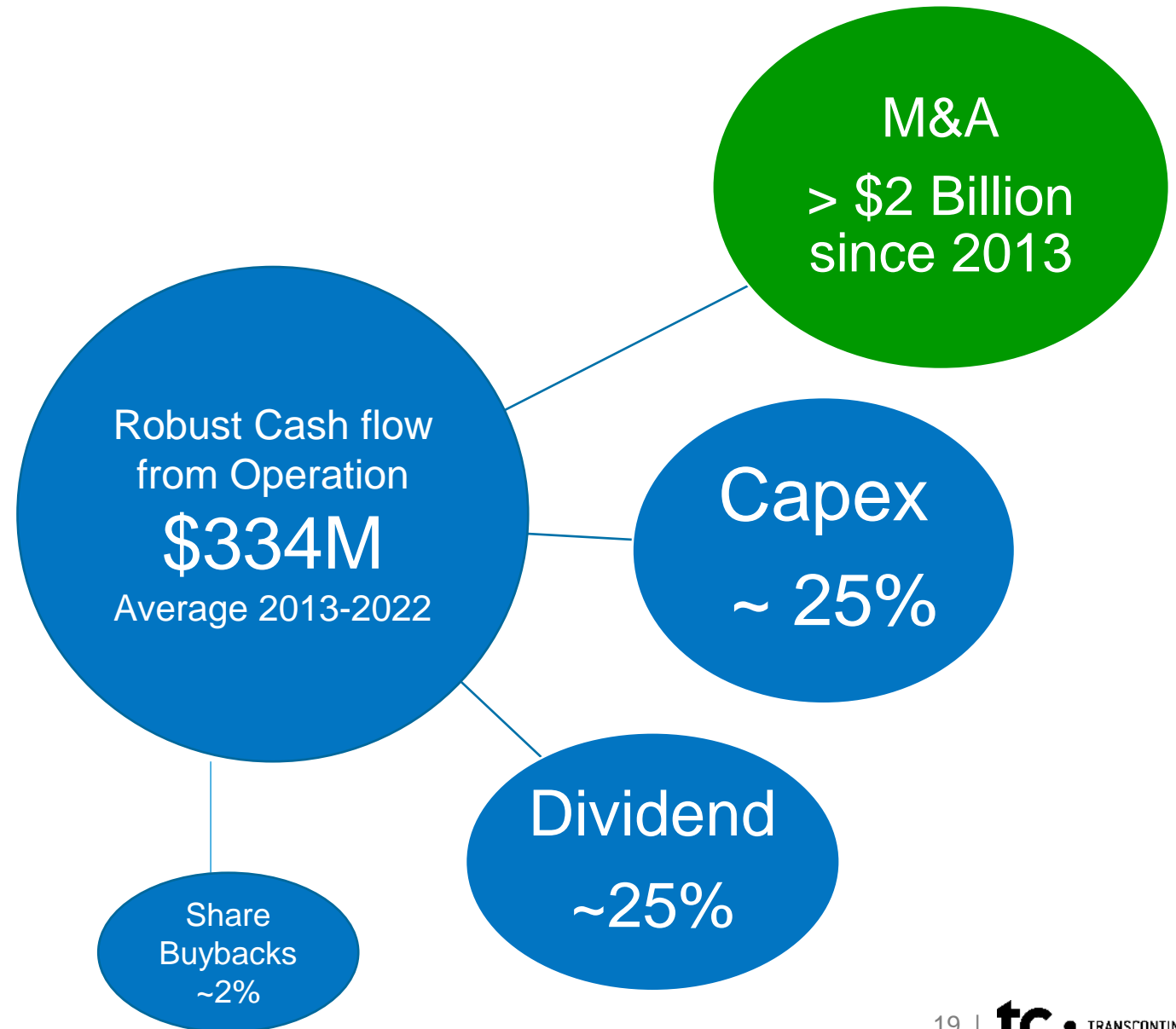


Teamwork



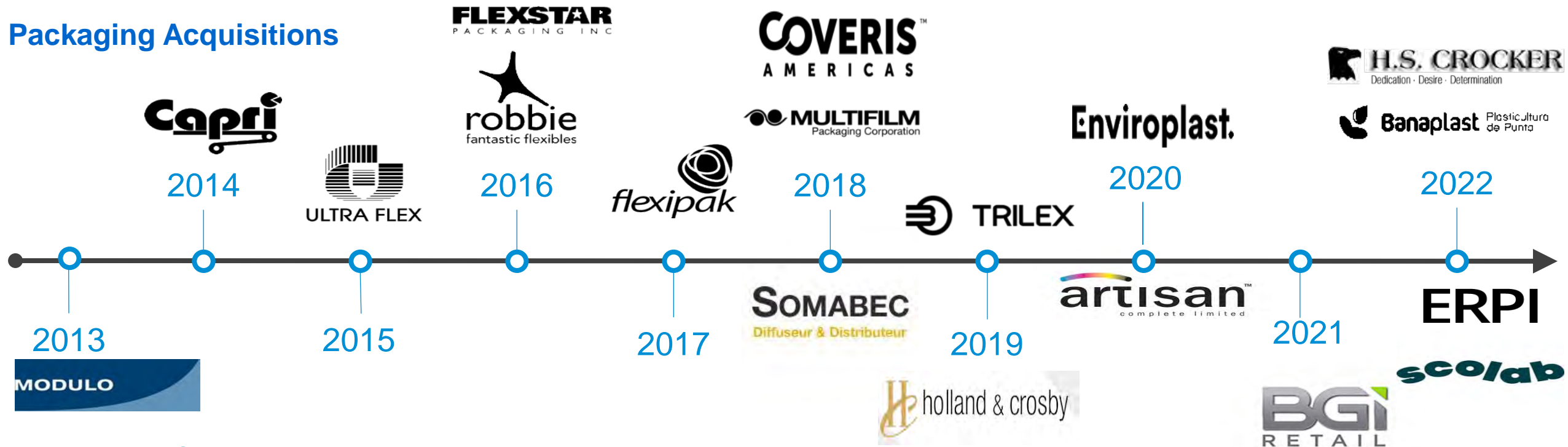
STRONG CASH FLOW SUPPORTING GROWTH

Our strategy is to use our strong and consistent cash flow generated from our traditional printing segment to grow our leadership positions in our growth segments: flexible packaging, in-store-marketing and media/education.



tc. ACQUISITIONS TO TRANSITION TO GROWING MARKETS

Packaging Acquisitions

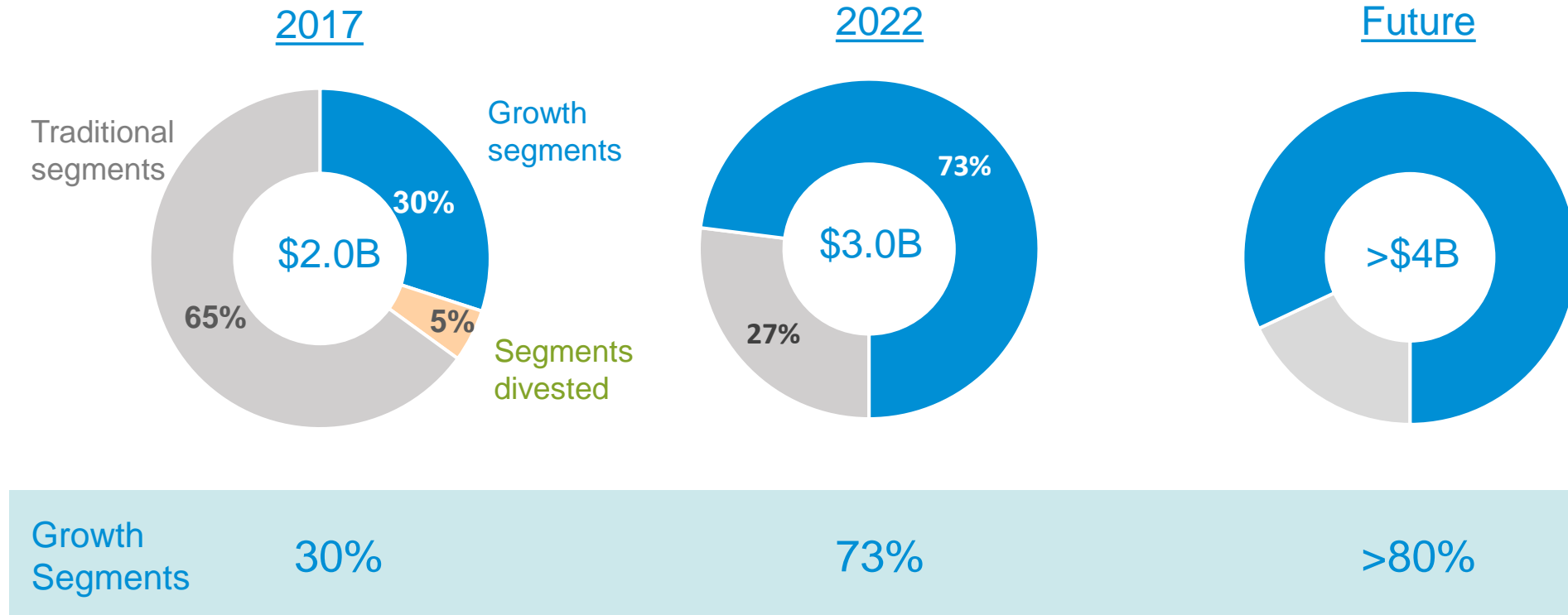


Media and ISM Acquisitions

- Invested >\$2B to build a leading North American flexible packaging platform
- Invested ~ \$200M to strengthen Media/Education and ISM growth market



SUCCESSFULLY TRANSFORM PORTFOLIO TOWARDS ACTIVITIES WITH FAVOURABLE LONG-TERM OUTLOOK

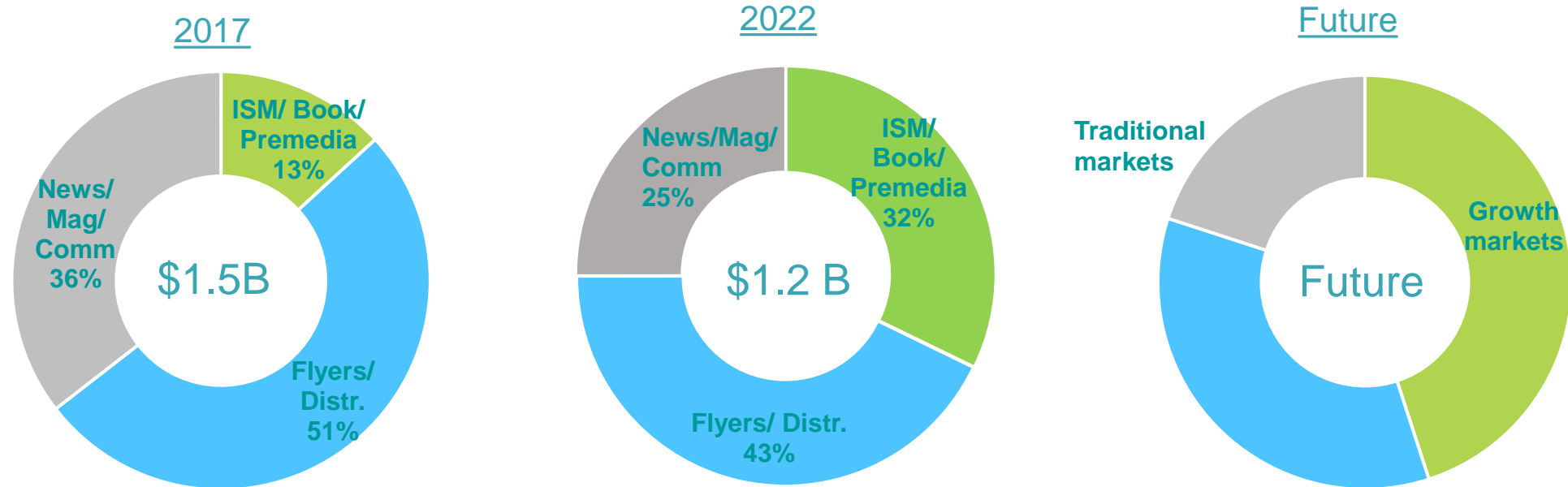


- Using strong cash flows from traditional segments to transform the company
- Long-term profitable growth outlook
- Solid balance sheet providing opportunities to accelerate growth through capital investments and acquisitions



DYNAMICALLY ADAPTING PRINT PORTFOLIO TO GROWTH MARKETS

Revenues by product/ market in the Printing Segment

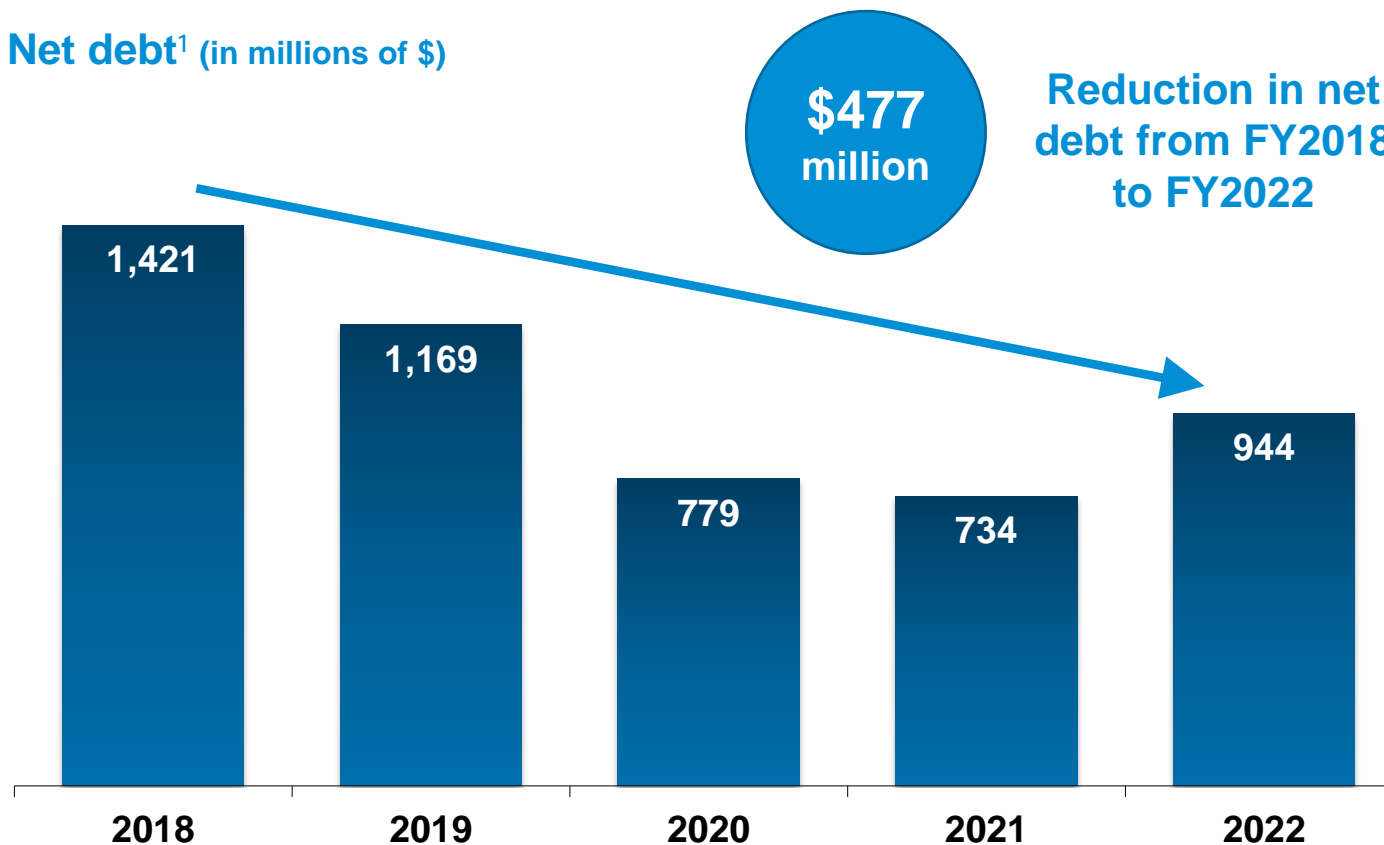


- A **growing** portion of the portfolio is composed of market segments with **favourable growth opportunities**. FY2022 revenues from these markets **>30%**.
- **Flyers continue to generate significant revenues** due to unmatched reach and return on investment for retailers.
- Print's portfolio today is **more resilient** with lower exposure to Newspapers, Magazines and Commercial printing while continuing to generate **strong free cash flow**.
- We aim to be the **last man standing** on the newspaper segment and capture additional volume as there are still some publishers, but they are not economically efficient to print for themselves.



DEMONSTRATED ABILITY TO DELEVERAGE RAPIDLY USING SOLID FREE CASH FLOW

Net debt¹ (in millions of \$)



~ \$200 million debt increase in 2022 mainly due to acquisitions & working capital

S&P and DBRS both reaffirmed TC's Investment Grade Rating

1. Long-term debt minus cash. Excluding the impact of IFRS 16 (lease liabilities).



RETURNING CAPITAL TO SHAREHOLDERS



Yield¹
5.9%

***Vs. a Dividend Yield of 3.2% for
the TSX composite index***



Payout Ratio²
~51%

***Dividend Supported by Strong Cash
Flow Generation and Profitability***



Growth
9.8%

***Average Annual Dividend
Growth Rate (1993-2022)***



Track Record
30 Years

***Distributing a Quarterly Dividend
Since 1993***

¹ Dividend yield calculated as at January 13th 2023

² Payout ratio (average 5 years) = Dividends per Share / Earnings per Share



- **Company Overview**
- **Our Strategy**
- **Corporate Social Responsibility**



FLEXIBLE PACKAGING PLAYS A KEY ROLE IN SUSTAINABILITY



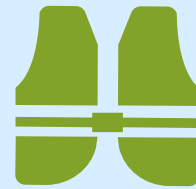
Lower environmental impact

Lower energy consumptions,
Greenhouse emissions
& Water usage



Food Waste Reduction

Extended shelf life
Barrier properties



Protects the Product & Reduces container breakage

Less Waste



Fewer Trucks for Transport

Optimizes transportation with light weight & flat shape

Flexible plastic packaging protects and extends shelf life with significantly less waste, energy use, and global warming potential



LOWER ENVIRONMENTAL IMPACT

Coffee Package Comparison



**Water
Consumption**



STAND-UP
FLEXIBLE POUCH

16X less than



STEEL
CAN



**Greenhouse
Gas Emissions**



STAND-UP
FLEXIBLE POUCH

8X less than



STEEL
CAN



**Fossil Fuel
Consumption**



STAND-UP
FLEXIBLE POUCH

5X less than



STEEL
CAN



FLEXIBLE PACKAGING REDUCES FOOD WASTE

When shelf life increase, **food waste decreases**



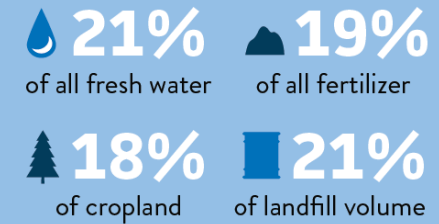
Without Flexible Packaging With Flexible Packaging

1/3 of all food produced is disposed of before it is consumed

RULE OF THUMB:

Packaging accounts for about 10% of carbon footprint of product

Food Waste Consumes



85%

Occurs downstream at consumer facing businesses and homes

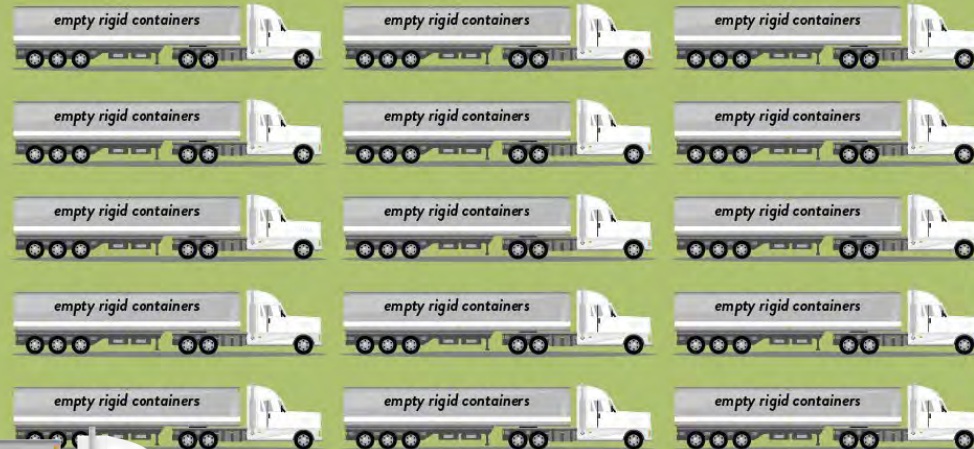


FEWER TRUCKS FOR TRANSPORT

Guess how many trucks you would need to transport the same volume of rigid containers?



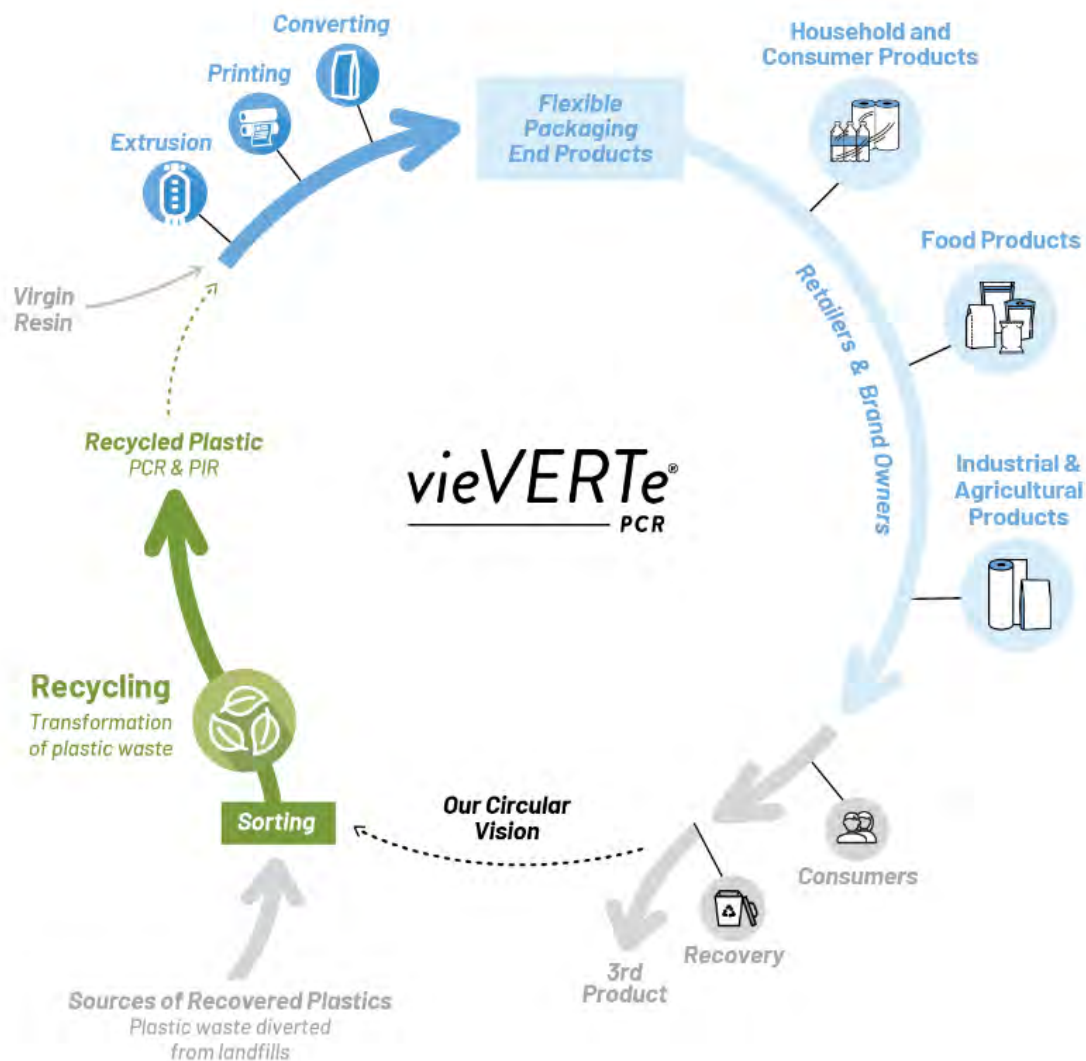
ONE TRUCKLOAD OF FLAT POUCHES
OFTEN EQUALS BETWEEN
15-25 truckloads of empty rigid containers



Source : AWT Labels and Packaging, 2016



INTEGRATING THE RECYCLING OF PLASTIC IN OUR PRODUCTION CHAIN



- Our recycling activities allow us to offer our customers **sustainable packaging products made from recycled plastic**, accelerating their development through consistent, stable and high-quality supply.
- We convert plastic waste recovered from commercial, industrial and agricultural sources into **100% post-consumer recycled resin (PCR)**, tested and certified by SCS Global Services, endorsed by the Association of Plastics Recyclers (APR).



VIEVERTE: OUR GROWING SUSTAINABLE PACKAGING LINE

100% Recycled Ready



vieVERTe™
— RECYCLE READY

- Low barrier outer bag/pouch
- Lamination-two layer
- Approved by How2Recycle for in-store drop off
- Seal-ability, machinability, and durability

Barrier Recycled Ready



vieVERTe™
— RECYCLE READY

- First to commercialize barrier structure barrier
- Lamination two-layer, reverse print
- Received How2Recycle approval
- Moisture and oxygen barrier requirements met
- Maintains machine speeds
- Available with up to 15% PCR content by weight in sealant lamination layer

Compostable



vieVERTe™
— COMPOSTABLE

- Leader in packaging films for compostable
- Custom engineered with customer collaboration
- BPI certified INDUSTRIAL COMPOSTABLE
- Developing film technology for HOME COMPOSTABLE
- Know how on ASTM 6400 testing requirements
- Strong relationships throughout the industry: composters, BPI, forums, universities, suppliers

PCR Shrink Films



Integritite™
RECYCLE READY

- Use of post-industrial recycled (PIR), post-consumer recycled (PCR) and FDA approved
- Maintains machine speeds
- Up to 50% PCR content by weight
- Recycle Ready



PURSuing OUR BUSINESS ACTIVITIES RESPONSIBLY

OUR EFFORTS ARE BEING RECOGNIZED BY STAKEHOLDERS.



Rated “A” by MSCI ESG Ratings for the last 6 years



Corporate Knights: Ranked 16th on the list of the 100 most sustainable corporations in the world in 2021



Included in the Top 50 of the Jantzi® Social Index in Canada



Global
Commitment

Signatory of the United Nations Global Compact and of the Ellen MacArthur Foundation’s New Plastics Economy Global Commitment



Committed to disclosure in the Carbon Disclosure Project since 2010

SIGNATORY OF THE UNITED NATIONS GLOBAL COMPACT

Since 2020 we have aligned our CSR objectives with those of the United Nations Sustainable Development Goals (SDGs).

Of the 17 goals established that are part of the 2030 Agenda for Sustainable Development, we are contributing to 9 of them.



**SUSTAINABLE
DEVELOPMENT
GOALS**





2025 CORPORATE SOCIAL RESPONSIBILITY PLAN



GREENER GROWTH

Waste Management

- Recover **100%** of non-hazardous operational waste

Greenhouse Gas Emissions

- Reduce greenhouse gas emissions by **10%**
- Publish a longer-term GHG reduction roadmap aligned with the SBTi by the end of 2023



INCLUSIVE AND SAFE ENVIRONMENT

Health & Security

- Reduce our Incident Frequency Rate each year by **3%** as we pursue our goal of « zero injury »

Diversity & Inclusion

- Maintain female representation on the Board, at Executive Committee level and in management positions with a proportion target of **35%**



INNOVATIVE AND SUSTAINABLE PRODUCTS

Paper Procurement

- Achieve a **100%** paper sourcing from third-party certified / recycled sources

Circular Economy Plastic

- Reach an average usage rate of post-consumer recycled content of **10%** for all plastic packaging in our product portfolio
- Aim for **100%** of our plastic packaging to be reusable, recyclable or compostable

Governance & Responsible Business Practices



Responsible Procurement



Data Security



Food Safety & Roadmap



Ethics & Compliance



Risk Management



Contact information

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