

# Investor Day

December 13, 2023



# Disclaimer

This presentation contains forward-looking information and forward-looking statements (hereinafter collectively referred to as “forward-looking statements”), as defined under applicable securities laws, 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 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.

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: global economic environment and higher consumer spending; improved customer demand for the Company’s products; continued historical growth trends, market growth in specific sectors and entering into new sectors; 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 achievement of the Company’s plans for improved efficiency and lower costs, including stable aluminum costs; the availability of cash and credit; fluctuations of currency exchange rates; fluctuations in resin prices; the Company’s continued relations with its customers; 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 2022 Annual Report, Management’s Discussion and Analysis, particularly under 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 Company’s business. Such statements do not, unless otherwise specified by the Company, reflect the impact of dispositions, sales of assets, monetizations, mergers, acquisitions, other business combinations or transactions, asset write-downs or other charges announced or occurring after forward-looking statements are made. The financial impact of these transactions and non-recurring and other special items can be complex and depends on the facts particular to each of them and therefore cannot be described in a meaningful way in advance of knowing specific facts. The forward-looking statements are provided as of the date of this presentation 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.

Additional information relating to the Company, including the Company’s Annual Information Form, is available on SEDAR at [www.sedar.com](http://www.sedar.com) or on the Company’s website [www.cclind.com](http://www.cclind.com).

Investor Day

# Welcome



**Geoffrey T. Martin**  
President &  
Chief Executive Officer

# CCL Industries



**25,300**  
Employees



**205**  
Production Facilities



**43**  
Countries



**6**  
Continents

**North America**  
**43%**  
of total sales



**Europe**  
**29%**  
of total sales



**Emerging Markets**  
**28%**  
of total sales





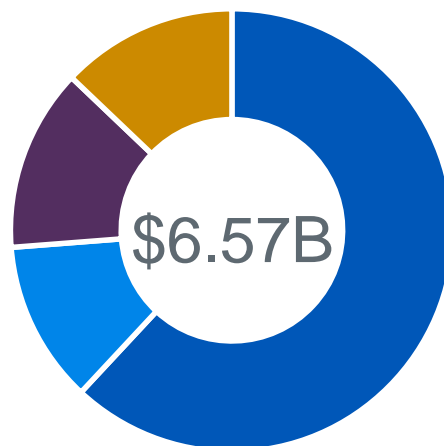
# CCL Operates Four Distinct Business Segments



## LTM Sales as at Sept. 30, 2023

(millions of CDN \$)

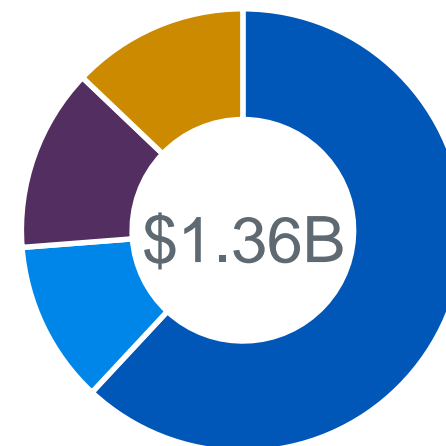
**CCL**  
\$4,020 | 61%  
**Avery**  
\$1,038 | 16%  
**Checkpoint**  
\$854 | 13%  
**Innovia**  
\$663 | 10%



## LTM EBITDA<sup>1</sup> as at Sept. 30, 2023

(millions of CDN \$)

**CCL**  
\$863 | 64%  
**Avery**  
\$237 | 17%  
**Checkpoint**  
\$169 | 12%  
**Innovia**  
\$89 | 7%

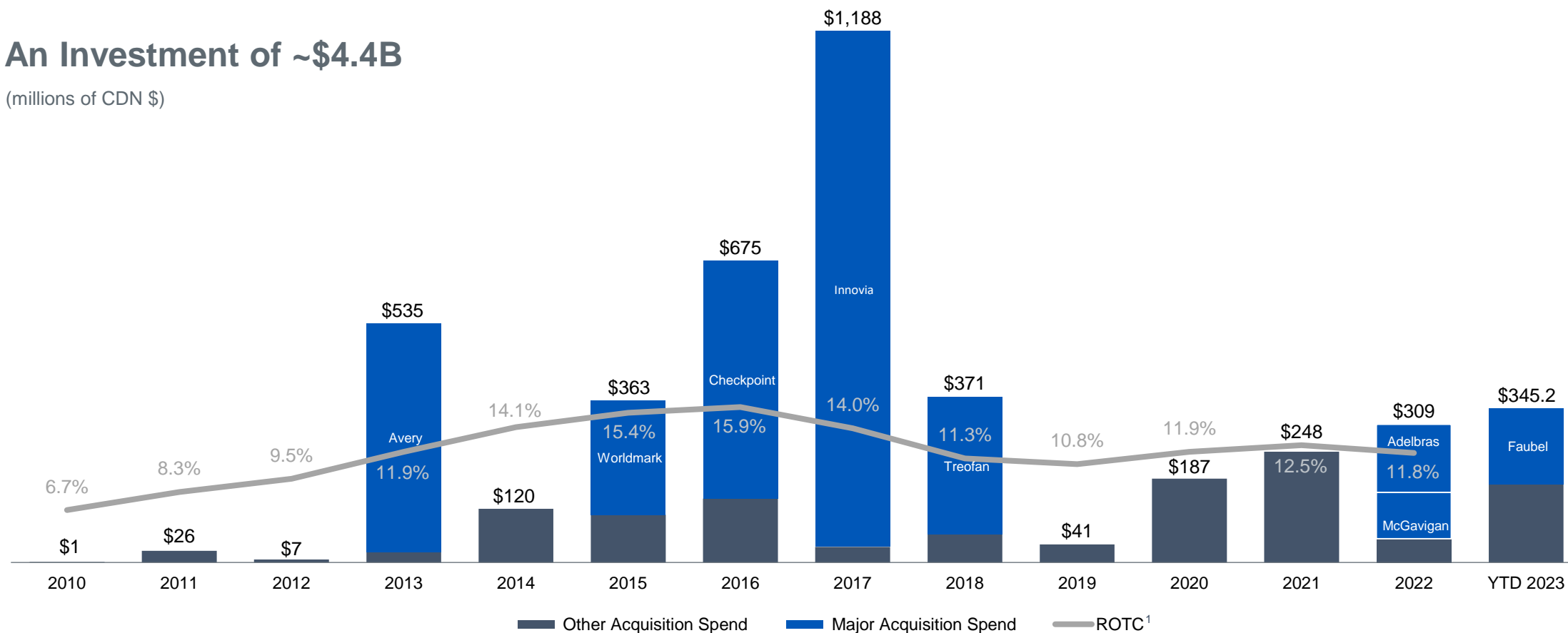


1) EBITDA (Earnings before interest, taxes, depreciation and amortization) is a non-IFRS financial measure. Refer to definitions in the Appendix of this presentation.

# 72 Acquisitions Since 2009

## An Investment of ~\$4.4B

(millions of CDN \$)



1) ROTC (Return on total capital) is a non-IFRS financial measure. Refer to definitions in the Appendix of this presentation.

# CCL Everywhere, Every Day



# Leadership Presenting: Average Tenure 24 Years



**Geoffrey T. Martin**

President &  
Chief Executive  
Officer



**Sean P. Washchuk**

Senior Vice President  
& Chief Financial  
Officer



**Ben Rubino**

President,  
Home & Personal  
Care



**Eric Frantz**

Group Vice President,  
Home & Personal Care,  
North America



**Lee Pretsell**

Group Vice President,  
Healthcare &  
Specialty



**Reinhard Streit**

Vice President &  
Managing Director,  
Food & Beverage  
Europe



**Derek Cumming**

Group Vice President,  
CCL Design



**Sandra Lane**

Vice President,  
CCL Secure  
North America



**Mark Cooper**

President,  
Avery & METO



**Ben Lilienthal**

President, Checkpoint  
& Group Vice President,  
CCL Industries Central  
America



**Simon Huber**

Managing Director,  
Innovia Films  
Europe



**Luis Jacionis**

Group Vice President,  
CCL Industries  
South America

# Leadership Team



**Lalitha Vaidyanathan**

Senior Vice President,  
Finance-IT-Human  
Resources



**Mark McClendon**

Vice President &  
General Counsel



**Da Gang Li**

Group Vice President,  
CCL Industries  
Greater China



**Lorien Sacilotto**

Vice President IT,  
CCL Industries  
North America



**Suzana Furtado**

Corporate Secretary



**Jamil Suleman**

Director of Finance



**Günther Birkner**

President,  
Food & Beverage,  
Healthcare & Specialty  
and Innovia



**James A. Sellors**

Senior Vice President,  
CCL Industries  
Asia Pacific



**Nick Vecchiarelli**

Vice President,  
Corporate  
Accounting



**Kamal Kotecha**

Vice President,  
Taxation

# Investor Day Agenda

<b>Welcome &amp; Introduction</b>	<b>8:00 AM - 8:05 AM</b>	<b>Geoffrey Martin</b> , President & Chief Executive Officer
<b>Home &amp; Personal Care</b>	<b>8:05 AM - 8:25 AM</b>	<b>Ben Rubino</b> , President, Home & Personal Care <b>Eric Frantz</b> , Group Vice President, Home & Personal Care, North America
<b>Healthcare &amp; Specialty</b>	<b>8:30 AM - 8:50 AM</b>	<b>Lee Pretsell</b> , Group Vice President, Healthcare & Specialty
<b>Food &amp; Beverage</b>	<b>8:55 AM - 9:15 AM</b>	<b>Reinhard Streit</b> , Vice President & Managing Director, Food & Beverage Europe
<b>CCL Design</b>	<b>9:20 AM - 9:40 AM</b>	<b>Derek Cumming</b> , Group Vice President, CCL Design
<b>CCL Secure</b>	<b>9:45 AM - 10:05 AM</b>	<b>Sandra Lane</b> , Vice President, CCL Secure North America
<b>Break</b>	<b>10:10 AM - 10:25 AM</b>	

<b>Avery</b>	<b>10:25 AM - 10:45 AM</b>	<b>Mark Cooper</b> , President, Avery & METO
<b>Checkpoint</b>	<b>10:50 AM - 11:10 AM</b>	<b>Ben Lilienthal</b> , President, Checkpoint & Group Vice President, CCL Industries Central America
<b>Innovia</b>	<b>11:15 AM - 11:35 AM</b>	<b>Simon Huber</b> , Managing Director, Innovia Films Europe <b>Ben Lilienthal</b>
<b>South America</b>	<b>11:40 AM - 12:00 PM</b>	<b>Luis Jacionis</b> , Group Vice President, CCL Industries South America
<b>Financial Performance</b>	<b>12:05 PM - 12:15 PM</b>	<b>Sean Washchuk</b> , Senior Vice President & Chief Financial Officer
<b>Conclusion &amp; Summary</b>	<b>12:15 PM - 12:25 PM</b>	<b>Geoffrey Martin</b>

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# Home & Personal Care



**Ben Rubino**  
President,  
Home & Personal Care



**Eric Frantz**  
Group Vice President,  
Home & Personal Care,  
North America



# CCL Home & Personal Care A Global Business: \$1.2 Billion in Sales

19 Label 

4 Tube 

4 Container 

Category leader  
with 27 manufacturing  
facilities

North America  
5 Label  
4 Tube  
(2) Container / Slug

Latin America  
3 Label  
2 Container

Europe  
4 Label + JVs

Asia  
7 Label





# 3 Businesses Serving A Common Customer



## Label



- Global footprint
- Largest division



## Tube



- North American footprint
- Focus on premium “extruded” Tubes
- Strong synergies with Label



## Container



- North American footprint
- Vertically integrated

## Customers With A Global Profile

**P&G**



**VS**  
VICTORIA'S  
SECRET



**L'ORÉAL**

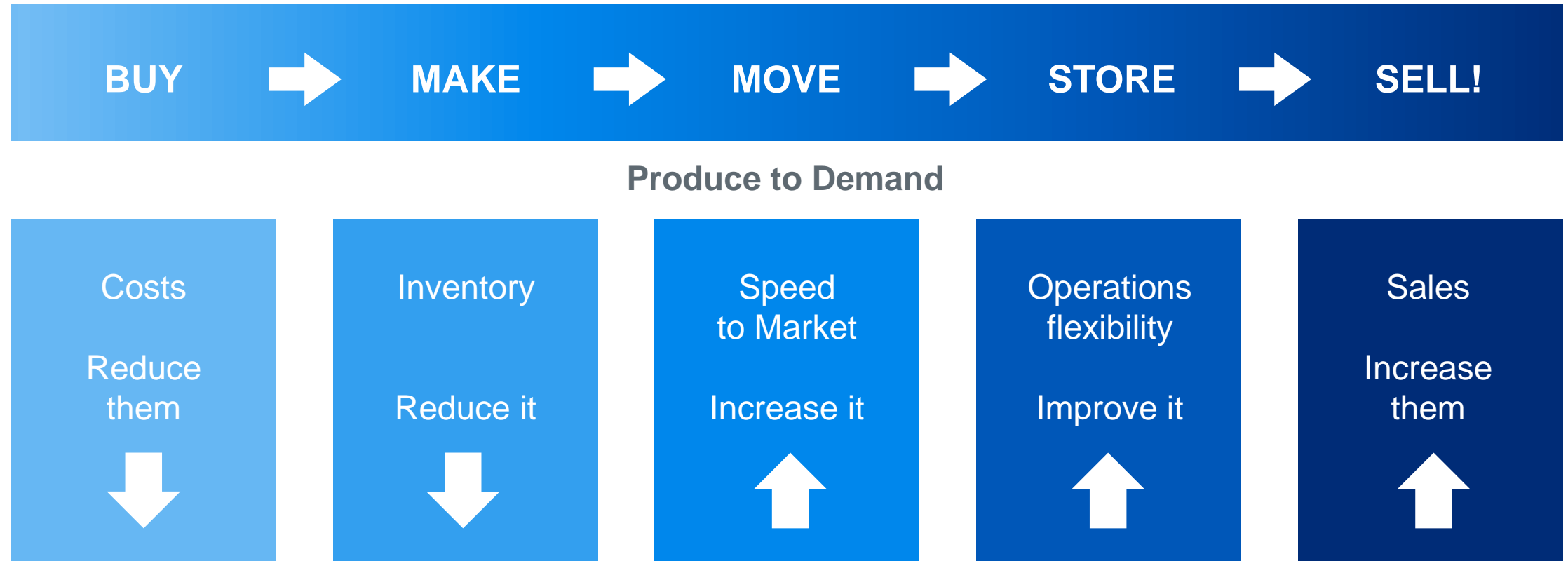
**BDF ●●●●**  
**Beiersdorf**

**ESTÉE LAUDER**

**Bath & Body Works®**



# CCL Supply Chain Management: All About EXECUTION



# CCL Home & Personal Care Growth for a Sustainable Future

CCL is a global Industry Leader for sustainable Tube innovations since 2005

Over 1 billion sustainable tubes produced for the personal care market

In excess of 600,000 lbs of post-consumer resin (PCR) consumed in 2023

Today's production of PCR Tubes now exceeds 30% of CCL's total capacity



# How We Intend to Grow From Here

- 1 Enhance global and regional relationships with our largest customers
- 2 Make customer driven investments to enhance capacity and premiumization capabilities
- 3 Continue to develop sustainable solutions without sacrificing performance
- 4 Maintain supply chain excellence through superior execution



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# Home & Personal Care Q&A

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# Healthcare & Specialty

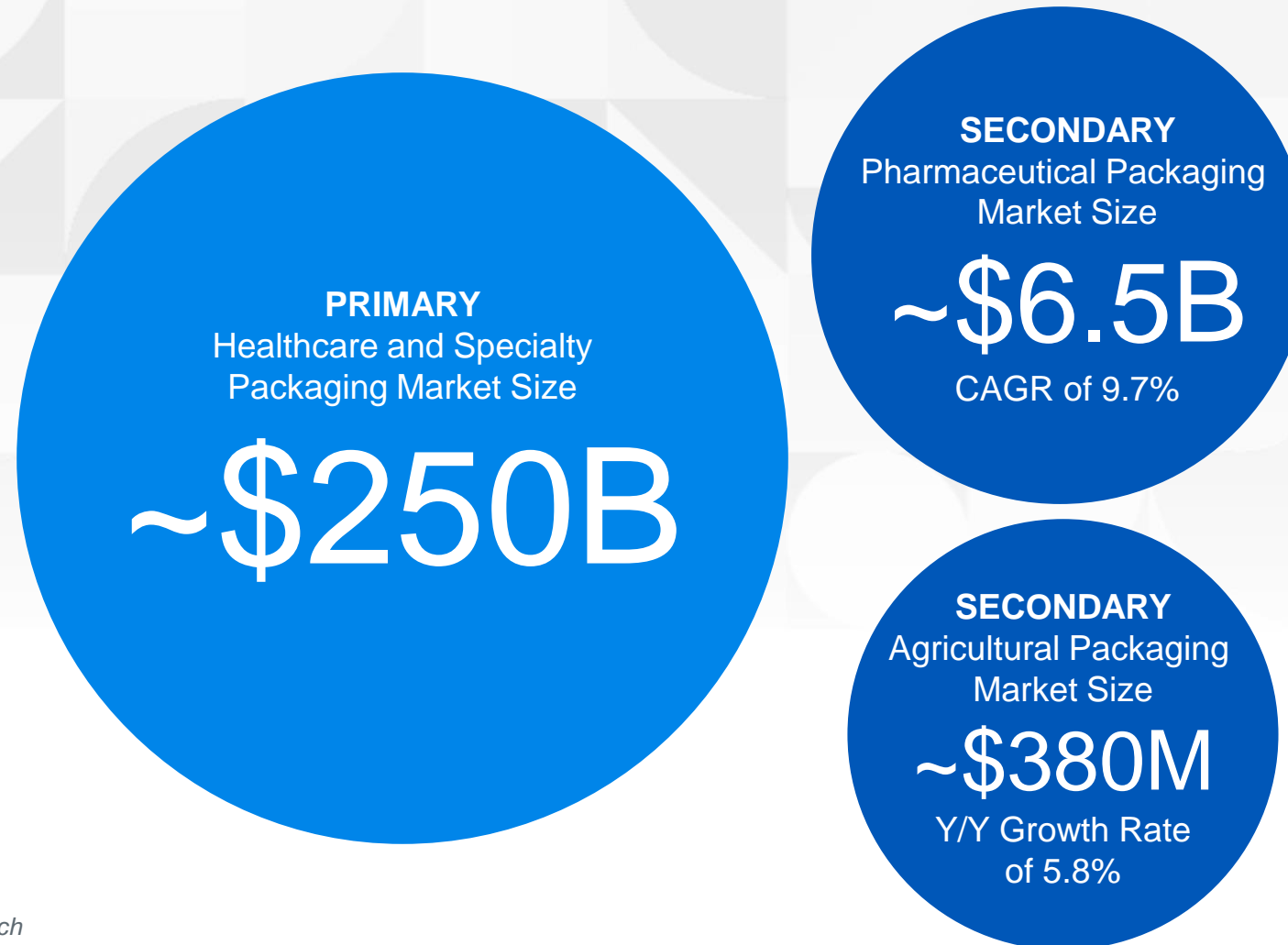


**Lee Pretsell**

Group Vice President,  
Healthcare & Specialty



# Healthcare & Specialty Address Very Large End Markets



Source: *Precedence Research*



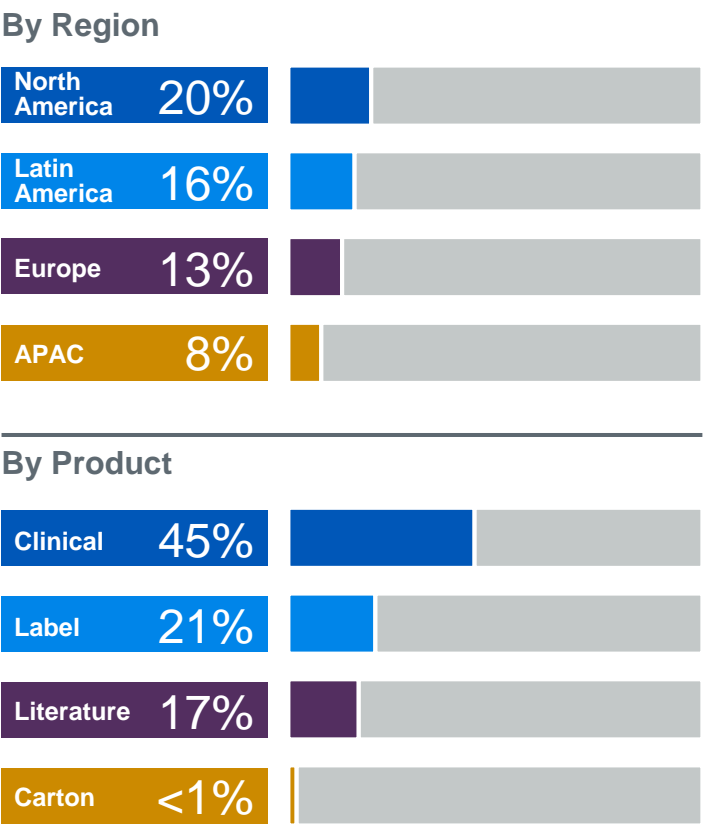
# CCL Healthcare At a Glance: \$0.8 Billion in Sales

29

Healthcare Facilities



## Global Market Share Estimates



## Strong Customer Relationships



# Healthcare Market Growth Drivers

## Growing Incidence of Chronic Disease

- Diabetes
- Obesity/Weight loss
- Autoimmune therapies
- Vaccines
- Respiratory
- Oncology
- Cardiovascular
- Gene Therapy

## Potential New Product Lines

- 1 Clinical Trials Labeling
- 2 Patient Information Leaflets
- 3 Label Innovation
- 4 Digital Folding Cartons
- 5 RFID Labeling

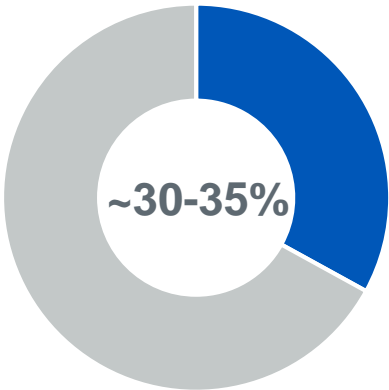
# CCL Specialty At a Glance: \$0.2 Billion in Sales

8

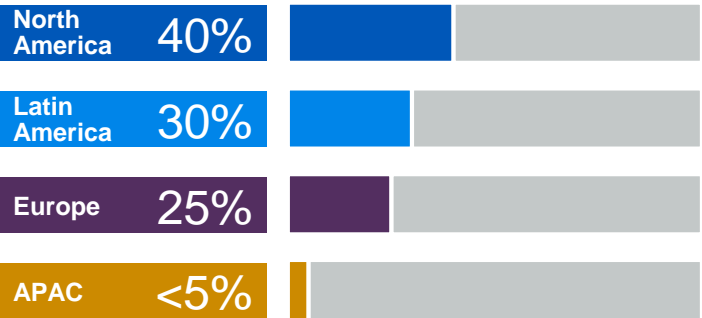
Specialty  
Facilities



## CCL Global Market Share



### By Region

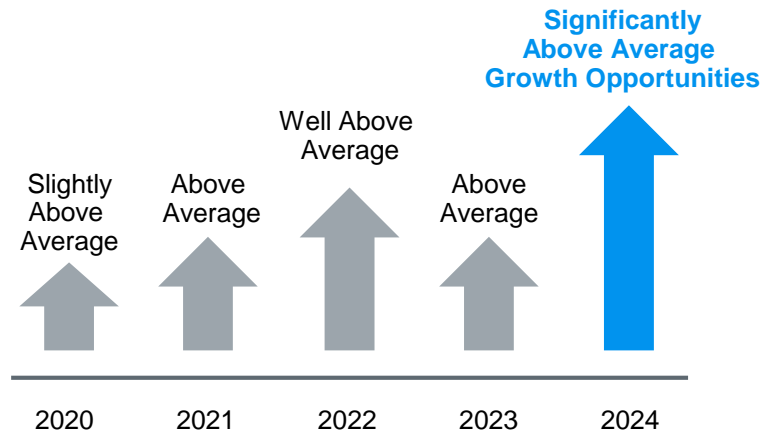


## Serving Global Companies

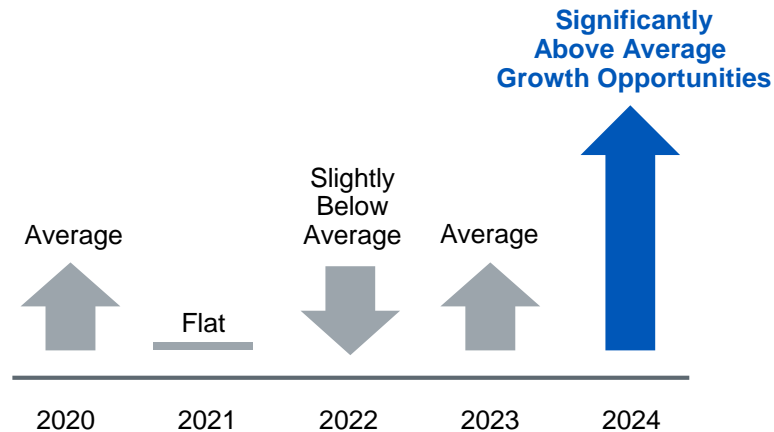


# Margin Expansion Opportunities

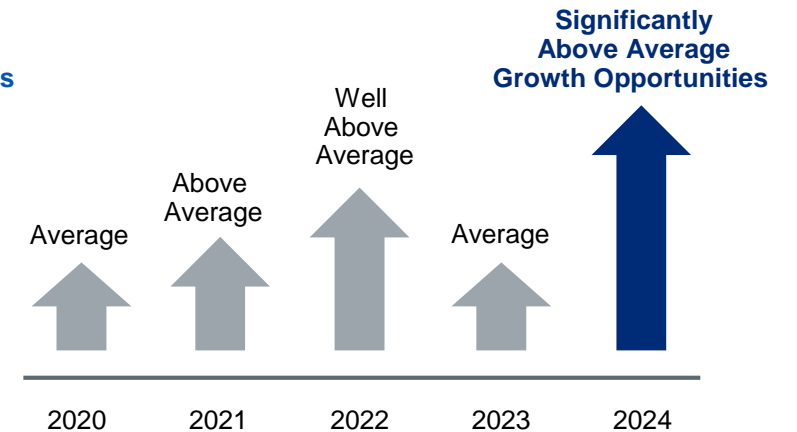
## Healthcare Margin Profile



## Specialty Margin Profile



## Healthcare & Specialty Margin Profile



# Competitive Advantages



Global  
Footprint



Capacity and  
Throughput



Rapid Product  
Launch



Single Source  
Supplier



Advanced Quality  
Systems



Industry  
Specialization



Innovation



Highly Skilled  
Workforce



Unique Functional  
Products



Sustainable  
Manufacturing

# CCL Healthcare & Specialty Path Forward



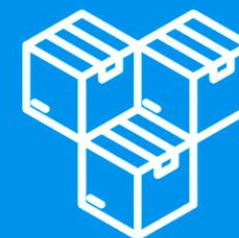
Penetrate  
Emerging Markets



Reduce Manufacturing  
Fixed Cost



Invest in Technology  
& Automation



Expand Vendor  
Management Program



Advanced  
Manufacturing Processes



Invest In  
Human Capital



Broaden Key  
Partnerships



Strategic  
M & A

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# Healthcare & Specialty Q&A

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# Food & Beverage



**Reinhard Streit**

Vice President &  
Managing Director,  
Food & Beverage Europe



# CCL Global Food & Beverage: A \$1 Billion\* Business

## Shrink Sleeves

40%  
of Global  
Business Share



## PSL Beverage

30%  
of Global  
Business Share



## Wine & Spirits

15%  
of Global  
Business Share



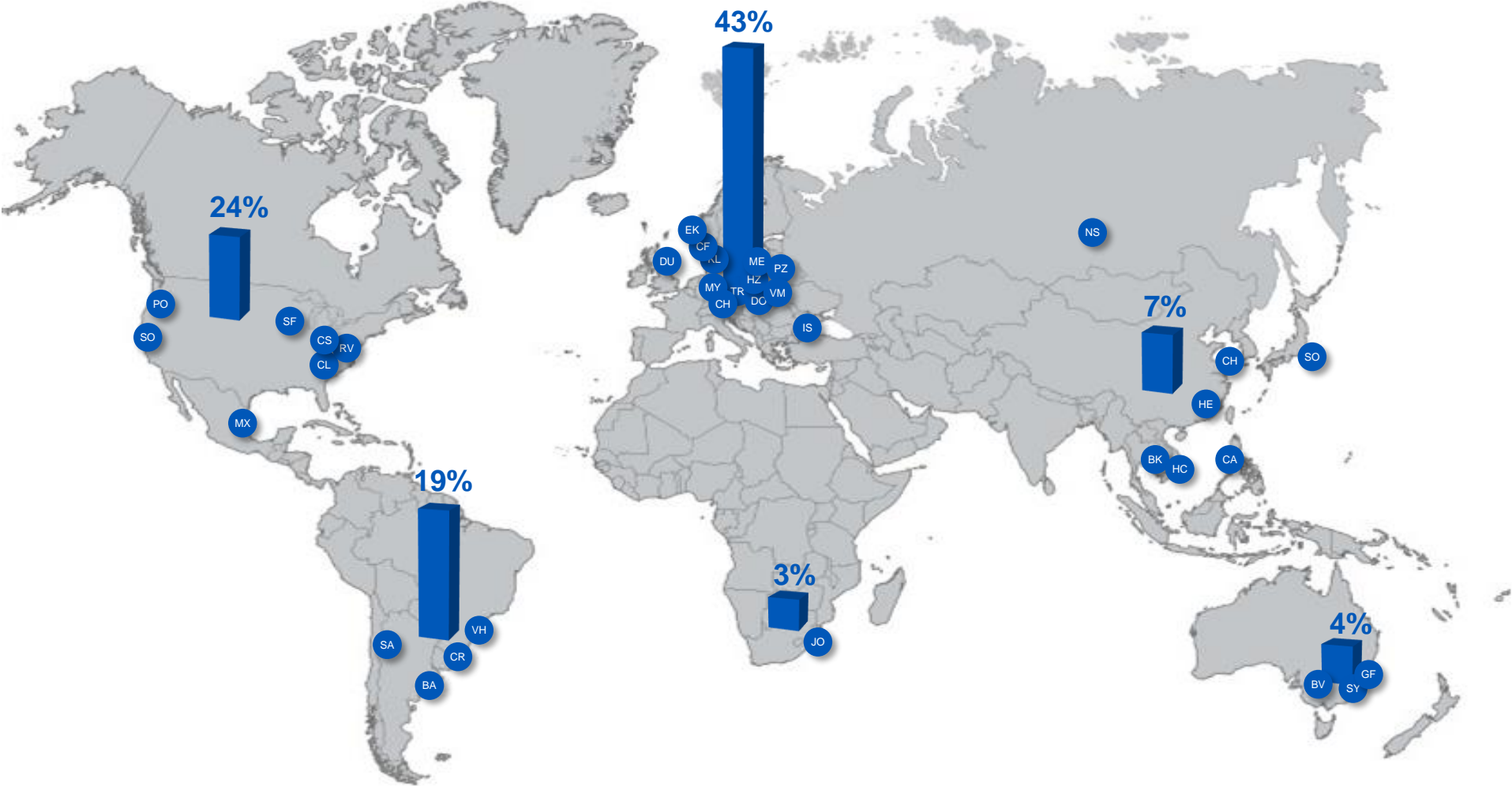
## In-mould, Closures & Pouches

15%  
of Global  
Business Share



\* F2023 forecast

# CCL Food & Beverage Global Footprint



# CCL Food & Beverage Growth Drivers

- 1 Strategic focus on sustainability
- 2 Operational execution
- 3 Value engineering
- 4 Cross-over divisional technology exchange and development
- 5 Partnering with key industry stakeholders to meet the Recycling Guidelines





# EcoFloat

Shrink Sleeve that enables bottle-to-bottle recycling of PET bottles.

- Sustainable
- Bottle-to-bottle recycling
- Supply assurance



Nestlé



Chobani

# WashOff

Ideal solution for returnable/refillable bottles.

- Fast & clean label removal
- Enables reuse of bottles



Heineken



ABInBev





## Pouches

Flexible packaging with high product safety, consumer friendly and sustainable.

**New growth platform with significant expansion opportunities**

Expanded product range

Market shift

Focus on sustainability



## In-mould Labels (IML)

In-mould labels are printed decorations fused into plastic products during moulding.

**IML growing worldwide**

Efficient production

Environmentally responsible

Durable and long-lasting



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# Food & Beverage Q&A

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# CCL Design



**Derek Cumming**  
Group Vice President,  
CCL Design

# CCL Design: \$0.9 Billion in Sales





# Highly Engineered Design Solutions

Trusted global partner to world's largest brands  
from design to manufacture

Highly vertically integrated business underpinned  
by materials science and chemistry

In house coating and materials capabilities enables  
highly customized products

Growth strategy driven by new products  
to existing and new customers

Growth also supported by investments  
in smart capabilities



# Global Footprint with World-class Infrastructure

32

Manufacturing Locations



7

Design & Technical Centers



-  Manufacturing & Design Locations
-  Design & Technical Centers
-  Manufacturing Locations



# Key CCL Design Products

- Durable Labels & Graphic Overlays
- Smart & Intelligent Labels
- Printed Electronics & Human Machine Interface (HMI) Assemblies
- Precision Die-Cuts
- Tread Plates
- In-mould Decorated Plastic Components & Assemblies
- Decorative & Hard Coated Overlays, Trim and LCD Covers
- Backlit Logos & Modules





# Core Manufacturing Competencies

- Printing
- Functional Coating
- Optically Clear Coating
- Physical Vapor Deposition Coating
- Die-Cutting
- Routing
- Laser Cutting
- Injection Molding
- 3D Forming
- Clean Room Manufacturing
- Automation
- Assembly



# Materials Science & In House Coatings

- Global team of scientists across 7 Design & Technical Centers
- In house development and manufacturing of coated materials enables customization of products
- Supports effective design engagement
- Rapid prototyping of new design concepts
- Effective presentation of test data at design stage
- Product & technology road maps aligned to key customers



# Sustainability at CCL Design

## Key Aims and Targets

Continuation of waste to landfill improvement projects across the globe

Emission reductions in line with CCL Industries SBTi targets

Further development of sustainable materials, coatings and polymers

## CCL Design

50%+  
sites zero to landfill

20%  
reduction in waste sent to landfill in 2022



S&P Global

## Germany, Europe – Case Study

80%  
reduction in lighting energy usage

32%  
of electricity usage from onsite solar

Electric cars & equipment reduces carbon usage by 2 tonnes



## Suzhou, China – Case Study

4800m<sup>2</sup>  
rooftop transformed into sustainable powerhouse:

- 879K kWh of renewable energy generated annually
- 861 tonne reduction in carbon emissions



\*All data aggregated from CCL Design Ecometrica data which is third-party verified

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# CCL Design Q&A



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# CCL Secure



**Sandra Lane**  
Vice President,  
CCL Secure North America

# CCL Secure: \$0.25 Billion in Sales

#1

World leader in  
polymer banknotes

70%

Market share of  
polymer banknotes

80 Billion

Polymer banknotes  
issued globally

35

Countries issuing  
polymer banknotes

3

Production locations  
in Mexico, UK and  
Australia

5

G20 countries  
issue polymer  
banknotes

Specializes in the production of high security  
documents and identification cards

Customers include the United States  
and International Government agencies

Product range includes: Postage stamps,  
Visas, Passport Printing, Checks,  
Identification Cards, and Brand Protection.

Competitive advantage comes from  
our continued capital re-investment program,  
which has kept us ahead of our competition.

Manufacturing operations based in  
North Carolina



# Serving Key Government Agencies



Transportation  
Security  
Administration



# Significant Growth Ahead

## 1 Document Design Service



## 2 Digital Printing and JURA Software



## 3 Patent Pending Card Technologies





# CCL Secure Polymer Banknote Products



# Polymer Banknotes

Cash growing at a rate of 4-5% per annum

Cash is used to settle 11% of e-com transactions in Africa and the Middle East



29% of people in developing countries are unbanked



Cash is widely used for POS transactions in Spain and Germany

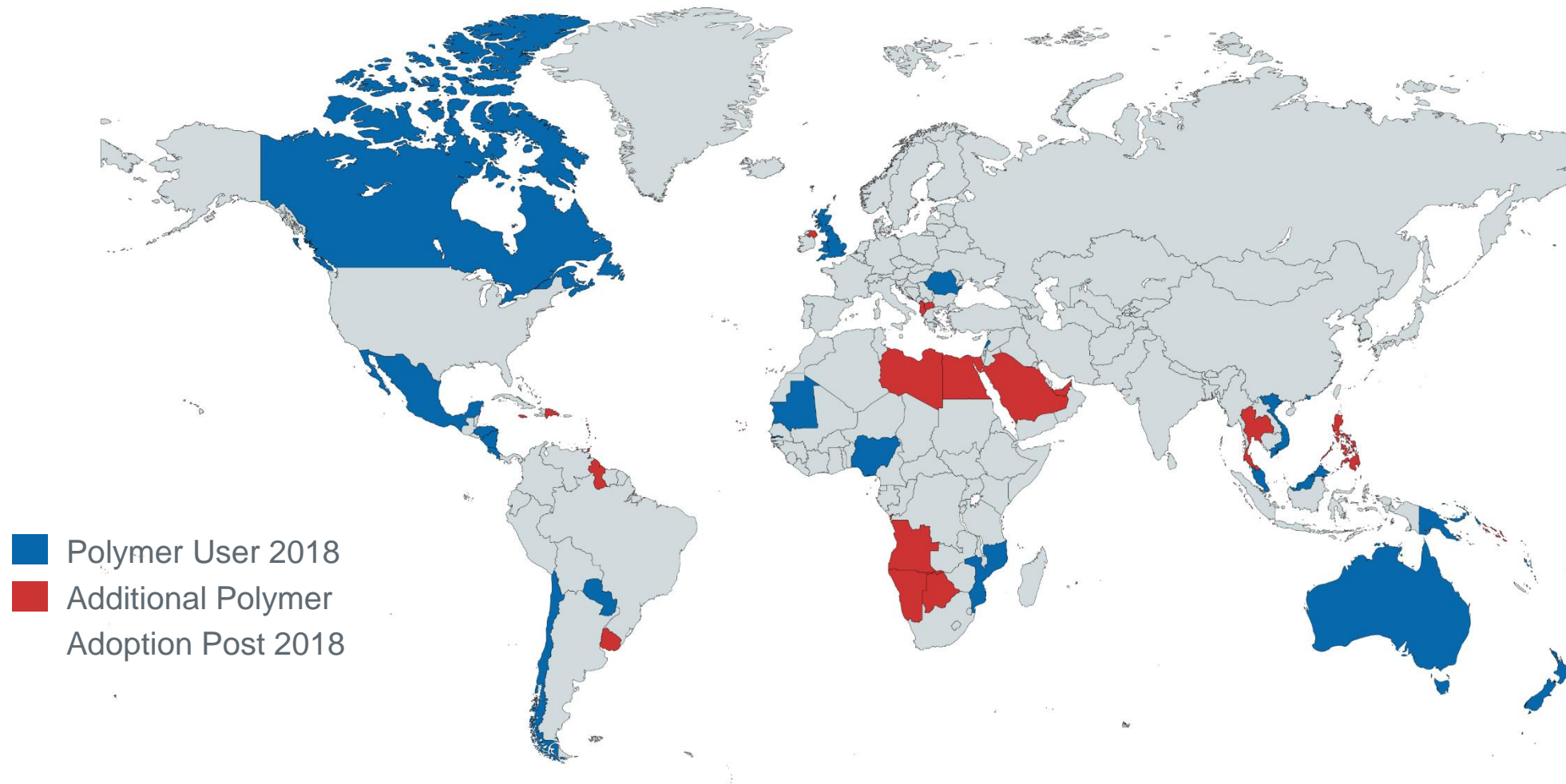


1 CCL Secure offers secure banknote solutions to central banks

2 Polymer represents about 5% of banknotes globally

3 CCL Secure is on the path to innovate with Spartan Next Gen, Vivid™ and Cinema™

# Significant Polymer Banknote Adoption in the Last 5 Years



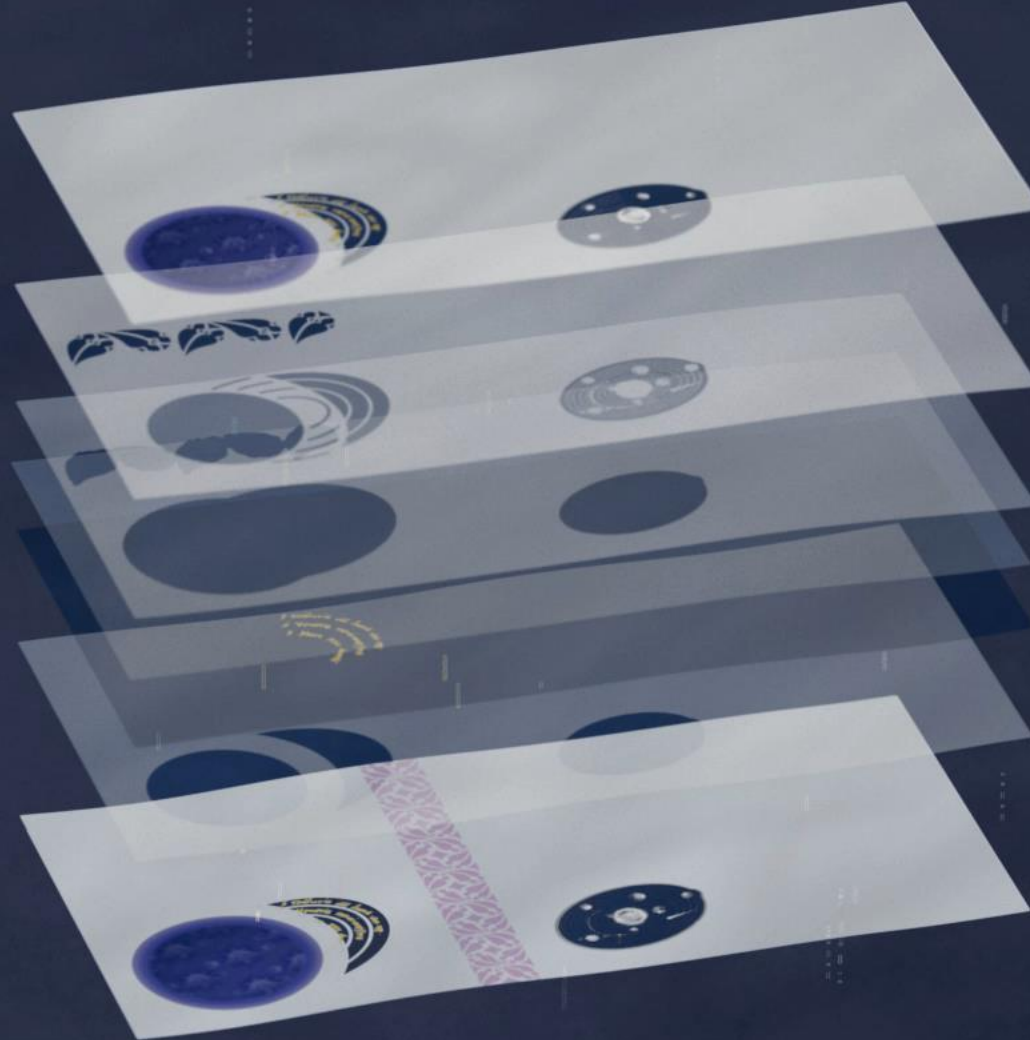


# A NEW DIMENSION IN BANKNOTE SECURITY

THE POLYMER BANKNOTE PEOPLE

CINEMA™ is a visually striking and highly complex layered micro-optic lens feature.

CINEMA is fully integrated into GUARDIAN™ inline as part of the substrate production process. The integration of CINEMA significantly improves security and counterfeit resilience.

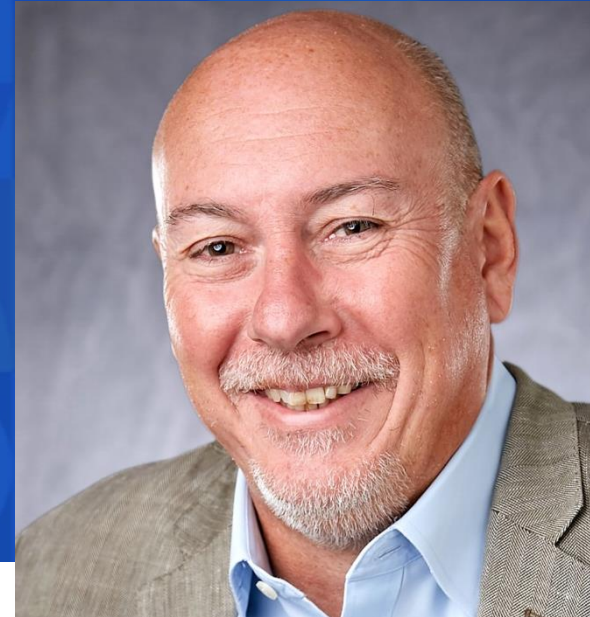


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# CCL Secure Q&A

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# Avery



**Mark Cooper**  
President,  
Avery & METO

# Avery Worldwide Overview: \$1.0 Billion in Sales

World's largest supplier of labels, specialty converted media and software solutions for short-run digital printing applications

22

manufacturing  
facilities



2,500+

employees around  
the globe

20

bolt-on businesses  
acquired since 2013

Avery branded  
products sold in

50+

countries



Manufacturing  
locations in  
**North America,**  
**Europe** and  
**Australia**



# Avery Operates in 3 Business Segments



**DIY Printable  
Media**



**Organizational  
Products**



**Direct-to-consumer (DTC) &  
Direct-to-business (DTB)**



# Avery's Flagship Reseller Businesses

Represents 60% of revenues

75% of reseller revenue in North America

25% of reseller revenue is international

>70% value share in label category core markets

## Growth fueled by:

- 1 Personalization trends
- 2 Ecommerce
- 3 Growth in small and micro businesses
- 4 Potential share gains in commodity categories

Office  
DEPOT Max

Staples

Walmart



amazon.com

Lyreco

WHO BUT  
W.B. MASON  
FOR OFFICE SUPPLIES, FURNITURE & PRINTING



Labels



Binders



Dividers



Organization & Presentation



Glue Sticks



Markers



Software



# Growing Portfolio Of DTC/DTB Brands

**DTC/DTB**  
**40%**  
of global revenues



## Growth opportunities

**1** Product collaboration

**2** Geographic expansion

**3** Bolt-on acquisitions

etikett.de  
die labeldruckerei

in touch  
LABELS

THRESHOLD

mabel's labels

stuckonyou

goedgemerkt

SnappyTag

floramedia

PLUM PAPER  
Personalized For You. By You.

colle  
@moi

ID&C  
idcband.com

easy2name

oomph MADE

AVERY | WePrint

RFID  
HOTEL

pc/nametag

IDENTILAM  
thebadgingcompany

MasterTag

badgepoint  
Namensschilder Systeme • Name tag systems

imprint plus  
free your identity

# Why Avery Wins

Personalization experts

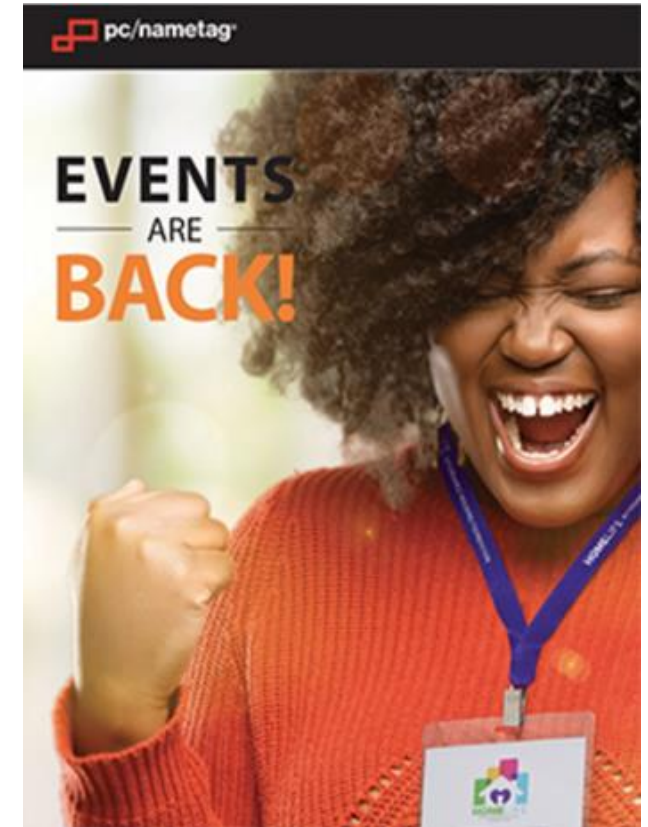
History of innovation in our DNA

Commitment to service

Consumer experience

Short-runs for MOQs of 1

A passion for understanding our customers



# Avery Growth Strategy

- 1 Expand & grow DTC/DTB businesses
- 2 Defend our core Avery business
- 3 Leverage Avery synergies
- 4 Focus on operational efficiencies & sustainable solutions
- 5 Transform the business to digital
- 6 Continue to search out bolt-on strategic acquisitions



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# Avery Q&A

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# Checkpoint



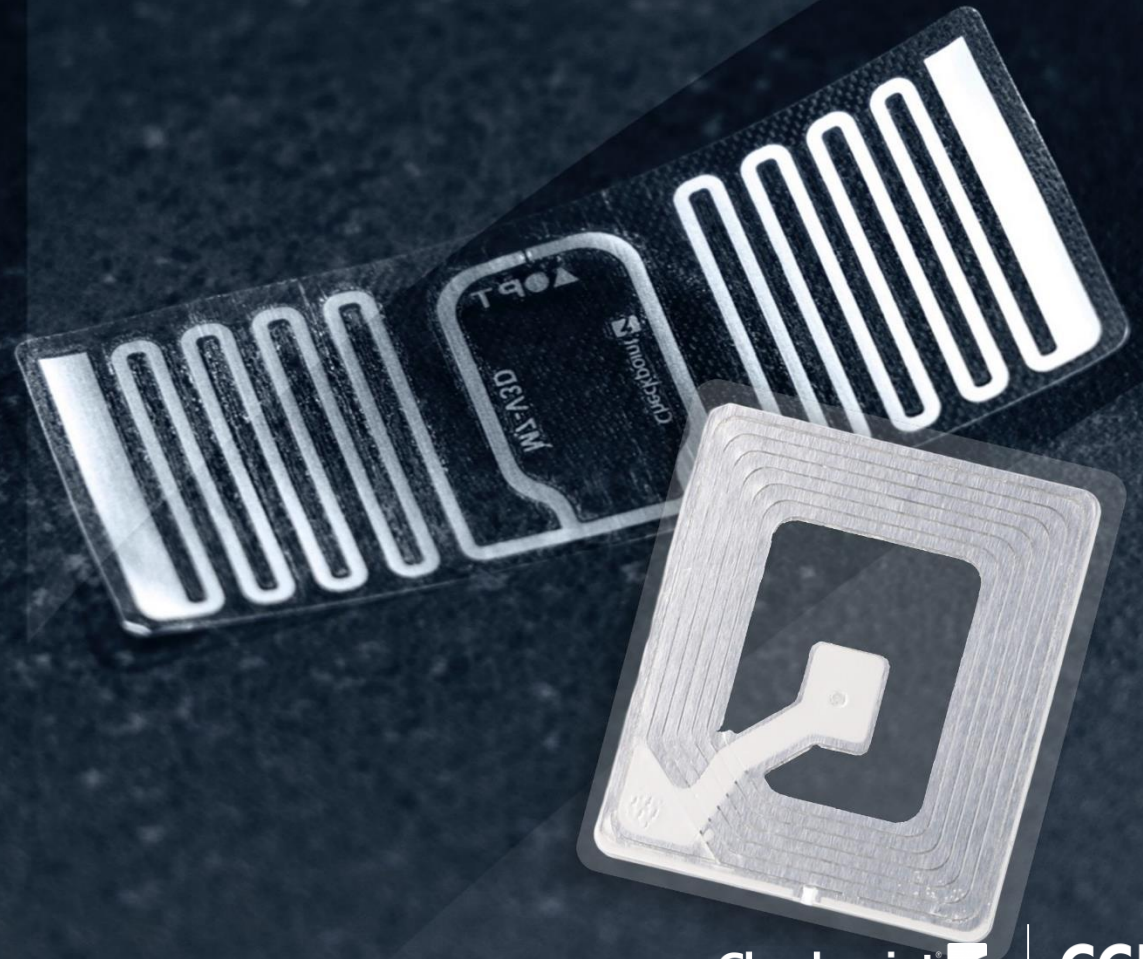
**Ben Lilienthal**

President, Checkpoint &  
Group Vice President,  
CCL Industries Central America



Unleashing the Future

# Revolutionizing Connectivity with Cutting-Edge RF & RFID Solutions





# Checkpoint Global Footprint

**\$854M**  
Revenue  
(LTM)

**35,000+**  
annual installation  
capacity



**34**  
Countries



**56**  
Sites

**4,900+**  
Employees

**50**  
R&D  
Engineers



**70**  
Software Engineers

**500+**  
Field Service  
Engineers



# Serving Diverse Markets Across 3 Major Product Lines

## Vertical Markets



Apparel



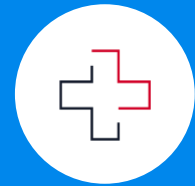
Grocery



Electronics



DIY



Health & Beauty

## Product Lines



Hardware



Software & Cloud-based  
solutions



Labels & tags

# The Checkpoint Competitive Advantage

Solid market share in the main retail verticals thanks to RF (radio frequency) & RFID (radio frequency identification)

500+ field service engineers globally, with 35,000+ yearly installation capacity

Capacity to deliver the full solution (hardware and software and labels) from source to shop (manufacturing site, distribution center and store)

Faster response to customer needs as we develop and manufacture our own products

Strong innovation capacity with 120 R&D and software engineers globally



# Checkpoint Well Positioned For Growth

- 1 Apparel destocking largely playing out as expected
- 2 More recurrent revenue = less hardware dependent
- 3 CCL well-known in several industries where RFID is a potential opportunity
- 4 Solid market share in retail thanks to RF
- 5 Opportunity to drive transformation to RFID
- 6 Innovation to drive growth with SFERO™ and NEO 2.0



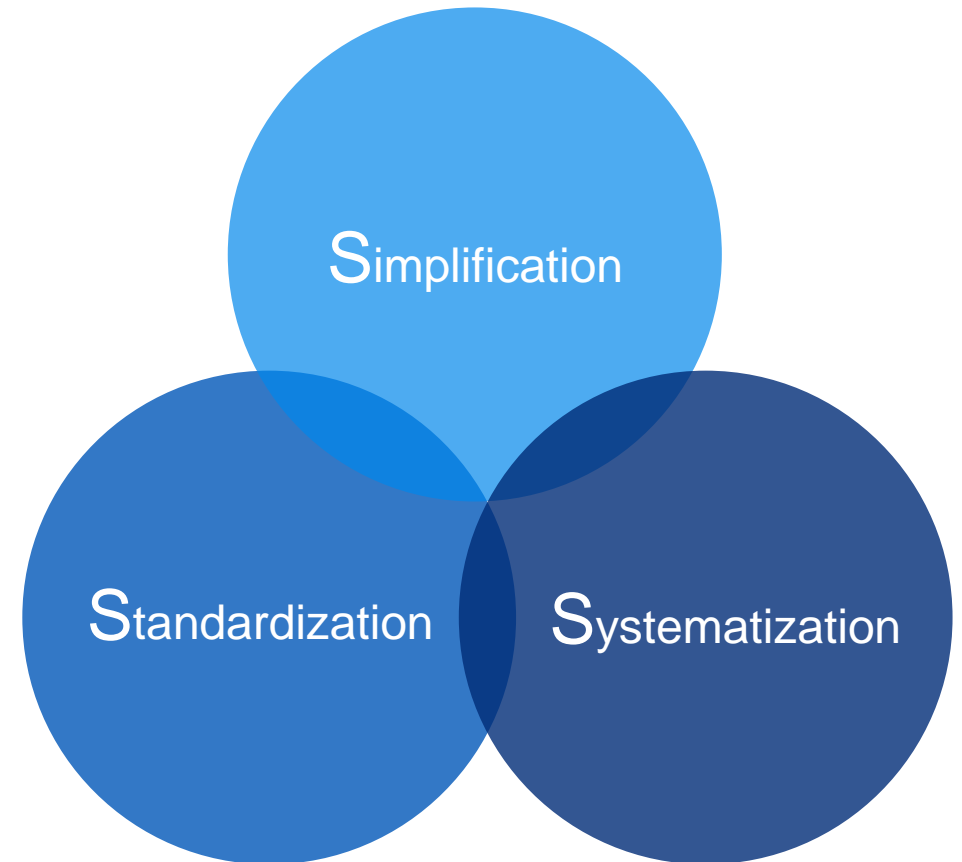
# Checkpoint Strategy: 3S

Focus on cost-cutting and efficiency

Specialized team per vertical market, with focus on the label as the sales driver

New RFID inlay manufacturing plant in Mexico is expected to come on stream mid-2024

Penetrate new end markets by leveraging CCL relationships, broadening customer base





# Sustainability at Checkpoint



Checkpoint facilities are built to the latest standards, audited and accredited with multiple ethical and environmental accreditations and standards



We've identified 7 of the 17 United Nations Sustainable Development Goals, most closely interlinked with the 5 pillars of our CSR program



3 manufacturing sites have installed solar energy generation on site with a further 5 sites in planning stages to install



Committed to setting Science Based Targets with SBTi as the next steps in our carbon reduction plan



Checkpoint continues to utilise HIGG tools to measure and focus improvements on environmental and social impact in their manufacturing sites



Growth Respect Opportunities for Women program since 2021, covering self-management, team enhancement and further growth



Official members of the SAC covering pillars of Nature Positive Future, Decent Work for all and Combat Climate Change



Recognised as a sustainable solution provider of GFA, a community of the world's leading sustainable solutions for fashion brands and retailers

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# Checkpoint Q&A

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# Innovia



**Simon Huber**  
Managing Director,  
Innovia Films Europe



**Ben Lilienthal**  
President, Checkpoint &  
Group Vice President,  
CCL Industries Central America

# Innovia Films

Speciality films producer with strong polymer science and surface engineering expertise, delivering technical solutions.



# Innovia Has A Global Footprint: \$0.7 Billion in Sales



**6**  
Production  
Sites



**250,000t**  
Production  
capacity



**2**  
Research &  
Development  
Centres



**>1400**  
Employees

Sales in  
**>100**  
Countries



# Serves Four Major Markets



## Labels

- Pressure Sensitive
- In-Mould
- Wrap Around
- Shrink Sleeve
- Linerless
- Embossable



## Graphic Arts

- PVC Free films for self-adhesive short and intermediate graphic arts applications



## Security

- Propanote™
- ClarityC
- OpacityW
- Security base films for Banknotes

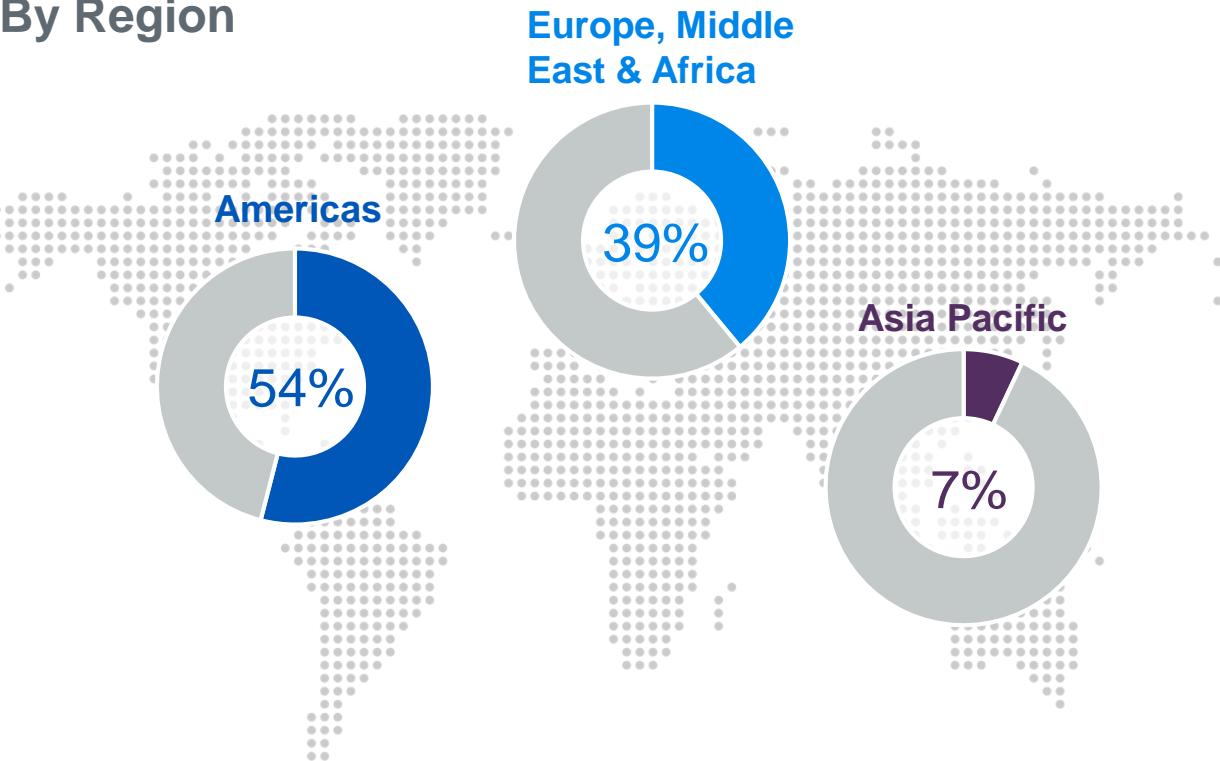


## Packaging

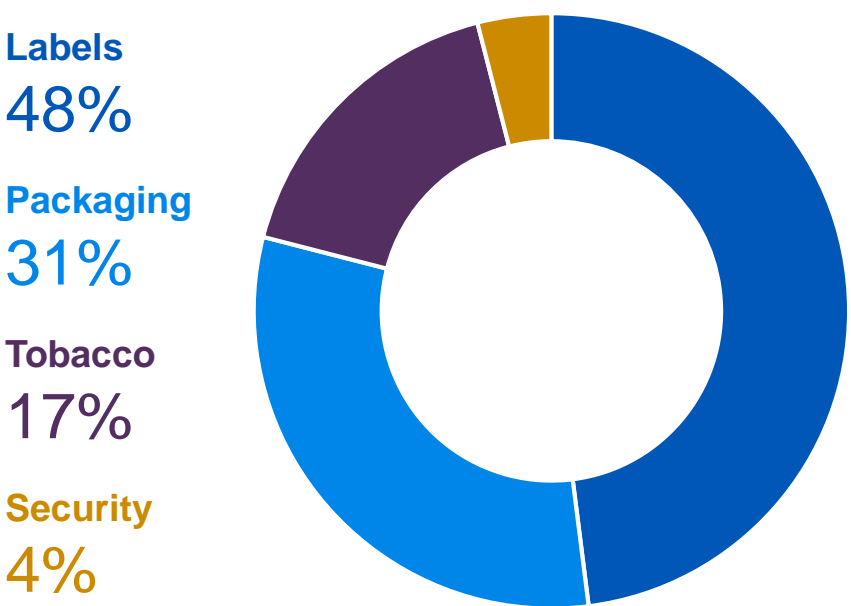
- Mono Structures
- Cavitated
- High Barrier
- Clear Collation
- Carton Overwrap

# Diversified Geographic and Market Segment Revenue

Innovia Sales  
By Region



Innovia Sales  
By Market Segment



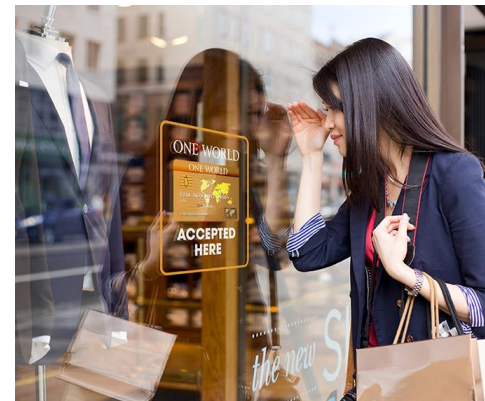
# Innovia Strategy

1 Achieve leadership in Label Films:  
Pressure Sensitive, In Mould & Sleeves

2 Invest in top coating and new  
extrusion technology

3 Find profitable specialty niches  
in packaging

4 Optimize footprint/capacity in 2024



# Sustainability at Innovia



We are benchmarking ourselves against the **United Nations 17 Sustainable Development Goals**



We have completed our **Phase 2 Energy Saving Opportunity Scheme (ESOE) Audit**



We are investing in **resource saving technologies** and **waste reducing processes**



We have commenced a project to identify ways in which we can **save water**



We are stakeholders in the European consortium to **maximise recycling of flexible packaging**



We continue to ensure that any polymers and film from our site **do not enter into the aquatic environment**



Zero Waste to Landfill **achieved since 2019**



We encourage our employees to lead a **healthy and engaging work life**

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# Innovia Q&A



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# South America



**Luis Jacionis**

Group Vice President,  
CCL Industries South America



# CCL South America

10  
Countries

440M\*  
Population

US\$9,630\*  
GDP per Capita

\* IMF

# CCL South America: \$0.3 Billion in Sales

## 8 Production Facilities

-  CCL Label Vinhedo
-  CCL Label Criciuma
-  CCL Label Garibaldi
-  Avery Adelbras Tapes Vinhedo
-  Avery Amazon Tapes Manaus
-  Checkpoint Tecnoblu Blumenau
-  CCL Label Santiago
-  CCL Label Buenos Aires



# CCL South America Growth Dynamics

## Growth Driven By:

1 Strong execution

2 Acquisitions

3 GDP growth

8  
acquisitions  
since 2006

3.1%  
projected GDP growth in  
South America in 2024\*



\* IMF

# Brazil – The Right Place To Be

Brazil represents  
**50.4%** of  
South America GDP

In 2022  
Brazil ranked  
**4<sup>th</sup>** in FDI



Source: The Organization for Economic  
Cooperation and Development (OECD)



# Brazil CCL Well Positioned and With Solid Growth Opportunities

Population  
**216M\***

GDP  
**US\$2.1B\***

GDP (Per capita)  
**US\$9.7K\***

Opportunities to grow further in Brazil, including Avery Tapes and In-Mould Labels

Strong position in Brazil with a talented team

Six plants in Brazil providing a strong geographic presence

Labels are the primary business and there is solid potential with Avery Tapes

\* IMF

# Sustainability at CCL South America



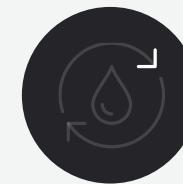
52,32 MWh generated by solar energy panels in 2023, representing a reduction of 38,47 tonnes of CO<sub>2</sub>



ISO 14.000 fully implemented



Renewable energy certified



100% treated water, represents 3,968 cubic meters recovery yearly basis, and 10% returns & reused for flushing toilets



Zero landfill in 2023  
Resulting in 1,210 tons of CO<sub>2</sub> avoided



Dedicated team focused on ESG initiatives

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# South America

## Q&A

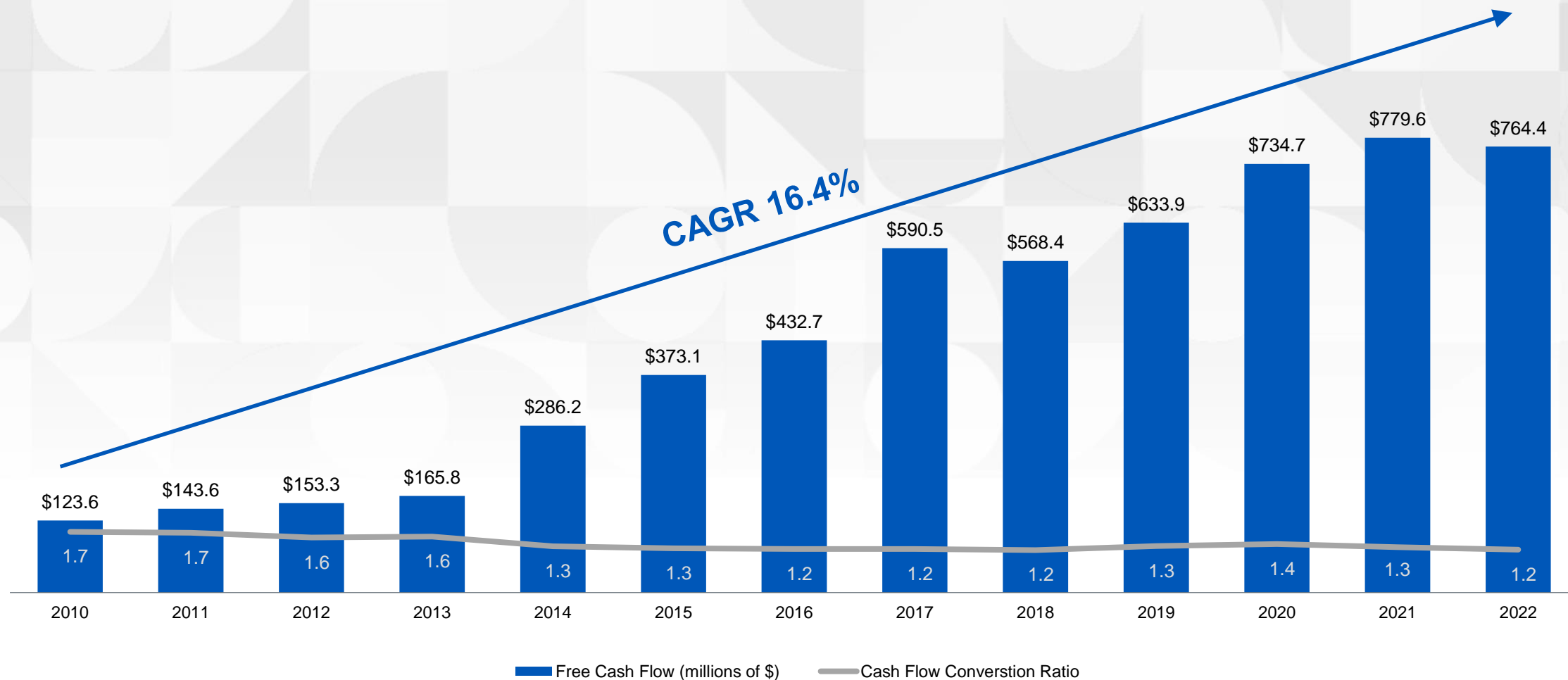
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# Financial Performance



**Sean P. Washchuk**  
Senior Vice President  
& Chief Financial Officer

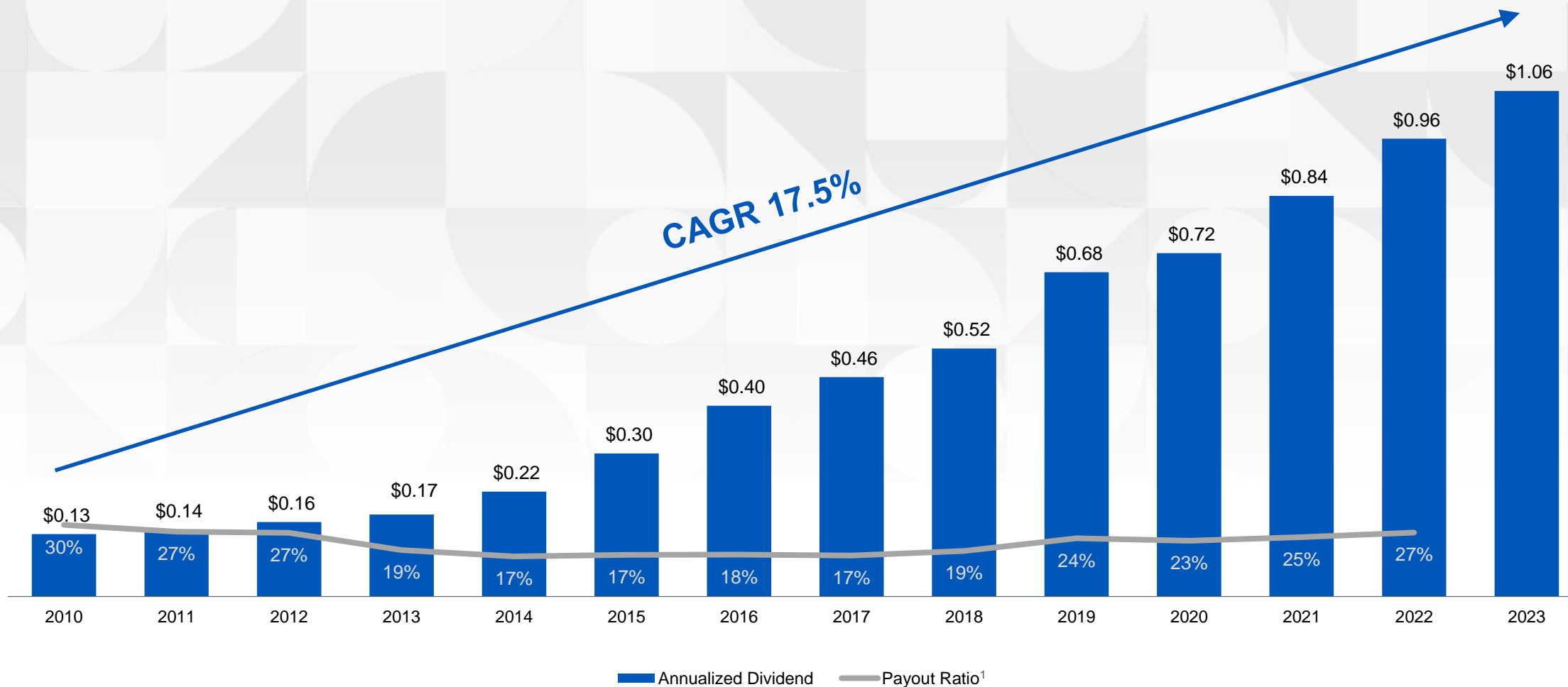
# Strong and Stable Free Cash Flow<sup>1</sup> Generation



1) Free cash flow is a non-IFRS financial measure.  
Refer to definitions in the Appendix of this presentation.



# Solid Track Record of Growing Dividends



1) Payout ratio is a non-IFRS financial measure.  
Refer to definitions in the Appendix of this presentation.

# Solid Balance Sheet with Ample Liquidity

## Cash and Debt Summary

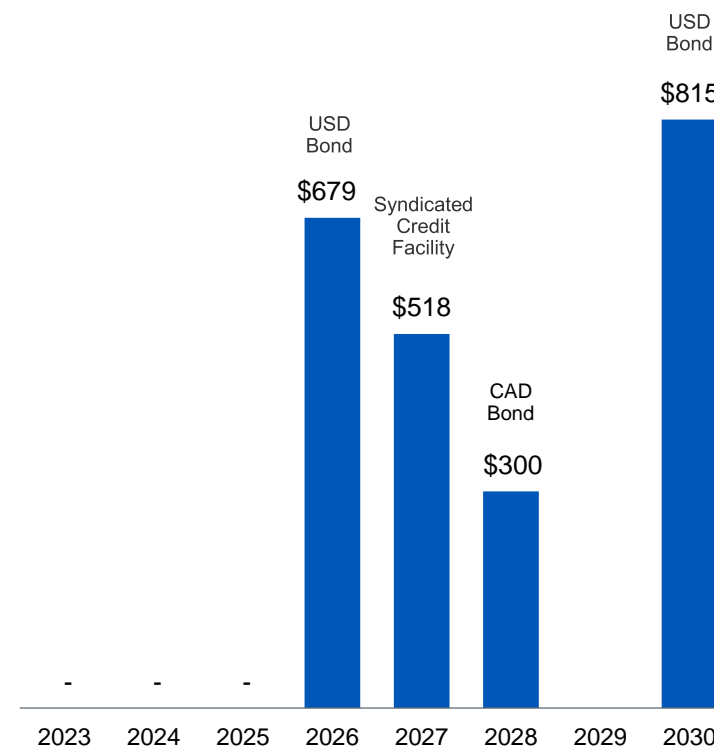
(millions of CDN \$)

	September 2023	December 2022
Bonds (US\$600.0MM, US\$500.0MM, C\$300.0MM)	\$ 1,793.5	\$ 1,790.9
Syndicated credit facility (€222.0MM, C\$199.0MM)	517.7	396.2
Lease liabilities	210.3	179.6
Debt - all other, net of issuance costs	11.6	(4.9)
<b>Total debt</b>	<b>\$ 2,533.1</b>	<b>\$ 2,361.8</b>
Less: Cash and cash equivalents	(773.1)	(839.5)
<b>Net debt<sup>1</sup></b>	<b>\$ 1,760.0</b>	<b>\$ 1,522.3</b>

1) Net debt is a non-IFRS financial measure.  
Refer to definitions in the Appendix of this presentation.

## Debt Maturity

(millions of CDN \$)



- Net debt : EBITDA<sup>1</sup> leverage ratio maintained at under 2.0x
- Ample liquidity:
  - \$1.1B in unused revolver
  - \$0.8B cash-on-hand

# Capital Allocation Philosophy

1

## Maintain Strong Balance Sheet

- Preserve liquidity and investment grade credit ratings
- Maintain flexibility to invest for growth
- Leverage goal posts of 1.0x to 3.5x

2

## Invest for Growth

- Organic growth initiatives globally
  - Leader in sustainability investment
  - CAPEX: 50% growth and technology innovation
- Acquisitions that fit company “know how” and technology suite

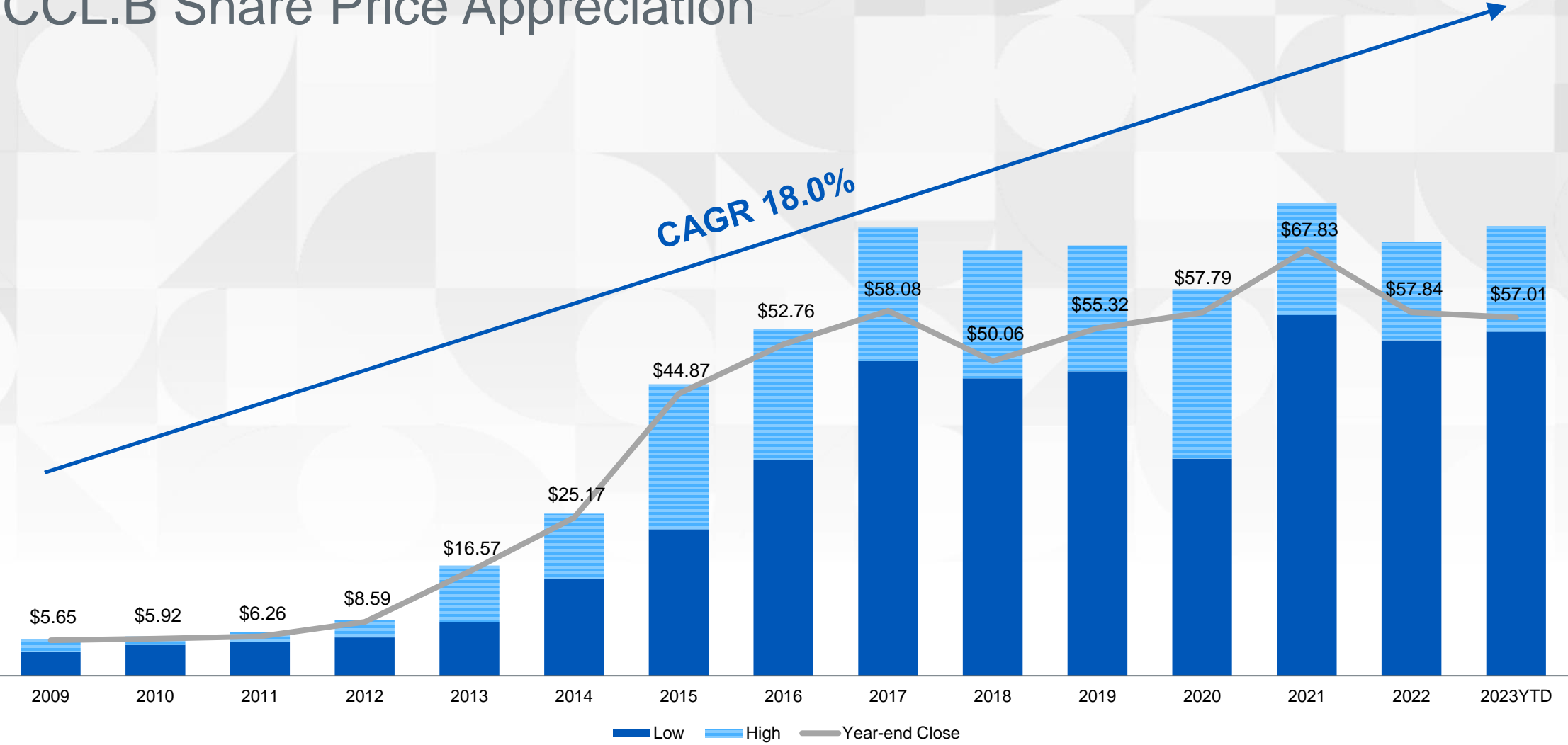
3

## Return Capital to Shareholders

- Annual dividend increases
- Repurchase of shares when CCL.B is undervalued or leverage falls below 1.0x

CCL generates strong cash flow to fund capital allocation priorities and maintain an investment grade rating

# CCL.B Share Price Appreciation



# CCL Long-Term Outlook

Long-term organic sales growth to exceed global GDP, augmented by acquisitions

Improving Innovia results will boost return on total capital

Maintain top quartile 20%+ EBITDA margins

Short-term management incentive plan (SMIP) based on year-over-year EPS growth > 5%

3-year long term incentive plan (LTIP) based on cumulative operating income at a premium to SMIP

Return on capital and Total Shareholder Return (TSR) metrics under consideration for next cycle



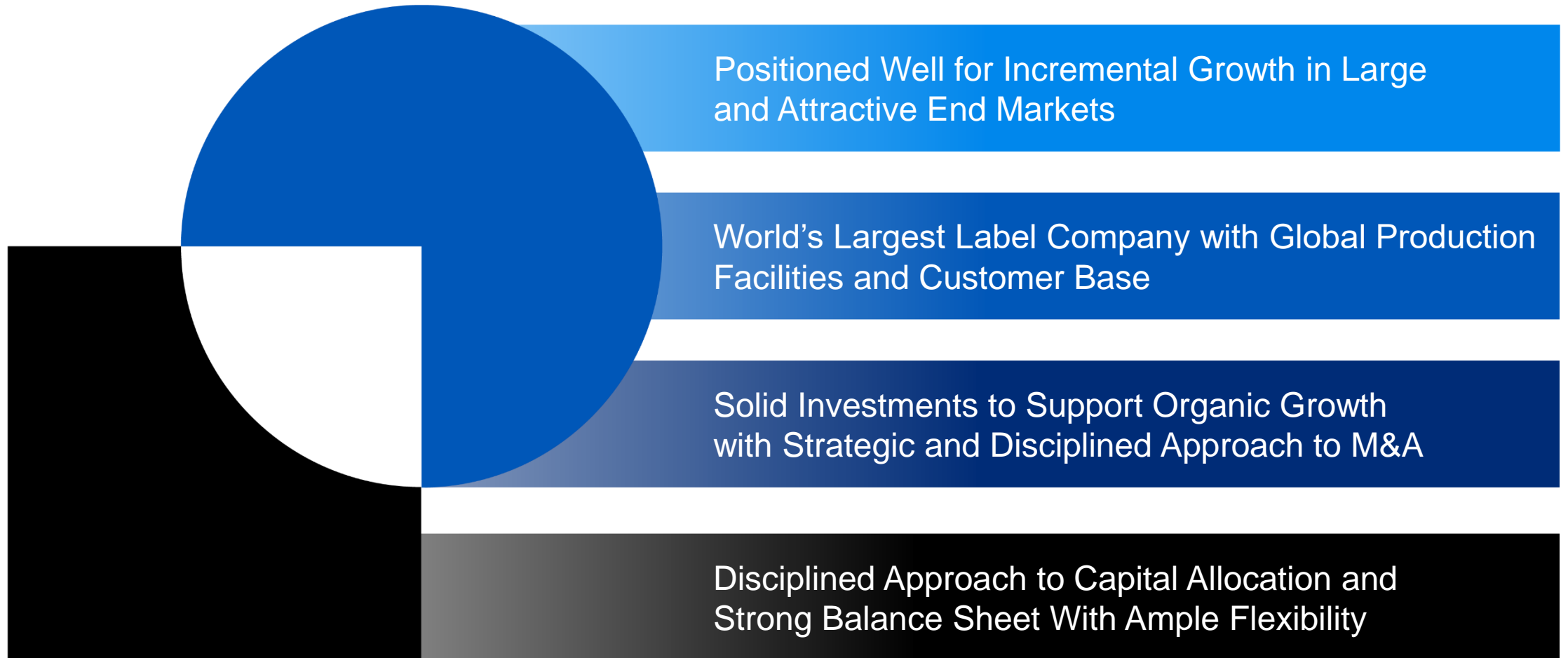
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# Conclusion & Summary



**Geoffrey T. Martin**  
President &  
Chief Executive Officer

# CCL Investor Day Concluding Remarks



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# Conclusion & Summary

## Q&A

# Appendix – Definitions of Non-IFRS Measures

**EBITDA** = Earnings before net finance cost, taxes, depreciation and amortization, goodwill impairment loss, non-cash acquisition accounting adjustments to inventory, earnings in equity-accounted investments, and restructuring and other items.

**Return on total capital (ROTC)** = Annual net income before goodwill impairment loss, restructuring and other items, non-cash acquisition accounting adjustments, and tax adjustments divided by the average of the beginning- and the end-of-year equity and net debt.

**Net debt** = Current debt, which includes bank advances, plus long-term debt and lease liabilities, less cash and cash equivalents.

**Net debt to EBITDA** = Net debt divided by EBITDA.

**Free Cash Flow** = Net income + Depreciation & Amortization – estimated growth CAPEX.

**Payout ratio** = Dividends declared divided by earnings, excluding goodwill impairment loss, non-cash acquisition accounting adjustments, restructuring and other items, and tax adjustments expressed as a percentage.

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# Thank you

