CCL Industries Inc.

111 Gordon Baker Road, Suite 801

Toronto, Ontario

M2H 3R1

2021

Annual Information Form

February 25, 2022

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CCL Industries Inc.

This Annual Information Form ("AIF") contains forward-looking information and forward-looking statements as defined under applicable securities laws (hereinafter collectively referred to as "forward-looking statements") that involve a number of risks and uncertainties. Forward-looking statements include all statements that are predictive in nature or depend on future events or conditions. Forward-looking statements are typically identified by, but not limited to, the words "believes," "expects," "anticipates," "estimates," "intends," "plans" or similar expressions. Statements regarding the operations, business, financial condition, priorities, ongoing objectives, strategies and outlook of the Company, other than statements of historical fact, are forward-looking statements. Specifically, this AIF contains forward-looking statements regarding the anticipated growth in sales, income and profitability of the Company's segments; the Company's improvement in market share; the Company's capital spending levels and planned capital expenditures in 2022; the adequacy of the Company's financial liquidity; the raising of additional capital through debt or equity financings, the Company's ongoing business strategy including the divestiture of non-core operations; the impact of changing environmental and other laws; and the Company's expectations regarding general business and economic conditions.

Forward-looking statements are not guarantees of future performance. They involve known and unknown risks and uncertainties relating to future events and conditions including, but not limited to, the impact of competition; consumer confidence and spending preferences; general economic and geopolitical conditions; currency exchange rates; interest rates and credit availability; technological change; changes in government regulations; risks associated with operating and product hazards; and the Company's ability to attract and retain qualified employees. Do not unduly rely on forward-looking statements as the Company's actual results could differ materially from those anticipated in these forward-looking statements. Forward-looking statements are also based on a number of assumptions, which may prove to be incorrect, including, but not limited to, assumptions about the following: higher consumer spending; improved customer demand for the Company's products; continued historical growth trends, market growth in specific segments and entering into new segments; the Company's ability to provide a wide range of products to multinational customers on a global basis; the benefits of the Company's focused strategies and operational approach; the Company's ability to implement its acquisition strategy and successfully integrate acquired businesses; the achievement of the Company's plans for improved efficiency and lower costs, including the ability to pass on polypropylene resin cost increases to its customers; the availability of cash and credit; fluctuations of currency exchange rates; the Company's continued relations with its customers; and general business and economic conditions. Should one or more risks materialize or should any assumptions prove incorrect, then actual results could vary materially from those expressed or implied in the forward-looking statements. Further details on key risks can be found throughout this report, particularly under Item 5: "Risk Factors."

Except as otherwise indicated, forward-looking statements do not take into account the effect that transactions or non-recurring or other special items announced or occurring after the statements are made may have on the business. Such statements do not, unless otherwise specified by the Company, reflect the impact of dispositions, sales of assets, monetizations, mergers, acquisitions, other business combinations or transactions, asset write-downs or other charges announced or occurring after forward-looking statements are made. The financial impact of these transactions and non-recurring and other special items can be complex and depends on the facts particular to each of them and therefore cannot be described in a meaningful way in advance of knowing specific facts.

The forward-looking statements are provided as of the date of this AIF and the Company does not assume any obligation to update or revise the forward-looking statements to reflect new events or circumstances, except as required by law.

Unless otherwise stated, all amounts stated in this document are given in Canadian dollars and, unless otherwise stated, the information contained herein is current as of February 25, 2022.

Unless the context otherwise indicates, a reference to “the Company” means CCL Industries Inc., its subsidiary companies and equity accounted investments.

ITEM 3 – CORPORATE STRUCTURE

ISSUER

CCL Industries Inc. commenced operations in 1951 as Connecticut Chemicals (Canada) Limited. In 1972, the business was acquired by Conn Chem Limited, then the controlling shareholder of Connecticut Chemicals (Canada) Limited. Conn Chem Limited had been incorporated under the laws of Ontario on April 15, 1957, and was continued under the Canada Business Corporations Act on December 16, 1977. On May 25, 1978, its name was changed to The Conn Chem Group Ltd. and on November 28, 1979, to CCL Industries Inc.

The Company’s articles were amended effective June 5, 2017, to give effect to a five for one split of the Company’s shares.

The registered and head office of CCL Industries Inc. is located at 111 Gordon Baker Road, Suite 801, Toronto, Ontario M2H 3R1.

SUBSIDIARIES

The Company manages four principal Business Segments, CCL, Avery, Checkpoint and Innovia. Listed below are the principal direct or indirect operating subsidiaries, each of whose total assets or sales and operating revenues constitute more than 10% of the total consolidated assets or consolidated sales and operating revenues of the Company for the year ended December 31, 2021. The combined assets and operating revenues of the other subsidiaries of the Company do not constitute more than 20% of the consolidated assets or the consolidated sales and operating revenues of the Company.

Subsidiary	Ownership	Jurisdiction of Incorporation
CCL Industries Inc.		Canada
CCL International Inc.	100%	Ontario
CCL Industries Corporation	100%	Delaware
CCL Label, Inc.	100%	Michigan
CCL Industries (U.K.) Limited	100%	United Kingdom
CCL Syrinx (U.K. Holding) Limited	100%	United Kingdom
CCL Syrinx (U.K.) Limited	100%	United Kingdom
CCL Label A/S	100%	Denmark
Syrinx Holding Germany GmbH	100%	Germany

ITEM 4 – GENERAL DEVELOPMENT OF THE BUSINESS

CCL Industries Inc. commenced operations in Canada in 1951 as a custom manufacturer that provided manufacturing and other value-added outsourcing services to national and international consumer products companies. Commencing in the 1980s, the Company diversified into specialty packaging, servicing the same customer base as its custom manufacturing business. Beginning in 2000, the Company restructured and reduced its investment in the Custom Manufacturing Division, culminating in the sale of the North America Custom Manufacturing business in May 2005 and the ColepCCL joint venture in November 2007.

In the early 1980s, the Company commenced its international expansion and diversification into the United States and, later in the decade, into the United Kingdom. This international expansion and diversification has continued in its operating segments. In each of its businesses, the Company strives to satisfy the needs of its multinational, regional and end user consumer customers in the non-durable and durable consumer products market. By providing a wide range of label products to these customers on a global basis, the Company has become a leader in each of its businesses and, consequently believes that it will be able to enjoy sustainable sales and income growth.

In addition, the Company has divested non-core and underperforming businesses to allow each Segment to focus on its customers and growth opportunities. The CCL Segment is believed to be the world’s largest converter of pressure sensitive and extruded film materials for a wide range of decorative, instructional, security and functional applications for government institutions and large global customers in the consumer packaging, healthcare, chemicals, consumer durable, electronic device and automotive markets. Extruded and laminated plastic tubes, folded instructional leaflets, precision decorated and die cut components, electronic displays, polymer banknote substrate and other complementary products and services are sold in parallel to specific end-use markets. Avery is believed to be the world’s largest supplier of labels, specialty converted media and software solutions to enable short-run digital printing in businesses and homes alongside complementary products sold through distributors and mass-market retailers. Checkpoint is a leading manufacturer of technology-driven loss-prevention, inventory-management and labeling solutions, including radio-frequency (“RF”) and radio-frequency identification (“RFID”) based, to the retail and apparel industry. Innovia is believed to be a leading global producer of specialty, high-performance, multi-layer, surface-engineered films for label, packaging and security applications. The Company partly backward integrates into materials science, with capabilities in polymer extrusion, adhesive development, coating and lamination, surface engineering and metallurgy deployed as needed across the four business segments.

STRATEGY

CCL Industries Inc.'s goal is to improve its competitive position in each Segment with a view to long-term profitable growth, while integrating social and environmental concerns into its business operations and strategies and in interactions with stakeholders. The strategy is focused on specialty label and packaging businesses in which the Company (1) is or believes it can become one of the top two competitors in the market, (2) combines its converting and materials science technologies to develop unique products to meet customers sustainability needs, (3) can build entry barriers as the best value-added producer, (4) provides product lines and services that have growth potential, (5) sees potential in its businesses to take advantage of the trend toward globalization by a multinational customer base and (6) develops label and tag applications that are driven by smart technology and/or software.

The Company is continually reviewing its businesses and may, if appropriate, divest non-core or unprofitable operations in order to improve its overall profitability, return on equity and its financial leverage. Management believes that this approach allows the Company to be better positioned to operate effectively during economic downturns, and to have the financial flexibility to make acquisitions and invest in capital spending that support its business strategy. Restructuring costs were incurred over the last several years to reorganize certain business units, to provide for losses on dispositions and to provide for the write-down of assets of business units that were deemed to be non-core and underperforming. Further restructuring costs were incurred in 2020 and 2021 as the Company's management responded to the volatile economic challenges brought about by the CV19 global pandemic, matching the Company's cost structures to customer demand patterns. 2022 has started as a period of adjustment, the pandemic is entering a third year, Governments and citizens are learning to persevere, armed with more information and therefore making more calculated decisions. The Omicron variant appears to be less fatal than previous versions and optimists view that it is reaching the endemic stage; however, the final outcome remains unknown. Therefore the Company may continue to modify its manufacturing operations globally according to the level of regional economic activity due to potential negative pressures of the CV19 pandemic or potentially improved prosperity post the CV19 pandemic.

ACQUISITIONS, DIVESTITURES and FINANCING ARRANGEMENTS

CCL Industries Inc. has acquired a number of businesses over the last three years and arranged the associated financing to support operating and investment activities of the Company. Only the acquisitions of Checkpoint in 2016 and the acquisition of Innovia in 2017 met the definition of a "significant acquisition" as determined in accordance with National Instrument 51-102-Continuous Disclosure Obligations. The Company has not divested any business over the last three years but has completed the transactions described below:

- In December 2021, the Company acquired International Master Products Corporation (“IMP”), based in Michigan, U.S., for $61.4 million net of cash acquired. IMP is a leading provider of labels and tags for the U.S. horticulture industry through digitally enabled design software, expanding Avery’s direct-to-consumer business.

- In December 2021, the Company acquired Lodging Access Systems, LLC, (“LAS”), based in Florida, U.S., for $26.4 million, net of cash acquired. LAS further expands Avery’s direct-to-consumer business.

- In December 2021, the Company acquired the pharmaceutical leaflet printing press and customer list from the Laramara Foundation in São Paulo, Brazil, for $0.8 million. These assets were added to the CCL Segment.

- In December 2021, the Company acquired Forever Blue Investimentos e Participações S/A (d.b.a. “Tecnoblu”), headquartered in Blumenau, Brazil, for $17.7 million net of cash and debt. Tecnoblu is now a part of the Checkpoint Apparel Labeling Solutions business (“ALS”).

- In December 2021, the company acquired Desarrollo e Investigación S.A. de C.V. and Fuzetouch PTE LTD (Singapore) (collectively “D&F”) headquartered in San Luis Potosi, Mexico, for approximately $51.3 million net of cash acquired. D&F is a leading supplier of graphic interface control panels and assemblies and now trades as “CCL Design.”

- In July 2021, the Company acquired the Uniter Group of companies (“Uniter”), based in A Coruña, Spain, with operations in Europe, Asia and North Africa for approximately $50.4 million, including debt assumed and net of cash acquired. Uniter’s five factories are part of the Checkpoint ALS business.

- In July 2021, the Company acquired privately owned Plum Paper LLC (“Plum”), based in California, U.S., for approximately $26.3 million, net of cash acquired. Plum is a leading supplier of personalized planners and is part of Avery’s direct-to-consumer business.

- In May 2021, the Company acquired privately held Lux Global Label Asia Pte. Ltd. (“LUX”), based in Singapore for approximately $9.4 million, net of cash. LUX produces decorative labels for global consumer product customers in the ASEAN region. LUX now trades as “CCL Label Singapore.”

- In April 2021, the Company acquired the assets of Europack Packaging and Fluid Management GmbH (“Europack”) for approximately $0.9 million. Europack was added to the CCL Segment.

- In November 2020, the Company acquired privately owned Super Enterprises Printing (Malaysia) Sdn. Bnd. (“SEP”) for approximately $18.4 million, net of cash. SEP is headquartered in Kuala Lumpur, with a second manufacturing operation in Guangzhou, China. SEP manufactures decorative panels, liquid crystal and touch-screen display covers and in-mould decorated components for the consumer electronics and automotive sectors across Asia. The company now trades as “CCL Design.”

- In October 2020, the Company acquired Graphic West International ApS (“GWI”), headquartered in Denmark, with operations in Europe and North America, for approximately $35.2 million, net of cash and debt. This new operation brings expanded capabilities and geographic reach in digitally printed cartons for the pharmaceutical industry. The company now trades as “CCL Specialty Cartons.”

- In July 2020, the Company acquired InTouch Labels and Packaging Co., Inc. (“InTouch”), near Boston, Massachusetts, for approximately $11.1 million, net of cash and debt. InTouch is a specialized short-run digital label converter and was added to Avery’s direct-to-consumer business.

- In March 2020, the Company acquired Flexpol Sp. z.o.o. (“Flexpol”), a privately owned company based in Plock, Poland. Flexpol is a leading producer of BOPP film for the European market. The purchase price, net of cash acquired, was approximately $23.5 million. The new business immediately commenced operating as “Innovia Poland.”

- In February 2020, the Company acquired Clinical Systems, Inc. (“CSI”), based in Garden City, New York, U.S., for approximately $19.7 million, net of cash on hand. CSI is a specialized provider to the U.S. clinical trials industry and is operating as part of CCL Label’s Healthcare and Specialty business.

- In February 2020, the Company acquired the remaining 50% interest in its aluminum slug joint venture, Rheinfelden Americas, LLC (“Rheinfelden”), by assuming $18.8 million of net debt previously held in the venture. The business immediately changed its name to CCL Metal Science and is now part of the CCL Segment.

- In January 2020, the Company acquired privately owned Ibertex Etiquetaje Industrial S.L.U. and Eti-Textil Maroc S.a.r.l. AU (“Eti-Textil”) for approximately $20.1 million, net of cash and debt. Eti-Textil, headquartered in Elche, Spain, with satellite manufacturing in Tangier, Morocco, is an apparel label producer that has been integrated into the ALS business of Checkpoint.

- In January 2020, the Company acquired I.D.&C. World Holdco Ltd. (“ID&C”), with operations in Tunbridge Wells, U.K., and Florida, U.S., for approximately

$35.5 million, net of cash acquired. ID&C is a global leader in live event badges and wristbands and is part of Avery's direct-to-consumer business.

- In January 2020, the Company acquired IDentilam Ltd. ("IDL"), based in Horsham, U.K., for approximately $2.9 million, net of cash acquired. IDL designs and develops a range of software solutions for event badging and identification cards and has been added to Avery's direct-to-consumer business.

- In November 2019, the Company acquired Stuck On You Holdings Pty Ltd and Stuck on You Trading Pty Ltd (collectively, "SOY") based in Melbourne, Australia, for approximately $7.2 million, net of cash acquired. SOY is a direct-to-consumer online digital print business expanding Avery's presence in personalized "kids' labels" in Australasia.

- In June 2019, the Company acquired Say it Personally Limited ("STS"), a privately owned company based near East Grinstead, U.K. for approximately $0.4 million, net of cash acquired. STS is a manufacturer of durable, personalized garment tags for the U.K. market and expands Avery's direct-to-consumer online product offerings.

- In May 2019, the Company acquired the shares of Colle à Moi Inc. ("CAM"), a privately owned company based in Quebec, Canada, for approximately $3.1 million, net of cash acquired. CAM adds to Avery's direct-to-consumer online digital print capabilities in personalized "kids' labels."

- In April 2019, the Company acquired the shares of Hinsitsu Screen (Vietnam) Company Limited ("Hinsitsu"), based in Hanoi, Vietnam, for approximately $12.9 million, net of cash acquired. Hinsitsu is a leading supplier of durable and tamper-evident labels and graphic overlays for the electronics industry in the ASEAN region and was added to CCL Design within the CCL Segment.

- In January 2019, the Company acquired Olympic Holding B.V. and its related subsidiaries ("Olympic"), a privately owned company based in Venray, Netherlands, for approximately $13.6 million, net of cash acquired. Olympic is a start-up technology company with a patented proprietary process to produce high-bond, acrylic foam tapes without the use of solvents for applications in the automotive, electronics and construction industries. Olympic was added to CCL Design within the CCL Segment.

- In January 2019, the Company acquired Easy2Name Limited ("E2N"), a privately owned company based near Newbury, U.K., for approximately $2.5 million, net of cash acquired. E2N expands Avery's direct-to-consumer online digital print offering of durable, personalized "kids' labels" to the U.K. market.

Financing Arrangements

In February 2020, the Company amended both its syndicated credit facilities, extending the maturity of its US$366.0 term loan facility from February 2021 to February 2022 and the maturity of its US$1.2 billion revolving credit facility from March 2023 to February 2025. The term facility was completely repaid during 2021.

In May 2020, the Company completed a rule 144A 3.05% private note offering due June 2030 in the principal amount of US$600.0 million. These notes are unsecured senior obligations. The proceeds of the offering were almost entirely used to repay borrowings on the Company's unsecured syndicated revolving credit facility.

The Company's debt structure at December 31, 2021, was primarily comprised of the 144A 3.05% private notes due June 2030 in the principal amount of US$600.0 million ($750.5 million), 144A 3.25% private notes due October 2026 in the principal amount of US$500.0 million ($627.4 million), the $300.0 million principal amount 3.864% Series 1 Notes due April 2028, and borrowings of $11.0 million on the Company's syndicated revolving credit facility. Outstanding contingent letters of credit totaled $3.5 million; accordingly, there was approximately US$1.19 billion of unused availability on the revolving credit facility at December 31, 2021. The Company's debt structure at December 31, 2020, was primarily comprised of the 144A 3.05% private notes due June 2030 in the principal amount of US$600.0 million ($754.8 million), 144A 3.25% private notes due October 2026 in the principal amount of US$500.0 million ($630.8 million), $300.0 million principal amount 3.864% Series 1 Notes due April 2028, and the term loan facility of US$161.0 million ($204.8 million). An additional loan facility resident in Australia was $50.2 million. Outstanding contingent letters of credit totaled $4.1 million; accordingly, there was approximately US$1.2 billion of unused availability on the revolving credit facility at December 31, 2020.

The Company's approach to managing liquidity risk is to ensure that it will always have sufficient liquidity to meet liabilities when they are due. The Company believes its liquidity will be satisfactory for the foreseeable future due to its significant cash balances, its expected positive operating cash flow and the availability of its unused revolving credit facility. The Company anticipates funding all of its future commitments from the above sources but may raise further funds, if necessary, by entering into new debt financing arrangements or issuing further equity to satisfy its future additional obligations or investment opportunities.

ITEM 5 – DESCRIPTION OF THE BUSINESS

OVERVIEW

CCL Industries Inc. employs approximately 25,100 people operating 204 production facilities in 43 countries with corporate offices in Toronto, Canada, and Framingham, Massachusetts. The **CCL Segment** is believed to be the world's largest converter of pressure sensitive and extruded film materials for a wide range of decorative, instructional, security and functional applications for government institutions and large global customers in consumer packaging, healthcare, chemicals, consumer durables, electronic device and automotive markets. Extruded and labeled plastic tubes, aluminum aerosols and specialty bottles, folded instructional leaflets, specialty folded cartons, precision decorated and die cut components, electronic displays, polymer banknote substrate and other complementary products and services are sold in parallel to specific end-use markets. **Avery** is believed to be the world's largest supplier of labels, specialty converted media and software solutions to enable short-run digital printing in businesses and homes alongside complementary products sold through distributors, mass-market stores and e-commerce retailers. **Checkpoint** is a leading developer of RF and RFID-based technology systems for loss prevention and inventory management applications, including labeling and tagging solutions, for the retail and apparel industries worldwide. **Innovia** is believed to be a leading global producer of specialty, high-performance, multi-layer, surface-engineered films for label, packaging and security applications. The Company partly backward integrates into materials science, with capabilities in polymer extrusion, adhesive development, coating and lamination, surface engineering and metallurgy deployed as needed across the four business segments.

Sales by Business Segment:

(millions of dollars)

	Years ended December 31			
	2021		2020	
	Sales*	% of Total Sales	Sales*	% of Total Sales
CCL	$ 3,498.2	61.0%	$ 3,357.6	64.1%
Avery	708.9	12.4%	634.2	12.1%
Checkpoint	772.5	13.5%	635.5	12.1%
Innovia	753.2	13.1%	615.0	11.7%
Total	$ 5,732.8	100.0%	$ 5,242.3	100.0%

Sales by Geographic Segment:

(millions of dollars)

	Years ended December 31					
	2021			2020		
		Sales*	**% of Total Sales**		**Sales***	**% of Total Sales**
Canada	$	134.3	2.3%	$	126.1	2.4%
United States and Puerto Rico		2,252.2	39.4%		2,086.2	39.8%
Latin America		487.8	8.5%		431.4	8.2%
Europe		1,819.7	31.7%		1,697.9	32.4%
Asia, Africa and Australia		1,038.8	18.1%		900.7	17.2%
Total	$	5,732.8	100.0%	$	5,242.3	100.0%

*Excludes sales at the Company's equity accounted investments in Russia (CCL-Kontur) the Middle East (Pacman-CCL) and, prior to February 2020, in the United States (Rheinfelden Americas).

For the CCL and Innovia Segments, the first and second quarters are generally the strongest due to the number of workdays and various customer-related activities. Also, there are many products that have a spring-summer bias in North America and Europe such as agricultural chemicals and certain beverage products, which generate additional sales volumes for the Company in the first half of the year. The polymer banknote business within the CCL Segment experiences intra-quarter variations in sales influenced by Central Banks' reorder volatility. For Avery, the third quarter has historically been its strongest, as it benefits from increased demand related to back-to-school activities in North America, although the impact is expected to diminish in future periods on secular declines in low-margin ring binder sales and the expansion of the Avery's direct-to-consumer businesses that do not have this seasonal bias. For Checkpoint, the second half of the calendar year is healthier as the business substantially follows the retail cycle of its customers, which traditionally experiences more consumer activity from September through to the end of the year and prepares for the same in its supply chain from mid-year on. Checkpoint's year-over-year comparative quarterly results often include one-time large chain-wide customer-driven hardware installations that strengthen future reoccurring label revenues. Sales in the final quarter of the year are negatively affected in North America by Thanksgiving and globally by the Christmas and New Year holiday season shutdowns.

2021 Coronavirus ("CV19") Pandemic

2021 was a year of perseverance and resiliency as the world withstood the ongoing CV19 pandemic. Optimism abounded early in the year as government approved vaccines rolled out, civil restrictions eased, and infection rates appeared to be declining. Accordingly, most temporary government financial support programs ceased and savings from furloughed and short time working employees were insignificant for the year. CCL maintained its safety policies for employees, suppliers and customers mitigating any chance of contagion and subsequent closure of any of its facilities. However, as the year progressed, vaccine scarcity in developing economies and the emergence of the more contagious Omicron variant drove many regimes into re-employing lockdown measures for their citizens. Consequently, global supply chain issues were prevalent all year compounded by inflation rates not evidenced in a generation, climbing sequentially as the year progressed. Despite these challenges, the Company delivered record adjusted earnings per share and strong free cash flow, while maintaining its acquisition growth strategy, closing on nine transactions in 2021. The Company's balance sheet finished the year with a leverage ratio slightly in excess of one turn and available liquidity in excess of $2.0 billion.

CCL SEGMENT

CCL Label is believed to be a leading global producer of innovative label solutions for consumer product marketing companies in the personal care, food & beverage, household chemical and promotional segments of the industry, and also supplies regulated labels to major pharmaceutical, healthcare and industrial chemical customers. CCL Design supplies long-life, high performance labels and other products to automotive, electronics and durable goods companies. CCL Secure supplies polymer banknote substrate, pressure sensitive stamps, passports and other security documents to government institutions. The Segment's product lines include pressure sensitive, shrink sleeve, stretch sleeve, in-mould, precision printed and die cut metal and plastic components, expanded content labels, pharmaceutical instructional leaflets, graphic security features and plastic tubes.

The CCL Segment now operates 150 plants globally, which includes 37 manufacturing plants in North America, two plants in Canada, one in Puerto Rico and 34 in the United States.

In Europe, the CCL Segment now operates 51 manufacturing plants, with three plants in Austria, three in Denmark, four in France, 12 in Germany, one in Hungary, three in Italy, two in the Netherlands, four in Poland, five in Russia, one in Switzerland, and 13 in the United Kingdom.

In Latin America, the CCL Segment operates 16 plants, with eight in Mexico, six in Brazil, one in Argentina and one in Chile.

In Asia Pacific, Middle East and Africa, the CCL Segment now operates 46 manufacturing plants, with four plants in Australia, 17 plants in China, one in Egypt, one in Israel, one in Korea, six in Malaysia, one in New Zealand, one in Oman, one in Pakistan, one in the Philippines, one in Saudi Arabia, two in Singapore, one in South Africa, three in Thailand, one in Turkey, one in United Arab Emirates and three in Vietnam.

The current position of the CCL Segment was developed organically and through acquisitions in the last decade. The CCL Segment has generally experienced strong demand in its existing and newly acquired operations in the past few years.

The mission of the CCL Segment is to be the global supply chain leader of innovative premium package and promotional label solutions for the world's largest consumer product, healthcare and durable goods companies as well as government institutions. It aspires to do this from regional facilities that focus on specific customer groups, products and manufacturing technologies in order to maximize management's expertise and manufacturing efficiencies to enhance customer satisfaction.

Principal Products

There are five customer sectors inside the CCL Segment. The Company trades in three of them as CCL Label (including CCL Container and CCL Tube) and one each as CCL Design and CCL Secure. The differentiated CCL sub branding, points to the nature of the application for the final product. The sectors have many common or overlapping customers, process technologies, information technology systems, raw material suppliers and operational infrastructures. CCL Label supplies innovative specialized label, plastic tube, aluminum aerosol and specialty bottle solutions to Home & Personal Care and Food & Beverage companies, plus regulated and complex multi-layer labels for major pharmaceutical, consumer medicine, medical instrument and industrial or consumer chemical customers referred to as the Healthcare & Specialty business. CCL Design supplies long-life, high performance labels and other products to automotive, electronics and durable goods companies. CCL Secure supplies polymer banknote substrate, pressure sensitive stamps, passport components, ID cards and other security documents to government institutions.

The Segment's product lines include pressure sensitive labels, shrink sleeves, stretch sleeves, in-mould labels, precision printed and die cut metal, glass and plastic components, expanded content labels, pharmaceutical instructional leaflets, graphic security features, extruded or laminated plastic tubes, aluminum aerosols or specialty bottles, specialty folded cartons and printed polymer security film substrates.

Markets and Competition

Most markets for labels around the world are very fragmented and the Company believes that the largest supplier is CCL, with many smaller competitors. The Company believes that while the Segment is the largest participant in the industry at both a global and regional level, the market is very large and highly fragmented with market share only being meaningful in the customer segments in which it operates.

The Company believes that it is competitive for several reasons. It is focused on specific sectors of the prime label market that require more sophisticated technology. It has the ability to purchase its major raw materials (primarily pressure sensitive laminates and extruded films) at favourable prices due to bulk purchases under supply agreements. It has a focused decentralized and entrepreneurial operating style.

The CCL Segment delivers its products following its customers' directions with itemized freight cost billed separately or at an all-inclusive price depending on the country. Shipments are primarily by road and, on occasion, by air or sea freight.

Employees

The CCL Segment had approximately 15,900 employees as of December 31, 2021, including the employees at its equity accounted investments.

AVERY

Avery is believed to be the world's largest supplier of labels, specialty converted media and software solutions to enable short-run digital printing in businesses and homes alongside complementary office products sold through distributors and mass-market retailers. The products are split into three primary lines: (1) Printable Media: including address labels, shipping labels, marketing and product identification labels, business cards, and name badges supported by customized software solutions; (2) Organizational Products Group ("OPG"): including binders, sheet protectors, indexes, dividers and writing instruments; and (3) Direct-to-Consumer: digitally imaged labels, business cards, name badges, event badges, key cards, wristbands, planners & journals and family-oriented identification labels supported by unique web-enabled e-commerce URLs. Products in the Printable Media and Direct-to-Consumer categories are predominantly used by businesses and individual consumers consistently throughout the year; however, in the OPG category, North American demand typically surges for the back-to-school season during the third quarter.

Avery now operates 23 manufacturing facilities globally. The North American and Latin American operations are supported by twelve manufacturing facilities: three in Canada, one in Mexico, and eight in the United States; the largest of the twelve plants being in Tijuana, which also supplies products locally in Mexico.

In Europe, Avery operations are supported by one facility in France, three facilities in Germany, one in Italy, one in the Netherlands and three in the United Kingdom.

In Australia, Avery operates two plants.

In Latin America, Avery operations has a distribution centre in Mexico and shares a manufacturing facility with the CCL Segment in Argentina.

Avery reaches some of its consumers and end users at small businesses through distribution channels including mass-market merchandisers, office superstores, wholesalers, contract stationers, mail order and e-commerce retailers. Merger activity and store closures in some of these distribution channels can lead to short-term volume declines as customer inventory positions are consolidated. Avery is the leading brand in its core markets, with the principal competition being lower-priced private label products. Secular decline in the OPG category and core mailing address labels has been partly offset by innovations such as shipping and product identification labels and Avery's proprietary direct-to-consumer e-commerce label design software platform WePrint™. Furthermore, starting in 2014 with Nilles, and with 16 more acquisitions since, Avery expanded its digital printing franchises to custom roll labels, the digital graphic arts sector, the meetings and events planning industry, personalized identification labels for children and families, event badges and wristbands, personalized planners and journals, RFID enabled keycards and wristbands and horticultural labels and tags. Some of these e-commerce platforms expanded rapidly during the pandemic while others, such as event and corporate identity name badges, weakened, and some very significantly.

Future growth rates in all these new businesses are expected to outpace Avery's legacy product lines. It is also the Company's expectation that Avery will continue to open up new revenue streams in short-run digital printing applications.

Principal Products

Avery is believed to be the world's largest supplier of labels, specialty converted media and software solutions to enable short-run digital printing in businesses and homes alongside complementary office products sold through distributors and mass market retailers. The products are split into three primary lines: (1) Printable Media, including address labels, shipping labels, marketing and product identification labels, indexes and dividers, business cards, and name badges supported by customized software solutions; (2) Organization Products Group ("OPG"), including binders, sheet protectors and writing instruments; and (3) Direct to Consumer digitally imaged media including labels, business cards, name badges, event badges, key cards, wristbands, planners & journals and family oriented identification labels supported by unique web-enabled e-commerce URLs. The majority of products in the Printable Media and Direct to Consumer category are used by businesses and individual consumers consistently throughout the year; however, in the OPG category, North American consumers engage in the back-to-school surge of purchases during the third quarter.

Markets and Competition

Sales in the Avery Segment are principally generated in North America, Europe and Australia with a market leading position. There is a small presence in Latin America as well, principally in Mexico. Avery markets its products to consumers and small businesses through many channels that include the mass-market merchandisers, retail superstores, wholesalers, "e-tailers" and contract stationers. The business also reaches consumers through direct marketing activities including avery.com, pcnametag.com, mabelslabels.com, goedgemerkt.nl, imprintplus.com, easy2name.com, colleamoi.com, stuckonyou.com, identilam.co.uk, idcband.com intouchlabels.com, rfidhotel.com, plumpaper.com, and mastertag.com.

Although Avery enjoys a market leading position, product obsolescence due to technological trends, the insurgence of private label products and customer consolidation in the office product retail industry have resulted in significant volume and price competition. In response, Avery has developed market leading brand awareness and loyalty, supported by the ongoing introduction of innovative products, new channels to market and strong customer service.

Employees

Avery had approximately 2,900 employees as of December 31, 2021.

CHECKPOINT

Checkpoint is a leading manufacturer of technology-driven loss-prevention, inventory-management and labeling solutions, including RF and RFID solutions, to the retail and apparel industry. Checkpoint operates 24 manufacturing facilities, ten distribution facilities and three product and software development centres globally. The North American operations are supported by one manufacturing facility, one distribution facility and one development centre in the United States. There is also a sales office and distribution centre in Canada.

In Europe, Checkpoint operations are supported by seven manufacturing facilities, with one in Germany, one in the Netherlands, one in Portugal, two in Turkey and two in Spain. There is a distribution facility in the region.

In Latin America, Checkpoint operations are supported by one manufacturing facility in Brazil and two distribution facilities in Mexico.

In Asia Pacific and Africa Checkpoint operates 16 manufacturing facilities, with three in Bangladesh, five in China, one in India, one in Japan, one in Malaysia, three in Morocco, one in Sri Lanka and one in Vietnam. There are also four distribution facilities in China and one in Malaysia. Two development centres are located in the region.

Principal Products

Checkpoint is a leading manufacturer of technology-driven loss-prevention, inventory-management and labeling solutions, including RF and RFID solutions, to the retail and apparel industry. The Segment has three primary product lines: Merchandise Availability Solutions (“MAS”), Apparel Labeling Solutions (“ALS”) and Retail Merchandising Solutions (“RMS or Meto”). The MAS line focuses on electronic-article-surveillance (“EAS”) systems; hardware, software, labels and tags for loss prevention and inventory control systems including RFID solutions. ALS products are apparel labels and tags, some of which are RFID capable. RMS, a small European-centric product line, includes hand-held pricing tools and labels and promotional in-store displays. All MAS and ALS products are sold under the Checkpoint brand, and RMS is sold under the Meto brand.

Markets and Competition

Checkpoint generates sales across Europe, North America, and Asia with significant market positions in each region. The Segment is a leader in merchandise availability solutions and the fast-growing RFID for apparel space. Checkpoint sells directly to retailers or its contracted manufacturers and competes with other global retail labeling companies.

Some analysts believe brick-and-mortar retail globally is moving to an omni-channel distribution model to consumers with the evolution of e-commerce. Checkpoint's market-leading position, strong brand recognition and product development pipeline positions them to grow despite this changing brick-and-mortar retail landscape. Large contracts with retailers for hardware and software can create significant quarter-to-quarter and, in some cases, year-to-year revenue volatility. However, Checkpoint's comprehensive solution of hardware and software also creates an important high-margin recurring revenue stream for its related consumables. Moreover, CCL is also confident that Checkpoint can capture its share of the fast-growing RFID market as retailers seek omni-channel fulfillment systems.

Employees

Checkpoint had approximately 4,900 employees as of December 31, 2021.

INNOVIA

Innovia consists of the Innovia film operations acquired in 2017, the Treofan film facility acquired in 2018, the Flexpol facility acquired in 2020 and two small legacy film manufacturing facilities transferred from the CCL Segment. The acquired operations, which comprise the majority of the Innovia Segment, provide a global footprint for the manufacture of specialty high-performance, multi-layer, surface-engineered BOPP films, with a facility located in each of Australia, Belgium, Mexico, Poland and the United Kingdom. These films are sold to customers in the label materials, flexible packaging and consumer packaged goods industries worldwide, with a small percentage of the total volume consumed internally by CCL Secure and CCL Label within the CCL Segment. The two smaller legacy facilities, one located in Germany and one in the United States, produce almost their entire output for the CCL Segment's Food & Beverage and Home & Personal Care businesses, respectively.

Innovia operates seven manufacturing facilities, four sales offices and a research and development laboratory. The North American operations are supported by a manufacturing facility in Mexico and a sales and distribution centre in the United States. There is also a small legacy manufacturing facility in the United States with all the production used in the Home & Personal Care business of the CCL Segment and a sales office for the BOPP films.

In Europe, Innovia operations are supported by four manufacturing facilities, with one in Belgium, one in Poland and one the United Kingdom for the manufacture of BOPP films, and one in Germany, with almost its entire production consumed in the Food & Beverage business of the CCL Segment. There are two sales offices in Europe and an industry leading research and development laboratory in the United Kingdom to support the Company and its customers worldwide.

In Australia, Innovia operates a BOPP films manufacturing facility and in Asia it shares a sales office with the CCL Segment.

Throughout 2021, Innovia has been constructing the new capacity investment in Poland for its proprietary "Ecofloat" shrink films. This hybrid polyolefin film facilitates easy separation from primary bottle packaging to accommodate customers' bottle-to-bottle circular recycling initiatives globally. The project is scheduled to commence commercial production by the end of the second quarter in 2022.

Principal Products

Innovia is a leading manufacturer of specialty high-performance, multi-layer, surface engineered BOPP films. These films are sold to customers in the pressure sensitive materials and consumer packaged goods industries worldwide with a small percentage of the total volume consumed internally by the CCL Secure business within the CCL Segment. The two legacy film manufacturing facilities rolled into the Innovia Segment manufacture specialty films almost entirely consumed by the Home & Personal Care and Food & Beverage businesses within the CCL Segment.

Markets and Competition

Innovia has global market reach with its manufacturing facilities and dedicated sales offices around the world. Its films are sold to customers in the pressure sensitive label materials and consumer packaged goods industries.

Although the industries served by the Segment are mature, with many global competitors offering similar films, Innovia's dedication to innovation, investing significant resources in its research and development people and laboratory in the United Kingdom, differentiates its product offering. This commitment has resulted in the development of specialty BOPP films and innovative surface coating technology that allow Innovia's products to stand apart from the competition.

Employees

Innovia had approximately 1,400 employees as of December 31, 2021.

GENERAL

Suppliers

The Company purchases a broad range of materials and components at market prices in connection with its manufacturing activities. Major purchased items include pressure sensitive label stock, extruded films, adhesives and inks for the production of labels; aluminum slugs for the manufacture of extruded aluminum aerosol cans and bottles; electronic components, circuit boards, resins and chemicals for the construction of smart labels and associated hardware; resin for the manufacture of polypropylene films and polymer banknote substrates; metal rings for binders plus tooling and printing plates across all business lines.

The Company is not dependent on any single source of supply in its CCL, Avery and Checkpoint Segments. The materials required for these manufacturing operations have been readily available and the Company does not foresee any significant shortages in the future. Sufficient power for manufacturing operations is available from local utilities or power companies in most jurisdictions. The Company in the last three years has not experienced a power outage that has had a material impact on its results.

Polypropylene resin is the most significant input cost for the Innovia, and is derived from oil or natural gas and manufactured globally by a limited number of producers. Polypropylene costs depend on the prices of natural gas and oil and the availability of resin cracking capacity. Innovia does not use derivative financial instruments to hedge its exposure to volatility of polypropylene prices; therefore, many of its large customer price agreements adjust for movements up and down in resin cost. Innovia faced significant polypropylene resin cost increases in 2021 but successfully passed them on to customers. Effectively managing input cost volatility, energy and freight cost inflation while offsetting with enhanced productivity efforts and, as appropriate, price adjustments remain mission critical. The Company works with its suppliers to reduce the overall environmental and social impacts of its purchased feedstocks, including transportation, secondary packaging, and material sourcing.

Patents and Trademarks

In the conduct of the operation of its businesses, including the Avery, Innovia and Checkpoint Segments, the Company generally benefits from various patents, industrial designs, licenses and proprietary technologies that, although collectively important in the day-to-day operations of such businesses, are not individually material to the prospects or profitability of the Company as a whole. The Company also generally benefits from its rights in respect of various trademarks.

Generally speaking, in most jurisdictions the term of patent protection, assuming that a utility patent has been issued and any maintenance fees are paid, is 20 years from the filing date of the application. With respect to designs (which protect ornamental, non-functional features), assuming that maintenance fees are paid, generally speaking the term of protection for industrial designs in Canada is the later of 10 years from the date of registration or 15 years from the filing date, and the term of protection for design patents in the United States is 15 years from the issue date if filed on or after May 13, 2015, and 14 years from the issue date if filed before May 13, 2015. Generally speaking, in most jurisdictions the initial term of protection for registered trademarks is 10 years, with an ability to renew for successive 10-year terms. However, in Canada trademark registrations that were issued or renewed prior to June 17, 2019, are subject to a 15-year term, and trademark registrations that were issued or renewed on or after June 17, 2019, are subject to a 10-year term.

Most of the Company’s manufacturing equipment is purchased off-the-shelf and is available to its competitors. However, the Innovia film operations have developed their own unique “bubble process” manufacturing lines to produce their BOPP. Also some of the manufacturing equipment has become increasingly sophisticated and expensive, which may limit the ability of smaller competitors in the market to maintain their positions. However, management believes that it is the Company’s manufacturing know-how, structured operating systems and trained employees that establish a meaningful barrier-to-entry for its businesses.

Over the many years that the Company has operated its businesses, it has developed an employee talent pool that has a significant specialized skill and knowledge base. Since the machinery in use for all the businesses is generally off-the-shelf, the Company’s key asset is employee know-how from a trade skill (press operators, graphic designers, industrial engineers, etc.), technical (for example, chemical or software engineers) or business process perspective. Most of the Company’s value-added techniques to produce products are not patented but reside in the skill set of the employee base.

Research and Product Development

The Company, through its divisions, works with its customers in developing new products to meet market needs. The approach to new products is primarily from active product development as opposed to pure scientific research.

The CCL Segment develops innovative label products for home and personal care, food and beverage, and healthcare customers; specialty and promotional products; and automotive, white goods and other consumer durables. These include clear labels, game pieces, expanded content labels and precision printed and die cut metal components with LED displays.

The Avery Segment has a strong commitment to understanding its ultimate end users, actively seeking product feedback and using consumer focus groups to drive product development initiatives. Avery leverages the CCL Segment's applications and technology to deliver product innovation to combine template label designs with on line software at Avery.com to print labels on desktop printers or order them directly on line using the WePrint service.

Checkpoint continues to develop and expand its product lines with new solutions, performance improvements and next generation software. Of paramount importance is the continual innovation of its best-in-class EAS products, while developing technologies and processes that support its unique single source RFID solution.

Film innovation remains a strategic focus for the Innovia Segment, investing significant resources in its industry leading research and development people and laboratory in the United Kingdom. This commitment has resulted in the development of unique process technology, highly differentiated specialty BOPP films and innovative surface coating technology keeping film innovation at the forefront for the Innovia Segment. CCL's research and development expenses relate primarily to payroll costs for engineering personnel, costs associated with various projects, including testing, developing prototypes and related expenses.

Climate Change

Climate change impact to the Company's business is assessed on an ongoing basis by Management and reviewed by the Board of Directors from a strategic and risk management perspective, as well as considered by the Nominating and Governance Committee in its ongoing oversight of Environmental, Social and Governance ("ESG") matters and by the Corporate Social Responsibility Committee in its ongoing oversight of environmental risk and sustainability initiatives.

Event risks caused by global climate change, including the frequency and severity of weather-related events, could damage the Company's facilities, disrupt operations, impact revenues and cash flow, and create financial risk. These could result in substantial costs for emergency response efforts during the event, reinstatement of regular business operations and repair or replacement of premises and equipment. The potential impact or financial consequence of such events is highly uncertain. The Company's operations are spread over more than 200 locations around the world and therefore subject to varying climate change event risks. The Company maintains insurance coverage for its facilities which it believes are customary or reasonable given the cost of procuring insurance and current operating conditions, however there can be no assurance that such insurance will continue to be available or cover all loss and liability arising from such events, particularly business interruption. The Company's supply chain and distribution network could also be impacted by such events, which are difficult to predict.

Global climate change also gives rise to other risks to the Company's business and operations, including increased regulation and market shifts in supply and demand, which are also difficult to predict. Many countries in which the Company carries on business are at differing stages of developing policy and regulations regarding carbon emissions and other environmental impacts which could significantly affect the Company's business, create financial obligations and increase operating costs. Increased public awareness of climate change may impact consumer demand for the Company's customers' products. The Company is working closely with customers to innovate products that address their sustainable packaging needs and the changing demands of the consumer. The Company has increasingly been driving sustainable practices and deploying initiatives to reduce our carbon footprint, create cost-savings, and position the Company as a leader in sustainable packaging design. This includes investing in resource-saving technologies and waste-reducing processes. The Company is also working internally with employees and externally with supply chain partners to create more efficient and sustainable options which not only mitigates risk but can create additional opportunities out of climate-related market shifts.

Corporate Social Responsibility

The Company's Corporate Social Responsibility ("CSR") initiative is designed to enhance the integration of social and environmental concerns into its business operations and interactions with stakeholders. Beginning with its 2019 report, the Company now releases an annual Sustainability Report covering material environmental and social responsibility issues and policies. These reports are made available on the Company's website at www.cclind.com/sustainability.

Sustainability: The Company is committed to helping customers meet their targets by developing new products while reducing the environmental impact of its manufacturing processes. The Company will limit industrial waste ending up in the environment or in landfills by implementing waste reduction strategies. The Company has set goals of cutting 2019's level of waste to landfill by 90% globally by 2025 and eliminating all landfill from its manufacturing process by 2030 in North America and Europe.

Ethics: The Company's Global Business Ethics Guide, enhanced in 2021 to align with the Company's Corporate Social responsibility strategy, is its primary policy on workplace practices, human rights, health and safety, ethical conduct and fair business practices for all employees. Reviewing the Guide is an important part of new hire training and global facilities are audited to ensure all new hires receive a copy of the ethics guide and sign a commitment of adherence to the code.

Health & Safety: The health and safety of the Company's employees around the world is a top priority. The Company's current Environmental Health & Safety ("EHS") policy and robust safety reporting programs address the statutory requirements of the countries where the Company does business. The EHS policy was revised and updated in 2020 with the launch of the Company's inaugural Sustainability Report. The Company is committed to integrating EHS considerations into operating practices and employee training programs. Quarterly reporting of health and safety performance statistics to management and the CSR Committee is required, with the objectives of an injury-free workplace and appropriate responses to all incidents. Each facility is assessed a colour code ranking for safety in each calendar year, with a focus on improvement of their health and safety standards.

Responsible Supply Chains: The Company continues to work with its supply chain partners to reduce the overall environmental and social impacts of its products including transportation, secondary packaging and material sourcing. Through predictive forecasting and responsive production, the Company is able to drive down lead times and help lower inventory throughout the supply chain with the added benefit of reducing waste and obsolescence and lowering the effects on the environment.

Circular Innovation: The Company's product innovation teams work directly with customers to create sustainable products applicable to their needs while supporting end-use consumer demand to reduce waste in the environment.

Customers

Each of the operating Segments of the Company deals with a diverse customer base. While a small number of the manufacturing facilities are dependent upon one or a few customers for a significant portion of their business, no operating Segment is dependent upon any single customer or upon a few customers. With the addition of Avery in 2013, Checkpoint in 2016 and Innovia in 2017, the Company's customer base diversified into office products stores, commercial contract stationers, mass merchandisers, retail superstores, apparel chain stores, wholesalers, resellers, mail order, e-tailers, direct to consumer, pressure sensitive label material producers, consumer packaged goods companies, government central banks and direct for the Company's internal consumption. For 2021, the Company's two largest customers accounted for approximately 8.1% of consolidated sales. See also "Dependence on Customers," described under the heading "Risks and Uncertainties" in the Company's Management's Discussion and Analysis ("MD&A") for the fiscal year ended December 31, 2021, and incorporated by reference herein. The Company has filed the MD&A with the Canadian securities regulators and it is available on SEDAR at www.sedar.com.

Employees

The Company has direct control over a total of approximately 25,100 employees in its wholly owned subsidiaries and two joint ventures in the following regions:

	No. of Employees
North America	4,850
Latin America	4,750
Europe	6,300
Asia Pacific, Middle East, Africa	9,200
Total	25,100

In North America, there are two labour contracts in the United States, covering a total of approximately 328 employees. A significant proportion of the Company's employees outside North America are covered by collective bargaining agreements across various unions, workers councils or in-house employee associations, some required by local statutes on employment matters. The Company has not experienced work stoppages at any of its locations in the last 20 years and anticipates that any labour contracts coming due in the current year will be renewed.

Foreign Operations

The Company currently conducts operations in Canada, the United States (including Puerto Rico), Argentina, Australia, Austria, Bangladesh, Belgium, Brazil, Chile, China, Denmark, Egypt, France, Germany, Hungary, India, Ireland, Israel, Italy, Japan, Korea, Malaysia, Mexico, Morocco, the Netherlands, New Zealand, Oman, Pakistan, Philippines, Poland, Portugal, Russia, Saudi Arabia, Singapore, South Africa, Spain, Sri Lanka, Switzerland, Thailand, Turkey, United Arab Emirates, the United Kingdom and Vietnam. Operations primarily service customers located in their country.

International operations are necessarily subject to different economic risks and opportunities. The Company's production costs are affected by conditions prevailing in the various locations. The Company is also exposed to fluctuations in foreign currency exchange, which may positively or negatively affect the Company's consolidated financial reporting as a result of the translation of foreign financial results into Canadian dollars and the impact of cash flows, cash holdings and debt obligations in these foreign currencies. The Company believes that international diversification has reduced its overall economic business risk.

See also “Potential Risks Relating to Significant Operations in Foreign Countries” described under the heading “Risks and Uncertainties” in the Company’s MD&A for the fiscal year ended December 31, 2021, and incorporated by reference herein. The Company has filed the MD&A with the Canadian securities regulators and it is available on SEDAR at www.sedar.com.

Production and Services

The Company primarily manufactures its products at its various plant facilities utilizing standard equipment generally available to the market. In unusual circumstances, it may outsource certain production to other suppliers. As part of providing its manufacturing capabilities to its customers, the various Segments also provide ancillary services such as artwork, tool and die manufacturing and product development for a fee. These fees are a small proportion of the Company’s total revenue.

The Avery Segment manufactures the majority of its products at various strategically located facilities within the markets it supplies, with equipment generally available to the market. Avery uses its manufacturing sites in conjunction with its distribution facilities to service an efficient supply chain for its customers and the consumer.

A substantial majority of Checkpoint’s MAS products are manufactured in Asia and exported principally to the western world and installed by the Segment’s service technicians at customer locations.

The Innovia Segment has constructed its own unique “bubble process” manufacturing lines compared to the conventional stenter (or tenter) method for producing BOPP. The Innovia Segment is further supported by the world-class research and development laboratory in the U.K.

New Products

The Company has developed many new products in each of its businesses over the years. The approach to developing new products is primarily from active product development as opposed to pure scientific research. The CCL Segment develops many new applications for labels, promotional products, shrink sleeves, expanded content labels, precision printed and die cut metal components and unique security features for polymer banknote substrate. The Avery Segment has a strong commitment to understanding its ultimate end users, actively seeking product feedback and using consumer focus groups to drive product development initiatives. Furthermore, Avery leverages the CCL Segment’s applications and technology to deliver product innovation that aligns with consumer printable media trends. These new products include business builder labels, repositionable address labels, print-to-the-edge wrap around labels and T-shirt transfer labels. The Checkpoint Segment has always been an innovator for its industry with a strong dedication to research and development activities. It was a pioneer of RF electronic-article-surveillance hardware and consumables. Checkpoint has made further advances with the active enhancement and deployment of RFID solutions, including inventory management software, to the retail and apparel industry. The Innovia Segment leverages its industry leading research and development facility to continually innovate its BOPP film suite of products including its aforementioned environmentally conscious “Ecofloat” film.

Properties

As at February 25, 2022, the Company operated the following principal manufacturing facilities:

	Manufacturing Facilities		Business Segments			
	Owned	Leased	CCL	Avery	Checkpoint	Innovia
North America	28	22	37	11	1	1
Latin America	15	4	16	1	1	1
Europe	36	35	51	9	7	4
Asia Pacific, Middle East, Africa	38	26	46	2	15	1
Total	117	87	150	23	24	7

Generally each manufacturing facility is dedicated to the Business Segment in which it operates. Furthermore, manufacturing facilities within the CCL Segment are predominantly dedicated to the specific vertical market they serve; Healthcare & Specialty, Home & Personal Care, Food & Beverage, CCL Design and CCL Secure. Periodically, in smaller or less developed regions, a manufacturing facility will serve multiple vertical markets until such time as a dedicated facility is required to handle significant volume of a unique nature of the customer base.

Leased facilities typically have terms of five years with one or more renewal options. The Company maintains excellent daily housekeeping and maintenance policies for all its facilities around the world regardless of whether they are leased or owned. The Company’s leases typically require the facility to be returned to a condition reasonably similar to the onset of the lease, which generally does not result in significant restoration expenses.

RISK FACTORS

The Company is subject to the usual commercial risks and uncertainties from operating as a Canadian public company and as a supplier of goods and services to the non-durable consumer packaging and consumer durables industries on a global basis. A number of these potential risks and uncertainties could have a material adverse effect on the business, financial condition and results of operations of the Company. The identified risks and uncertainties are described under the heading "Risks and Uncertainties" in the Company's MD&A for the fiscal year ended December 31, 2021, and incorporated by reference herein. The Company has filed the MD&A with the Canadian securities regulators and it is available on SEDAR at www.sedar.com.

ITEM 6 – DIVIDENDS

Annual Cash Dividends Declared per Share	2021	2020	2019
Class A voting shares ("Class A")	$ 0.83	$ 0.71	$ 0.67
Class B non-voting shares ("Class B")	$ 0.84	$ 0.72	$ 0.68

Dividend payments are restricted by loan covenants in the Company's credit facility agreements whereby certain unfavourable financial ratios could cause dividends to be reduced or eliminated until such financial ratios are rectified. Dividends can only be paid from retained earnings. The Company's dividend policy is to provide a stable and potentially growing cash return to shareholders, balancing the Company's internal cash position and requirements, and other means of providing returns to investors such as share repurchases in the open market. CCL Industries Inc. has paid dividends quarterly for over 30 years with periodic increases and has not reduced its dividend payout per share during this period.

ITEM 7 - DESCRIPTION OF CAPITAL STRUCTURE

The Company's authorized share capital consists of an unlimited number of Class A voting shares and an unlimited number of Class B non-voting shares.

On June 5, 2017, the Company effected a 5:1 stock split on its Class A and Class B common shares.

Class A Voting Shares

Class A voting shares carry full voting rights (one vote per share) and are convertible at any time at the option of the holder into Class B non-voting shares. Dividends are currently set at $0.01 per share per annum less than those payable per Class B non-voting share.

Class B Non-Voting Shares

Class B shares rank equally in all material respects with the Class A voting shares except as stated above and as follows: (i) holders of Class B non-voting shares are entitled to receive meeting materials and to attend, but not to vote at, regular shareholder meetings, and (ii) **holders of Class B non-voting shares have no right**

to participate in a take-over bid made for the Class A voting shares of the Company. The Articles of the Company provide, however, that if a take-over bid is made for the Class A voting shares and the value of the consideration paid for any of such shares acquired exceeds 115% of the market price of the Class B non-voting shares (calculated in accordance with the Regulation to the *Securities Act* (Ontario) as such Regulation existed on June 27, 1983, being the date of creation of the Class B non-voting shares) and if it is determined by the directors of the Company, after the take-over bid is complete, that the offeror has become the beneficial owner of, or exercises control or direction over, Class A voting shares carrying more than 50% of the votes to which the holders of the Class A voting shares are entitled, there will be deemed to have been a change in control of the Company. In such event, the Class B non-voting shares will become entitled to one vote per share (but the dividend entitlement attached to such shares will thereafter be the same as the dividend entitlement attached to the Class A voting shares) unless the same offer is made to the holders of the outstanding Class B non-voting shares.

Ratings

In May of 2020, the Company issued unregistered Rule 144A 3.05% private notes due 2030, in the principal amount of US$600.0 million. In April 2018, the Company completed a private offering of $300.0 million principal amount 3.864% Series 1 Notes due 2028. In September 2016, the Company issued unregistered Rule 144A 3.25% private notes due 2026, in the principal amount of US$500.0 million. For these offerings, ratings were provided by Moody's Investors Services ("Moody's") and S&P Global ("S&P") in accordance with their customary fee arrangements for initial ratings and on-going monitoring. As at the date of this AIF, the following ratings were assigned:

Credit Rating Agency	Issuer Rating	Senior Debt Rating	Outlook Trend
S&P (1)	BBB	BBB	Stable
Moody's (2)	-	Baa2	Stable

1. S&P's issuer and senior unsecured debt rating is a forward-looking opinion of the Company's overall creditworthiness. The opinion reflects S&P's view of the obligor's capacity and willingness to meet its financial commitments as they come due. This rating is based on a scale that ranges from "AAA" to "D", which represents the range from extremely strong capacity to meet financial obligations to a failure to pay one or more financial obligations when it came due. An issuer with a rating in the "BBB" category is the fourth highest category of relevant scale of ten major categories and is considered to be investment grade quality. The ratings from AA to CCC may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories. The lack of one of the designations indicates a rating that is in the middle of the category. A "Stable" outlook rating means the rating is not likely to change.

2. Moody's senior unsecured debt rating is an opinion as to the Company's future relative creditworthiness. The credit rating is derived from a detailed rating's grid published in a Moody's rating methodology report for Packaging Manufacturers: Metal, Glass, and Plastic Containers. The grid score is then formulated into one of 21 "grid-indicated ratings." A grid-indicated rating category of Baa is indicative of investment grade quality. Moody's appends the numerical modifiers 1, 2 or 3 to 18 of the 21 indicative rating classifications. The modifiers 1, 2 and 3 indicate that the obligation ranks in the higher end, mid-range or lower end of its indicative rating category, respectively. The Moody's rating outlook is an opinion regarding the likely direction of an issuer's rating over the medium term, and falls into one of four categories: Positive, Negative, Stable or Developing. A "Stable" indicates a low likelihood of a rating change over the medium term.

Credit ratings are intended to provide investors with an independent measure of the credit quality of the Company's senior debt. The credit ratings assigned to the unsecured public bonds by the rating agencies are not recommendations to purchase, hold or sell the Company's securities, since such ratings do not address market price or suitability for a particular investor. There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by a rating agency in the future if in its judgement, circumstances warrant.

ITEM 8 – MARKET FOR SECURITIES

The Class A voting shares and the Class B non-voting shares of CCL Industries Inc. are listed and posted for trading on the Toronto Stock Exchange. The Toronto Stock Exchange is the primary exchange trading the Class B non-voting shares; however, alternative exchanges also trade the shares. The total number of Class B non-voting shares traded on all exchanges for 2021 was 111,983,898 (2020 – 166,503,361).

Shares Trading in 2021 on the Toronto Stock Exchange

	Class A			
	Volume Traded	**High**	**Low**	**Close**
January	5,558	$ 63.63	$ 58.90	$ 59.50
February	4,417	66.66	60.14	65.55
March	7,964	72.39	66.55	69.69
April	3,448	71.77	69.69	71.77
May	2,235	72.01	67.49	68.69
June	4,419	71.61	66.49	68.09
July	2,827	69.63	66.66	69.63
August	4,170	74.69	70.54	72.59
September	2,503	73.73	65.59	65.59
October	3,966	68.10	64.59	67.60
November	1,657	70.40	63.85	64.00
December	8,192	67.13	63.00	66.40
Total Year	**51,356**	**$ 74.69**	**$ 58.90**	**$ 66.40**

Class B

	Volume Traded		High		Low		Close
January	4,477,923	$	62.98	$	57.43	$	58.67
February	5,261,274		67.86		58.91		67.03
March	8,397,900		71.90		66.15		69.52
April	4,806,387		72.49		69.00		69.77
May	5,516,212		72.12		66.05		67.68
June	5,868,666		71.07		65.58		68.27
July	2,924,785		72.03		66.05		71.55
August	3,676,299		75.19		69.42		72.02
September	4,893,385		73.75		65.33		65.60
October	4,366,520		68.00		64.31		67.65
November	6,947,261		70.67		62.46		62.69
December	5,882,533		68.41		62.39		67.83
Total Year	**63,019,145**	$	75.19	$	57.43	$	67.83

ITEM 9 – ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTIONS ON TRANSFER

The securities itemized in the table below are held in trust by American Stock Transfer and may be awarded to specific executives as part of their long term incentive plan if the executive continues to be employed by the Company at that time. Please refer to the most recent Management Proxy Circular of the Company available on SEDAR at www.sedar.com for a detailed description of the incentive plan.

Designation	Number of securities subject to a contractual restriction on transfer	Percentage of Class
Class B non-voting	nil	n/a

ITEM 10 – DIRECTORS AND OFFICERS

The names and municipalities of residence of all directors and officers of the Company as at the date hereof, the offices presently held, the principal occupations during the last five years and the year each director first became a director are set out below. Each director was elected at the last annual meeting of shareholders. Each director serves until the next annual meeting or until his or her successor is elected or appointed. The Articles of the Company provide for a minimum of five and a maximum of 15 directors, however, the number of directors is fixed at 11. Officers are appointed annually and serve at the discretion of the Board of Directors.

The Committees of the Board of Directors of the Company and their members are as follows:

Directors

Name and Municipality	**Occupation in Last Five Years**	**Director Since**
LINDA A. CASH Atlanta, Georgia USA	Independent corporate director. Prior to January 2021, Ms. Cash was Vice President, Global Quality and New Model Launch of Ford Motor Company (a leading automobile producer). Prior to 2016, Ms. Cash was Vice President, Manufacturing, Europe at Ford Motor Company.	January 18, 2021
VINCENT J. GALIFI Vaughan, Ontario Canada	President of Magna International Inc. (a leading global automotive supplier). Prior to November 2021, Mr. Galifi was Executive Vice President and Chief Financial Officer of Magna International Inc.	December 19, 2016
ALAN D. HORN Toronto, Ontario, Canada	President and Chief Executive Officer of Rogers Telecommunications Limited. Prior to December 2017, Mr. Horn also served as Chair of Rogers Communications Inc. (a telecommunications company) and interim President and Chief Executive Officer of Rogers Communications from October 2016 to April 2017. Mr. Horn previously served as a director of the Company from 2008 to 2017.	May 15, 2019
KATHLEEN L. KELLER-HOBSON Niagara-on-the-Lake, Ontario, Canada	Independent corporate director.	January 1, 2015
DONALD G. LANG Toronto, Ontario Canada	Executive Chairman of the Company.	May 23, 1991
ERIN M. LANG Toronto, Ontario Canada	Managing Director of LUMAS Canada (for-profit distributer of limited edition photographic art).	December 19, 2016
STUART W. LANG Cambridge, Ontario Canada	Corporate Director of the Company.	May 23, 1991
GEOFFREY T. MARTIN Dover, Massachusetts USA	President and Chief Executive Officer of the Company.	October 27, 2005

Directors

Name and Municipality	**Occupation in Last Five Years**	**Director Since**
DOUGLAS W. MUZYKA Philadelphia, Pennsylvania USA	Independent corporate director. Prior to November 2017, Chief Science and Technology Officer of E.I. DuPont de Nemours (international manufacturer of chemical products, specialty materials, consumer and industrial products).	November 9, 2016
THOMAS C. PEDDIE Toronto, Ontario Canada	Independent corporate director. Prior to September 2016, Executive Vice President and Chief Financial Officer of Corus Entertainment Inc. (media company).	June 4, 2003
SUSANA SUAREZ-GONZALEZ New York, New York USA	Executive Vice President and Chief Human Resources Officer, and Chief Diversity and Inclusion Officer, of International Flavors & Fragrances Inc. (a leading global manufacturer and supplier of flavours and fragrances for the food, beverage, personal care, household products and health and wellness industries). Prior to 2016, Dr. Suarez-Gonzalez was Senior Vice President, Global Operations and Centers of Expertise at Fluor Corporation (a multinational engineering and construction firm).	January 18, 2021

The Committees of the Board of Directors of the Company and their members are as follows:

Audit Committee

Vincent J. Galifi (Chair)
Linda A. Cash
Thomas C. Peddie

Human Resources Committee

Douglas W. Muzyka (Chair)
Vincent J. Galifi
Alan D. Horn
Susana Suarez-Gonzalez

Nominating and Governance Committee

Kathleen L. Keller-Hobson (Chair, Lead Director)
Alan D. Horn
Thomas C. Peddie
Susana Suarez-Gonzalez

Corporate Social Responsibility Committee

Linda A. Cash (Chair)
Erin M. Lang
Stuart W. Lang
Douglas W. Muzyka

Officers	Office with CCL Industries Inc. and Principal Occupation in Last Five Years
DONALD G. LANG Toronto, Ontario Canada	Executive Chairman.
GEOFFREY T. MARTIN Dover, Massachusetts USA	President and Chief Executive Officer.
SEAN P. WASHCHUK Burlington, Ontario Canada	Senior Vice President and Chief Financial Officer.
JAMES A. SELLORS Singapore	Senior Vice President, Asia Pacific. Prior to January 2018 President of Avery North America.
LALITHA VAIDYANATHAN Los Altos Hills, California USA	Senior Vice President, Finance-IT-Human Resources.
KAMAL KOTECHA Richmond Hill, Ontario Canada	Vice President, Taxation.
MARK McCLENDON Strongsville, Ohio USA	Vice President and General Counsel.
NICK VECCHIARELLI Vaughan, Ontario Canada	Vice President, Corporate Accounting.
MONIKA VODERMAIER Neubeuern, Germany	Vice President, Corporate Finance Europe.
SUZANA FURTADO Newmarket, Ontario Canada	Corporate Secretary. Prior to May 2018, Director – Corporate Administration with the Company. Prior to May 2016, Manager, Legal Services with the Company.

The directors and officers of CCL Industries Inc. as a group own, control, or direct, directly or indirectly, approximately 11,220,150 of the issued and outstanding Class A voting shares representing 94.9% of the issued and outstanding Class A voting shares.

To the best of the Company's knowledge, no director or executive officer of the Company is, as at the date of this AIF, or was within 10 years before the date of this AIF, a director, chief executive officer or chief financial officer of any company that was (i) subject to a cease trade order or similar order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) subject to such an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

To the best of the Company's knowledge, no director or executive officer of the Company, or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company (i) is, as at the date of this AIF, or has been within the 10 years before the date of this AIF, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (ii) has, within the 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

To the best of the Company's knowledge, no director or executive officer of the Company, or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

The foregoing information, not being within the knowledge of the Company, has been furnished by the directors and executive officers mentioned above.

Conflicts of Interest

Neither CCL Industries Inc. nor any of its subsidiaries has an existing or potential material conflict of interest with any of its directors or officers.

ITEM 11 – PROMOTERS

Not applicable

ITEM 12 – LEGAL PROCEEDINGS

In the normal course of operations, the Company and its subsidiaries may be subject to lawsuits, investigations and other claims, including environmental, labour, product, customer disputes and other matters.

Specifically, during 2018, the Federal Court of Australia awarded a judgment and costs against a subsidiary of the Company, CCL Secure Pty Ltd. (formerly Innovia Security Pty Ltd.) ("ISPL"), totaling A$70.0 million ($63.8 million), finding a wrongful termination of an agency agreement with Benoy Berry and a company controlled by him, Global Secure Currency Ltd. (collectively, "Berry"), an arm's length third party in Nigeria. ISPL appealed the judgment. As part of the appeals process, the Australian court of appeals mandated that the Company guarantee the entire judgment in order to stay execution of the judgment pending resolution of the appeal. On appeal, the Australian court of appeals reduced the total damages awarded to Berry to A$4.8 million ($4.4 million), including interest and Berry's estimated legal costs, and awarded ISPL a portion of its appeal costs. Berry appealed the reduced award to the High Court of Australia. In the third quarter of 2020, the High Court of Australia issued a final judgment for Berry in the sum of approximately A$45.1 million ($43.0 million), including interest and Berry's legal costs. The final judgment was $8.6 million in excess of the previously recorded provision, which had been accrued as part of the 2017 Innovia acquisition for this matter, and is reported in Restructuring and other costs.

In the first quarter of 2019, a hearing on a jurisdictional issue was held in respect of a lawsuit launched in 2011 by Berry in Nigerian Federal Court against ISPL and Innovia Films Ltd. (collectively, "IFL"), as well as other defendants not affiliated with ISPL. The court denied IFL's motion to dismiss the lawsuit on the jurisdictional issue. IFL is appealing that decision to the highest appeals court in Nigeria. The lawsuit alleges that IFL and the co-defendants committed to build a banknote substrate plant in Nigeria, and Berry seeks an order requiring IFL and the co-defendants to build the plant, or in lieu thereof, grant an award of total damages in the amount of €1.5 billion ($2.2 billion). IFL intends to vigorously defend this claim, which the Company considers to be without merit and, accordingly, the Company has made no provision for the matter.

Management believes that adequate provisions for legal claims have been recorded in the accounts where required. Although it is not always possible to accurately estimate the result or magnitude of legal claims due to the various uncertainties involved in the legal process, management believes that the ultimate resolution of all such pending matters, individually and in the aggregate, will not have a material adverse impact on the Company, its business, financial position or liquidity.

ITEM 13 – INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Not applicable

ITEM 14 – TRANSFER AGENT AND REGISTRAR

The Company's transfer agent and registrar is TSX Trust Company. The registrar of transfers of the Company's Class A voting and Class B non-voting shares is located at Toronto, Ontario.

ITEM 15 – MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, the Company did not enter into any material contracts within the Company's most recently completed financial year.

ITEM 16 – INTERESTS OF EXPERTS

KPMG LLP, the Company's external auditor, has reported on the consolidated financial statements of the Company for the year ended December 31, 2021. KPMG LLP is independent of the Company in accordance with the applicable Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

ITEM 17 – AUDIT COMMITTEE

Charter of the Audit Committee

The Board has established the Audit Committee to assist the Board in its oversight responsibilities regarding the integrity of the Company's accounting and internal controls, financial reporting and disclosure, information systems, internal audit and the selection, evaluation and compensation of external auditors. Reference to 'Auditors' signifies the auditor appointed by the shareholders of the Company from time to time.

- Oversee the integrity, quality and sufficiency of the Company's accounting, financial reporting and disclosure policies, principles and practices.

- Review the quarterly and year-end financial statements, Management's Discussion and Analysis, and earnings press releases of the Company before the Company publicly discloses this information, and make recommendations to the Board.

- Review the Annual Information Form of the Company and ensure that the prescribed disclosure regarding the Audit Committee is contained in the Annual Information Form.

- Monitor the adequacy and integrity of internal controls over accounting and financial systems and ensure that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure stated immediately above, and periodically assess the adequacy of those procedures.

- Monitor the timely and accurate public disclosure of material financial information regarding the Company.

- Evaluate and recommend annually to the Board the external auditors to be nominated for appointment, and recommend their compensation.

- Ensure that the Auditors report directly to the Audit Committee.

- Monitor the independence of the Auditors, and assume direct responsibility for overseeing the work of the Auditors engaged to prepare or issue an audit report or perform other audit, review or attestation services for the Company, including the resolution of disagreements between Management and the Auditors regarding financial reporting.

- Meet regularly with the Auditors without management present to discuss and review any issues.

- Require and receive from time to time the written confirmation of the Auditors as to its independent status and as to their good standing with the Canadian Public Accountability Board. Where there are unsettled issues raised by the Auditors that do not have a material effect on the annual audited financial statements, require that there be a written response identifying a course of action that would lead to their resolution.

- Review post-audit or management letters, containing recommendations of the external auditors and management's response.

- Pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the Auditors. Authority to pre-approve non-audit services may be delegated to one or more members of the Audit Committee, provided that the pre-approval is presented to the full Audit Committee at its first scheduled meeting following such pre-approval.

- Review the results of internal and external audits, and any change in accounting practices or policies and their impact on the financial statements and maintain oversight responsibility for management reporting on internal control.

- Oversee the work of the internal auditors of the Company, including reviewing the summary reports and the internal audit plan, and provide direction and guidance to the internal auditors.

- Review and approve management's appointment or termination of the head internal auditor.

- Establish procedures for the confidential, anonymous submission by employees of the Company of concerns regarding accounting and financial matters, and for the receipt, review, retention and resolution of any complaints received by the Company regarding accounting and financial matters.

- Review and approve the Company's hiring policies regarding partners and employees and former partners and employees of the present and former Auditors of the Company.

- Review and monitor the adequacy and integrity of the Company's management accounting and financial systems.

- Monitor the adequacy of the Company's financial resources and the payment of dividends, and make recommendations to the Board regarding dividends.

- Review and assess the Company's financial risk exposure and the steps taken to monitor and mitigate such exposure, including the use of any derivatives or hedging activities and legal and regulatory proceedings.

- Review and assess the Company's IT systems and cybersecurity risk exposure and the steps taken to monitor and mitigate such exposure.

- Review and assess the Company's insurance programs.

- Review and assess the adequacy of the charter of the Audit Committee on an annual basis.

Composition of the Audit Committee

The members of the Audit Committee, as disclosed under Item 10: "Directors and Officers," are: Vincent J. Galifi (Chair), Linda A. Cash and Thomas C. Peddie. Each of the members is independent as defined under National Instrument 52-110 – Audit Committees and financially literate within the meaning of applicable securities legislation.

Relevant Education and Experience of the Audit Committee

Vincent J. Galifi – Mr. Galifi was appointed President of Magna International Inc., a leading global automotive supplier, in November 2021. Mr. Galifi is a key member of Magna's executive team responsible for providing strategic council to the executive management team on corporate strategy, capital markets and stakeholder relations. Prior to that, Mr. Galifi served as Magna's Executive Vice President and Chief Financial

Officer. For the majority of Mr. Galifi's 33-year career at Magna, his responsibilities have centered in the finance function, including Director of Taxation & Insurance, Vice President & Controller, Vice President Finance and Executive Vice President Finance and Chief Financial Officer. Mr. Galifi also serves on the Executive Management Committee and Compliance Council, as well as advisor to the Audit Committee and the Corporate Governance and Compensation Committee of Magna. Mr. Galifi has a Bachelor of Commerce degree, with high distinction, from the University of Toronto. He obtained his C.P.A., CA designation in 1984 and is a member of the Chartered Professional Accountants of Ontario. Mr. Galifi brings to the audit committee extensive international financial knowledge and global acquisition experience.

Linda A. Cash – Ms. Cash's principal occupation is that of a corporate director. Prior to January of 2021, Ms. Cash was Vice President, Global Quality and New Model Launch of Ford Motor Company, a leading automobile producer. Prior to 2016, Ms. Cash was Vice President, Manufacturing, Europe at Ford Motor Company and served on the boards of Ford Romania and Ford Otosan in Turkey. During her 36-year career at Ford Motor Company, Ms. Cash held roles of increasing responsibility in leadership positions and gained extensive knowledge of global manufacturing engineering, finance and operations leadership within the automotive industry. Ms. Cash also served as Executive Sponsor of the Ford African Ancestry Network and as a member of Ford`s Black Lives Matter Taskforce. She also championed the Ford High School Partnership Program and served on the STEAM leadership team. Ms. Cash was recognized as one of the 100 Leading Women in the automotive industry and is passionate about the representation and championing of women and minorities in the industry. In 2020, Ms. Cash was recognized by Ford as an ERG (Employee Resource Group) Executive Champion of the Year. Ms. Cash holds a Bachelor of Science degree in Industrial Engineering from the Georgia Institute of Technology and an MBA from the University of Phoenix. She also currently serves on the Advisory Board of Georgia Institute of Technology. Ms. Cash brings to the audit committee extensive global expertise in manufacturing and operations, finance, engineering, advocacy for diversity, innovation and sustainability, along with a deep understanding of the global markets in which the Company operates.

Thomas C. Peddie - Mr. Peddie's principal occupation is that of a corporate director with 45 years of experience in public accounting, the packaged goods industry and media and entertainment. Prior to September 1, 2016, Mr. Peddie was the founding Executive Vice President and Chief Financial Officer of Corus Entertainment Inc., a publicly traded media and entertainment company listed on the Toronto Stock Exchange (the "TSX"). He is also a recently retired director of Amex Bank of Canada, where he was the Audit Committee chair. Mr. Peddie is also the current chair of the Corporate Oversight and Governance Board at CPA Canada, a committee which focuses on issues of good corporate governance for public, private and not-for-profit corporations. He previously chaired the Risk Oversight and Governance Board at CPA Canada. Mr. Peddie is a Chartered Professional Accountant and was awarded his FCA designation, as recognition of his commitment to the profession, by the Chartered Professional Accountants of Ontario in 2003. Mr. Peddie holds an Honours Bachelor of

Commerce degree from the University of Windsor. His career has reflected the progressive assumption of responsibility in the area of financial management as president of WIC Western International Communications Inc. and as chief financial officer of CTV Television Network, Canada Packers (now Maple Leaf Foods), Toronto Sun Publishing and as chief financial officer of the international operations of The Campbell Soup Company. Mr. Peddie has performed financial management directly and has supervised others in the performance of financial duties through much of his career. Along with his knowledge in matters of finance in both the domestic and international markets, Mr. Peddie has an understanding of internal controls and procedures for financial reporting for both Canadian and US registrants including the internal control obligations under Sarbanes Oxley. He also has extensive experience in mergers, acquisitions and strategy, including an understanding of emerging ESG issues and reporting.

Pre-Approval Policies and Procedures

Policy

The Company and its subsidiaries will not engage KPMG LLP, the external auditors of the Company, to carry out any service that may reasonably be thought to bear on KPMG's independence. KPMG must annually confirm to the Audit Committee that it is independent of the Company within the meaning of the applicable Rules of Professional Conduct/Code of Ethics of the Chartered Professional Accountants of Ontario. For services that are not prohibited, the following pre-approval policies will apply.

A. Audit Services

The Audit Committee will pre-approve all Audit Services provided by KPMG through their recommendation of KPMG as shareholders' Auditor at the Company's annual meeting and through the Audit Committee's review of KPMG's annual Audit Plan.

B. Audit Related Services and Recurring Tax and Other Non-Audit Services

Annually, the Audit Committee will review the List of Audit, Audit-Related, Recurring Tax and Other Non-Audit Services and recommend pre-approval of these services for the upcoming year. Any additional requests will be addressed on a case-by-case specific engagement basis.

The Audit Committee will be informed quarterly of the services on the pre-approved list for which the Auditor has been engaged.

C. Other Services

All requests to engage KPMG for other services must be pre-approved by the Audit Committee or the Chair of the Audit Committee, as described below, and will be addressed on a case-by-case specific engagement basis.

The Company's employee making the request is to submit the request for service to the Senior Vice President and Chief Financial Officer. The request for service should include a description of the service, the estimated fee, a statement that the service is not a prohibited service and the reason KPMG is being engaged.

<u>Services where the aggregate fees are estimated to be less than or equal to $50,000.</u>

Recommendations, in respect of each engagement, will be submitted by the Senior Vice President and Chief Financial Officer to the Chair of the Audit Committee of the Board of Directors for consideration and approval. The full Audit Committee will subsequently be informed of the service at its next meeting. The engagement may commence upon approval of the Chair of the Audit Committee.

<u>Services where the aggregate fees are estimated to be greater than $50,000.</u>

Recommendations, in respect of each engagement, will be submitted by the Senior Vice President and Chief Financial Officer to the full Audit Committee for consideration and approval, generally at its next meeting. The engagement may commence upon approval of the Committee.

External Auditor Service Fees (by Category)

The following table sets forth the aggregate fees billed for professional services rendered to the Company and its subsidiaries by KPMG LLP, Chartered Professional Accountants:

External Auditor Service Fees	**2021**	**2020**
Audit Fees	$4,015,752	$4,537,522
Audit-Related Fees	$16,892	$24,375
Tax Fees	$1,317,507	$1,329,700
All Other Fees	$36,848	$204,764
Total	**$5,386,999**	**$6,096,361**

<u>Audit Fees</u>

The aggregate audit fees related to KPMG LLP 2021 audit of the annual consolidated financial statements, the review of the consolidated condensed interim financial statements and a review of interim financial statements in Denmark.

<u>Audit-Related Fees</u>

These fees related to the audit of the Company's corporate defined benefit pension plan.

Tax Fees

These fees are for professional services rendered by the auditor for tax compliance, tax advice and tax planning for its Canadian and international operations.

All Other Fees

KPMG provided services that met the definition of "other," for professional services in connection with compliance to local legislation, translation services and compilation financial statements.

ITEM 18 – ADDITIONAL INFORMATION

Additional information concerning CCL Industries Inc., including directors' and officers' remuneration and indebtedness, principal holders of securities, and securities authorized for issuance under equity compensation plans, where applicable, is contained in the Management Proxy Circular of the Company to be dated March 18, 2022. Additional financial information is provided in the Consolidated Financial Statements and MD&A for the fiscal period ended December 31, 2021. Copies of the above documents may be obtained upon request from the Corporate Secretary of CCL Industries Inc. at 111 Gordon Baker Road, Suite 801, Toronto, Ontario, Canada M2H 3R1.

Additional information relating to CCL Industries Inc. may be found on SEDAR at www.sedar.com and on the Company's website at www.cclind.com.