



2024

CORPORATE SOCIAL  
RESPONSIBILITY REPORT

# **BUILDING OUR FUTURE**

# CORPORATE PROFILE

## PACKAGING

- A leader in flexible packaging in North America
- Approximately 3,500 employees
- Network of 25 operating sites
- Variety of flexible plastic products, including rollstocks, bags and pouches, shrink films and bags, and advanced coatings.

## RETAIL SERVICES & PRINTING

- A leader in retail services in Canada and Canada's largest printer
- Approximately 3,300 employees
- Network of 14 operating sites
- Integrated solutions for retailers, including content production, marketing and media solutions (comprised of our flyer retail printing, digital flyer solutions and retail analytics) as well as in-store marketing solutions. This sector also offers an array of innovative print solutions for newspapers, magazines and 4-colour books.

## MEDIA

- The leading Canadian French-language educational publishing group and the leader in strategic information for key stakeholders in Québec's construction sector
- Over 300 employees



**\$2.8B**  
2024 REVENUES



**~ 7,500**  
EMPLOYEES



**39**  
OPERATING SITES



As we embark on the final year of our 2025 CSR plan, we are proud of the strides we’ve made towards our objectives in a challenging economic context. As an industry leader in packaging, retail services and printing, as well as French-language educational publishing, our business priorities and sustainability aspirations are intricately connected. In the past year, our progress in driving efficiency and optimization throughout our network has strengthened our company in many ways, unlocking greater potential to develop value-creating products that benefit our customers and align with their sustainability agendas.

Advancing the commercialization of recyclable film solutions, our new biaxially oriented polyethylene (BOPE) film line is now operational in Spartanburg, South Carolina. This strategic investment has positioned us as a North American pioneer in the field, capable of meeting the challenging requirements of different food and consumer applications for customers turning to us for their flexible packaging needs.

We also know that our stakeholders expect us to mitigate climate change. In 2024, we reached a significant milestone: our near-term science-based emissions reduction targets were approved by the Science Based Targets initiative (SBTi). Our progress will be measured against these targets in the areas of energy efficiency, clean energy procurement, and sustainable packaging, among others. This validation enables us to better support our customers on their own sustainability journeys and builds on the step we took in 2023 to address environmental impacts across our supply chain by disclosing our complete Scope 3 greenhouse gas (GHG) emissions.

The successful roll-out of our reinvented *raddar*® leaflet in Québec and British Columbia is yet another example of our efforts in this respect. In Québec, compared to the Publisac it replaced in 2023-2024, the *raddar*® leaflet does not require a plastic bag and uses less paper.

We are also proud to foster a culture of safety and belonging where our employees feel valued. Once again in 2024, we reduced our total incident rate (TIR) by 5%, demonstrating our commitment to creating a safe and healthy working environment for our employees. The many initiatives we put in place continue to bring us closer to our “no injuries” target. Inclusion and belonging are central to our values, and we continue to implement concrete measures.

Looking ahead, we are monitoring developments and preparing for increasing worldwide regulation around ESG. Our sustainability journey is a long-term commitment with our customers, our suppliers and all our stakeholders, and we are confident that we are on the right path. As we celebrate our achievements, we will continue to forge ahead and deepen our CSR initiatives as we prepare for our next plan.

Sincerely,

**ISABELLE MARCOUX**  
Executive Chair of the Board

**THOMAS MORIN**  
President and Chief Executive Officer

## OUR VISION

At TC Transcontinental, our vision is clear: corporate social responsibility is a collective opportunity to create value for all stakeholders. Supported by our strong values and our corporate culture, we want to design a future that is greener, more inclusive, safe, innovative, sustainable, united, and responsible. For 2025, we have set ambitious goals articulated around five main themes.



Greener Growth		2025-2030 Target	2024 Result (end of Fiscal Year)	Progress
<b>Greenhouse gas emissions</b>	Near-term science based targets: Reduce absolute Scope 1 and 2 GHG emissions by 42% by 2030 from FY2021 baseline.	42%	21%	▶
	Reduce Scope 3 GHG emissions by 25% within the same timeframe.	25%	17%	▶
	Publish a longer-term GHG reduction roadmap aligned with the Science-Based Targets initiative (SBTi) by the end of 2023	SBTi commitment	Near-term science-based targets validated by SBTi	▶
<b>Waste management</b>	Recover all non-hazardous operational waste	100%	94.4%	▶

Innovative and Sustainable Products		2025 Target	2024 Result (end of Fiscal Year)	Progress
<b>Circular economy - plastic</b>	Achieve an average usage rate of post-consumer recycled content by weight for all plastic packaging in our product portfolio	10%	2.16%	▶
<b>Circular economy - plastic</b>	Aim for all our plastic packaging to be reusable, recyclable or compostable	100%	48%	▶
<b>Paper procurement</b>	Sourcing paper from third-party certified or recycled sources <sup>1</sup>	99%	99.5%	▶

▶ On Track ▶ Requires Further Action ▶ Needs Attention

Inclusive and Safe Environment		2025-2030 Target	2024 Result (end of Fiscal Year)	Progress
<b>Health and Safety</b>	Reduce our Total Incident Rate (TIR) each year as we pursue our "no injuries" <sup>2</sup> target	3%	5%	▶
<b>Inclusion &amp; Belonging</b>	Maintain female representation on the Board of Directors	35%	50%	▶
	Increase the proportion of women at the Executive Committee level <sup>3</sup>	35%	12.5%	▶
	Increase the proportion of women in management positions	35%	36.4%	▶
	Increase the ethnic diversity of front-line supervisors <sup>4</sup>	↑	↑	▶
	Foster a culture of inclusion by ensuring a high percentage of leaders complete inclusion and belonging training by 2030	95%	86%	▶

United with Our Communities		2025 Target	2024 Result (end of Fiscal Year)	Progress
<b>Local commitment</b>	Achieve 2,500 volunteer hours through our 'Dollars for Doers' program within the 2021-2025 period	2,500	2,162	▶
<b>Donations</b>	Provide a cumulative sum to our communities in the form of donations and sponsorships	\$5M	\$4.8M	▶

▶ On Track ▶ Requires Further Action ▶ Needs Attention

<sup>1</sup> Annual target  
<sup>2</sup> Annual target  
<sup>3</sup> Is defined as reporting directly to the President and Chief Executive Officer or who is a member of the executive team  
<sup>4</sup> This target only applies to specifically identified sites

# Pillar 1

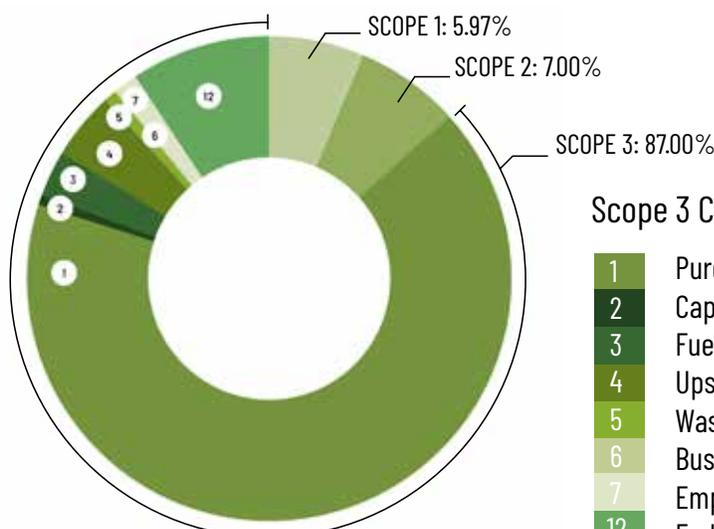
## GREENER GROWTH

OBJECTIVE	2025-2030 TARGET	2024 RESULT	2024 PROGRESS
Near-term science based target: Reduce absolute Scope 1 and 2 GHG emissions by 42 by 2030 from a FY2021 baseline	42%	21%	▶
Reduce absolute scope 3 GHG emissions by 25% within the same timeframe	25%	17%	▶
Publish a longer-term GHG reduction roadmap aligned with the Science Based Targets initiative (SBTi) by the end of 2023	SBTi commitment	Near-term science-based targets validated by SBTi	▶
Recover all non-hazardous operational waste	100%	94.4%	▶

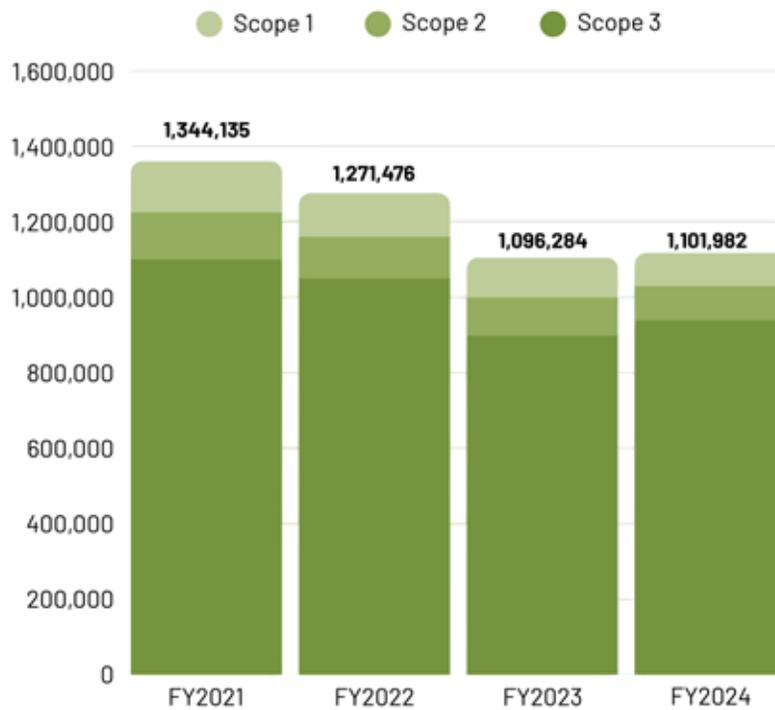
### NEAR-TERM EMISSIONS TARGETS APPROVED BY SBTi

In our 2024 fiscal year, we finalized and submitted our targets to the Science Based Targets initiative (SBTi) for review and validation. In October 2024, SBTi approved our near-term science-based emissions reduction targets. From now on, these will serve as the primary measure of progress on our sustainability objectives. We are committed to reducing Scope 1 and 2 GHG emissions by 42% by 2030 compared to fiscal year 2021, and to reducing absolute Scope 3 GHG emissions by 25% by 2030 compared to fiscal year 2021.

### PERCENTAGE OF FISCAL YEAR 2024 EMISSIONS BY SCOPE



In 2024, our absolute Scope 1 and 2 emissions decreased by 21% compared to 2021. This significant reduction can be explained by several factors. On the one hand, the closure of certain plants has led to a decrease in energy consumption from 2024. On the other hand, and especially in the United States, public policies to decarbonize electricity have had an effect, and the associated electricity emission factors have decreased by an average of 8% since the beginning of 2023. In terms of relative emissions, we emitted 300.16 kg of CO<sub>2</sub>e per tonne of products manufactured in 2024, compared to 332.65 in 2021. This represents a decrease of 10%<sup>6</sup>.



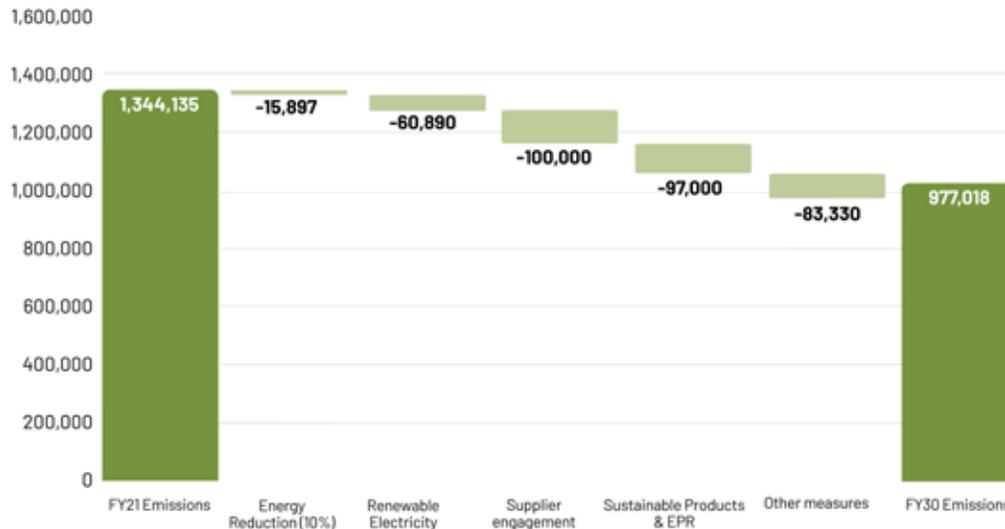
Our teams continued to implement initiatives to reduce energy consumption and improve air quality monitoring. In recent years, we have undertaken many projects that improved our energy consumption. Projects implemented are structured around several action areas and vary for each site, including:

- ▶ Carrying out energy optimization assessments
- ▶ Installing heat recovery equipment
- ▶ Performing preventive maintenance and corrections to reduce air leaks
- ▶ Replacing older equipment with state-of-the-art, energy-efficient models
- ▶ Updating emission control units with new regenerative thermal oxidizers (RTOs), to better limit volatile organic compounds (VOCs)
- ▶ Replacing legacy lighting systems with LED lighting
- ▶ Replacing traditional litho and silk screen presses with digital presses and moving to cleaner types of inks
- ▶ Enhancing air filtering systems to reduce sulfur and active ingredients emissions in the workplace and outside of our plants

<sup>6</sup>We use the GHG Protocol Standard to structure our GHG calculations for all 3 scopes. More specifically, we calculate our emissions according to the financial control approach. To calculate our Scope 2 emissions, we use a location-based approach. Additionally, in line with our forthcoming science-based targets, we have extended our calculations to include Scope 3 emissions, which constitute the majority of our emissions. To estimate our Scope 3 emissions, we use a mix of spend-based, primary and secondary data, emission factors, as well as use assumptions when data is not available or is incomplete.

In 2024, we developed long-term plans that require cross-functional collaboration. We identified key action levers to drive our progress, including reducing our energy consumption, sourcing renewable electricity and engaging with our suppliers on GHG reduction. As we outline the initiatives supporting our SBTi commitment, we will integrate our circular economy of plastic targets into our GHG reduction roadmap. Increasing product recyclability and compostability, along with incorporating more post-consumer recycled (PCR) content should have indirect positive impacts on GHG emissions.

### GHG Abatement Plan



Other measures featured in the graphic above combine the GHG reductions from multiple smaller actions, such as the indirect impact of procuring renewable energy in the FERA category, improving the operational waste management recovery rate, and reductions from the upstream and downstream transportation categories

### WASTE MANAGEMENT

In pursuit of our zero-waste goal and circular economy principles, we achieved a 94.4% recovery rate for non-hazardous operational waste at the end of 2024. This represents an improvement of 5% since fiscal year 2023. Waste recovery occurs through on-site segregation, off-site disposal, recycling, or energy recovery. Challenges persist in regions lacking recycling services hindering our 100% target. Hazardous waste is managed in accordance with local regulations, with each facility maintaining inventories and ensuring safe disposal through licensed waste handlers. Precaution measures are also taken in resin pellet handling facilities, with participation in initiatives like Operation Clean Sweep in Canada, requiring quarterly inspections and spills prevention. In the United States, audits are regularly conducted in compliance with stormwater permits.

### NEXT STEPS

As we work toward our 2025 targets, we intend to take further actions to improve our environmental performance. Notably, we will be rolling out an energy conservation program across sites and finalize our renewable electricity procurement roadmap. We aim to publish a climate change report providing further information on our strategy and risks and opportunities by the end of 2025. Moreover, in Latin America, we are updating environmental improvement plans based on self-assessment analysis and are undergoing external audits to comply with environmental management certifications in Guatemala.



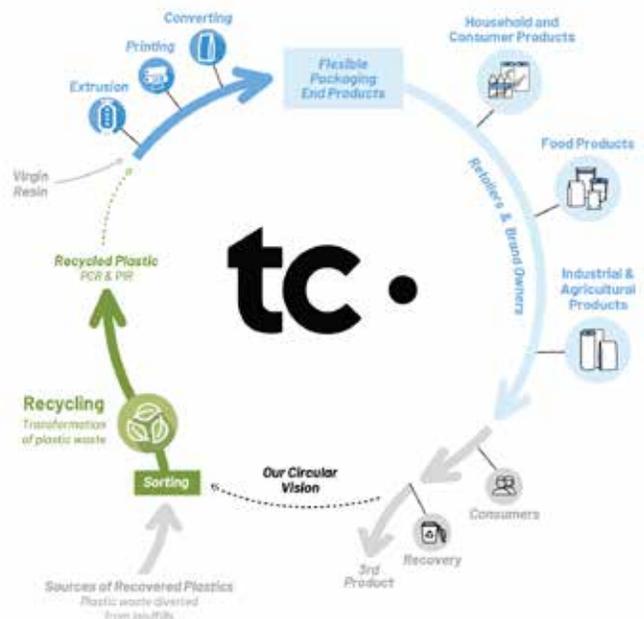
Pillar 2

# INNOVATIVE AND SUSTAINABLE PRODUCTS

OBJECTIVE	2025 TARGET	2024 RESULT	2024 PROGRESS
Aim for all our plastic packaging to be reusable, recyclable or compostable	100%	48%	▶
Achieve an average usage rate of post-consumer recycled content by weight for all plastic packaging in our product portfolio	10%	2.16%	▶
Sourcing paper from third-party certified or recycled sources <sup>7</sup>	99%	99.5%	▶

<sup>7</sup> Annual target

We are dedicated to sustainability and innovation, as evidenced through our R&D at the state-of-the-art ASTRA center. Our plastic packaging aligns with increasing demands for sustainability and lower-emitting GHG products. We are committed to innovating to develop recyclable, compostable, and recycled-content products. Consequently, all sustainable projects accounted for 69% of the product portfolio development in the 2024 fiscal year. We actively engage in advocacy for sustainable packaging policies via several key trade organization committees and boards with AMERIPEN and the Flexible Packaging Association. In addition to policy advocacy, we collaborate with the Association of Plastics Recyclers and How2Recycle to improve recycling guidelines, labelling, and infrastructure to ensure optimal end-of-life scenarios are available for flexibles. We take pride in our portfolio's value and its responsible impact across the value chain.



## CIRCULAR ECONOMY OF PLASTIC

Sustainability requires a thoughtful approach from design to end-of-life. Our customers look to us to provide flexible packaging that will protect their product, extend food shelf life, provide functionality and is sustainable.

## RECYCLE-READY AND COMPOSTABLE SOLUTIONS

In collaboration with our customers, our innovation capabilities have led to the development of exciting products designed to be recyclable and compostable and that meet both functional and sustainability requirements. 48% of our products are now recyclable or compostable with a target of reaching 100% by the end of our 2025 fiscal year. Notable recent projects initiated or launched include:

- ▶ Project “Slingshot”: Start up and commercialization of groundbreaking \$80 million investment in BOPE manufacturing asset to accelerate development of high performing polyethylene (PE) recyclable film solutions  
This is the currently the only asset in North America to produce BOPE films
- ▶ Developed recycle-ready structures for all major dairy applications: shredded cheese, chunk/bars, slices, forming/non-forming and yogurt tubes. These applications are currently awaiting H2R approval
- ▶ Completed development and expect 2025 commercial launch of recycle-ready platform for pet food and treats in both rollstock and pre-made bags
- ▶ Completed development and expect 2025 launch of a recycle-ready rollstock and pre-made SUP for frozen, dry food and snack products
- ▶ Initiated the development of a recycle-ready high barrier metalized package for snack bars
- ▶ Progression in material reduction from 3-ply to 2-ply for compostable coffee Motherbag
- ▶ Developed a recycle-ready stand-up pouch for a global food distributor as well as a north American co-packer and for the confectionary market
- ▶ Eight new products received pre-approval from How2Recycle (H2R) for the PE Film store drop-off collection stream, for a total of 27 in our product portfolio

## POST-CONSUMER RECYCLED MATERIAL

The inclusion of post-consumer recycled (PCR) content in packaging is a critical element to achieve plastic circularity, as it drives demand for more robust collection and recycling systems. While we make continual progress towards our goal, and have developed high quality PCR content packaging, we have encountered difficult market dynamics that have impacted our commercialization progress, including a slower than expected demand for PCR by our customers, mainly driven by market prices for quality PCR. At the end of fiscal year 2024, our PCR use represented 2.16% of our total packaging volume, an increase of 32% over end of fiscal 2023.

### We launched the following products or initiatives:

- ▶ Introduced sliced cheese packaging made with food contact FDA compliant 20% PCR
- ▶ Commercialized 40% food-grade PCR stand-up pouch for flour at a major retailer
- ▶ Launched 30% PCR case wrap for large national brewery
- ▶ Initiated the conversion of 30% PCR chunk cheese packaging, to be finalized by the end of calendar year 2025
- ▶ Launched a product with 25% advanced recycling content for a consumer-packaged goods company
- ▶ Developed and expect to launch in 2025 mechanically recycled between 8-19 % PCR content as an option to advanced recycling PCR, for the consumer-packaged goods market
- ▶ Validated the circularity of banana tree bags (collecting used bags from field and reprocessing into new tree bags) and started scale-up process in Latin America
- ▶ Obtained the International Sustainability and Carbon Certification (ISCC+ PLUS) for PCR for five sites, enabling greater traceability and compliance.

Integrating PCR content into our flexible packaging products also contributes to our GHG emissions reduction objectives and those of our customers. Indeed, the use of PCR resins lowers the carbon footprint of the package by reducing the need for virgin resin production. Based on a life cycle analysis (LCA), our 30% PCR Integritite® collation shrink pack results in lower fossil fuel use, GHG emissions and water use than virgin plastic. We use the LCA EcoImpact-Compass tool to perform comparative LCAs and assess the environmental footprints of TC Transcontinental products. EcoImpact-Compass is widely used in the packaging industry and provides ISO 14040/44 conformant LCAs.

## PAPER PROCUREMENT

As Canada's leading printer, we prioritize responsible forest management by aiming for 99% of our paper purchases to come from third-party certified or recycled sources. In 2024, 99% of our paper was third-party certified. We hold our own FSC® C011825, SFI®, and PEFC-COC-038057 Chain of Custody certifications, ensuring traceability from forest to product. In 2023, we introduced the *raddar*® leaflet, a reinvented flyer distributed in Québec and British Columbia, and also available on [raddar.ca](http://raddar.ca). It holds the PEFC-COC-038057 third-party sustainable forestry certifications. Moreover, the majority of *raddar*® leaflets are distributed by Canada Post, which uses an existing distribution network, thereby reducing GHG emissions related to delivery. We also took steps towards aligning our practices with the European Deforestation-free Regulation (EUDR) expected to take effect in December 2025. We set up an internal working group and have assessed our suppliers' practices to ensure that products sent into the European Union will meet related requirements.

## NEXT STEPS

2024 was a pivotal year for sustainable product development. By working together with our researchers, product developers and our sales and marketing teams, we have continued to qualify and commercialize more sustainable products for our customers. Looking forward, we are very optimistic in our future, with our material science learnings being leveraged into even higher performing solutions, and new assets, such as our 6.6m wide, first of its kind BOPE manufacturing on line in 2025. TC Transcontinental is uniquely positioned with the broadest of tools at our disposal, and we have all the confidence that we will continue to grow our brand as North America's preferred sustainable flexible product provider.



Pillar 3   
**AN INCLUSIVE &  
 SAFE ENVIRONMENT**

OBJECTIVE	2025-2030 TARGET	2024 RESULT	2024 PROGRESS
Reduce our Total Incident Rate (TIR) each year as we pursue our goal of “no injuries” <sup>8</sup>	3%	5%	
Maintain female representation on the Board of Directors	35%	50%	
Increase the proportion of women at the Executive Management Committee level <sup>9</sup>	35%	12.5%	
Increase the proportion of women in management positions	35%	36.4%	
Increase the ethnic diversity of front-line supervisors <sup>10</sup>	↑	Ongoing	
Foster a culture of inclusion by ensuring a high percentage of leaders complete inclusion and belonging training by 2030	95%	86%	

<sup>8</sup> Annual target  
<sup>9</sup> Is defined as reporting directly to the President and Chief Executive Officer or who is a member of the executive team  
<sup>10</sup> This target only applies to specifically identified sites

We strive to create a safe, diverse and inclusive work environment where talent excels and teams are engaged. We have a “no injuries” target, as nothing is more important to us than the health and safety of our coworkers. We want to empower our coworkers by developing skills that support their growth and contribute to our business objectives.

**OCCUPATIONAL HEALTH AND SAFETY**

Our Occupational Health & Safety (OHS) strategy is designed to create a safe environment for our coworkers. As such, we achieved an 11% reduction in recordable incidents in 2024, compared to 2023. Our 2024 initiatives below reflect that keeping our coworkers safe and healthy is a top priority from the plant floor to the executive management level.

## HEALTH AND SAFETY AWARENESS

In 2024, sites continued to implement various initiatives promoting our Health and Safety culture. Some of the local projects included:

- ▶ Maintaining and extending the “Stop-Think-Act” rule to prevent workplace injuries and incidents in our Latin American facilities
- ▶ Collaborating across sectors on priority sites to promote best practices and help to identify and assess risks in the work environment
- ▶ Deploying Ergonomics Video Analysis Software to identify real-time risks
- ▶ Increasing onsite presence from senior and middle management
- ▶ Promoting safety training, best practices and risk identification through Safety Olympics at our Calgary site
- ▶ Developing mock scenarios for hazard identification at multiple sites to train employees in risk recognition.

As part of our Health, Safety and Community Partners recognition program, 16 sites were also awarded a total of \$18,000 to donate to the charities of their choice. To be eligible, sites had to meet the following criteria: zero recordable incidents; or zero lost-time incidents and a reduction of the Total Incident Rate of 30% compared to the previous fiscal year.

## INCLUSION & BELONGING

We believe that inclusion and belonging is about respect, fairness and equal opportunity. To reach their full potential, employees need to feel safe and accepted for who they are. In 2024, we focused on building increased awareness.

The following initiatives were implemented to advance this goal :

- ▶ A mandatory eLearning session focused on unconscious bias and an allyship was developed for all salaried employees. The session was designed to create awareness on biases, to challenge our thinking, and promote a welcoming culture for every person. Similar content was also made available to our hourly employees in townhall meetings and shift huddle communications.
- ▶ All people leaders were required to attend a two-hour virtual training session “Inclusive Leader: Leading the Way Forward” to enhance understanding and practice of inclusive leadership.

## EMPOWERING WOMEN LEADERS

In 2023, we improved our results on two of our gender diversity objectives. With 50% of women on our Board of Directors, we have already exceeded our 2025 target of 35%. At the end of our 2024 fiscal year, there was also a higher proportion of women in management positions (36.4%) compared to 2023.

While skills continue to be prioritized, our diversity strategy includes leadership development programs, recruitment, and talent management, and, since 2019, our diversity targets are part of the executive compensation incentives criteria. Several initiatives took place in 2024:

- ▶ We held an event for Women in our Latin America operations, Mujeres@TC, in August. The event featured keynote speaker, Andrea Cardona, a true trailblazer and the first person from Latin America to conquer the highest peak on every continent. The event was titled “Reach Your Summit” and included a virtual team-building session.
- ▶ We also hosted a virtual Women@TC event for our female leaders in the remainder of our operations. The event featured a keynote speaker from one of our customers from the In-Store Marketing group. Participants also read a book and had several breakout sessions to discuss the content and how to apply learnings to their leadership development.

## MOVING BEYOND GENDER DIVERSITY

In terms of ethnic diversity, we have completed a survey of our workforce in Canada and the United States, with a 93% response rate. Analysis of data and major gaps will allow our teams to adjust their talent approach and include actions toward promoting ethnic diversity as part of the strategic planning process.

## TRUE COLORS, ANOTHER STEP TOWARD INCLUSION

True Colors is our employee-led committee focused on creating an inclusive and safe space for members of the LGBTQ+ community and their allies. Its work centers around education and awareness at all levels of the organization, inclusive policies and benefits, and community involvement.

## TALENT RETENTION AND DEVELOPMENT

Our talent is vital to the growth of our organization. As such, we seek to strengthen succession, progression and retention to minimize risks, particularly in the current tight labor market. In 2024, we continued to partner with BetterUp to provide transformative coaching to employees, covering topics like strategic management, communication, and career development. Identified through talent reviews, employees gain access to coaching on topics, including time management and productivity. Additionally, we offered mentorship with senior leaders to ~75 mentees identified by talent reviews and development plans. Through Evolo, our learning management system, rolled out in 2023, we offer employees training in leadership, professional development, technology, safety, compliance, and diversity and inclusion.

## NEXT STEPS

In line with our 2025 targets, we intend to take actions to create a safer and more inclusive environment, such as continuing to increase health & safety focus, monitoring and alignment on leading indicators (i.e., near-miss reporting); developing individual training trajectories on Evolo; using our employer branding, We've Got it Made, through internal and external campaigns to drive engagement and enhance recruitment capabilities; have successors identified for all non-executive critical positions, and continuing inclusion and belonging support initiatives.



# Pillar 4 UNITED WITH OUR COMMUNITIES

OBJECTIVE	2025 TARGET	2024 RESULT	2024 PROGRESS
Achieve 2,500 volunteer hours through our 'Dollars for Doers' program within the 2021-2025 period	2,500	2,162	▶
Provide a cumulative sum to our communities in the form of donations and sponsorships	\$5M	\$4.8M	▶

We have a long-standing practice of community involvement, and it is one of the ways we make a difference as a corporation. We proactively encourage employee participation through our programs to develop strong ties with our communities and make a positive impact. We invest primarily in the areas of health, education, local communities and the environment in the form of volunteer hours, donations and sponsorships.

## DOLLARS FOR DOERS PROGRAM

This program aims to promote community work through team engagement across all our sites. When a team of five or more employees has completed a determined number of minimum hours of community service for a non-profit organization, TC Transcontinental contributes \$1,000 to the organization. In 2024, a total of 600 volunteer hours were performed through this program, for which we donated \$35,000 to non-profit organizations.

### Some of the organizations that have benefited from our involvement are:

- ▶ *Feed my Starving Children*, by our Chicago office employees
- ▶ *Laval Food Bank (Moisson Laval)*, by our Transcontinental Anjou employees
- ▶ *Clinton Animal Rescue Endeavor*, by our Transcontinental Clinton employees

## DONATIONS

As a corporation, we are firmly committed to reaching or exceeding our four-year \$5 million cumulative 2025 target in terms of donations and sponsorships to our communities.

In 2024, TC Transcontinental granted approximately \$2.0 million to over 100 organizations that support the communities where we operate. Among our many contributions, \$384,108 was donated to Centraide (United Way) of Greater Montreal's 2024 campaign thanks to the generous participation of our employees combined with our annual donation.

TC Transcontinental recognizes the importance of building multi-year partnerships with community organizations to promote long-term positive impacts. These partnerships underscore TC Transcontinental's dedication to enriching and supporting the communities in which they operate.





## Pillar 5

# GOVERNANCE AND RESPONSIBLE BUSINESS PRACTICES

Our sound governance and responsible business practices are the foundations upon which we operate. We have programs and policies in place or under development in the areas of responsible procurement, data security, food safety, ethical conduct, legal compliance, and enterprise risk management.

TOPICS	OBJECTIVES	ACTIVITIES
RESPONSIBLE PROCUREMENT	<ul style="list-style-type: none"> <li>Integrate ESG criteria into our sourcing process as we roll out our responsible sourcing program.</li> </ul>	<ul style="list-style-type: none"> <li>Updated <a href="#">Supplier Code of Conduct</a> to reinforce human rights provisions, with a special focus on forced and child labor.</li> <li>Published our <a href="#">first report</a> on fighting forced labor and child labor, including details of due diligence program and perspectives on future improvements.</li> <li>Engaged with our paper suppliers to assess their readiness towards the upcoming EUDR regulation.</li> </ul>
CYBER SECURITY	<ul style="list-style-type: none"> <li>Conduct a comprehensive assessment of data protection and security program.</li> <li>Develop a roadmap, including policies, training and controls, to ensure increased protection against data leaks.</li> </ul>	<ul style="list-style-type: none"> <li>Conducted a comprehensive assessment to identify sensitive data and evaluate data protection measures and governance practices.</li> <li>Developed a roadmap to increase cyber resilience, including governance &amp; policies, training, and technical controls.</li> <li>Implemented a cybersecurity incident response preparedness readiness strategy, including annual cyber crisis simulation exercises and employee security training.</li> </ul>
BUSINESS ETHICS AND COMPLIANCE	<ul style="list-style-type: none"> <li>Ensure that our employees read and sign the Code of Conduct upon hiring.</li> <li>Develop and provide anti-corruption training to our employees, according to their role.</li> </ul>	<ul style="list-style-type: none"> <li>Ensured employees, including all management, executives and directors, sign the Code of Conduct and complete training as required and initiated the training for all other employees.</li> <li>Developed and provided anti-corruption training to employees based on their roles. Further information on TC Transcontinental's Code of Conduct can be found on our <a href="#">website</a>.</li> </ul>
ENTERPRISE RISK MANAGEMENT	<ul style="list-style-type: none"> <li>Annually review the Enterprise Risk Management program, including ESG risks and risks related to climate change, and have it approved by the Board of Directors or one of its committees.</li> </ul>	<ul style="list-style-type: none"> <li>Conducted annual risk assessment survey to identify top risks and mitigation strategies.</li> <li>Integrated management of ESG risks, including climate change and regulatory risks, within risk assessment and mitigation processes.</li> </ul> <p>Further information on TC Transcontinental's Enterprise Risk Management Program and the integration of ESG risks can be found in the <a href="#">Annual Report</a> and the <a href="#">Annual Information Form</a>.</p>
FOOD SAFETY AND QUALITY	<ul style="list-style-type: none"> <li>Maintain relevant food safety certifications, ensuring to our customers the integrity and quality of their products.</li> </ul>	<ul style="list-style-type: none"> <li>Achieved or maintained relevant food safety certifications recognized by the Global Food Safety Initiative (GFSI), such as Safe Quality Food (SQF), British Retail Consortium (BRC), International Featured Standard (IFS Pac Secure), and FSSC 22000.</li> <li>Conducted monthly monitoring of environment for pathogens.</li> </ul>

## NEXT STEPS

By 2025, we intend to maintain sound governance and responsible business practices by taking actions such as strengthening our sustainable procurement process and determining mitigating actions for emerging risks as part of the risk assessment process.

## OUR CSR GOVERNANCE STRUCTURE

Corporate social responsibility at TC Transcontinental is framed by a solid and well-defined governance structure. Our CSR strategy is integrated directly into the decision-making and management structure at all hierarchical levels, from the Board of Directors to front line teams.

### GOVERNANCE AND SOCIAL RESPONSIBILITY COMMITTEE OF THE BOARD OF DIRECTORS

Under the direction of the Board, the Governance and Social Responsibility Committee is responsible for reviewing and approving the Corporation's CSR plans, overseeing its performance, and monitoring CSR developments and trends.

### THE EXECUTIVE CHAIR OF THE BOARD AND THE PRESIDENT AND CHIEF EXECUTIVE OFFICER

The Executive Chair of the Board and the President and Chief Executive Officer provide overall leadership and strategic direction for the Corporation's CSR efforts, ensuring alignment with the company's mission and strategic goals.

### EXECUTIVE TEAM

The Executive team enables and closely monitors the proper execution of all initiatives.

### SENIOR VICE PRESIDENT, R&D, SUSTAINABILITY AND ESG

The Senior Vice President R&D, Sustainability and ESG is a member of the Executive Management Committee and leads the development of the ESG strategy and ensures that the team closely works with the operations. He reports progress to the Executive Management Committee and the Governance and Social Responsibility Committee.

# OUR COMMITMENT TO OUR STAKEHOLDERS

Our stakeholders play a vital role in shaping our approach and ensuring our sustained success. We believe in building long-term relationships with them to better understand their concerns and expectations.

Thus, to anchor our CSR strategy around relevant ESG issues for TC Transcontinental, we turned to our stakeholders to perform a rigorous and detailed materiality assessment in 2021.

A large-scale consultation program was undertaken and sent to our 7,500 employees as well as nearly 150 external stakeholders. The information collected and an internal relevance analysis then enabled us to identify 12 priority ESG themes for our organization. These were then grouped under five strategic pillars around which initiatives and ambitious objectives were articulated.

In 2024, we initiated a review of ESG financial material topics to gain valuable insights from our key stakeholders. This process aims to identify topics with the highest potential for value creation. Upon completion, we will update our targets and will enhance our disclosure accordingly, in line with the Canadian Sustainability Disclosure Standards (CSDS).



Importance for Stakeholders



Impact on TC Transcontinental Business

- 1 Employee health, safety, and well-being
- 2 Innovation and sustainable product development
- 3 Circular economy
- 4 Climate Change
- 5 Data security and privacy
- 6 Business ethics and compliance
- 7 Talent attraction and retention
- 8 Food safety and product quality
- 9 Environmental compliance
- 10 Diversity and inclusion
- 11 Enterprise risk management
- 12 Energy use
- 13 Employee training and development
- 14 Human rights
- 15 Supply chain transparency
- 16 Community impact and philanthropy
- 17 Operational waste management
- 18 Transportation and distribution
- 19 Food waste
- 20 Sustainable forestry
- 21 Water consumption

## PARTNERSHIPS AND RECOGNITIONS

Meeting sustainability challenges requires collaboration across the entire value chain. We have established solid relationships over the years with our esteemed partners and are very proud of our performance with many recognized rankings.

We are proud to have placed 42nd on Corporate Knights' 2024 Best 50 ranking, highlighting top Canadian companies that continue to evolve and invest in a cleaner future.

As we move forward on our social responsibility journey, we will continue our collaboration with our stakeholders and strategic partners to build a more sustainable future together.



Member of Ameripen



Member of the Association of Plastics Recyclers



Member of the Biodegradable Products Institute



Member of the Plastics Division of the Chemistry Industry Association of Canada



Obtained a C grade in 2024 for our performance in climate change and C for forest management



In the top 30 of the biggest Centraide campaigns



Signatory of the Ellen MacArthur Foundation's New Plastics Economy Global Commitment



Member of the Flexible Packaging Association



Member of PAC Global



Accredited Member of the Pet Sustainability Coalition



Member of Sustainable Packaging Coalition



Rated with low ESG risk according to Sustainalytics



Signatory of United Nations Global Compact

# 2024 CSR KEY INDICATORS

	2024	2023	2022
<b>FINANCIALS (IN MILLIONS)</b>			
Revenues	\$2,812.9	\$2,940.6	\$2,956.1
Operating earnings	\$209.5	\$164.7	\$217.3
Adjusted operating earnings (operating earnings before the accelerated recognition of deferred revenues <sup>1</sup> , accelerated depreciation <sup>1</sup> , restructuring and other costs (gains), impairment of assets, as well as amortization of intangible assets and reversal of the fair value adjustment of inventory sold arising from business combinations)	\$320.5	\$285.5	\$285.1
Total assets	\$3,641.3	\$3,700.3	\$3,801.0
Market capitalization at fiscal year-end	\$1,458	\$905	\$1,387
Operating expenses (excluding employee-related costs)	\$1,572.3	\$1,720.5	\$1,763.1
Dividends on participating and preferred shares	\$77.4	\$78.0	\$78.1
Interest paid on debt	\$43.3	\$49.5	\$34.7
Income taxes paid	\$37.2	\$48.4	\$84.9
Research and development expenditures <sup>2</sup>	\$9.2	\$9.8	\$8.3
<b>OUR EMPLOYEES</b>			
Number of employees	7,488	7,957	8,303
Female employees (%)	30.1%	30.1%	30%
Employee-related costs (in millions)	\$771.2	\$773.6	\$746.3
Employee turnover rate - voluntary (%)	9.6%	10.6%	12.1%
Employee turnover rate - involuntary (%)	12.3%	8.4%	4.7%
<b>PENSION FUND</b>			
Type of pension fund	Mix DB and DC	Mix DB and DC	Mix DB and DC
Pension plan assets (in millions)	\$509.5	\$491.5	\$531.4
Deficit of defined benefits plans (in millions)	\$84.3	\$80.2	\$62.7
Defined contribution pension plans and State plans expenses (in millions)	\$36.8	\$37.0	\$32.2 <sup>2</sup>
Number of unionized employees <sup>3</sup>	1,423	1,607	1,652
<b>HEALTH, SAFETY &amp; WELLNESS</b>			
Number of fatalities	0	0	0
Total incident rate (incidents per 200,000 worked hours) <sup>2</sup>	1.00	1.05	1.27
Total severity rate (lost days and restricted duty days per 200,000 worked hours)	49	52	52
<b>GOVERNANCE</b>			
Independent directors (in %)	70%	64%	58%
Female representation on the Board of Directors (in %)	50%	42%	39%
Number of women on the Executive Management Committee	3	4	3
Women in executive and management positions (in %)	36%	42%	33%

# 2024 CSR KEY INDICATORS

	2024	2023	2022
<b>OUR COMMUNITIES</b>			
Donations of cash, goods and services (in millions)	\$2.0M	\$1.5M	\$1.3M
<b>OUR PRODUCTS</b>			
<b>PROCUREMENT</b>			
Paper purchased (excluding paper provided by customers)(in tonnes) <sup>4</sup>	198,343	241,469	276,089
Total paper consumed (in tonnes) <sup>4</sup>	208,056	262,189	295,088
Purchases of FSC <sup>®</sup> certified paper (in tonnes) <sup>4</sup>	56,022	106,611	69,443
Purchases of PEFC certified paper (in tonnes) <sup>4</sup>	141,170	132,767	203,337
Purchases of SFI <sup>®</sup> certified paper (in tonnes) <sup>4</sup>	105	589	871
Total plastic consumed (in tonnes) <sup>5</sup>	283,445	222,552	218,338
<b>ENERGY</b>			
Energy used (in GJ)	2,467,144	2,568,465	2,641,364
Natural gas purchased (in GJ)	1,189,621	1,221,546	1,312,508
Propane purchased (in GJ)	3,468	3,040	3,740
Electricity purchased (in GJ)	1,274,055	1,343,879	1,325,116
<b>GHG EMISSIONS</b>			
Scope 1 greenhouse gas (GHG) emissions (in tonnes of CO <sub>2</sub> e)	65,784	82,834	89,530
Scope 2 GHG emissions (in tonnes of CO <sub>2</sub> e)	77,412	98,237	92,620
Scope 3 GHG emissions (in tonnes of CO <sub>2</sub> e)	958,786	915,213	1,089,326
<b>WASTE</b>			
Waste generated (in tonnes)	116,813	99,120	107,537
Recycled waste (in tonnes)	107,154	60,354	68,230
Waste used for energy recovery (in tonnes)	3,131	27,864	29,184
Waste sent to landfill (in tonnes)	6,529	10,901	10,123
<b>ENVIRONMENTAL MANAGEMENT</b>			
Spills	0	0	0
Fines for environmental damage or non-compliance	\$5,000	\$54,433	\$0

Unless otherwise indicated, all TC Transcontinental business units are included in the data and amounts are in Canadian dollars. Certain historical data has been modified as a result of updated methodology and changes in our operations.

1. Related to the agreements signed with The Hearst Corporation. Please refer to Note 31 to the annual consolidated financial statements for the year ended October 27, 2019. For a reconciliation of non-IFRS financial measures, please refer to the Management Discussion and Analysis for the year ended October 27, 2019.

2. Modification of the data following a calculation or a scope adjustment

3. For TC Transcontinental Packaging and TC Transcontinental Printing only

4. For TC Transcontinental Printing only

5. For TC Transcontinental Packaging only

## CORPORATE INFORMATION

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## MEDIA

For general information about the Company, contact the Communications Department at [contactmedia@tc.tc](mailto:contactmedia@tc.tc)

## SHAREHOLDERS, INVESTORS, AND ANALYSTS

For all financial information or to receive additional documentation about the Company, contact the Investor Relations Department or consult the “Investors” section of the Company’s website, at [www.tc.tc](http://www.tc.tc)

## OTHER INFORMATION

This report is also available in the “Social Responsibility” section of the Corporation’s website.  
Ce rapport est aussi disponible en français dans la section « Responsabilité sociale » du site Web de la Société.

## FORWARD-LOOKING STATEMENTS

This 2024 Corporate Social Responsibility Report may contain forward-looking statements or objectives that are based on management’s expectations and are subject to a number of inherent risks and uncertainties, known or unknown. The Corporation cautions against undue reliance on such statements or objectives since actual results or events may differ materially from the expectations expressed or implied in them.

## ABOUT THE REPORT

This report covers TC Transcontinental (or “the business”) and includes information on all of its segments. Certain statements in this report, including information about our programs and initiatives, may not apply uniformly to our industries. We have made statements of a general nature to facilitate understanding of the report. It is important to note that for a portion of the indicators, only primary data was available. However, to finalize some indicators, estimations were necessary due to limitations in data availability. This approach aligns with industry standards, where companies often encounter similar challenges in data collection and analysis. The 2024 report was prepared based on the various existing CSR disclosure frameworks. We are closely monitoring the development of the sustainability disclosure frameworks and aim to gradually align our indicators and our future reports with the recommendations of the IFRS and the upcoming Canadian standards. The main risks, uncertainties and other factors that could affect actual results are described in the most recent Annual and Quarterly Management Report as well as in the most recent Annual Information Form filed by the Company and which are available on its website at [www.tc.tc](http://www.tc.tc). TC Transcontinental’s 2024 Corporate Social Responsibility Report covers the period from November 1, 2023 to October 27th, 2024. This report is published and posted on the Company’s external website on July 11, 2025. In this document, unless otherwise specified, the term “dollar” and the symbol “\$” refer to Canadian dollars.



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