CCL Industries Inc.

111 Gordon Baker Road, Suite 801

Toronto, Ontario

M2H 3R1

2023

Annual Information Form

February 22, 2024

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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 2024; the adequacy of the Company's financial liquidity; the Company's targeted return on equity, improved return on total capital, adjusted earnings per share, adjusted EBITDA growth rates and dividend payout; the Company's effective tax rate; the Company's ongoing business strategy; the Company's ability to maintain a Net Debt to Adjusted EBITDA ratio below 3.5 times; the Company's expectations regarding general business and economic conditions; the Company's Corporate Social Responsibility initiative to enhance the integration of social and environmental objectives into its business operations and strategy; the Company's expectation to achieve its overall environmental footprint and waste reduction goals for 2025 and 2030; the Company's ability to successfully deploy initiatives that reduce the carbon footprint of its products and services; the continuing impact the conflicts in Europe and the Middle East will have on the global economy and the global supply chain; the Company's success in passing on foreign exchange movements and input cost changes, including inflationary costs, to its customer base; Innovia will successfully complete construction of its new film manufacturing facility in Germany in the first half of 2025; Innovia will complete the closure of its Belgium facility by mid-2024; Innovia will successfully consolidate the production from the closure of the Belgium facility into its facilities in the U.K. and Australia, leading to incremental annual profitability of $17.0 million to $20.0 million; for the CCL Segment, fourth quarter momentum and potential acceleration in early 2024 will yield improved sales and profitability; all the vertical markets within the CCL Segment are positioned for growth and improved profitability in the coming years; the CCL Segment will complete all its global greenfield project successfully; CCL Design will successfully manage new product initiatives and profitably capture the turnaround in electronics markets; CCL Secure's success in developing market-leading security technology to pursue widespread long-term adoption of polymer banknotes; Avery's direct-to-consumer businesses, plus horticultural operations will outpace legacy product lines and that further "tuck-in" acquisitions are possible; Checkpoint's expectation that there will be strong demand for RFID-related products, including products beyond retail; Checkpoint will successfully commence operations of its new RFID inlay facility in Mexico; Checkpoint's expectation that core MAS and ALS apparel production categories will grow and improve profitability in 2024; Innovia's expectation that the destocking in the label materials industry has ended and improvements early in 2024 will continue for the remainder of the year and expectations that the new "Ecofloat" production line will successfully fill its capacity; and expectations that if demand remains stable for the remainder of 2024, results will deliver good progress over 2023.

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; increased 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, aluminum and other inflationary 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 in the Company's 2023 Annual Report, particularly in Section 4: "Risks and Uncertainties."

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; therefore, the financial impact cannot be described in a meaningful way in advance of knowing the 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 22, 2024.

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, 2023. 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 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 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 engineered 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 the believed to be 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 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

The Company's strategy is to increase shareholder value through investment in organic growth and product innovations around the world, augmented by a global acquisition strategy. The Company builds on the strength of its people in marketing, manufacturing and product development and nurtures strong relationships with its international, national and regional customers and suppliers. The Company anticipates increasing its market share in most product categories by capitalizing on market insights and the growth of its customers, and by following developments such as globalization, new product innovation, sustainability, branding and consumer trends.

A key attribute of this strategy is maintaining focus and discipline. The CCL Segment aspires to be the market leader and the highest value-added producer in each customer sector and region in which it chooses to compete. The primary objective is to invest in growth globally, both organically and by acquisition. Avery's objectives align to its core competencies in label and badging solutions centered on specialty converted media that enable short-run digital printing in homes and businesses and increasingly using the direct-to-consumer channel, both organically and by acquisition. Checkpoint focuses on technology-driven loss-prevention and inventory-management and labeling solutions for the retail and apparel industries, inclusive of a rapidly developing RFID product portfolio. Innovia is a leading global producer of specialty, high-performance, multi-layer, surface-engineered films for label, packaging and security applications. Innovia also provides significant depth and capability to develop proprietary films for label applications.

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 through 2023 as the Company's management responded to the volatile economic challenges brought about by the Covid ("CV19") global pandemic, matching the Company's cost structures to customer demand patterns. 2022 was the third year of pandemic-related challenges. At the beginning of the year, a surge in the omicron variant prompted severe civil restrictions in China; then late in the fourth quarter, the accelerated elimination of the Chinese government's zero CV19 policy resulted in a rampant increase in infections, both disrupting economic activity that has continued in the early weeks of 2023. Furthermore, the Ukraine/Russian conflict started in the first quarter of 2022, followed by sanctions, embargos, supply chain challenges and additional pressure on global inflation rates, further disrupting economic activity.

Lastly, due to the ongoing label materials industry destocking crisis that reduced demand for Innovia's films post pandemic and the closure of the Belgian operation, the Company recorded a $95.0 million non–cash goodwill impairment loss. Innovia plans to close its Belgium-based bubble extrusion operation by mid-2024 and consolidate its production in the U.K. and Australia with the expectation to realize incremental annual profitability of $17.0 million to $20.0 million once complete.

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 August 2023, the Company acquired all the intellectual property of Imprint Energy Inc. ("IEI"), based in Alameda, California, for $26.6 million. IEI is a start-up proprietary technology company with the know-how for ultrathin, non-hazardous and non-toxic printed batteries for devices, sensors and wearables. This product line has become part of CCL Design.

- In July 2023, the Company acquired privately owned Faubel & Co. Nachfolger GmbH ("Faubel"), headquartered in Melsungen, Germany, for approximately $169.7 million, net of cash acquired. Faubel is a specialist in labels for pharmaceutical clinical trials globally and is reported within CCL Label's Healthcare and Specialty business.

- In July 2023, the Company acquired privately owned Creaprint S.L. ("Creaprint") based in Alicante, Spain, for approximately $37.7 million, net of cash and debt acquired. Creaprint is a specialized producer of in-mould labels and has been added to CCL Label's Food & Beverage business.

- In July 2023, the Company acquired Pouch Partners S.r.l., ("Pouch"), a subsidiary of Swiss headquartered Capri-Sun Group, based in Milan, Italy, for approximately $39.6 million, net of cash acquired. This business trades as CCL Specialty Pouches and has become an integral new product offering within CCL Label's Food & Beverage.

- In July 2023, the Company acquired privately owned Oomph Made Limited ("Oomph"), based in Liphook, United Kingdom, for approximately $6.6 million, net of cash acquired. Oomph is a designer and supplier of Radio Frequency Identification ("RFID") and Near-Field Communication ("NFC") access cards and wristbands and has been added to the Company's Avery Segment.

- In April 2023, the Company acquired privately owned eAgile Inc. ("eAgile"), based in Grand Rapids, Michigan, for approximately $52.2 million, including estimated net cash assumed. eAgile is a start-up technology company with proprietary, patented hardware and software solutions for the healthcare industry alongside RFID inlays embedded into labels. This business is being integrated into CCL Label's Healthcare & Specialty business.

- In April 2023, the Company acquired the intellectual property of Alert Systems ApS ("Alert"), based in Hoersholm, Denmark, for $3.2 million. Alert's patent protected anti-theft solutions are sold alongside Checkpoint's Merchandise Availability Solutions ("MAS") product lines.

- In April 2023, the Company acquired privately owned Data Management, Inc. ("DMI"), based in Farmington, Connecticut, for approximately $10.2 million, net of cash acquired. DMI's tracking and identification badges business has been added to the Avery Segment.

- In May 2022, the Company acquired privately owned Floramedia Group B.V. ("Floramedia"), based in Westzaan, in the Netherlands, for approximately $53.1 million, net of cash acquired. Floramedia is a European leader in horticulture media with in-house tag and label production complemented with sales offices in seven countries. It is reported as part of Avery.

- In April 2022, the Company acquired Adelbras Indústria e Comércio de Adesivos Ltda. and Amazon Tape Indústria e Comércio de Fitas Adesivas Ltda. (collectively "Adelbras"), headquartered in Vinhedo near São Paulo, Brazil, for approximately $152.3 million, net of cash and debt. Adelbras is a producer of adhesive tapes sold through retailers and distributors to consumers and small businesses under the Adelbras brand name. The new business is reported as part of Avery.

- In January 2022, the Company acquired privately owned McGavigan Holdings Ltd. ("McGavigan"), headquartered in Glasgow, Scotland, and with significant manufacturing operations in China, for $103.6 million, net of cash acquired and debt assumed. McGavigan is a leading supplier of in-mould decorated components for automotive interiors and forms an integral part of CCL Design.

- In December 2021, the Company acquired International Master Products Corporation ("IMP"), based in Michigan, U.S., for $70.8 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; it is reported as part of Avery.

- 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 is a leading supplier of digitally printed and encoded RFID key cards, wrist bands and key fobs for access controls. 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 growing 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.

Financing Arrangements

During the 2022 second quarter, the Company amended its syndicated revolving credit facility extending the maturity an additional two years to February 2027.

The Company's debt structure at December 31, 2023, was primarily comprised of the 144A 3.05% private notes due June 2030 in the principal amount of US$600.0 million ($788.7 million), 144A 3.25% private notes due October 2026 in the principal amount of US$500.0 million ($659.6 million), the $300.0 million principal amount 3.864% Series 1 Notes due April 2028, and borrowings of $307.0 million on the Company's syndicated revolving credit facility. Outstanding contingent letters of credit totaled $1.1 million; accordingly, there was approximately US$966.1 million of unused availability on the revolving credit facility at December 31, 2023.

The Company's debt structure at December 31, 2022, was primarily comprised of the 144A 3.05% private notes due June 2030 in the principal amount of US$600.0 million ($806.4 million), 144A 3.25% private notes due October 2026 in the principal amount of US$500.0 million ($674.2 million), the $300.0 million principal amount 3.864% Series 1

Notes due April 2028, and borrowings of $394.1 million on the Company’s syndicated revolving credit facility. Outstanding contingent letters of credit totaled $1.8 million; accordingly, there was approximately US$906.4 million of unused availability on the revolving credit facility at December 31, 2022.

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 25,700 people operating 213 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 engineered 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 the believed to be 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 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			
	2023		2022	
	Sales*	% of Total Sales	Sales*	% of Total Sales
CCL	$ 4,104.7	61.7%	$ 3,855.1	60.4%
Avery	1,039.9	15.6%	913.6	14.3%
Checkpoint	875.2	13.2%	818.7	12.8%
Innovia	629.8	9.5%	794.8	12.5%
Total	$ 6,649.6	100.0%	$ 6,382.2	100.0%

Sales by Geographic Segment:

(millions of dollars)

	Years ended December 31					
	2023			2022		
		Sales*	**% of Total Sales**		**Sales***	**% of Total Sales**
Canada	$	153.5	2.3%	$	152.7	2.4%
United States and Puerto Rico		2,568.0	38.6%		2,565.6	40.2%
Latin America		849.3	12.8%		709.6	11.1%
Europe		2,060.8	31.0%		1,879.2	29.4%
Asia, Africa and Australia		1,018.0	15.3%		1,075.1	16.9%
Total	$	6,649.6	100.0%	$	6,382.2	100.0%

*Excludes sales at the Company's equity accounted investments in Russia (CCL-Kontur) and the Middle East (Pacman-CCL).

For the CCL Segment and Innovia, 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 horticultural labels, 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.

CCL Segment

There are five customer sectors inside the CCL Segment. The Company trades in three of them as CCL Label (with Label substituted as relevant for Tube and Container product lines) 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. It also supplies regulated and complex multi-layer labels and specialty folding cartons 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 complex engineered parts 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, specialty folded cartons, graphic security features, extruded or labeled plastic tubes, aluminum aerosols or specialty bottles and printed polymer security film substrates. The CCL Segment now operates 158 plants globally, which includes 40 manufacturing plants in North America, three plants in Canada, one in Puerto Rico and 36 in the United States.

In Europe, the CCL Segment now operates 57 manufacturing plants, with two plants in Austria, three in Denmark, four in France, 14 in Germany, one in Hungary, five in Italy, three in the Netherlands, four in Poland, four in Russia, two in Spain two in Switzerland, and 13 in the United Kingdom.

In Latin America, the CCL Segment operates 15 plants, with seven 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, 13 plants in China, one in Egypt, one in India, one in Indonesia, 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 five 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 (with Label substituted as relevant for Tube and Container product lines) 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. It also supplies regulated and complex multi-layer labels and specialty folding cartons 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 complex engineered parts 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, specialty folded cartons, graphic security features, extruded or labeled plastic tubes, aluminum aerosols or specialty bottles 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 16,100 employees as of December 31, 2023, 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 products sold through distributors and mass-market retailers and pressure sensitive tapes in Brazil. The products are split into five primary lines: (1) Printable Media ("PMG"): including address labels, product identification labels and name badges/cards supported by customized software solutions where applicable; (2) Organization Products ("OPG"): including binders, indexes, sheet protectors, and writing instruments; (3) Direct-to-Consumer: digitally imaged labels, name & event badges, RFID enabled key cards & wristbands, planners and kids-oriented identification labels supported by unique web-enabled e-commerce URLs; (4) Pressure Sensitive Tapes; and (5) Horticultural labels & tags. Products in the Printable Media and Direct-to-Consumer categories are predominantly used by businesses and individual consumers consistently throughout the year; however, in OPG, North American demand typically surges for the back-to-school season during the third quarter. Horticultural labels & tags are seasonally stronger in the first and fourth quarters.

Avery now operates 24 manufacturing facilities globally. The North American and Latin American operations are supported by thirteen manufacturing facilities: three in Canada, two in Brazil, one in Mexico, and seven in the United States; the largest of the thirteen 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, two in the Netherlands and two in the United Kingdom.

In Australia, Avery operates two plants.

In Latin America, Avery 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 OPG 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 with 21 acquisitions since 2014, 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 kids, event badges, personalized planners, RFID-enabled keycards & wristbands and horticultural labels & 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 products sold through distributors and mass-market retailers and pressure sensitive tapes in Brazil. The products are split into five primary lines: (1) PMG: including address labels, product identification labels and name badges/cards supported by customized software solutions where applicable; (2) OPG: including binders, indexes, sheet protectors, and writing instruments; (3) Direct-to-Consumer: digitally imaged labels, name & event badges, RFID enabled key cards & wristbands, planners and kids-oriented identification labels supported by unique web-enabled e-commerce URLs; (4) Pressure Sensitive Tapes; and (5) Horticultural labels & tags. Products in the PMG and Direct-to-Consumer categories are predominantly used by businesses and individual consumers consistently throughout the year; however, in OPG, North American demand typically surges for the back-to-school season during the third quarter. Horticultural labels & tags are seasonally stronger in the first and fourth quarters.

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 and businesses 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 3,200 employees as of December 31, 2023.

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 globally. Checkpoint operates 23 manufacturing facilities, seven distribution facilities and three product and software development centres globally. The North American operations are supported by one manufacturing facility and one development centre in the United States. There is also a sales office in Canada.

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

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

In Asia Pacific and Africa Checkpoint operates 15 manufacturing facilities, with four in Bangladesh, three in China, one in India, one in Malaysia, two in Morocco, one in Sri Lanka, two in Turkey and one in Vietnam. There are also two 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 globally. There are three primary product lines: Merchandise Availability Solutions (“MAS”), Apparel Labelling Solutions (“ALS”) and Meto. The MAS line focuses on electronic-article-surveillance (“EAS”) systems, including 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. Meto is a small separately branded Europe-centric product line, including hand-held pricing tools and labels and promotional in-store displays. All MAS and ALS products are sold under the Checkpoint 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 anticipates that Checkpoint can capture its share of the fast-growing RFID market as retailers seek omni-channel fulfillment systems.

Employees

Checkpoint had approximately 5,000 employees as of December 31, 2023.

Innovia

Innovia operations acquired in 2017, Treofan acquired in 2018, Flexpol acquired in 2020 and two small legacy film manufacturing facilities transferred from the CCL Segment make up this business. Innovia's global footprint for the manufacture of specialty high-performance, multi-layer, surface-engineered films, includes major facilities located in each of Australia, Mexico, Poland and the United Kingdom. These films are sold to customers in the pressure sensitive 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. In addition, 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 eight 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. A new film coating facility is under construction in Mexico.

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 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 films manufacturing facility and in Asia it shares a sales office with the CCL Segment.

Film innovation remains a strategic focus for the Segment, investing 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 films and innovative surface coating technology, keeping film innovation at the forefront for the Segment. To meet the packaging world's required environmental and sustainability initiatives, Innovia commenced operations of its new "EcoFloat" investment in Poland mid-year 2022. This hybrid polyolefin shrink film facilitates easy separation from the primary bottle packaging to accommodate customers' bottle-to-bottle circular recycling initiatives globally. The majority of the film produced by this production line will be used by the CCL Segment's Food & Beverage business. Also in 2022, Innovia announced a significant investment in new films manufacturing capacity in Germany. This new multi-layer co-extrusion film line will produce highly engineered thin gauge pressure sensitive label film to support growing sustainability-driven lower resin content materials. Construction of this new facility started in 2023 with the commencement of commercial operations slated for the first half of 2025.

Lastly, due to the ongoing label materials industry destocking crisis that reduced demand for Innovia's films post pandemic and the closure of the Belgian operation, the Company recorded a $95.0 million non–cash goodwill impairment loss. Innovia plans to close its Belgium-based bubble extrusion operation by mid-2024 and consolidate its production in the U.K. and Australia with the expectation to realize incremental annual profitability of $17.0 million to $20.0 million once complete.

Principal Products

Innovia is a leading manufacturer of specialty high-performance, multi-layer, surface engineered 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 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, 2023.

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 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 indices-related price declines in the second half of 2022 coupled with dramatically increased freight and energy costs that hindered results for the year. 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 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.

During the second quarter of 2022, Innovia commenced operations of its new “Ecofloat” investment in Poland. This hybrid polyolefin shrink film facilitates easy separation from the primary bottle packaging to accommodate customer’s bottle-to-bottle circular recycling initiatives globally. Also in 2022, Innovia announced a significant investment in new films manufacturing capacity in Germany. This new multi-layer co-extrusion film line will produce highly engineered thin gauge pressure sensitive label film to support growing sustainability-driven lower resin content materials. Construction of this new facility commenced in 2023 with commercial operations slated for mid-2025.

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 210 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 its 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 strategy as well as interactions with stakeholders. Since 2019, the Company has been continuing to build up the initiative to align with best practices in the industry with changes and progress released in 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 has committed to set science-based targets for emissions through the Science-Based Targets Initiative ("SBTi") to be finalized and released by June 2024. This commitment will further the Company's progress towards reducing the overall environmental footprint of its business in addition to working towards achievement of the waste reduction goals set for 2025 and 2030.

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 have access to a copy of the ethics guide.

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 is reviewed and revised as needed as part of the Company's annual Sustainability Report disclosure. Quarterly reporting of health and safety performance statistics to management and the CSR Committee is required. In 2023, the Company launched the "Good Saves Program" to help identify risks at our facilities before accidents occur and to promote a proactive Behavior-Based Safety (BBS) culture.

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 enabling the circularity of customers' primary packaging while supporting end consumer sensitivity to reduce waste in the environment and reduce overall environmental impacts.

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 2023, the Company's two largest customers accounted for approximately 6.9% 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, 2023, 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.sedarplus.ca.

Employees

The Company has a total of approximately 25,700 employees in its wholly owned subsidiaries and two joint ventures in the following regions:

	No. of Employees
North America	5,200
Latin America	5,000
Europe	7,100
Asia Pacific, Middle East, Africa	8,400
Total	25,700

In North America, there are two labour contracts in the United States, covering a total of approximately 316 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, France, Germany, Hungary, India, Indonesia, Ireland, Israel, Italy, Japan, Korea, Malaysia, Mexico, Morocco, the Netherlands, New Zealand, Philippines, Poland, Portugal, Singapore, South Africa, Spain, Sri Lanka, Switzerland, Thailand, Turkey, the United Kingdom and Vietnam. Through the Company's two joint ventures, operations are also conducted in Egypt, Oman, Pakistan, Russia, Saudi Arabia and United Arab Emirates. 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, 2023, 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.sedarplus.ca.

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 film. 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 and the new multi-layer co-extrusion thin gauge film line investment in Germany slated to commence commercial operations by mid-2025.

Properties

As at February 22, 2024, the Company operated the following principal manufacturing facilities:

	Manufacturing Facilities		Business Segments			
	Owned	Leased	CCL	Avery	Checkpoint	Innovia
North America	35	17	40	10	1	1
Latin America*	17	5	15	3	2	2
Europe	42	33	58	9	5	3
Asia Pacific, Middle East, Africa	39	25	46	2	15	1
Total	133	80	158	24	23	8

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, 2023, 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.sedarplus.ca.

ITEM 6 – DIVIDENDS

Annual Cash Dividends Declared per Share	**2023**	**2022**	**2021**
Class A voting shares ("Class A")	$ 1.05	$ 0.95	$ 0.83
Class B non-voting shares ("Class B")	$ 1.06	$ 0.96	$ 0.84

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 40 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 2023 was 118,577,777 (2022 – 120,853,871).

Shares Trading in 2023 on the Toronto Stock Exchange

Class A

	Volume Traded	High	Low	Close
January	2,941	$ 62.25	$ 60.00	$ 62.25
February	3,864	65.00	61.10	64.00
March	1,223	66.00	62.75	66.00
April	5,305	68.66	64.74	64.74
May	4,709	70.75	63.50	63.91
June	1,674	65.03	62.00	65.03
July	2,648	66.44	63.50	63.50
August	787	63.00	60.77	60.77
September	1,004	59.50	58.27	58.27
October	3,646	56.05	53.80	54.49
November	4,725	59.00	53.01	56.26
December	2,623	60.84	57.11	59.64
Total Year	**35,149**	**$ 70.75**	**$ 53.01**	**$ 59.64**

Class B

	Volume Traded	High	Low	Close
January	4,354,479	$ 63.07	$ 57.52	$ 62.23
February	4,921,297	65.86	60.01	65.63
March	5,751,770	67.34	61.80	67.14
April	5,170,518	69.11	63.62	63.71
May	5,716,593	71.58	62.43	63.25
June	12,467,681	65.40	60.89	65.12
July	4,890,607	66.68	62.96	63.22
August	4,894,011	63.85	59.50	60.39
September	5,804,429	61.15	54.77	57.01
October	3,915,089	57.22	53.70	54.22
November	4,518,557	58.79	52.82	55.93
December	5,865,767	61.87	55.53	59.59
Total Year	**68,270,798**	**$ 71.58**	**$ 52.82**	**$ 59.59**

ITEM 9 – ESCROWED SECURITIES AND SECURITIES SUBJECT

TO CONTRACTUAL RESTRICTIONS ON TRANSFER

The securities itemized in the table below are held in trust by TSX Trust Company 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.sedarplus.ca 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, except for Mr. Tessier who was appointed to the Board of Directors on December 1, 2023. 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 Board of Directors of the Company is as follows:

Directors

Name and Municipality	**Occupation in Last Five Years**	**Director Since**
ANGELLA V. ALEXANDER Toronto, Ontario Canada	Chief Human Resources Officer at ATS Corporation a global automation solutions provider.	February 1, 2023
LINDA G. 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).	January 18, 2021

Directors

Name and Municipality	**Occupation in Last Five Years**	**Director Since**
VINCENT J. GALIFI Vaughan, Ontario Canada	Company Advisor, Special Projects of Magna International Inc. (a leading global automotive supplier). Prior to January 2024, President of Magna International Inc. Prior to November 2021, Mr. Galifi was Executive Vice President and Chief Financial Officer of Magna International Inc.	December 19, 2016
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
DOUGLAS W. MUZYKA Philadelphia, Pennsylvania USA	Independent corporate director. Mr. Muzyka previously served as a director of the Company from 2006 to 2015.	November 9, 2016
THOMAS C. PEDDIE Toronto, Ontario Canada	Independent corporate director.	June 4, 2003
CLAUDE TESSIER Laval, Québec Canada	Independent corporate director. Prior to July 2023, Mr. Tessier was Chief Financial Officer of Alimentation Couche-Tard Inc.	December 1, 2023

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

Audit Committee

Vincent J. Galifi (Chair)
Linda G. Cash
Thomas C. Peddie
Claude Tessier**

Human Resources Committee

Douglas W. Muzyka (Chair)
Angella V. Alexander*
Vincent J. Galifi

Nominating and Governance Committee

Kathleen L. Keller-Hobson (Chair, Lead Director)
Angella V. Alexander*
Thomas C. Peddie
Claude Tessier**

Corporate Social Responsibility Committee

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

* Ms. Alexander was appointed February 1, 2023
** Mr. Tessier was appointed December 1, 2023

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.
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.

The directors and officers of CCL Industries Inc. as a group own, control, or direct, directly or indirectly, approximately 11,210,150 of the issued and outstanding Class A voting shares representing 95.4% 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, in the first quarter of 2019, a hearing on a jurisdictional issue was heard in respect of a lawsuit launched in 2011 by Benoy Berry and a company controlled by him, Global Secure Currency Ltd. (collectively "Berry"), in Nigerian Federal Court against CCL Secure Pty Ltd. (formerly Innovia Security Pty Ltd.) ("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, 2023. 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 summary reports and the annual 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 at least a bi-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 G. Cash, Thomas C. Peddie and Claude Tessier. 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 Company Advisor, Special Projects of Magna International Inc., a leading global automobile supplier, in January 2024. In this role, Mr. Galifi is a key advisor to Magna's Chief Executive Officer on projects related to corporate strategy, including M&A investments, capital markets, investor relations and stakeholder engagement. From November 2021 to December 2023, Mr. Galifi served as President of Magna International Inc., providing strategic counsel to the executive 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 24 years where he oversaw all aspects of Magna's global financial function, playing a critical role in executing Magna's strategy and driving its financial success. Other responsibilities of Mr. Galifi's 35-year career at Magna have centered in the finance function, including Director of Taxation & Insurance, Vice President & Controller, Vice President Finance and Executive Vice President Finance. Mr. Galifi also served 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, global acquisition, corporate strategy and capital markets experience.

Linda G. 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 past 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.

Claude Tessier - Mr. Tessier's principal occupation is that of corporate director. Prior to July 2023, Mr. Tessier served as Chief Financial Officer of Alimentation Couche-Tard Inc., a multinational operator of convenience stores, mainly operating under the Couche-Tard, Circle K and Ingo brands. Prior to joining Alimentation Couche-Tard, Mr. Tessier was President of the IGA Operations Business Unit at Sobeys Inc. from 2012 to 2016, and prior to that was Senior Vice President, Finance & Strategic Planning of Sobeys Québec from 2003 to 2012. Mr. Tessier also served on the Executive Committee of Sobeys Inc. Prior to his roles at Sobeys, Mr. Tessier gained more than 15 years of experience in senior financial leadership positions with Provigo Inc., a Loblaw company, and Costco Wholesale Canada Ltd. Mr. Tessier has also held prior management positions with Mallette International and PricewaterhouseCoopers. Mr. Tessier currently serves on the board of the TMX Group Limited, and is a member of the Derivatives Committee, the Self-Regulatory Oversight Committee, and is Chairman of the Finance and Audit Committee. He also serves on the Board of WSP Global Inc. and is a member of the Audit Committee. Mr. Tessier is a recently retired director of Hydro-Québec where he was a member of the Audit Committee. He is also past director and Audit Committee member of CrossAmerica Partners LP, a US public company, and past Chairman of Circle K AS, the European division of Alimentation Couche-Tard Inc. operating Statoil Fuel & Retail ASA, the retail gasoline filling stations. He also served on the board of La Maison de la Sérénité de Laval, a centre providing free-of-charge quality palliative care, and participated, on a yearly basis, in its fundraising campaign. Mr. Tessier holds a Bachelor of Accounting degree from the Université du Québec à Montréal in 1986 and has been a member of the Canadian Institute of Chartered Accountants since 1987. He brings to the audit committee deep financial expertise, as well as extensive experience in capital markets and financings, global mergers and acquisitions, strategic planning, operations and risk management, and governance of publicly traded companies.

Pre-Approval Policies and Procedures

Policy

The Company, its subsidiaries and any entity that directly or indirectly controls the Company 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. Also, the Audit Committee will review the list of services provided to the beneficial shareholders which could impact the Company. Any additional requests will be addressed on a case-by-case specific engagement basis.

The Audit Committee will be informed, on a quarterly basis, of the pre-approved services provided to the Company and its subsidiaries 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	**2023**	**2022**
Audit Fees	$5,113,093	$4,719,279
Audit-Related Fees	-	12,221
Tax Fees	1,446,456	1,492,825
All Other Fees	24,383	44,083
Total	**$6,583,932**	**$6,268,408**

Audit Fees

The aggregate audit fees related to KPMG LLP 2023 audit of the annual consolidated financial statements and the review of the consolidated condensed interim financial statements.

Audit-Related Fees

No such fees for the year ending December 31, 2023.

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 attestation and reporting on compliance with local tax rate and regulations in Mexico.

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 15, 2024. Additional financial information is provided in the Consolidated Financial Statements and MD&A for the fiscal period ended December 31, 2023. 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.sedarplus.ca and on the Company's website at www.cclind.com.