



Address by Pierre Karl Péladeau  
President and CEO, Quebecor

Annual Meeting of Shareholders  
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*Check against delivery*

Thank you, Mr. Mulroney.

It is a pleasure to be here today at our annual meeting to review the past year.

In 2021, Quebecor continued to grow and to optimize its operations in a fiercely competitive business environment, particularly in the Québec media and telecommunications industries.

Despite the market environment, we posted increases of 5.5% in revenues, 1.1% in adjusted EBITDA and 5.3% in adjusted cash flow from operations.

We did it by staying focused on sound management of our operations and investments, as evidenced by, among other things, the 7.4% increase in adjusted cash flows from operations in the fourth quarter of 2021.

In addition, with net available liquidity of \$1.57 billion at December 31, 2021, we have a solid foundation to pursue our strategic priorities and continue delivering more innovation, more content and the best customer experience.

Allow me to describe the main achievements of the past year.

### **TELECOM**

In our important Telecommunications segment, Videotron continued to grow. Revenues were up 3.1% and adjusted EBITDA 0.6% in 2021, driven by our strength in wireless services.

We believe that the future development of wireless and digital demands, among other things, the emergence of real competition in Canada—competition that can generate tangible benefits for consumers and protect the public interest.

The acquisition of spectrum in the 3500 MHz band we announced in July 2021 is an indication of our commitment to creating genuine competition in Canada.

In a strategic investment that will support the development of our 5G network, Quebecor spent nearly \$830 million to acquire 294 blocks of spectrum. More than half of this investment is concentrated in Ontario, Manitoba, Alberta and British Columbia.

We are now counting on the government to create a favourable environment and appropriate regulatory conditions to foster and maintain healthy competition.

Videotron's 15 years of success in the Québec wireless market demonstrate our expertise, our capacity for innovation and our ability to compete with Canada's Big Three telecoms. This is exactly what we plan to offer consumers outside Québec.

Over the years, Videotron has built a relationship of trust with Quebecers. Videotron's ability to deliver products and services that meet customer expectations—demonstrated most recently by the roll-out of its 5G network in Montréal, parts of Montréal's South Shore and North Shore, and Québec City—has earned it the loyalty of customers.

With its increased speed, expanded connectivity and minimal latency, our 5G network opens up a world of possibilities for individuals and businesses alike.

We will continue investing in this technology and gradually rolling it out across our entire mobile network in the coming years.

There is no question that connecting rural communities to high-speed Internet is essential for Québec's development.

We are very pleased with the agreement Videotron made a year ago with the Government of Québec and the federal government to connect 37,000 underserved households in various regions of Québec to high-speed Internet.

Under that agreement, the governments agreed to provide Videotron with approximately \$258 million in financial assistance, to be used in its entirety for the extension of Videotron's wireline network.

### ***Mobility***

In the mobility business, Videotron and Fizz added 120,800 subscriber connections in 2021, an 8.2% increase.

Continuing an established trend, they posted the highest combined share of new connections in every quarter of 2021. Together, they accounted for 33% of all new mobile connections in Québec during the year.

Fizz has the wind in its sails: for the second year in a row, it placed first for online experience in Canada's telecommunications industry on Léger's WOW Digital Index.

Fizz also started selling phones in 2021. After operating on a "bring your own device" model since its inception, Fizz now offers a wide selection of new phones as well as rigorously

inspected Preloved Phones to meet the needs of consumers who are concerned about both their wallets and the environment.

### ***Internet and television***

Our Helix platform kept up its momentum, reaching more than 1.2 million units since its launch in August 2019.

The dynamic Helix platform was enhanced with the addition of new entertainment applications such as our QUB musique music streaming service, TVA+, Netflix and Amazon Prime Video. Other self-service home automation features were also integrated into Helix Fi, such as lock control and smart thermostats.

Also to meet subscriber needs, we successfully introduced an equipment self-installation process in March 2021 for customers who prefer to do it themselves.

### **MEDIA AND CONTENT**

In the over-the-top video business, which includes streaming services such as Netflix and Amazon Prime, competition is just as fierce as it is in telecom.

In February, the federal government introduced Bill C-11, which amends the *Broadcasting Act* to cover these platforms.

It bears repeating that the Bill must lighten the regulatory and financial burden on our broadcasters if they are to remain competitive and continue investing heavily in the production of original Canadian content.

This is especially true in Québec, where the vitality of our culture and language depends on it.

### ***Investments and content***

Since the day it was founded, Quebecor has been determined to make content production a lever for economic development and the promotion of Québec culture.

I am proud to say that in 2021, Quebecor spent more than \$212 million on content production and acquisition, up 40% from the previous year. The bulk of this spending was dedicated to original content.

As a result, 134 original productions were released in 2021, including 82 new projects and 2 Québec feature films.

### ***Club illico and Vrai***

Another noteworthy development in 2021 was the expansion of Videotron's streaming services with the launch of the Vrai platform to meet growing consumer interest in unscripted lifestyle, documentary and entertainment content.

In 2021-2022, more than 100 original Québec productions are or will be available to subscribers.

With Vrai and Club illico, we are fulfilling our commitment to creating an unparalleled selection of entertainment programming produced by Québec artists and crews.

With their diverse, constantly updated selection of original content, Vrai and Club illico now have more than half a million subscribers, a strong indication of the soundness of our choices and investments in the production of Québec content.

### ***TVA Group***

TVA Group has pursued the same astute strategy.

In a time of proliferating platforms and fragmenting audiences, TVA and its specialty channels continue to perform strongly thanks to the calibre of their original productions and their ability to draw mass audiences to major television events.

They held their spot at the top of the ratings with a combined market share of 39.8% in 2021.

A striking example of TVA's dominance is its Sunday-night line-up of must-see variety shows for the whole family, such as *Star Académie*, *Chanteurs masqués* and *Révolution*, which drew an average of 1.5 million viewers.

TVA's dramas were also immensely popular. For example, *Les beaux malaises 2.0* reached more than 1.6 million viewers, and the series *Alertes*, *L'échappée* and *L'heure bleue* each drew more than 1 million.

Quebecers were able to watch their favourite TVA shows and series, and some specialty channel programs, for free on the Web or via the TVA+ mobile app.

In TVA Group's other lines of business, I am pleased to report that MELS outperformed in 2021.

In fact, it set a record with 47% revenue growth in a year of major productions including the blockbusters *Home Sweet Home Alone* and *Transformers: Rise of the Beasts*.

To help keep Montréal and Québec competitive on the international production market, we announced in July 2021 the expansion of our MELS studios with the construction of MELS 4.

Thanks to the support of the Government of Québec and the City of Montréal, MELS will have an even more attractive package with which to draw the largest local and international productions, for the benefit of our industry and our cultural workers.

MELS continued to stand out with its new state-of-the-art virtual production stage, which is attracting both local and international producers. It has now been made permanent.

### **NEWS MEDIA**

Quebecers placed their trust in Quebecor's newsrooms in 2021, as they have for decades.

At

- TVA Nouvelles

- LCN

- Le Journal de Montréal

- Le Journal de Québec

- 24 Heures



- the Investigative Bureau
- QMI Agency
- QUB radio
- and their digital platforms

in all parts of Québec, our teams were there for Quebecers, informing the public with professionalism and a dedication to accuracy.

I would like to mention the departure of Pierre Bruneau, who is retiring on June 16 after 46 years as a news anchor.

In the course of his career, Pierre has forged a special bond with Quebecers of all generations. We thank you and your wife Ginette for your colossal contribution at every level. Pierre, I wish you many years of happiness in your well-deserved retirement!

Many dedicated teams work long and hard to gather and produce news content.

The use of this content on digital platforms such as Google and Facebook must be paid for at fair value and intellectual property must be protected.

Recently, the federal government tabled a bill entitled *An Act respecting online communications platforms that make news content available to persons in Canada*.

As legislation passed by other sovereign legislatures has done, this bill recognizes that the use and dissemination of local news content without payment by foreign platforms is unfair and undermines the sustainability of Canadian news media.

Now an agreement for payment commensurate with the quality of our news content must be reached.

News is vital to a healthy, robust, sustainable democracy. It is a pillar of democracy that must remain solid in a landscape disrupted by the proliferation of social networks.

### **MEDIA AND DIGITAL**

I would now like to turn to our advertising revenues.

In a sign of economic recovery as well as advertiser enthusiasm for our content, our innovative products and our brands, our advertising revenues increased in most of our market segments in 2021.

Most notably, advertising revenues were up 26% in television, largely because the Montréal Canadiens made the playoffs, and 65% in digital media, due in large part to our new QUB platform and to traffic on TVA+.

This revenue growth is important, for it enables us to maintain our spending on content and to compete in the marketplace.

### ***QUB PLATFORM***

In September 2021, to promote the discoverability of our content, we continued innovating by launching QUB, a digital platform where millions of items from our media ecosystem can be found in one place.

More recently, we launched QUB livre, an online bookshop integrated into the QUB platform that carries over 65,000 titles.

Meanwhile, QUB musique is returning 11 times more to Québec's cultural economy than other streaming platforms in Canada.

I am very proud of QUB musique's mission to promote and spread Québec music. The charts show we're succeeding: 13 of the 15 most-listened-to albums on QUB are by Québec artists.

### **SPORTS AND ENTERTAINMENT**

In our Sports and Entertainment segment, the pandemic has demanded extraordinary resilience of promoters and artists for more than two years.

Nevertheless, the segment fared well in 2021. Among other things, it established several major strategic partnerships.

In October, Gestev, already the manager of the Videotron Centre and Baie de Beauport, and owner of the Théâtre Capitole in Québec City, became the new manager of the Cabaret du Casino de Montréal, one of the city's premier performance venues.

Also, in February 2021 we acquired Audiogram., the largest independent French-language record label in North America. It also includes Éditorial Avenue, Canada's largest French-language music publisher.

Hopefully, things will return to normal for cultural industries in the coming months.

Quebecor will continue to proudly support Québec artists and promote culture throughout Québec.

In 2022, more than 150 Québec artists will perform at our venues in all regions of Québec.

### **CORPORATE SOCIAL RESPONSIBILITY**

Quebecor has always been animated by a strong philanthropic culture. This is one of the most precious legacies that my father, Pierre Péladeau, left us. Today, I am proud to carry on this noble tradition.

Quebecor actively contributes to Québec's economic, cultural and social vitality by joining forces with our visionaries, creators and cultural workers.

In 2021, Quebecor supported over 400 organizations and cultural events across Québec.

We also partnered with the Fondation Autiste & Majeur and made a \$1 million donation to help fund the development of day centres for adults with Autism Spectrum Disorder across Québec.

Supporting the next generation of entrepreneurs is another key commitment.

As Mr. Mulroney mentioned, Quebecor and the Fondation Chopin-Péladeau, of which I have the privilege to be President and which is named in honour of my parents, announced a historic \$40 million donation to Université de Montréal in February 2022.

The money will be used to create Millénium Québecor, a comprehensive entrepreneurship awareness, training and support program, and to construct a state-of-the-art building to be known as the Pavillon Pierre-Péladeau, in the heart of the MIL campus, a neighborhood where students, researchers, workers, artists and residents rub shoulders.

This partnership will support the emergence of a new generation of even more audacious, even more innovative entrepreneurs.

In addition to continuing to award the Pierre Péladeau Bursaries to Québec student entrepreneurs, we launched the asterX venture capital fund in November 2021.

It will invest in start-ups with the potential to drive innovation in industries that contribute to the advancement of our society.

On the environmental front, Quebecor continued to support the energy transition.

Among other things, we are electrifying our vehicle fleets. In 2020, we launched an ambitious plan to electrify all the cars and light trucks operated by Quebecor's subsidiaries by 2030.

Ultimately, our action plan will cut our greenhouse gas emissions to 50% of current levels.

Our efforts are already bearing fruit: the number of electric, hybrid or converted vehicles and charging stations at Quebecor and its subsidiaries has been growing steadily.

Quebecor is also taking action to reduce its ecological footprint.

In 2021, TVA and MELS joined forces with the Québec Film and Television Council and the Conseil québécois des événements écoresponsables to set up the Rolling Green program.

We believe it is important to put in place the necessary conditions and tools to reduce the environmental footprint of our shoots and enable our teams to shift towards greener productions.

Last week, the Rolling Green program won a Novae award as one of the top 20 impactful projects of the year.

The Novae awards recognize innovative solutions that point the way towards the socially and environmentally responsible Québec economy of the future.

As well, we recently joined Soverdi's urban forest leaders committee, which publicizes greening initiatives on private and institutional lands with the goal of growing the urban forest and improving Montrealers' quality of life.

In conclusion, I would like to thank our shareholders, our directors, our customers, our advertisers and our partners for their continuing support.

I join Mr. Mulroney in saluting Normand Provost's contribution to the boards of Quebecor Media and Quebecor over the past 10 years. I thank Normand from the bottom of my heart.

I also want to express my gratitude to France Lauzière, who stepped down as President of TVA Group in October 2021, for her enormous contribution. It was an honour to work with her for 20 years. France devoted herself to strengthening TVA's position as Québec's

television leader. She personally contributed to the flowering of Québec culture by championing Québec talent and furthering the careers of our artists and cultural workers.

I would also like to say a few words about Marc Tremblay, who has retired as Chief Operating Officer and Chief Legal Officer.

Marc left his position in March after more than 15 years with Quebecor. During that time, he built our Legal Department into a large-scale, solid and diverse operation, and a formidable force. He was a mentor who took care to groom his successors.

Marc, thank you for your invaluable and faithful collaboration throughout all these years.

On behalf of the entire management team, I thank the thousands of employees who continued to demonstrate outstanding dedication throughout the year.

In 2021, Quebecor again demonstrated its capacity to innovate, to develop and invest in its growth sectors, to create value, and to maintain the special relationship with Quebecers that motivates us day after day.

Thank you!