

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

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 story has been one of innovation and transformation to meet our customers' evolving needs.

Our strong family values, entrepreneurial spirit and long-term vision have always been at the heart of our success. Our mission is simple: create products and services that allow businesses to attract, reach and retain their target customers. In this pursuit, we are firmly guided by our vision to become a top leader in flexible packaging in North America while maintaining our position as Canada's largest printer and as a leader in our specialty media segments. The quest for long-term value creation and profitable growth is part of our DNA, as a controlled company and good corporate citizen. This is and will continue to be our commitment to our customers, employees, shareholders and the communities in which we operate.

Transcontinental Inc. (TSX: TCL.A TCL.B), known as TC Transcontinental, has approximately 8,500 employees, the majority of which are based in Canada, the United States, and Latin America. TC Transcontinental had revenues of more than C\$3.0 billion for the fiscal year ended October 27, 2019. For more information, visit TC Transcontinental's website at www.tc.tc

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	November 1 2018	October 31 2019	Yes	1 year

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

- Canada
- China
- Ecuador
- Guatemala
- Mexico
- New Zealand
- United Kingdom of Great Britain and Northern Ireland
- United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

- CAD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

- Operational control

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	Board-level committee: The mandate of the Corporate Governance and Social Responsibility Committee, composed entirely of independent directors, consists in ensuring compliance with corporate governance requirements and regulations, as well as overseeing the corporate social responsibility strategy of the company, which includes oversight of climate-related issues.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Other, please specify (Quarterly meetings)	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues Other, please specify (Reviewing and advising on performance objectives; Reviewing major capital expenditures, acquisitions and divestitures)	<Not Applicable>	The Governance and Social Responsibility Committee has the mandate to oversee TC Transcontinental's Corporate Social Responsibility Strategy. The Chief Strategy Officer, who reports to the President and CEO, also reports quarterly to the Governance and Social Responsibility Committee and monthly to the Executive Committee . The CSO is also in charge of the Corporate Social Responsibility Department, articulates the CSR strategy and oversees its implementation. A Corporate Social Responsibility Steering Committee has been formed and supports the Chief Strategy Officer with the articulation of the CSR plan and its implementation across the organization. The Chief Strategy Officer and Chair of the CSR Steering Committee present to the Board's Governance and Social Responsibility Committee quarterly, to look over the deliverables, such as the annual CSR Report or three-year CSR plans, as well as discuss on emerging sustainability risks and opportunities. The meetings also include discussions on the CSR goals and targets, long-term sustainability strategy, key projects and initiatives, as well as climate-related issues. As for management of climate-related risks, the Audit and Finance Risk Committee's mandate and main responsibilities include, among others, to : • Oversee the development and implementation of effective internal control procedures, including the disclosure control processes • Ensure compliance with legal and regulatory requirements • Review significant risks that may affect the Corporation and ensure that appropriate measures are in place to manage these risks.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Other, please specify (Chief Strategy Officer)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

TC Transcontinental's corporate social responsibility commitment is framed within a well-defined CSR governance structure. In 2018, a Chief Strategy Officer of the Corporation was appointed, reporting to the president and CEO. The Chief Strategy Officer leads the development of annual and long-term strategic plans. In support of the Corporation's commitment to operating its activities sustainably, the Chief Strategy Officer also oversees corporate social responsibility (CSR), including the Corporation's ambitions in developing sustainable products and solutions, and is tasked with articulating the CSR plan and aligning it with TC Transcontinental's business strategy. The Chief Strategy Officer also provides strategic guidance to the Corporation's Board of Directors and Leadership team on sustainability aspects of the business and emerging climate-related issues.

Moreover, objectives and plans are discussed and agreed upon by TC Transcontinental's Executive Management Committee, which also closely monitors the execution of all initiatives.

In 2017, the oversight of the CSR strategy was integrated into the mandate of the Corporate Governance Committee of the Board, which was renamed Governance and Social Responsibility Committee. By overseeing CSR, the Board of Directors further supports TC Transcontinental's commitment to pursuing business activities in a responsible manner and demonstrating proven leadership in this regard.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Other, please specify (Managers and Operators)	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Behavior change related indicator Environmental criteria included in purchases	TC Transcontinental has put in place annual performance assessments for all salaried employees. Performance discussions are a powerful driver of corporate and individual performance and represent a precious opportunity for managers and employees to stop and have a conversation on performance, individual development goals and career interests. Attainment of personal objectives included in the performance evaluation process can affect monetary incentives received by the employee. Many individuals in the organization have personal objectives related to climate-related issues included in their performance evaluation. For example, monetary savings from energy efficiency projects are used, among others, to determine annual bonuses. Corporate and other positions related to sustainability and environmental compliance, also have specific personal performance objectives directly or indirectly related to climate.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	1	
Medium-term	1	5	
Long-term	5	100	Long-term is defined as 5+ years, with no upper limit.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

As part of our enterprise risk management process, risk impacts have been defined in four categories:

1. Minor, could represent a reduction of EBITDA of \$1M,
2. Moderate, could represent a reduction of EBITDA between \$1M and \$5M,
3. Serious, could represent reduction of EBITDA between \$5M and \$20M,
4. Severe, could represent a reduction of EBITDA above \$20M.

Substantive financial impact is considered for the 'serious' and 'severe' categories, or more specifically, for risks that could have a financial impact of more than \$5M on EBITDA.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

Annually

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

TC Transcontinental's current risk assessment process consists of our Internal Audit team interviewing members of the Executive Committee team to obtain their input, among others, on the risks that were caused by, could be caused by or accelerated by climate change. Interviewees were also asked to think about how climate change could impact TC's operations. Following the interviews, a survey was sent to members of the Executive Committee team, asking them to assess the impact and likelihood of all identified risks, including risks related to climate change. The survey results were compiled to obtain the rating score for each risk (rating score impact likelihood).

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	TC Transcontinental does a quarterly watch of all environmental-related legislation to be aware of the current legislative framework in which it operates and ensure compliance. This includes regulations linked to climate change, such as air pollution limits, cap and trade schemes, carbon taxes, etc., which might require large-scale technological investment in our printing and packaging facilities, such as pollution abatement systems.
Emerging regulation	Relevant, always included	As part of the quarterly process described above, TC Transcontinental also includes an analysis of the proposed new laws and regulations related to environmental compliance. This includes looking into geographical areas with more stringent climate-related and environmental legal frameworks to plan for the required adjustments to ensure conformity. For example, products manufactured by TC Transcontinental are at risk of being included in plastic packaging regulations already seen in Europe or currently being discussed in Canada.
Technology	Relevant, always included	TC Transcontinental emits air contaminants (mostly volatile organic compounds- VOCs) as part of its operations. The Corporation is therefore always looking to ensure to have the best available production equipment and pollution-abatement technologies. As new equipment is added, or current equipment is modified, governmental regulations can require large-scale investment in newer, more effective anti-pollution technologies. For example, the Transcontinental Flexstar plant in British Columbia recently invested in a new and highly effective regenerative thermal oxidizer following legislative changes related to VOCs in the Metro Vancouver area.
Legal	Not relevant, explanation provided	As Transcontinental is not a significant emitter of greenhouse gases, we are not considering the risks of climate litigation claims to be of material relevance to our Corporation.
Market	Relevant, always included	TC Transcontinental tracks the state of the multiple printing and packaging markets in which it operates. Changes in consumer behaviour due to higher awareness of environmental issues, such as the zero-waste movement or the move to digital for printed products, are considered as climate-related risks.
Reputation	Relevant, always included	TC Transcontinental understands that a company's reputation can be tarnished by an environmental scandal or a public campaign. We are therefore always including these concerns when reflecting on the climate-related risks linked to our industry. For example, NGO campaigns on large-scale deforestation or ocean plastic pollution could impact perception of business segments in which we operate.
Acute physical	Relevant, always included	TC Transcontinental knows that climate change will bring more extreme weather events, which can affect both operations and supply chain. This risk is included in TC Transcontinental's risk assessment and mitigation strategies are developed, like contingency plans or alternative procurement strategies. For example, hurricanes in the American southwest and southeast have affected both our operations and plastic supply chain in 2018 and 2019.
Chronic physical	Relevant, always included	TC Transcontinental believes that long-term changes in weather patterns, such as heatwaves or sea-level rises, could impact operations by affecting employees' health or the integrity of the facilities located in flooding zones. For example, our Transcontinental Flexstar facility is located in a flood zone along the Fraser river.

C.2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C.2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Market	Increased cost of raw materials
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Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Paper, ink, film, adhesives and plates are the primary raw materials used by the Corporation's printing and packaging sectors. Their supply chain and our own manufacturing operations consume energy sourced from electricity, natural gas and oil. Our purchasing, operations and distribution costs could be impacted by an oil price increase due to decrease in supply or new legislation. Furthermore, some of TC Transcontinental's suppliers are required to participate in GHG regulatory frameworks, such as cap and trade programs. Increased costs in the supply of raw materials have already been seen following the implementation of the Quebec cap and trade program. It is anticipated that more provinces, states and countries will implement similar programs in the future, thus increasing the magnitude of the impact of this risk. As a plastic packaging manufacturer, TC Transcontinental has been using virgin materials derived directly from fossil fuel feedstocks; variability in input costs is therefore expected if the price of plastic pellets and film increases due to potential additional taxes on fossil fuels.

Time horizon

Long-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

210000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The Flexible Packaging Association estimates direct material costs at 52% of net sales. TC Transcontinental Packaging 2019 revenue was \$1,618M, at 52% this translates to roughly \$840M of direct material costs. TC Transcontinental has seen an increase of about 25% on raw materials when a cap and trade scheme was implemented in Quebec. A 25% increase of material cost across all our Packaging division would therefore represent \$210M of additional costs.

Cost of response to risk

0

Description of response and explanation of cost calculation

TC Transcontinental usually includes in contractual agreements that increased raw material costs will be passed through directly to the customer. Furthermore, TC Transcontinental is constantly aiming to reduce our production costs through automation and manufacturing efficiency. The Corporation will also increase the volume of recycled plastics in its portfolio in order to replace virgin resins.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Reputation	Shifts in consumer preferences
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Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Media attention on plastic pollution, notably in the oceans, has created a wave of voluntary commitments and new regulatory frameworks related to plastic packaging. For example, single-use plastic bans or plastic packaging regulations are already seen in Europe or currently being discussed in Canada. These regulations could potentially include some products manufactured by TC Transcontinental (such as the Publisac, used for flyer distribution in Quebec or non-recyclable flexible packaging) and therefore could significantly affect our product basket and revenues.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

2383000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

In 2019, the revenues from TC Transcontinental Packaging were of \$1,618M, while the TC Transcontinental Printing revenues for flyers and distribution were \$765M, for a total of \$2383M. Both divisions could be impacted by changes in consumer demand or if upcoming regulations (such as bans on single-use plastics or flyer distribution) are put in place.

Cost of response to risk

769800

Description of response and explanation of cost calculation

Through advocacy, consumer education campaigns and customer engagement, TC Transcontinental promotes the value of the products it manufactures and explains their usefulness to consumers, as well as why they shouldn't be included in regulatory frameworks (such as single-use plastic bans). This activities amount to approximately \$398 000 in annual expenses. In parallel, TC Transcontinental invests in R&D to develop new packaging structures that are considered as sustainable and low carbon (such as packaging that are compostable, recyclable or made from recycled content) and are unlikely to be included in said regulations. Both activities amount to approximately \$7.3M in annual expenses.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Other, please specify (Increase severity and frequency of extreme weather events such as cyclones, floods and increase likelihood and severity of wildfires)
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Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Extreme weather events, such as heat waves, floods and hurricanes are expected to increase both in occurrence and severity due to climate change. These could lead to disruption in our facility operations, energy supply and/or the employees' ability to get to work. TC Transcontinental also increasingly concentrates the production of certain products in high-volume plants, which increases the risk of missing production deadlines due to a disaster at one of these facilities.

Time horizon

Long-term

Likelihood

Very likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

1489000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

TC Transcontinental estimates that 90% of all its facilities are in areas with medium to high risk to be impacted by extreme weather events. This assessment was obtained by constructing a detailed map of all of TC Transcontinental's facilities, overlapped with maps showing regions at risk for multiple climate-related issues, such as heat stress, dangerous increase in temperatures, increases in hurricane or cyclone frequency and severity and drought risks.

Cost of response to risk

0

Description of response and explanation of cost calculation

TC Transcontinental has built a business continuity strategy to mitigate the business impact related to major disruptions. This process ensures that facilities across the network can keep continuity in production and mitigate the financial impacts of lost production time. Through its acquisition strategy, TC Transcontinental has built a resilient coast-to-coast network of facilities. For facilities that deliver products daily, TC Transcontinental has implemented contingency plans. Finally, TC Transcontinental ensures that compatible production systems are installed across its network, to facilitate moving production jobs throughout the network.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Markets

Primary climate-related opportunity driver

Access to new markets

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Consumers are interested in low-carbon, environmentally friendly products and customers want to do business with corporations concerned about their environmental impact. The development of new, low carbon packaging alternatives (compostable, recyclable or with recycled content) can lead to a high market demand.

Time horizon

Medium-term

Likelihood

Virtually certain

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

460000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The North American market size for sustainable flexible packaging is expected to reach 73 billion dollars in 2025 with a CAGR of 5.18% between 2020 and 2027 (Research Nester). Therefore, \$460M in growth can be expected by TC Transcontinental Packaging in the next 5 years.

Cost to realize opportunity

7300000

Strategy to realize opportunity and explanation of cost calculation

TC Transcontinental is committed to invest at least 1% of its revenues from its Packaging division in R&D efforts and has invested \$7.3M to do so in 2019. The R&D group oversees the development and commercialization of differentiated products and eco-responsible packaging solutions for customers. Specifically, TC Transcontinental focuses on growing its abilities to produce packaging that contains post-consumer recycled content or that is 100% recyclable or compostable.

Comment**Identifier**

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resilience

Primary climate-related opportunity driver

Other, please specify (Resilience to major disruptions)

Primary potential financial impact

Increased revenues resulting from increased production capacity

Company-specific description

Through its acquisition strategy, TC Transcontinental has built a strong network of printing and packaging facilities. As the occurrence and severity of extreme weather events increase due to climate change, the Corporation could benefit from its geographical spread in comparison to some of its competitors, as it can relocate print and packaging orders to approved facilities within its network.

Time horizon

Long-term

Likelihood

About as likely as not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

30000000

Potential financial impact figure – maximum (currency)

150000000

Explanation of financial impact figure

This figure is estimated considering the ability to secure our current customer base (and therefore not lose revenues), but also attract new customers (1 to 5% of our 2019 pro forma revenues).

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

Transcontinental has built a business continuity mitigation strategy, where contingency plans have been developed to mitigate the business impact related to major disruptions. This process ensures that facilities across the network can keep continuity in production and mitigate the financial impacts of lost production time. Through its acquisition strategy, TC Transcontinental has built a resilient coast-to-coast network of facilities. For facilities that deliver products daily, TC Transcontinental has implemented contingency plans and holds insurance policies that could indemnify it against a portion of the costs related to certain disasters. Finally, TC Transcontinental ensures that compatible production systems are installed across its network, to facilitate moving production jobs throughout the network.

Comment**Identifier**

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Shift in consumer preferences

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

Compared to alternatives, flexible packaging optimizes resource use, while maintaining product integrity and extending product shelf-life. Its reduced weight and volume also lower the emissions related to transportation of the packaged goods, reducing the overall embedded carbon emissions of the package (reference: A Holistic View of the Role of Flexible Packaging in a Sustainable World, Flexible Packaging Association, 2018). Consumers are interested in low-carbon, environmentally friendly products: flexible multi-laminate plastic packaging can be seen as a more eco-friendly alternative to rigid packaging due to its environmental advantages. Flexible packaging also plays an important role in preserving and protecting the product it contains throughout the supply chain, from production to consumers. For example, a study by the Flexible Packaging Association (FPA) showed that the use of flexible plastic packaging, such as that produced by TC Transcontinental, extends the shelf life of cheese by 90 days, grapes by 63 days, bananas by 21 days and mangoes by 20 days. A third of the food produced in the world is lost or wasted somewhere along the chain, and, as per the Food Agriculture Organization of the United Nations, global food loss and waste generate about 8% of total anthropogenic GHG emissions annually, or around 4.4 GtCO₂ eq. By being one of the solutions to reduce food waste, packaging can therefore help reduce greenhouse gas emissions associated with global food production.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

418000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The global flexible packaging market size is estimated to grow at a CAGR of 4.7 from 2017 to 2022. Therefore, \$418M in growth can be expected by TC Transcontinental Packaging in the next 5 years.

Cost to realize opportunity

398000

Strategy to realize opportunity and explanation of cost calculation

Through marketing strategies, new website content and consumer engagement, TC Transcontinental continuously educates its stakeholders on the value of flexible packaging, notably on its low environmental footprint and ability to reduce food waste.

Comment

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?

No, but we anticipate using qualitative and/or quantitative analysis in the next two years

C3.1c

(C3.1c) Why does your organization not use climate-related scenario analysis to inform its strategy?

In 2018, TC Transcontinental concluded its 2016-2018 Corporate Social Responsibility plan, which was developed in 2015. This plan included energy efficiency and greenhouse gas emissions objectives for the Printing division, which were not science-based, but rather based on the operational reality of a consolidated business in a decreasing market. The 2019-2021 Corporate Social Responsibility plan, released in July 2019, is now more representative of the new reality of the transformed Corporation and its greenhouse gas reduction target includes both the Printing and Packaging divisions. Now that our activities have stabilized, TC Transcontinental will aim at linking GHG reduction targets to a globally-accepted science-based goal in the upcoming years. This will provide us with a clear route to reduce greenhouse gas emissions. We also plan to incorporate elements required by the SASB and TCFD standards into our annual disclosures.

C3.1d

(C3.1d) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Risks and opportunities related to the growing demand from customers for products with low carbon footprint and better end-of-life management have influenced our packaging division's product development strategy and portfolio. In March 2019, TC Transcontinental became the first Canadian-based manufacturer to join Ellen MacArthur Foundation's New Plastics Economy Global Commitment and committed, by 2025, for 100% of our plastic packaging to be reusable, recyclable or compostable, on top of achieving a 10% use of post-consumer recycled content on average by weight, across all plastics in our product basket. In addition, in 2019, TC Packaging launched the vieVERTe sustainable product portfolio, which includes its compostable and recyclable product line, as well as applications containing post-consumer resins. vieVERTe sustainable products offer all the benefits of flexible packaging, including barriers, durability, performance, shelf stability and visual appeal, while providing a responsible end-of-life solution and lower embedded carbon footprint. This line will be enhanced as our research and development team continue to develop new innovative eco-friendly products.
Supply chain and/or value chain	Yes	The risks associated with the increase frequency and severity of extreme weather events due to climate change has impacted our supply chain. In recent years, some of TC Transcontinental's suppliers have been impacted by hurricanes, forest fires and other weather-related disruptions, which have led to operational delays in some of our facilities. This has put forward the need to invest in contingency plans for each facility, to maintain a diverse supply chain and to ensure adequate inventories for key direct materials. As most of TC Transcontinental's climate impact lies in its supply chain, as well as to identify other risks and opportunities related to climate in our supply chain, TC Transcontinental joined Ecovadis in the Fall of 2019 to assess the quality of its suppliers' CSR management system, including governance on climate-related issues and emission management. This tool will allow us to gather important information about our supply chain and identify areas of higher risks and opportunities for improvement. The results from the assessment of our first tier of suppliers will be available in September 2020 and will be key in informing our supply chain strategy going forward. A second wave of assessments will be started in the Fall of 2020 and through 2021.
Investment in R&D	Yes	Risks and opportunities related to the growing demand from customers for products with low carbon footprint and better end-of-life management have influenced our investments in R&D. Indeed, we know that innovation is key to achieving our ambitious targets for sustainable packaging and this is why we are committed to investing at least 1% of our Packaging sector's annual revenues in research and development (R&D) by 2021. The acceleration of our expansion in the packaging sector following the transformational acquisition of Coveris Americas has led to the deployment of a new innovation strategy in 2019. Indeed, our commitment to the circular economy and the ambitious objectives we have set ourselves required a strengthening of our research and development capabilities. With the arrival of new leadership and a renewed innovation strategy, we have been able to drive additional investments in R&D and to launch several research and development initiatives meeting the needs of our markets for ecoresponsible products.
Operations	Yes	The risks associated with the increase frequency and severity of extreme weather events due to climate change has impacted our operational strategy. In recent years, some of TC Transcontinental's operational facilities have been impacted by flooding, tornadoes, hurricanes, forest fires and electricity supply disruptions, which have led to temporary loss in production time. This has put forward the need to invest in strong mitigation strategies, such as contingency plans for each facility, compatible production IT systems (to facilitate moving job orders from one plant to another) and increasing our geographical footprint through M&A, with multiple plant acquisitions since 2018. Similarly, the risk associated to more stringent air quality regulations in communities where we operate has led to an increase in capital expenditures for pollution control devices, such as new energy efficient regenerative thermal oxidizers installed in 2019 in Transcontinental Flexstar and Transcontinental Flexipak. In our printing sector, it also led to rationalization of our production sites, in order to maintain only more energy efficient, state-of-the-art facilities with best available pollution prevention controls.

C3.1e

(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Indirect costs Capital expenditures Acquisitions and divestments	Climate-related risks and opportunities influences multiple aspects of our financial planning. For example, the growing demand from customers for products with low carbon footprint and better end-of-life management led to reallocation of 1% of our packaging sector revenues to investments in R&D, as well opened opportunities for new revenue streams. To differentiate ourselves with an offering of eco-responsible packaging products containing recycled plastic, we also announced in early 2020 our new vertical integration strategy, with the creation of a Recycling Group within TC Transcontinental Packaging. This group purchased equipment in June 2020 for converting flexible plastics recovered from sorting facilities and other commercial, industrial and agricultural sources into recycled plastic granules, ensuring a stable procurement for TC Transcontinental. TC Transcontinental will also be on the lookout for potential acquisitions of companies in this sector in the short and medium term.

C3.1f

(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

VOID

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2019

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (location-based)

Base year

2018

Covered emissions in base year (metric tons CO₂e)

199983

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2021

Targeted reduction from base year (%)

95

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

9999.15

Covered emissions in reporting year (metric tons CO₂e)

200578

% of target achieved [auto-calculated]

-0.313184515420653

Target status in reporting year

Underway

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Please explain (including target coverage)

This target includes all of TC Transcontinental operational facilities. Our printing and packaging plants use electricity and fossil fuels to operate their production equipment and to heat, ventilate and cool buildings. Each year, electricity, natural gas and propane consumption data from our business units is used to calculate our Scope 1 (direct emissions from owned or controlled sources) and Scope 2 (indirect emissions from the generation of purchased energy) emissions. New KPIs on GHG intensity will be reporting starting 2020.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

No other climate-related targets

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*	9	1125
Implementation commenced*	8	1000
Implemented*	17	2139
Not to be implemented		

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in production processes	Process optimization
---	----------------------

Estimated annual CO2e savings (metric tonnes CO2e)

42

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

181000

Investment required (unit currency – as specified in C0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

3-5 years

Comment

Initiative category & Initiative type

Energy efficiency in buildings	Insulation
--------------------------------	------------

Estimated annual CO2e savings (metric tonnes CO2e)

349

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

163853

Investment required (unit currency – as specified in C0.4)

46500

Payback period

<1 year

Estimated lifetime of the initiative

6-10 years

Comment

Initiative category & Initiative type

Energy efficiency in production processes	Waste heat recovery
---	---------------------

Estimated annual CO2e savings (metric tonnes CO2e)

1346

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

248995

Investment required (unit currency – as specified in C0.4)

1542300

Payback period

4-10 years

Estimated lifetime of the initiative

6-10 years

Comment

Initiative category & Initiative type

Energy efficiency in buildings	Lighting
--------------------------------	----------

Estimated annual CO2e savings (metric tonnes CO2e)

402

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

194031

Investment required (unit currency – as specified in C0.4)

592077

Payback period

1-3 years

Estimated lifetime of the initiative

16-20 years

Comment

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Lower return on investment (ROI) specification	The Simple Payback Period is calculated; projects with a payback under three years are preferred. Governmental grants are sometimes required in order to make the projects financially acceptable.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Group of products

Description of product/Group of products

Flexible plastic packaging

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (Life cycle analysis)

% revenue from low carbon product(s) in the reporting year

53

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

Compared to alternatives, flexible packaging optimizes resource use, while maintaining product integrity and extending product shelf-life. Its reduced weight and volume also lower the emissions related to transportation of the packaged goods, reducing the overall embedded carbon emissions of the package (reference: A Holistic View of the Role of Flexible Packaging in a Sustainable World, Flexible Packaging Association, 2018). Most of the revenues from TC Transcontinental's packaging division come from flexible packaging.

Level of aggregation

Product

Description of product/Group of products

Publisac

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (Life cycle analysis)

% revenue from low carbon product(s) in the reporting year

1

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

Publisac is TC Transcontinental's flyer distribution system. In 2019, TC Transcontinental introduced a new Publisac made from 100% recycled plastics. A life-cycle analysis showed that the new Publisac emits 79 % less GHG emissions than the original.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

November 1 2017

Base year end

October 31 2018

Base year emissions (metric tons CO2e)

103686

Comment

Scope 2 (location-based)

Base year start

November 1 2017

Base year end

October 31 2018

Base year emissions (metric tons CO2e)

96298

Comment

The major increase in our GHG emissions is explained by our Coveris acquisition in May 2018.

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

108112

Start date

November 1 2018

End date

October 31 2019

Comment

In 2019, TC Transcontinental's Scope 1 emissions increased compared to 2018. This is mainly due to growth in our Packaging sector. Our efforts in energy efficiency have largely mitigated the increase in emissions stemming from several major projects, such as the addition of printing capacity at Transcontinental Flexipak and Transcontinental Transmag in 2019, and the installation of a regenerative thermal oxidizer at Transcontinental Flexstar. The latter has actually enabled us to reduce our volatile organic compound (VOC) emissions by 200 tonnes over the past year.

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)

103686

Start date

November 1 2017

End date

October 31 2018

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We have operations where we are able to access electricity supplier emission factors or residual emissions factors, but are unable to report a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

92466

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

November 1 2018

End date

October 31 2019

Comment

Past year 1

Scope 2, location-based

96298

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

November 1 2017

End date

October 31 2018

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

Refrigerant leaks

Relevance of Scope 1 emissions from this source

Emissions are relevant but not yet calculated

Relevance of location-based Scope 2 emissions from this source

No emissions from this source

Relevance of market-based Scope 2 emissions from this source (if applicable)

No emissions from this source

Explain why this source is excluded

Companies that report to the Greenhouse Gas Reporting Program should follow the EPA's prescribed methodologies and must include GHG emissions from other sources, such as refrigerant leaks. TC Transcontinental currently does include refrigerant leaks in our Scope 1 calculations: we are evaluating our ability to do so in order to include it in our future reporting.

Source

Non-operational business units

Relevance of Scope 1 emissions from this source

No emissions from this source

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

An evaluation of the electricity consumption of our offices was done in previous years: emissions were deemed negligible compared to our operational business units.

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, not yet calculated

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

TC Transcontinental is aware that its purchases, notably for paper, plastic and chemicals, involve embedded GHG emissions, and has some procedures in place to mitigate them. On the other hand, the Corporation has yet to delve further into quantifying this aspect of Scope 3 calculations.

Capital goods

Evaluation status

Relevant, not yet calculated

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

As a manufacturing company, TC Transcontinental purchases capital goods, such as plants, properties, and equipment (PP&E). The Corporation has yet to delve further into quantifying this aspect of Scope 3 calculations.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Due to the fact that the energy consumption of our office buildings is directly included in our leases, this source of scope 3 emissions is currently not calculated.

Upstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

TC Transcontinental knows that the transport and distribution of its purchased goods create GHG emissions. On the other hand, the Corporation has yet to delve further into quantifying this aspect of Scope 3 calculations.

Waste generated in operations

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The Corporation's recovery rate is calculated as part of our annual Corporate Responsibility Report. All our waste streams are known and quantified, but not looked at through the GHG emission lens.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

1365

Emissions calculation methodology

Emissions are calculated for all air travel, car rental and business travel done by employees using their personal cars. Emissions for use of a personal car for business travel are estimated using 0,0002 metric tonnes CO2e per kilometre driven.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

64

Please explain

Air travel and car rental emissions are obtained through our third-party suppliers.

Employee commuting

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

TC Transcontinental has estimated the impact of employee commuting on its Scope 3 emissions in the past through surveys, but the data is not representative of the new structure of the company.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

An evaluation of the electricity consumption of our offices was done in previous years: emissions were deemed negligible compared to our operational business units.

Downstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

TC Transcontinental's distribution of finished goods is an important aspect of the business and creates GHG emissions. The scope of this calculation is very large and needs to be determined, and the use of third-party suppliers for distribution adds to the challenge of obtaining data.

Processing of sold products

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The products manufactured by TC Transcontinental Packaging do require further processing; TC Transcontinental has yet to calculate the emissions related to this area.

Use of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The use of printed materials and packaging doesn't require any energy or create any emissions.

End of life treatment of sold products

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Printed products and packaging required end-of-life treatment, such as recycling, composting or landfilling. The GHG emissions related to these processes are not currently evaluated.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

All of the buildings owned by TC Transcontinental but leased by external lessees are included in our Scope 1 and 2 reporting.

Franchises

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

TC Transcontinental does not own franchises.

Investments

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

TC Transcontinental is not defined as an investor, as per the Greenhouse Gas Protocol definitions.

Other (upstream)

Evaluation status

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Other (downstream)

Evaluation status

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

117.32

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

200578

Metric denominator

unit total revenue

Metric denominator: Unit total

3038800

Scope 2 figure used

Location-based

% change from previous year

13.18

Direction of change

Decreased

Reason for change

The major decrease in our intensity GHG emissions is linked to the 2018 acquisition of Coveris Flexibles. In the 2018 reported GHG data, yearly emissions for all Coveris facilities were included, while financial statements only included revenues from the acquisition date (May 1st to October 31st). In 2019, full yearly emissions data and revenues were included for all of TC Transcontinental's sites.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	108109	IPCC Fifth Assessment Report (AR5 – 20 year)
CH4	1.46	IPCC Fifth Assessment Report (AR5 – 20 year)
N2O	0.718	IPCC Fifth Assessment Report (AR5 – 20 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Canada	47652
United States of America	51945
China	12
Ecuador	28
Guatemala	159
Mexico	14
New Zealand	0
United Kingdom of Great Britain and Northern Ireland	8302

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

By facility

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
TC Transcontinental Printing	43698
TC Transcontinental Packaging	64413

C7.3b

(C7.3b) Break down your total gross global Scope 1 emissions by business facility.

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
Transcontinental Halifax	1943	44.62	-63.66
Transcontinental St-Hyacinthe	7547	45.63	-72.97
Transcontinental Interglobe	2660	46.22	-70.78
Transcontinental Interweb	3511	45.56	-73.4
Transcontinental Qualimax	20	45.45	-75.73
Transcontinental Ross-Ellis	204	45.42	-73.63
Transcontinental Transmag	1271	45.61	-73.58
Transcontinental Aurora (PLM)	1249	43.84	-79.31
Transcontinental Vaughan	4843	43.76	-79.62
Transcontinental RBW Graphics	6720	44.58	-80.9
Transcontinental LGM-Coronet	1504	49.89	-97.26
Transcontinental Calgary	6947	51	-114.05
Transcontinental Vancouver	3833	49.19	-122.96
Transcontinental Capri	4485	33.39	-93.76
Transcontinental Ultra Flex	9977	40.66	-73.86
Transcontinental Robbie	2010	38.96	-94.8
Transcontinental Premedia Montreal (Transmedia)	0	45.53	-73.68
Transcontinental O'Keefe Montréal (RDP)	408	45.63	-73.58
Centre de distribution - Éducation (Transcontinental Boucherville)	359	45.56	-73.43
Transcontinental Flexstar	1890	49.17	-123.13
Transcontinental Flexipak	1315	45.49	-73.72
Transcontinental Multifilm	2257	42.05	-88.31
Transcontinental Ontario	48	34.05	-117.52
Transcontinental Albany	2435	31.52	-84.18
Transcontinental Griffin	3849	33.23	-84.23
Transcontinental Battle Creek	4299	42.32	-85.18
Transcontinental Matthews	12846	35.11	-80.7
Transcontinental Thomasville	322	35.89	-80.05
Transcontinental Tulsa	82	36.24	-95.74
Transcontinental Spartanburg	327	34.92	-81.86
Transcontinental Menasha	6060	44.19	-88.45
Transcontinental Tomah	2949	43.98	-90.51
Transcontinental Whitby	748	43.85	-78.91
Transcontinental Premedia Toronto	154	43.65	-79.61
Transcontinental China	12	24.13	120.64
Transcontinental Ecuador	5	-1.87	-79.98
Transcontinental Guatemala	159	14.56	-90.56
Transcontinental Holland & Crosby	209	43.64	-79.69
Transcontinental Mexico	14	22.04	-100.87
Transcontinental New Zealand	0	-43.49	172.53
Transcontinental Trilex	23	-1.87	-79.98
Transcontinental United Kingdom	8302	53.04	-2.92
Transcontinental de la Capital	317	46.82	-71.31

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
Canada	18231		205044	
United States of America	63226		145879	
China	0		0	
Ecuador	1966		7272	
Guatemala	6552		19114	
Mexico	415		915	
New Zealand	787		3969	
United Kingdom of Great Britain and Northern Ireland	1249		4887	

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

By facility

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
TC Transcontinental Printing	17423	
TC Transcontinental Packaging	75043	

C7.6b

(C7.6b) Break down your total gross global Scope 2 emissions by business facility.

Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Transcontinental Interglobe	20	
Transcontinental Interweb	21	
Transcontinental LGM - Coronet	6	
Transcontinental RBW Graphics	790	
Transcontinental Aurora (PLM)	336	
Transcontinental Ross-Ellis	7	
Transcontinental Halifax	4317	
Transcontinental Qualimax	1	
Transcontinental Transmag	10	
Transcontinental Vaughan	523	
Transcontinental Calgary	11132	
Transcontinental Saint-Hyacinthe	26	
Transcontinental Vancouver	156	
Transcontinental Capri 1	979	
Transcontinental Ultra Flex	3124	
Transcontinental Robbie	2969	
Transcontinental Flexstar	46	
Transcontinental Premedia Montreal (Transmedia)	2	
Transcontinental O'Keefe Montréal (RDP)	2	
Centre de distribution - Éducation (Transcontinental Boucherville)	2	
Transcontinental Flexipak	7	
Transcontinental Multifilm	2651	
Transcontinental Ontario	2147	
Transcontinental Albany	1648	
Transcontinental Griffin	8977	
Transcontinental Battle Creek	4127	
Transcontinental Matthews	4423	
Transcontinental Thomasville	4812	
Transcontinental Tulsa	7169	
Transcontinental Spartanburg	3888	
Transcontinental Menasha	10823	
Transcontinental Tomah	2896	
Transcontinental Whitby	755	
Transcontinental Premedia Toronto	39	
Transcontinental Capri 2	2634	
Transcontinental China	0	
Transcontinental Ecuador	664	
Transcontinental Guatemala	6552	
Transcontinental Holland & Crosby	32	
Transcontinental Mexico	415	
Transcontinental New Zealand	787	
Transcontinental Trilex	1302	
Transcontinental United Kingdom	1249	
Transcontinental de la Capital	3	

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	50	Decreased	0.02	A slight increase in our renewable energy consumption is due to the acquisition of facilities with high renewable energy in the grid, such as Ontario.
Other emissions reduction activities	2139	Decreased	1.1	Savings from emission efficiency projects implemented during the year, as expressed in section 4.3a
Divestment		<Not Applicable >		
Acquisitions		<Not Applicable >		
Mergers		<Not Applicable >		
Change in output		<Not Applicable >		
Change in methodology		<Not Applicable >		
Change in boundary		<Not Applicable >		
Change in physical operating conditions		<Not Applicable >		
Unidentified		<Not Applicable >		
Other	2784	Increased	1.39	This increase is due to several major projects, such as the addition of printing capacity at Transcontinental Flexipak and Transcontinental Transmag in 2019, and the installation of a regenerative thermal oxidizer at Transcontinental Flexstar.

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	384869	384869
Consumption of purchased or acquired electricity	<Not Applicable>	190263	196820	387083
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	115	<Not Applicable>	115
Total energy consumption	<Not Applicable>	190378	581689	772067

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Natural Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

382644

MWh fuel consumed for self-generation of electricity

2000

MWh fuel consumed for self-generation of heat

380644

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

1906

Unit

kg CO2e per m3

Emissions factor source

Quebec Government: http://www.regie-energie.qc.ca/audiences/3471-01/Memoire/Mem3471_FCSQ-AGPI-2doc8.pdf

Comment

Fuels (excluding feedstocks)

Propane Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

2225

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

2225

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

15183

Unit

kg CO2e per liter

Emissions factor source

Quebec Government: http://www.regie-energie.qc.ca/audiences/3471-01/Memoire/Mem3471_FCSQ-AGPI-2doc8.pdf

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	115	115	115	115
Heat				
Steam				
Cooling				

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?
No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?
No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?
No

C11.3

(C11.3) Does your organization use an internal price on carbon?
No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?
Yes, our suppliers
Yes, our customers
Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Other, please specify (EcoVadis)

% of suppliers by number

5

% total procurement spend (direct and indirect)

65

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Responsible procurement was identified as material by our stakeholders during the materiality analysis carried out prior to setting objectives for our 2019-2021 plan. At the end of 2019, we started an evaluation process for our main suppliers, both in our Printing and Packaging sectors, through the EcoVadis platform. The EcoVadis sustainable procurement survey is set up to ask, among others, our suppliers about their CSR compliance, GHG emissions, energy efficiency programs and management. The goal of this process is to integrate environmental, social and ethical criteria into our purchasing practices, in addition to traditional performance measures. The suppliers' responses will allow us to highlight best practices, identify areas for improvement and identify collaboration opportunities to progress towards our sustainable development goals. Phase 1 of the supplier assessments will be completed by August 2020. Phase 2 and 3 will be launched in the next months to include a wider array of suppliers.

Impact of engagement, including measures of success

In percentage of procurement spend, around 80% of our suppliers from the Printing sector and 50% from the Packaging sector have been included in the first phase of the assessment. As this phase has yet to be completed, tangible impacts will be seen in the next reporting cycle.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Collaboration & innovation

Details of engagement

Run a campaign to encourage innovation to reduce climate change impacts

% of customers by number

3

% of customer - related Scope 3 emissions as reported in C6.5

Portfolio coverage (total or outstanding)

<Not Applicable>

Please explain the rationale for selecting this group of customers and scope of engagement

TC Transcontinental has been running innovation sessions with packaging customers to educate them on the value of flexible packaging, including its lower embedded carbon emissions. Those innovation sessions also include promotion of our low-carbon sustainable packaging options, such as packaging that is recyclable, compostable or made from recycled content. TC Transcontinental also created the TC University program, where customers and partners are invited in our facilities to learn more about the flexible packaging world, see equipment and discuss about the environmental advantages of flexible packaging.

Impact of engagement, including measures of success

While it is difficult to quantitatively assess the impact of this engagement, this process has led to multiple new product development projects and changes in packaging structures, rendering reduction in greenhouse gas emissions embedded in our customers' packaging.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

Solving the challenges of sustainability requires action across the value chain and collaboration between all stakeholders. Therefore, TC Transcontinental has joined multiple industry associations, such as Ameripen, CPIA, CIAC, FPA, PAC and SPC, to participate on collaborative projects and initiatives. TC Transcontinental is also a founding member of the Circular Plastics Taskforce (CPT), a collaboration effort between consumer product companies, packaging producers and an industry association helping build a circular economy for post-consumer plastics in Canada.

TC Transcontinental is also committed to global large-scale initiatives. In March 2019, TC Transcontinental became the first Canadian-based manufacturer to join the Ellen MacArthur Foundation's New Plastics Economy Global Commitment. In June 2020, TC Transcontinental joined the United Nations Global Compact, a voluntary initiative through which signatory companies commit to aligning their approach to social responsibility with universal principles of human rights, labour standards and environmental protection.

Finally, TC Transcontinental supports various large-scale conservation projects in Canada and regularly participates in round table discussions and informational meetings with Canopy, a non-for-profit environmental organization working on forest issues. Large-scale forests are considered highly valuable for biodiversity and carbon sequestration.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Trade associations

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

Canadian Plastic Industry Association (CPIA), which merged with the Chemistry Industry Association of Canada (CIAC) in June 2020.

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The Canadian Plastic Industry Association communicates the advantages of plastics in product protection, shelf-life extension and resource conservation throughout a product's life-cycle. They also represent the plastic industry during consultations on policies and regulations that can impact production or end-of-life of plastics. For example, the CPIA has presented the plastic's industry position by participating in consultations with the government and other industry groups regarding the Ontario Climate Change Action Plan, which could increase costs of all fuels as well as feedstocks used in plastic production.

How have you influenced, or are you attempting to influence their position?

Because TC Transcontinental currently shares the CPIA position on climate change, no influence on this matter has yet been done through our presence on the Board. We believe in creating a circular economy for plastics and hope to engage the plastic industry towards this vision.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

TC Transcontinental's climate change strategy is fully embedded in our corporate strategic planning process behind a shared vision. The Corporation has clearly articulated a corporate sustainability strategy with smart goals that have been presented at all levels across the organization and communicated largely externally. We are sharing presentation tools with our teams in order to deliver a consistent message to our stakeholders. A legal subcommittee has also been created as part of the Corporate Social Responsibility Steering Committee: its role is to identify current and upcoming regulations that can affect the Corporation and suggest Corporate stances on these regulations, as well as adequate mitigation strategies.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status

Complete

Attach the document

CSR_2019ProgressReport.pdf

Page/Section reference

pp. 9-10

Content elements

Governance

Strategy

Emissions figures

Emission targets

Other metrics

Comment

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Strategy Officer	Other C-Suite Officer

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	3038800000

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

Yes

SC0.2a

(SC0.2a) Please use the table below to share your ISIN.

	ISIN country code (2 letters)	ISIN numeric identifier and single check digit (10 numbers overall)
Row 1	CA	8935783024

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member
Kellogg Company

Scope of emissions
Scope 1

Allocation level
Facility

Allocation level detail
Transcontinental Battle Creek and Transcontinental Flexstar

Emissions in metric tonnes of CO2e
896

Uncertainty (±%)

Major sources of emissions
The Scope 1 emissions come from our consumption of natural gas and destruction of VOC emissions at the Transcontinental Battle Creek and Transcontinental Flexstar facilities, where Kellogg's products are manufactured.

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member

Kellogg Company

Scope of emissions

Scope 2

Allocation level

Facility

Allocation level detail

Transcontinental Battle Creek and Transcontinental Flexstar

Emissions in metric tonnes of CO2e

744

Uncertainty (±%)

Major sources of emissions

The Scope 2 emissions come from our consumption of electricity at the Transcontinental Battle Creek and Transcontinental Flexstar facilities, where Kellogg's products are manufactured.

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member

Mastercard Incorporated

Scope of emissions

Scope 1

Allocation level

Facility

Allocation level detail

Transcontinental PLM

Emissions in metric tonnes of CO2e

7

Uncertainty (±%)

Major sources of emissions

The Scope 1 emissions come from our consumption of natural gas and destruction of VOC emissions at the Transcontinental PLM facility, where Mastercard's products are manufactured.

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member

Please select

Scope of emissions

Scope 2

Allocation level

Facility

Allocation level detail

Transcontinental PLM

Emissions in metric tonnes of CO2e

2

Uncertainty (±%)

Major sources of emissions

The Scope 2 emissions come from our consumption of electricity at the Transcontinental PLM facility, where Mastercard's products are manufactured.

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member

Clorox Company

Scope of emissions

Scope 1

Allocation level

Facility

Allocation level detail

Transcontinental Robbie

Emissions in metric tonnes of CO2e

22

Uncertainty (±%)

Major sources of emissions

The Scope 1 emissions come from our consumption of natural gas and destruction of VOC emissions at the Transcontinental Robbie facility, where Clorox's products are manufactured.

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member

Clorox Company

Scope of emissions

Scope 2

Allocation level

Facility

Allocation level detail

Transcontinental Robbie

Emissions in metric tonnes of CO2e

32

Uncertainty (±%)

Major sources of emissions

The Scope 2 emissions come from our consumption of electricity at the Transcontinental Robbie facility, where Clorox's products are manufactured.

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
We face no challenges	TC Transcontinental can easily provide emissions per facility. We can also allocate emissions in each facility to the corresponding clients, using sales revenues.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

No

SC1.4b

(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.

The current process is efficient and is proven to work.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

Requesting member

Kellogg Company

Group type of project

New product or service

Type of project

New product or service that has a lower upstream emissions footprint

Emissions targeted

Actions that would reduce our own supply chain emissions (our own scope 3)

Estimated timeframe for carbon reductions to be realized

0-1 year

Estimated lifetime CO2e savings

Estimated payback

Please select

Details of proposal

TC Transcontinental has been running innovation sessions with packaging customers to either move their packaging from rigid to flexible packaging, to down gauge the thickness of the film layers or to move towards packaging that is recyclable, compostable or made from recycled content. All these actions reduce greenhouse gas emissions related to packaging.

Requesting member

Clorox Company

Group type of project

New product or service

Type of project

New product or service that has a lower upstream emissions footprint

Emissions targeted

Actions that would reduce our own supply chain emissions (our own scope 3)

Estimated timeframe for carbon reductions to be realized

0-1 year

Estimated lifetime CO2e savings

Estimated payback

Please select

Details of proposal

TC Transcontinental has been running innovation sessions with packaging customers to either move their packaging from rigid to flexible packaging, to down gauge the thickness of the film layers or to move towards packaging that is recyclable, compostable or made from recycled content. All these actions reduce greenhouse gas emissions related to packaging.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC3.1

(SC3.1) Do you want to enroll in the 2020-2021 CDP Action Exchange initiative?

No

SC3.2

(SC3.2) Is your company a participating supplier in CDP's 2019-2020 Action Exchange initiative?

No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

No, I am not providing data

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain Questions?
I am submitting my response	Investors Customers	Public	Yes, submit Supply Chain Questions now

Please confirm below

I have read and accept the applicable Terms