



Address by Pierre Karl Péladeau
President and CEO, Quebecor

Annual Meeting of Shareholders
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Thank you Mr. Mulroney,

Good morning everyone.

I am very pleased to be here with you today for our annual meeting, the culmination of what I think you will agree can only be described as a historic year for Quebecor.

TELECOM

Over the years, Videotron has carved out an enviable position in the Québec market by investing more than \$3.5 billion to build out a network of the highest quality. Quarter after quarter, Videotron Mobile captures the largest combined share thanks to its competitive prices, innovative products and excellent customer service. Now, as you know, barely a month ago, Videotron passed another milestone in its plan to expand and become Canada's fourth wireless carrier.

We closed the acquisition of Freedom Mobile after signing a definitive agreement with Rogers and Shaw last summer and receiving approval from the Minister of Innovation, Science and Industry. The acquisition has doubled Videotron's wireless customer base and increased its workforce to 7,500 employees. With their expertise and know-how, Videotron is set to pursue its mission of increasing competition across Canada, as it has been doing successfully in Québec for over 15 years.

As part of the agreement, we made a series of commitments to the federal government. Among other things, we will:

- Maintain prices for existing Freedom customers for five years.
 - o We fulfilled this commitment last week by notifying all Freedom customers that their current prices will be locked in for life and their mobile data caps will be increased by 10%.
- We also promised to offer new Freedom customers mobile plans at least 20% less expensive than those offered by the incumbents as of last winter.
- And we promised to invest more than \$150 million to bring 5G access to 90% of Freedom's customers within two years.

With the acquisition of the independent telecommunications provider VMedia Inc. in July 2022, we will also be able to offer customers in British Columbia, Alberta, Manitoba and Ontario multi-service bundles including mobility, Internet and television.

When we became Canada's fourth player, we promised the government and the public that we would bring prices down, and we can already see our competitive strategy having an impact on the Big 3 telecoms, which will certainly please the government and regulatory authorities.

Freedom's teams are not only working hard to fulfil the commitments I have mentioned, but they are going even further. This week, they announced a new plan at a price never before seen in

Canada's telecommunications market. We have also introduced a new Mobility Price Freeze Guarantee for all current and future Freedom customers.

However, in order to "improve affordability, competition, and innovation," as Minister François-Philippe Champagne said, Canada's major telecom players must quickly sign MVNO commercial agreements to allow regional players such as Videotron to use existing networks while we build out our own infrastructure. While Videotron has reached agreements with Rogers, negotiations with Bell and Telus have been challenging. They have been dragging their feet for years in order to stifle competition.

Fortunately, the new CRTC Chairperson, Vicky Eatrises, was previously with the Competition Bureau and seems determined to put an end to the delaying tactics that Bell and Telus are using to at least impede competition, if they can't block it outright. Their questionable maneuvers to block the Quebecor/Freedom transaction are a case in point. So is Telus' legal challenge to the government's decision to open the 3500 MHz spectrum auction to Videotron in Western Canada. They lost their case in Federal Court and in the Federal Court of Appeal.

We urge the CRTC's leadership to continue its efforts to bring Canadians the benefits of real competition.

Going forward, we plan to stay focused on our goals for Freedom:

1. upgrading the network and expanding coverage, including full roll-out of 5G
2. implementing seamless hand-off so that our subscribers can enjoy seamless roaming
3. expanding Freedom's marketing channels, which are currently limited to the retail network, whereas Videotron also uses call centres, telemarketing, transactional e-commerce and good old-fashioned door-to-door marketing.

We are also working on our marketing strategies, which will be implemented in the coming months. We're just getting started. Stay tuned!

In Québec

All of these efforts are in addition to the massive investments in wireline and wireless infrastructure that Videotron has made and continues to make in Québec.

In 2021, Videotron acquired nearly \$830 million worth of spectrum across the country to support 5G deployment and growth, nearly half of it concentrated in Québec.

Work is also continuing under Operation High Speed, in partnership with the governments of Québec and Canada, to bring high-speed Internet access to more underserved rural Québec communities. Ultimately, more than 37,000 new households in 244 municipalities will be connected to Videotron's powerful Internet network.

Quebecor is proud to be an active player in the transformation of the telecommunications industry in Québec and across Canada for the benefit of consumers.

Our Telecommunications segment's 2022 results are a clear indication of the high level of customer interest and trust in Videotron.

Videotron and Fizz continued to gain market share with a 6.8% increase in mobile subscriber connections and a 3.4% increase in Internet access customers, including the addition of VMedia's customers. Meanwhile, Club illico and Vrai increased their customer base by 9.8% to a combined total of 552,000 subscribers.

Also in 2022, Videotron was ranked the telecommunications company with the best customer service in Québec and the most respected telecommunications provider in Québec for the 17th time since 2006, according to Léger surveys.

Our Fizz brand held its No. 1 ranking for online telecom experience in Canada, according to the Léger WOW digital survey.

TVA GROUP

Providing high-quality news and entertainment content is also part of our core mission.

We believe firmly in the importance of our culture and the value-added of offering our customers distinctive local content. Over the past 10 years, Quebecor has almost doubled its spending on content production. In 2022, we invested more than \$400 million in 136 original productions, numerous acquisitions, and news and sports for all our platforms.

TVA Group's audience numbers speak for themselves. TVA Group has twice the market share of its competitors. In 2022, its French-language channels had a 40.8% market share, up 1.5 points, while Radio-Canada and Bell Media had 19.9% and 19.5% respectively.

This winter, our market share is even more impressive at 41.2%: a 10-year high.

Our over-the-air TVA network led the ratings in Québec throughout the year with a 24.5% market share, more than Radio-Canada and Noovo combined.

The TVA network dominated primetime with million-viewer shows such as *Chanteurs masqués*, *Révolution* and *Star Académie*, the drama *Le bonheur* and the daily show *Indéfendable*.

Our specialty channels also remained in the lead with a 16.3% market share, a 0.5-point increase. LCN's performance was particularly noteworthy; it held its status as Québec's No. 1 specialty channel with a 6.4% market share.

Thanks to the success of our programs, our free streaming platform TVA+ has seen an increase of more than 30% in viewership on its website and mobile app since the beginning of 2023.

DEFENDING OUR INTERESTS

At a time when we face fierce competition from the Web giants, it must not be forgotten that Canadian broadcasting enterprises such as TVA and Videotron are mainstays of our television culture and make a major economic contribution to their entire ecosystems. And, not to mince words, their contribution is significantly larger than that of the entirely unregulated foreign companies that offer their products and services here. Without the television shows that bring us together, we will lose all these shared experiences, our social bonds, our star system, and the newsrooms that bring Canadians trustworthy news coverage.

Our industry faces daunting challenges that threaten the viability of Canadian companies and undermine our ability to continue spending on original content. TVA's financial results for 2022, and again for the first quarter which we reported this week, attest to the precarious environment in which we operate.

Bill C-11 was recently passed and the ministerial directive to the CRTC, which is the next stage in the process, will be critical.

To restore a level playing field between foreign platforms and Canadian companies, the regulatory straitjacket by which we are restrained must be loosened and we must be allowed more flexibility in how we operate. This is a matter of urgency.

It will also be important for the government to require the Web giants to contribute financially to the production of Canadian content rather than making them carry Canadian content themselves. If the government wants to forcing these foreign companies to broadcast Canadian programming, this will only hasten the decline of our Canadian ecosystem.

Another important measure that should be implemented immediately is curbing the public broadcaster's race for ratings and its unfair competitive practices by eliminating advertising on all of CBC/Radio-Canada's platforms and allowing the advertising dollars to go to private broadcasters. TVA has no other revenue streams.

Finally, we are eager for Bill C-18 to be passed so that Canadian news media can be fairly compensated when the content they produce is shared on foreign platforms.

News coverage is of paramount importance to a healthy democracy. I would like to take this opportunity to underscore the excellent work of the media teams on all of our platforms: TVA Nouvelles, LCN, *Le Journal de Montréal*, *Le Journal de Québec*, 24 heures and QUB radio. These are the news sources that Quebecers trust.

SPORTS AND ENTERTAINMENT

There was also some very good news in 2022, particularly for our Sports and Entertainment Group, which was able to fully resume its activities. We are excited to be bringing local and international talent to Québec audiences again.

In addition to owning the Théâtre Capitole in Québec City, managing the Videotron Centre in Québec City, and presenting events at Baie de Beauport and the Cabaret du Casino de Montréal, we added the Théâtre du Casino du Lac-Leamy in Gatineau to our list of performance venues in 2022.

During the year, our Sports and Entertainment Group launched several new flagship cultural events in Québec City, including the inaugural editions of the *Cigale* and *Igloofest Québec* music festivals. To give you an idea of their resounding success, the second edition of *Cigale*, which will take place this summer at Baie de Beauport, is already almost sold out.

Musicor Spectacles scored hits with productions such as *Révolution en tournée*, which played to packed houses in many parts of Québec, the musical comedy *Rock of Ages* and the Lara Fabian tour.

The Videotron Centre had a banner year, hosting 85 cultural and sporting events.

The Québec Remparts continue to draw record crowds to the arena. Nearly 18,000 spectators watched the Québec Major Junior Hockey League semi-finals. The Remparts will face the Halifax Mooseheads in the final, which begins tomorrow.

CORPORATE SOCIAL RESPONSIBILITY

As a responsible corporate citizen, we believe we have a duty to support the social actors who, like us, want to work to build a stronger, more innovative economy, a richer, more diverse culture and a healthier, more sustainable society.

Under our commitment to “The Art of the Possible,” we supported more than 400 organizations across Québec with donations and sponsorships worth nearly \$37 million in 2022.

Nearly 50% of our philanthropic contributions went to culture, funding organizations that promote Québec talent and showcase the richness of our French language, our history and our heritage. For example, *Éléphant: The Memory of Québec Cinema* is doing a colossal job that is absolutely essential; with Quebecor’s financial support, it is digitizing, restoring and making available to the public much of Québec’s cinematographic heritage. Quebecor also distributes more than \$100,000 in grants each year to directly support the work of artists, musicians and writers.

On the environment front, in order to fight climate change and reduce our environmental impact, we launched four flagship programs that address the main impacts of our activities:

- *On roule électrique*, an ambitious plan to electrify our vehicle fleets which will considerably reduce our greenhouse gas emissions. Over 100 low-carbon vehicles were added to our fleet in 2022;
- *We Recycle*, a program that has collected more than 12 million electronic devices and accessories for reuse and recycling over the past 10 years;
- *Rolling Green*, a joint action plan with the Québec Film and Television Council to promote environmental responsibility on Québec film sets;

- *GesteVert*, a set of responsible event management initiatives by GesteV, which among other things increased the number of deposit cans returned at the Videotron Centre by 47% in 2022.

To support entrepreneurship, Quebecor donated \$1 million to HEC Montréal, which will enable the Chair in User Experience to help a hundred start-ups with their digital strategy through the Quebecor asterX Digital Entrepreneurship Program. The Pierre-Péladeau Bursaries, created in 1999, continue to support innovative student business projects. This year, a total of \$200,000 will be distributed to university entrepreneurs.

Inclusion, diversity, equity and accessibility are values Quebecor holds dear. Among other things, Quebecor created an interdepartmental committee to implement measures to remove barriers to members of diversity groups. TVA is also continuing its action plan to achieve gender parity in key positions in television production.

Quebecor's philanthropic contributions of the year included an additional \$300,000 gift to the Le Pilier Foundation, an organization it has supported since 2005, to help it carry out important projects for the adults with multiple disabilities who live at the Maison Québecor.

A FUTURE OF GROWTH AND SUCCESS

In closing, we thank our shareholders, our customers, our advertisers, our partners and our directors. We would like to underscore the important contributions of Normand Provost and Robert Paré, who retired from the Board in 2022 after 17 and 8 years of highly appreciated service respectively. I am very proud that my kid brother, Jean B. Péladeau, has joined the Board. He will be a valuable asset.

Every day, millions of people put their trust in us by using our products, watching our television shows on conventional channels and digital platforms, reading our newspapers, magazines and books, or attending our events. We thank all the employees of Quebecor and its subsidiaries for making this possible through their professionalism, hard work and dedication to providing the best possible customer experience.

We are excited about the future and eager to pursue our ambitious cross-Canada expansion plans. Together, we have everything it takes to ensure Quebecor's continued growth and success.

Thank you.