

**NOTICE OF THE
2025 ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
AND MANAGEMENT PROXY CIRCULAR**



**Transat A.T. Inc.
March 21, 2025**

GLOSSARY

Terms and abbreviations used in this Circular

Adjusted operating cash flow:

Cash flow related to operating activities plus Proceeds from disposal of assets and Net proceeds from sale and leaseback of assets less Additions to property, plant and equipment and other intangible assets

ANI:

Adjusted net income¹

Arrangement:

Acquisition by Air Canada of all of Transat's issued and outstanding Voting Shares by way of a plan of arrangement pursuant to section 192 of the *Canada Business Corporations Act*, approved by Transat's shareholders on December 15, 2020.

Board:

Board of Directors of Transat A.T. Inc.

CEEFC:

Canada Enterprise Emergency Funding Corporation

CGNC:

Corporate Governance and Nomination Committee

CTA:

Canada Transportation Act

Director:

Member of the Board

DPSP:

Deferred Profit-Sharing Plan

DSUs:

Deferred Share Units

EBITDA:

Earnings before income tax, interest, depreciation and amortization

EOs:

refers to executive officers holding Level 1 to 5 positions in Transat's salary classification

EY:

Ernst & Young LLP

Gallagher:

Gallagher Quebec Compensation Inc. (formerly PCI Compensation Consulting Inc.)

HRCC:

Human Resources and Compensation Committee

HRGC:

Human Resources and Governance Committee

LEEFF:

Large Employer Emergency Financing Facility

LTIP:

Long-Term Incentive Plan

Meeting:

Annual and special meeting of shareholders of Transat A.T. Inc.

NEO:

Named Executive Officer

Option:

Stock Option

President and CEO:

President and Chief Executive Officer

PSUs:

Performance-Based Share Units

RMCR:

Risk Management and Corporate Responsibility Committee

RRSP:

Registered retirement savings plan

STIP:

Short-Term Incentive Plan

TSR:

Total shareholder return

TSX:

Toronto Stock Exchange

TTC:

Transat Tours Canada Inc.

VP:

Vice President

¹This is a non-IFRS financial measure. It is defined as the net income attributable to shareholders, change in the fair value of derivatives, revaluation of liability related to warrants, gain (loss) on long-term debt modification, gain (loss) on business disposals, gain (loss) on disposal of investment, gain (loss) on asset disposals, gain on sale and leaseback of assets, restructuring charge, asset impairment, restructuring and transaction costs, write-off of assets, reversal of impairment of the investment in a joint venture, foreign exchange gain (loss), reduction in the carrying amount of deferred tax assets and other significant unusual items, and including premiums related to derivatives that matured during the period, net of related taxes. The Corporation uses this measure to assess the financial performance of its activities before the aforementioned items to ensure better comparability of financial results.

MATTERS TO BE BROUGHT BEFORE THE MEETING

1

Election of the nominees as Directors

2

Appointment of EY as external auditors for the fiscal year ending October 31, 2025

3

Resolution approving the adoption of the resolution ratifying amendments to the 2025 Employee Share Purchase Plan

4

Advisory resolution regarding the Corporation's approach to executive compensation

5

Shareholder proposals

SUMMARY OF THE MANAGEMENT PROXY CIRCULAR

Rising to the occasion

We are pleased to invite you to attend Transat's special meeting of shareholders on April 29, 2025, at 10 a.m. This year, the meeting will be in a hybrid format to allow shareholders or their proxyholders to attend either by videoconference or in person. Those who did not cast their votes in advance may do so in real time at the meeting.

On the day of the meeting, we will already have an outlook on the 2025 fiscal year, which has begun in a context of economic uncertainty and political unpredictability. Our analysis will, however, mainly focus on the 2024 fiscal year, which started with the momentum of a dynamic market. In 2023, let us recall, Transat benefited from strong demand, generated substantial revenues, and achieved high operating profits supported by solid operational performance.

Sluggish market and overcapacity

This favourable trend did not continue in 2024. Airlines, which had significantly increased their capacity, had to jostle to win over customers travelling on tight budgets.

In this cooled and saturated market, prices decreased, and revenues did not meet expectations. This situation affected the entire industry, but the effects on Transat were more significant. This can be explained, on the one hand, by our limited financial flexibility due to our debt, and on the other hand, by inefficiencies arising from issues with Pratt & Whitney's GTF engines, which grounded new-generation A321LR aircraft during the year and contributed to increased operating costs.

Robust optimization program

In this context, the Corporation had to inform the markets in the spring that its financial targets would not be met. Assisted by a firm with extensive experience in organizational optimization, Transat then launched the development of a robust optimization program called *Elevation*. This program aims to support the creation of sustainable value and the return to profitability by increasing revenues, reducing costs, boosting efficiency, and improving cash flow management. The goal of *Elevation* is to improve our annualized adjusted operating profit by \$100 million by mid-2026. The first initiatives were quickly implemented, and initial impacts on our results are expected in the second half of the 2025 fiscal year.

Elevation does not call into question the strategic plan but favours a more dynamic execution. Moreover, 2024 was marked by significant advances, including concluding the commercial joint venture with Porter, which helps to stimulate our connecting traffic, and receiving four new A321LR aircraft.

An unsustainable burden

Throughout the fiscal year, lasting solutions to the unsustainable debt burden were analyzed by the management team and the board of directors. Among other things, negotiations continued with the federal government for over 18 months, but without resolution to date. Meanwhile, given the magnitude of the challenge, discussions with certain stakeholders, including the federal government, allowed us to postpone the maturity date of some of our debts, creating a more conducive environment for reaching a decisive and permanent solution. The debt with the federal government does not result from poor decisions; it is entirely attributable to the forced interruption of our activities during the pandemic. Transat, until then reputed as irreprouchable in terms of liquidity, is challenged due to events beyond its control.

Since resuming activities in the spring of 2022, Transat has navigated in a context requiring agility, courage, and determination. Each quarter, sometimes against all odds, Transat has remained among the best airlines in the world in terms of service quality, reliability, and punctuality. But the weight of our debt remains.

Priority to a permanent debt solution

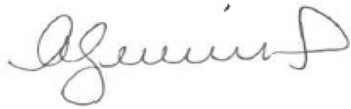
Analyzing solutions continues with governments and other partners. All options are being considered to find a permanent solution and develop a capital structure that will be optimal for the Corporation. This is the priority for 2025 and represents the cornerstone of the development of our next strategic plan.

Meanwhile, work continues at all levels to increase revenues, tighten expenses, stimulate liquidity, and improve productivity. All teams are mobilized. As is customary in Transat's culture, the board of directors and the management team collaborate closely. Times are uncertain, but everyone is dedicated. We are extremely grateful for their commitment to Transat.

The promise of the blue star

Everyone is at full throttle, in control of their fates and contributing their expertise to implementing the *Elevation* plan, discussions with potential partners, and operational excellence. Transat is resisting and fighting with strength and pride, continuing to offer unforgettable travel experiences to thousands of people, every day, on three continents.

March 21, 2025



Annick Guérard
President and CEO



Susan Kudzman
Chair of the Board

HIGHLIGHTS

Governance

- 11 nominees for election to the Board of Directors, 10 of which are independent, including an independent Board Chair.
- Board authorization granted in 2024 to Ms. Susan Kudzman, Chair of the Board, to stand for re-election when she reaches the 12-year limit as a director of the Corporation in 2026, in order to ensure continuity in the role of Chair of the Board, which Ms. Kudzman has held only since March 2023.
- Board decision in 2024 to merge the Human Resources and Compensation Committee and the Corporate Governance and Nomination Committee into a single new committee named the Human Resources and Governance Committee (HRGC), and to reduce the number of members on each of the Board's committees in order to improve the efficiency of the committees' operations while maintaining sound governance.
- The Corporation's Audit Committee, HRGC, RMCRC and the new Special Advisory Committee are made up of independent members.
- The Board's Executive Committee is made up primarily of independent members.
- Majority voting guidelines for Directors.
- Complete orientation and education program for the Board that covers various topics relating to general governance, the aviation and tourism industry or matters that specifically affect the Corporation. This program is a joint responsibility of the Corporation and the members of the Board of Directors.
- Code of Ethics for employees, executive officers and Directors.
- Supplier code of conduct based on the 10 principles of the United Nations Global Compact, which refers among other things to the Universal Declaration of Human Rights, child rights principles, the OECD Guidelines for Multinational Enterprises and anticorruption laws.
- No class of multiple voting shares.
- Diversity Policy that extends beyond gender diversity exclusively and includes "Groups reflecting diversity," such as Indigenous persons, persons with a disability (visible or invisible), visible minorities, gender identity or people belonging to 2SLGBTQIA+ and ethnocultural communities, and introduces the notion of inclusion. To that end, the Corporation has adjusted the target number of women senior executives at 30% so as to reduce the pressure exerted by gender diversity and make way for new forms of diversity.
- Annual process for evaluating the Board's members and operations incorporating an interview to gather confidential and anonymous comments from each member.
- Revision of the current Corporate Governance Manual for ongoing oversight of best governance practices.
- The mandatory retirement policy for Directors requires a Director to tender his or her resignation after having served on the Board for a period of 12 years, which resignation will take effect at the next annual meeting. The Board may decide to make an exception.

Compensation

- Restrictions imposed under the LEEFF loan continue to apply to the compensation of our NEOs. Their total compensation cannot exceed \$1 million, except for the NEOs already employed in 2019 and who already had this status, who are limited to their total 2019 compensation. In this context, the Board has worked to establish fair compensation that encourages executives to align their interests with those of shareholders, while dealing with restrictions.
- The short- and long-term variable compensation allocated in the form of cash bonuses payable three years after their grant is conditional on the achievement of criteria related to financial, operational and strategic priorities. Any payment above target is dependant on financial performance and is aligned with the interests of the shareholders.
- Large portion of NEOs' total compensation is variable (33% to 46%, depending on the NEO).
- Variable compensation clawback in place.
- Requirements to hold Voting Shares of the Corporation.
- Use of external independent compensation advisors to review the compensation structure and to analyze risks relating to compensation.
- The Options available in the reserve represented 3.9% of the Voting Shares outstanding as at October 31, 2024, and since the sum of the outstanding Options and the Options available in the reserve for future grants is now below the 5% threshold for Voting Shares, the cancelled and expired Options will be returned to the reserve as provided for in the 2016 Option Plan.
- Annual advisory vote on executive compensation.

AWARDS AND RECOGNITIONS

- North America's Best Leisure Airline for the sixth time at the 2024 Skytrax World Airline Awards.
- Ranked among Canada's Best Employers and Best Employers for Diversity on Forbes magazine's annual list.
- Best tour operator and favourite leisure airline at the Agents' Choice Awards by Baxter Travel Media.

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NOTICE OF THE 2025 ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS AND NOTICE OF ACCESS TO MEETING MATERIALS

Montréal, Quebec, March 21, 2025.

You are invited to attend the annual and special meeting of the holders of Class A variable voting shares and Class B voting shares of Transat A.T. Inc. which will be presented exclusively in French, with simultaneous translation into English.

When: Tuesday, April 29, 2025 at 10:00 a.m. (EDT)

Where: **Virtually**
Via live webcast at <https://meetings.lumiconnect.com/400-884-167-043>
Password “transat2025” (case sensitive)

In person
Lumi Experience- 1250 René-Lévesque Boulevard West, 36th floor, suite 3610,
Montréal, Quebec H3B 4W8

HOW TO ACCESS THE MEETING MATERIALS

TSX Trust Company’s website: <https://www.meetingdocuments.com/TSXT/TRZ>
Our website: www.transat.com/
SEDAR+ website: www.sedarplus.ca

THE FOLLOWING ITEMS OF BUSINESS WILL BE BROUGHT BEFORE THE MEETING:

- **To receive** the consolidated financial statements of the Corporation for the year ended October 31, 2024, and the external auditors’ report thereon;
- **To elect** the directors;
- **To appoint** the external auditors for the fiscal year ending October 31, 2025, and to authorize the Directors to fix their compensation;
- **To consider** and, if deemed advisable, adopt the resolution detailed in the Management Proxy Circular for the purposes of ratifying the amendments to the 2025 Employee Share Purchase Plan of the Corporation, as amended, restated and reproduced in Schedule B to the Management Proxy Circular;
- **To consider** and approve, in an advisory, non-binding capacity, a resolution regarding the Corporation’s approach to executive compensation (the full text of which is attached as Schedule C to the Management Proxy Circular); and
- **To transact** such other business as may properly come before the Meeting or any adjournment thereof.

NOTICE-AND-ACCESS

We are sending our Management Proxy Circular and our Annual Financial Report (“Meeting Materials”) to registered and non-registered shareholders in accordance with the notice-and-access procedures provided in the Canadian securities regulation. Under notice-and-access, instead of receiving a paper copy of the Meeting Materials, shareholders receive a copy of this Notice which explains how to access the Meeting Materials and how to request a paper copy of the documents, if desired, and sets forth the details of the Meeting, as well as a form of proxy or voting instruction form, as applicable. Shareholders who have chosen to receive our financial reports by mail will continue to receive them, unless they agree to receive them electronically.

As a shareholder of the Corporation, it is important that you read the Circular and other proxy materials carefully, as they contain important information about the voting of your shares and the matters to be dealt with at the Meeting.

HOW TO REQUEST A PAPER COPY OF THE MEETING MATERIALS

Shareholders who wish to receive a paper copy of the Management Proxy Circular or the Annual Financial Report may do so by calling 1 888 433-6443 (toll-free within North America) or 1 416 682-3801 (from outside North America) or by sending an e-mail to tsxt-fulfilment@tmx.com. **Please note that we will not be mailing the form of proxy or voting instruction form, so please keep the one you received with this notice.**

Your request must be received by **April 15, 2025**, if you want to receive the materials before the Meeting.

ATTENDANCE AND VOTING AT THE MEETING

The Corporation's Board of Directors has set the close of business on March 20, 2025, as the record date for determining which shareholders are entitled to receive notice of, and vote at, the Meeting. Only those persons whose names appear in the shareholder register on the close of business on that date, or their proxyholders, will be able to participate and vote at the Meeting.

Registered shareholders and duly appointed proxyholders may attend the Meeting, virtually or in person, ask questions and vote in real time, provided that they comply with all the requirements set out in the Circular. Non-registered (or beneficial) shareholders who have not duly appointed themselves as proxyholders may attend the Meeting as guests, but they will not be able to participate, interact, ask questions or vote at the Meeting.

Regardless of whether shareholders are able to participate at the Meeting, we recommend that shareholders vote as soon as possible by electronic means, by mail or by fax in the manner set out in the instructions included on the form of proxy or voting instruction form which accompanies this notice of Meeting. All votes must be sent to TSX Trust Company no later than 10:00 a.m. (Montréal time) on April 25, 2025 (or 48 hours, excluding Saturdays, Sundays and statutory holidays, before the start of any adjournment or postponement of such Meeting, if applicable). The Chair of the Meeting may waive or extend the proxy cut-off at his discretion and without prior notice.

If you have any questions or require assistance in completing your form of proxy, please contact our strategic shareholder advisor and proxy solicitation agent, TMX Investor Solutions Inc., toll free at 1 800 848-3405, or by email at info_TMXIS@TMX.com.

Montréal, Quebec, March 21, 2025.

BY ORDER OF THE BOARD OF DIRECTORS
Transat A.T. Inc.



Bernard Bussièrès
Chief Legal and Government Relations Officer and Corporate Secretary

INFORMATION ON VOTING

To ensure representation of your shares at the annual and special meeting of the holders of Class A Variable Voting Shares and Class B Voting Shares (collectively the “**Voting Shares**”) of Transat A.T. Inc. (the “**Corporation**” or “**Transat**” or the terms “**we**,” “**us**,” “**our**” and “**ours**” also referring to Transat A.T. Inc. and to one or more of its subsidiaries, or to Transat A.T. Inc. alone, depending on the context) (the “**Meeting**”), please select the most convenient way for you to deliver your voting instructions and follow the relevant instructions. Unless otherwise indicated, the information included herein is given as at March 20, 2025. In this Circular, any reference to “**dollars**” or “**\$**” refers to Canadian dollars unless otherwise indicated. The following questions and answers provide guidance on how to vote your shares.

Q: Who is soliciting my proxy?

A: Transat’s management is soliciting your proxy for use at the Meeting to be held on Tuesday, April 29, 2025, at 10:00 a.m. (Montréal time), at Lumi Experience – 1250 René Lévesque Boulevard West, 36th floor, suite 3610 and virtually at <https://meetings.lumiconnect.com/400-884-167-043>, and any adjournment or postponement of such Meeting. The solicitation of proxies will be done primarily by mail. However, proxies may also be solicited by other means of communication or directly through Transat officers or employees, who will not, however, be compensated for this. Transat will bear the cost of the solicitation.

Q: Am I a registered or non-registered Shareholder?

A: Registered holders of Voting Shares (the “**Registered Shareholders**”) hold such Voting Shares directly with Transat, meaning these shares are registered in their name and are generally evidenced by a share certificate.

However, most holders of Voting Shares (the “**Non-Registered Shareholders**”) beneficially own these Voting Shares through a custodian or nominee, such as a trustee, financial institution or securities broker (the “**Intermediaries**” in this Circular). If your Voting Shares appear on an account statement sent by your bank, broker or financial advisor, you are probably a Non-Registered Shareholder. Non-Registered Shareholders must carefully follow the instructions of their Intermediaries, as well as the instructions set out in this Circular, so that the votes attached to their Voting Shares may be exercised at the Meeting in accordance with their instructions.

Q: How can I participate at the Meeting?

A: This year, our Meeting will be conducted in a hybrid format: in person at Lumi Experience - 1250 René Lévesque Boulevard West, 36th floor, suite 3610 and via a live audiovisual webcast online at <https://meetings.lumiconnect.com/400-884-167-043>. Shareholders who will not be able to attend the Meeting in person may participate in the online Meeting, regardless of their geographic location.

However, the vast majority of shareholders vote in advance by proxy, and you too are encouraged to vote by proxy prior to the Meeting.

Participation at the Meeting will allow Registered Shareholders, and their duly appointed proxyholders and representatives, including Non-Registered Shareholders who appointed themselves or another person as representative, to participate at the Meeting, interact with other shareholders and ask questions in real time. Registered Shareholders, and their proxyholders and duly appointed representatives, can vote at the appropriate time during the Meeting. **Guests, including Non-Registered Shareholders who have not appointed themselves or another person as representative, may attend the Meeting, but will not be entitled to participate, interact, ask questions or vote.**

At the Meeting, the Corporation will hold a live question and answer period to answer questions sent during the Meeting by participants entitled to ask questions.

The Chair of the Meeting reserves the right to modify or refuse questions that he deems inappropriate. The Chair of the Meeting has full authority to ensure the orderly conduct of the Meeting. To ensure that the Meeting is conducted in a manner that is fair to all shareholders, the Chair of the Meeting reserves the right, for example, to establish the order that the questions will be asked and the time allowed for each question.

To access the webcast of the Meeting, follow the instructions below:

Step 1: Go to the following web page: <https://meetings.lumiconnect.com/400-884-167-043>.

Step 2: Follow the applicable instructions below:

- **Registered Shareholders:** Click on “I have a control number” and enter your 13-digit control number and the password “transat2025” (case sensitive). Your control number is on the form of proxy or in the email notice that you received from our transfer agent, TSX Trust Company (“TSX Trust”), (the “Control Number”). **If you used your Control Number to connect to the Meeting, any vote that you cast at the Meeting will have the effect of revoking any proxy that you have already submitted. If you do not wish to revoke any proxy that is already submitted, you should attend the Meeting as a guest and refrain from voting during the Meeting. Guests may listen to the virtual Meeting, but are not entitled to participate, interact, ask questions or vote.**
- **Duly appointed proxyholders:** Click on “I have a control number” and enter your 13-digit proxyholder control number that you received from TSX Trust and the password “transat2025” (case sensitive). **Only proxyholders who have been duly appointed and registered by a Registered Shareholder with TSX Trust, as described further below at the question “Q: How can I appoint a third party as proxyholder or representative?” will receive a 13-digit proxyholder control number by email from TSX Trust after the deadline to vote by proxy. This 13-digit proxyholder control number will be different from the Control Number indicated in the form of proxy provided by TSX Trust to the Registered Shareholder.**
- **Non-Registered Shareholders and other duly appointed representatives:** Click on “I have a control number” and enter your 13-digit representative control number that you received from TSX Trust and the password “transat2025” (case sensitive). **Only Non-Registered Shareholders who are duly appointed and registered as representatives with TSX Trust, as described further below at the question “Q: How can I appoint a third party as proxyholder or representative?” will receive a 13-digit representative control number by email from TSX Trust after the deadline to vote by proxy. This 13-digit representative control number will be different from the control number indicated in the voting instruction form provided by TSX Trust to the Non-Registered Shareholder.**
- **Guests:** Click on “Guest” and complete the form online.

Step 3:

Please complete the Declaration of Ownership and Control in accordance with the instructions provided to you in the online platform.

If you lose your 13-digit Control Number, your 13-digit proxyholder control number or your 13-digit representative control number, please contact TSX Trust by telephone at 1 800 387-0825 (in North America) or 1 416 682-3860 (outside North America).

We recommend that you connect at least 15 minutes before the Meeting starts. You must ensure that you are connected to the internet at all times to be able to vote when balloting commences. You are responsible for ensuring that your internet connection is adequate throughout the duration of the Meeting.

Should any technical issues arise during the registration process or the Meeting, please call the technical support number indicated on the Meeting’s login page at: <https://meetings.lumiconnect.com/400-884-167-043>.

Q: How can I appoint a third party as proxyholder or representative?

A: If you are a shareholder and wish to appoint a person other than the management nominees set out in the form of proxy or voting instruction form as proxyholder or representative, including if you are a Non-Registered Shareholder who wishes to appoint yourself as representative to participate, interact, ask questions or vote at the Meeting, then you MUST, as applicable, submit your form of proxy or voting instruction form appointing such third party as your proxyholder or representative AND register the third-party proxyholder or representative as provided below, if attending the meeting virtually. Registering either your proxyholder or representative is an additional step (Step 2) to be completed AFTER you have submitted your form of proxy or voting instruction form (Step 1). If the third-party proxyholder or representative is not registered, that person will not receive the applicable 13-digit proxyholder or representative control number, which is required to participate and vote virtually at the Meeting. This 13-digit proxyholder or representative control number will differ from the 13-digit Control Number set out in the form of proxy or the “control number” set out in the voting instruction form provided by TSX Trust.

Step 1: Submit your form of proxy or voting instruction form. To appoint a third-party proxyholder or representative, insert the person’s name in the blank space provided in the form of proxy or voting instruction form (if permitted) and follow the relevant instructions for submitting the

form. If you are a Non-Registered Shareholder located in the United States, you must also provide TSX Trust with a duly completed legal proxy if you wish to participate, interact, ask questions or vote at the Meeting or, if permitted, appoint a third party as your representative, if permitted. For more information, see the next paragraph.

Step 2: Register your proxyholder or representative to attend the meeting virtually. To register a proxyholder or representative, as applicable, shareholders (including Non-Registered Shareholders who wish to appoint themselves or another person as representative) **MUST** call TSX Trust at **1 866 751-6315 (toll free in Canada and the United States)**, or at 1 416 682-3860 (other countries), or complete the online form at <https://www.tsxtrust.com/control-number-request-en>, by no later than 10:00 a.m. (Montréal time) on April 25, 2025. TSX Trust will then send your proxyholder or representative a 13-digit proxyholder or representative control number by email, which can be used by that person to participate, interact, ask questions or vote virtually at the Meeting. **This 13-digit proxyholder or representative control number will differ from the 13-digit Control Number set out in the form of proxy or the “control number” set out in the voting instruction form provided by TSX Trust.**

Non-Registered Shareholders located in the United States **MUST ALSO, as an additional third step**, send a duly completed legal proxy to TSX Trust either by mail sent to P.O. Box 721, Agincourt, Ontario M1S 0A1, by fax at 1 416 595-9593 or by email at proxyvote@tmx.com (any of which must be received by TSX Trust by 10:00 a.m. (Montréal time) on April 25, 2025) **AND** then call TSX Trust at 1 866 751-6315 or complete the online form at <https://www.tsxtrust.com/control-number-request-en>, by no later than 10:00 a.m. (Montréal time) on April 25, 2025, so that TSX Trust may provide the Non-Registered Shareholder with a 13-digit representative control number by email in time to attend the Meeting virtually.

Non-Registered Shareholders who have not duly appointed themselves as representative will only be able to attend the Meeting as a “guest,” and will not be able to participate, interact, ask questions or vote at the Meeting.

Q: How will matters be decided at the Meeting?

A: The election of each of the Directors and the appointment of the external auditors must obtain a majority of the votes cast by all of our shareholders present in person or represented by proxy at the Meeting.

Q: What ownership restrictions affect my Voting Shares?

A: Under the *Canada Transportation Act*, S.C. 1996, c. 10 (the “CTA”), Air Transat A.T. Inc. (“**Air Transat**”), a wholly owned subsidiary of the Corporation, must at all times be able to establish that it is “Canadian” within the meaning of the CTA to be entitled to hold the licences necessary to operate an air service. Because Air Transat is a wholly owned subsidiary of Transat, Transat must qualify as “Canadian” in order for Air Transat to qualify as “Canadian.”

In order to remain “Canadian,” Transat’s articles of arrangement provide for Class A Variable Voting Shares and Class B Voting Shares. The Class A Variable Voting Shares can only be owned or controlled by non-Canadians, while the Class B Voting Shares can only be owned or controlled by Canadians. Any outstanding Class B Voting Share is converted into a Class A Variable Voting Share on a one-for-one basis, automatically and without any further action by the Corporation or the holder, if such Class B Voting Share becomes owned or controlled by a person who is not a Canadian. Conversely, in the event that a Class A Variable Voting Share becomes held by a Canadian, it will be converted into a Class B Variable Voting Share on a one-for-one basis automatically and without any further action by the Corporation or the holder.

Following the amendment to the Corporation’s articles of incorporation on May 8, 2019, in accordance with a plan of arrangement under the CBCA, for the purpose of aligning the restrictions on the level of non-Canadian ownership and voting control with those provided under the definition of “Canadian” in Subsection 55(1) of the CTA, Transat’s Class A Variable Voting Shares carry one vote per share at any meeting of shareholders subject to an automatic reduction of the voting rights attached thereto in the event that (i) any non-Canadian, either individually or in affiliation with any other person, holds a number of Class A Variable Voting Shares that exceeds 25% of either the total number of Voting Shares or the number of votes that would be cast at a given meeting of shareholders, (ii) all non-Canadians authorized to provide air services, together with such affiliates hold, in the aggregate, a number of Class A Variable Voting Shares that exceeds 25% of either the total number of Voting Shares or the total number of votes that would be cast at a given meeting of shareholders, and (iii) the number of issued and outstanding Class A Variable Voting Shares exceeds 49% of either the total number of all of the Corporation’s issued and outstanding Voting Shares or the total number of votes that would be cast at a given meeting of shareholders. If any of the above-mentioned applicable limitations are exceeded, the votes that should be attributed to holders of Class A Variable Voting Shares will be attributed as follows:

- Firstly, if applicable, there will be a reduction in the voting rights of any single non-Canadian (including a single non-Canadian authorized to provide air service) carrying, either individually or in affiliation with any other person, more than 25% of the voting votes, so as to ensure that any such non-Canadian (including such persons in affiliation with such non-Canadian) never carry more than 25% of the votes cast by holders of Voting Shares at any meeting of shareholders;

- Secondly, if necessary, and after giving effect to the first proportional reduction set out above, there will be a further proportional reduction of the voting rights of all non-Canadians authorized to provide air service (including such persons in affiliation with them), so as to ensure that such non-Canadians authorized to provide air service, in the aggregate, never carry more than 25% of the votes cast by holders of Voting Shares at any meeting of shareholders; and
- Thirdly, if necessary, and after giving effect to the two (2) proportional reductions set out above, there will be a proportional reduction of the voting rights attached to the Class A Variable Voting Shares, to ensure that non-Canadians never carry, in the aggregate, more than 49% of the votes cast by holders of Voting Shares at any meeting of shareholders.

The holders of Class A Variable Voting Shares and Class B Voting Shares will vote together as a single class, except if the holders of a given class are entitled to vote as a class, as provided in the CBCA. Only Shareholders participating or represented by proxy at a meeting and legally entitled to vote at such meeting can exercise the voting rights attaching to their Voting Shares.

The Board, pursuant to its powers under Transat By-law 2012-2 and the regulations under the CBCA, and in accordance with the provisions of Transat's Articles and the CTA, has implemented a series of administrative measures to ensure at all times that the Class B voting shares are owned or controlled by Canadians and the Class A Variable Voting Shares are owned or controlled by non-Canadians (the "**Ownership Restrictions**"). More specifically, these measures are reflected in the form of a declaration of ownership and control. Shareholders wishing to vote at the Meeting either by: (i) completing and delivering a form of proxy or a voting instruction form, or (ii) by directly participating and voting at the Meeting, will be required to complete a declaration of ownership and control so that Transat is able to comply with the Ownership Restrictions. If you do not duly complete the declaration or if Transat or its transfer agent, TSX Trust, determines that you indicated (inadvertently or otherwise) that you own or control the wrong class of shares, the automatic conversion provided for in our Articles will be triggered. Where a statement made in a declaration of ownership is inconsistent (inadvertently or otherwise) with the information held by the Corporation, the latter may take any action that it deems appropriate to ensure compliance with the Ownership Restrictions. Furthermore, if a declaration of ownership and control is not completed or if it is determined by the Corporation or its transfer agent, TSX Trust, that you made an incorrect declaration (inadvertently or otherwise), the shares represented by such proxy will be deemed to be owned or controlled by a person that is a non-Canadian authorized to provide air service. This declaration is part of the form of proxy included with this Circular (or voting instruction form provided to you if you are a Non-Registered Shareholder).

The Corporation also obtained an exemption from the Autorité des marchés financiers and the Ontario Securities Commission so that the outstanding Class A Variable Voting Shares and the outstanding Class B Voting Shares of the Corporation are considered as a single class of shares for the application of the takeover bid rules and early warning reporting rules under the applicable Securities Laws. A copy of the decision is available under Transat's profile on SEDAR+ at www.sedarplus.ca.

Q: How many shares carry voting rights and how many votes do I have?

A: As at March 20, 2025, a total of 39,758,236 Voting Shares of the share capital of Transat were issued and outstanding. You are entitled to receive notice of and vote at the Meeting or at any adjournment or postponement thereof if you were a holder of Voting Shares on March 20, 2025, the record date for the Meeting.

Each Class A Variable Voting Share carries one vote per Class A Variable Voting Share, and each Class B Voting Share also carries one vote per Class B Voting Share, except, in both cases, if the adjustment rules set out under the question "**Q: What ownership restrictions affect my Voting Shares?**" apply.

Q: Who are our principal shareholders?

A: To the knowledge of our Directors and officers, and based on publicly available information, as at March 20, 2025, the only person who beneficially owns or exercises control or direction over 10% or more of the outstanding Voting Shares is:

- (i) **Fonds de solidarité FTQ**, which held 4,360,426 Class B Voting Shares, representing approximately 10.97% of all issued and outstanding Voting Shares.

Q: How can a Registered Shareholder or proxyholder vote?

A: If you are a Registered Shareholder or a duly appointed proxyholder participating at the Meeting, you can vote at the Meeting by completing a ballot during the Meeting, when prompted. If you do not plan to participate, interact, ask questions or vote at the Meeting or to appoint a third-party proxyholder other than the management nominees to vote at the Meeting on your behalf, you can vote in one of the following five ways:

On TSX Trust's website at: www.meeting-vote.com

By mail, in the prepaid envelope provided for this purpose; or by personal delivery at 100 Adelaide Street West, Suite 301, Toronto, Ontario, M5H 4H1, Attention: Proxy Department, or at 1190 Canadiens-de-Montréal Avenue, Suite 1700, Montréal, Quebec, H3B 0G7, Attention: Proxy Department.

By completing and signing the enclosed form of proxy and forwarding it by fax at **1 416 595-9593**, Attention: Proxy Department.

By using a touch-tone telephone to call **1 888 489-7352** (toll free in North America) and an agent will assist you.

By completing and signing the form of proxy and submitting it by email to proxyvote@tmx.com.

If you vote online via the TSX Trust website indicated above or by telephone, you will need your 13-digit Control Number, which you will find on your form of proxy.

The cut-off time for voting is 10:00 a.m. (Montréal time) on April 25, 2025 (or 48 hours, excluding Saturdays, Sundays and statutory holidays, before the start of any adjournment or postponement of such Meeting, if applicable). The Chair of the Meeting may waive or extend the proxy cut-off at his discretion and without notice.

In any of these cases, if you wish to participate, interact, ask questions or vote at the Meeting, you need to follow the steps set out under the questions "Q: How can I participate at the Meeting?" and "Q: How can I appoint a third party as proxyholder or representative?"

If you are a Non-Registered Shareholder, please refer to the instructions below under the question "Q: How can a Non-Registered Shareholder vote?"

Q: How will my proxy be voted?

A: On the form of proxy, you can indicate how you want your proxyholder to vote your Voting Shares, or you can let your proxyholder decide for you. If you have not specified on the form of proxy how you want your shares to be voted on a particular matter, your proxyholder can then vote in accordance with his or her best judgment.

Unless otherwise instructed in writing, the shares represented by proxies received by management will be voted:

▪ Election as Directors of each of the nominees listed under the section " <i>Governance and Nomination of Candidates</i> " of this Circular	FOR
▪ Appointment of EY as Transat's external auditors	FOR
▪ Adoption of the resolution ratifying amendments to the 2025 Employee Share Purchase Plan	FOR
▪ Adoption of the non-binding advisory resolution regarding the Corporation's approach to executive compensation	FOR

Q: What if there are amendments or if other matters are brought before the meeting?

A: The form of proxy gives the persons named on it the authority to use their discretion and best judgment in voting on amendments or variations to matters set out in the notice of the Meeting and notice of availability of proxy materials or any other matter duly brought before the Meeting.

At the date this Circular becomes available, management is not aware of any amendments to the matters set out in the notice of the Meeting or of any other matter to be presented at the Meeting.

Q: Can I change my mind and revoke my proxy?

A: You can revoke your proxy at any time before it is acted upon. To do so, you must clearly state in writing that you want to revoke your proxy and deliver this written notice to the attention of Bernard Bussières, Chief Legal and Government Relations Officer and Corporate Secretary: Transat A.T. Inc., Place du Parc, 300 Léo-Pariseau Street, Suite 600, Montréal, Quebec, H2X 4C2, no later than two (2) business days before the Meeting, namely by April 25, 2025, at 10:00 a.m. (Montréal time), or any adjournment or postponement thereof, or in any other manner permitted by law.

Moreover, if you are a Registered Shareholder and use your 13-digit Control Number to log in to the Meeting, any vote you cast at the Meeting will revoke any proxy you previously submitted. If you are a Non-Registered Shareholder who has appointed yourself or a third party as representative, if you or such third party, as the case may be, obtained a 13-digit representative control number and log in to the Meeting, any vote that you or your representative casts at the Meeting will revoke any voting instruction form that you or your representative, as the case may be, previously submitted. If you do not wish to revoke a previously submitted proxy or voting instruction form, you, your proxyholder or your representative, as applicable, should not vote during the Meeting and instead attend the Meeting as a guest. Guests will be able to listen to the virtual Meeting but will not be able to participate, interact, ask questions or vote at the Meeting.

Q: What is the quorum for the Meeting?

A: The quorum for the Meeting is a minimum of two (2) persons participating at the Meeting in person or by proxy and holding at least 25% of the total number of the issued Voting Shares on March 20, 2025.

Q: Who counts the votes?

A: Proxies and votes are tallied by duly authorized representatives of TSX Trust, the Corporation's transfer agent.

Q: How are proxies solicited?

A: Proxies will be solicited primarily by mail or by any other means our management may deem necessary. Transat has retained TMX Investor Solutions Inc. as its strategic shareholder advisor and proxy solicitation agent for assistance in connection with the solicitation of proxies for the Meeting for a fee of approximately \$30,000 plus additional fees related to telephone calls and other services. Agreements will also be made with brokerage firms and other custodians, nominees and fiduciaries for the forwarding of solicitation material to the beneficial owners of Voting Shares registered in their names and Transat may reimburse them for the reasonable transaction and administrative fees they incur. Transat will pay for all costs related to this Circular, including printing, postage and delivery costs.

Q: How can a Non-Registered Shareholder vote?

A: You are a "Non-Registered Shareholder" or "beneficial owner" if your Voting Shares are held on your behalf through an Intermediary. Under applicable Securities Laws, a beneficial owner of securities is a "non-objecting beneficial owner" (a "**NOBO**") if such beneficial owner has or is deemed to have provided instructions to the Intermediary holding the securities on such beneficial owner's behalf to the effect that it does not object to the Intermediary disclosing ownership information about the beneficial owner in accordance with said legislation, and a beneficial owner is an "objecting beneficial owner" (an "**OBO**") if such beneficial owner has or is deemed to have provided instructions objecting to such disclosure.

If you are a Canadian NOBO, the Corporation has sent these materials directly to you, and your name and address and information about your holdings of Voting Shares have been obtained in accordance with applicable Securities Laws from the Intermediary holding securities on your behalf. By choosing to send these materials to you directly, the Corporation (and not the Intermediary holding securities on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your voting instructions. The voting instruction form that is sent to Canadian NOBOs contains an explanation as to how you can exercise the voting rights attached to your Voting Shares, including how to participate, interact, ask questions and vote at the Meeting. Please provide your voting instructions as specified in the enclosed voting instruction form.

If you are a non-Canadian NOBO or OBO, you received these materials from your Intermediary or its agent (e.g., Broadridge), and your Intermediary is required to seek your instructions as to the manner in which to exercise the voting rights attached to your Voting Shares. The Corporation has agreed to pay for Intermediaries to deliver the proxy-related materials and voting instruction form to non-Canadian NOBOs and OBOs. The voting instruction form that is sent to any non-Canadian NOBO or OBO by the Intermediary or its agent must contain an explanation as to how you can exercise the voting rights attached to your Voting Shares, including how to directly participate, interact, ask questions and vote at the Meeting. Please provide your voting instructions to your Intermediary as specified in the enclosed voting instruction form.

In any of these cases, if you wish to participate, interact, ask questions or vote at the Meeting, you need to follow the steps set out under the questions "Q: How can I participate at the Meeting?" and "Q: How can I appoint a third party as proxyholder or representative?" above, IN ADDITION to any steps that are specific to your Intermediary.

Non-Registered Shareholders who wish to appoint a person other than the management nominees identified in the voting instruction form (including a Non-Registered Shareholder who wishes to appoint himself or herself, as the case may be, to participate, interact, ask questions or vote at the Meeting) **MUST** carefully follow the instructions in the voting instruction form **and** the instructions under the question "**Q: How can I appoint a third party as proxyholder or representative?**" above. These instructions include, among other things, the second step of having to

register such representative with our transfer agent, TSX Trust, after submitting the voting instruction form. **If the representative is not registered with TSX Trust, that person will not receive the 13-digit representative control number, which is required to participate, interact, ask questions and vote at the Meeting, and will only be able to attend the Meeting as a guest. Guests can listen to the Meeting, but are not entitled to participate, interact, ask questions or vote.**

Duly appointed representatives of Non-Registered Shareholders (including Non-Registered Shareholders who appointed themselves or another person as representative) can vote at the Meeting by completing a ballot online during the Meeting when prompted. If, as a Non-Registered Shareholder, you do not plan to participate, interact, ask questions or vote at the Meeting or to appoint a third-party representative other than the management nominees to vote at the Meeting on your behalf, you can vote in one of the following three ways:

On the website: www.proxyvote.com.

By mail, in the prepaid envelope provided for this purpose; or by personal delivery of the voting instruction form at Data Processing Centre, P.O. Box 3700 Stn Industrial Park, Markham, Ontario, L3R 9Z9.

By using a touch-tone telephone to call **1 800 474-7493** (in English) or **1 800 474-7501** (in French) and following the prompts.

If you vote by telephone or online via the website indicated above, you will need your 16-digit “control number,” which you will find on your form of proxy.

The cut-off time for voting is 10:00 a.m. (Montréal time) on April 25, 2025 (or 48 hours, excluding Saturdays, Sundays and statutory holidays, before the start of any adjournment or postponement of such Meeting, if applicable). The Chair of the Meeting may waive or extend the proxy cut-off at his discretion and without notice.

If you are a Registered Shareholder, please refer to the instructions set out above under the question “**Q: How can a Registered Shareholder or proxyholder vote?**”

Please contact our strategic shareholder advisor and proxy solicitation agent, TMX Investor Solutions Inc., at **1 800 848-3405** or by email at info_TMXIS@TMX.com with any questions you may have with regard to voting. Non-Registered Shareholders may also contact their Intermediary regarding any questions.

Q: Who do I contact if I have questions about the meeting or require assistance with voting?

A: Please contact our strategic shareholder advisor and proxy solicitation agent, TMX Investor Solutions Inc., at **1 800 848-3405** or by email at info_TMXIS@TMX.com with any questions you may have with regard to voting. Non-Registered Shareholders should also contact their Intermediary regarding any questions.

Q: Can I nominate a candidate for a Director position?

A: Only persons nominated in accordance with the procedure set out in the Advance Notice By-Law, as set out in Schedule A to this Circular, are eligible for election as Directors of the Corporation. The By-Law sets a deadline by which shareholders must submit a notice of Director nominations to the Corporation prior to an annual or special meeting of shareholders at which Directors must be elected. It also sets out the information that a shareholder must include in the notice for it to be valid. The By-Law ensures that the Corporation and its shareholders will receive adequate prior notice of Director nominations as well as sufficient information on all the nominees, so that the Corporation and its Shareholders will be able to evaluate the proposed nominees’ qualifications and suitability as Directors.



**PLEASE REMEMBER, IF YOU WANT TO VOTE AT THE MEETING,
THE DEADLINE FOR VOTING IS 10:00 A.M. (MONTRÉAL TIME)
ON APRIL 25, 2025.**

PART 1 – MATTERS TO BE BROUGHT BEFORE THE 2025 ANNUAL MEETING OF SHAREHOLDERS

Financial Statements

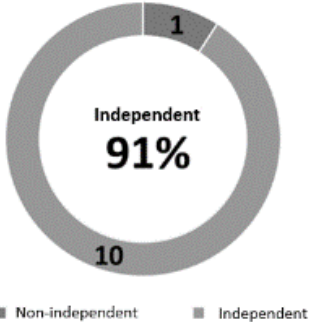
The audited consolidated financial statements for the fiscal year ended October 31, 2024, and the report of the external auditors thereon, which will be presented to our shareholders at the Meeting, are included in the Corporation’s Annual Report that has been provided to our shareholders. They can also be promptly provided upon written request and are available at www.sedarplus.ca. No vote is required on this matter.

1. Nominees for election as directors

Pursuant to the Articles of the Corporation, the Board must consist of a minimum of nine and a maximum of fifteen Directors. The Board currently consists of eleven Directors and, in accordance with a resolution adopted by the Board on March 21, 2025, the number of Directors to be elected at the Meeting was fixed at eleven. Biographical information regarding nominees who will stand for election as Directors of the Corporation at the Meeting can be found under the section “Proposed Nominees.”

At the Meeting, eleven Directors will be nominated for election to the Board, of which ten are independent from the Corporation. As you will note in the form of proxy, the shareholders may vote for each Director individually. Moreover, the Corporation has adopted a majority voting policy, which is described under the section “Governance and Nomination of Candidates.”

Our management does not anticipate that any of the nominees among the persons named below will be unable or unwilling to act as a Director, but if such should be the case prior to his or her election at the Meeting, the persons named in the enclosed form of proxy will vote in favour of the election as Director(s) of any other person(s) whom the management of the Corporation may, upon the advice of the HRGC, recommend to replace such nominee, unless a shareholder indicates in his form of proxy his intention to vote against such proposed nominees at the election of Directors. Each Director will remain in office until the next Meeting or until his or her successor is elected or appointed.



Unless a shareholder indicates that they intend to vote against the proposed nominees, the voting rights attaching to the shares represented by the form of proxy will be voted **FOR** the election of each of the eleven nominees described under the heading “Governance and Nomination of Candidates.”

2. Appointment of our external auditors

On the recommendation of the Audit Committee, the Board proposes that EY be reappointed as external auditors of the Corporation, to hold office until the next Meeting and that their compensation be fixed by the Audit Committee.

The table below represents the fees paid for fiscal 2024 and fiscal 2023.

	Audit Services	Audit-Related Services	Tax Services	Total
2023	\$1,344,000	\$367,000	\$265,000	\$1,976,000
2024	\$1,441,000	\$288,000	\$184,000	\$1,913,000

During those two years, no amounts were billed as fees for any other service not related to the foregoing. Audit fees include the fees for the professional services provided by the external auditors in connection with the audit of the Corporation’s consolidated financial statements or other services that are normally provided by the external auditors in connection with statutory or regulatory filings or engagements. These fees also include fees for services rendered with respect to the interpretation of accounting and financial reporting standards, and fees related to the review of the condensed consolidated interim financial statements. Audit-related fees include fees for assurance and related services that are usually performed by the external auditors. These services include accounting consultations in connection with acquisitions, special audits and

due diligence. Tax fees include fees for assistance with tax planning (restructuring and discontinued operations), tax opinions as well as the preparation and review of income and other tax returns.

Unless a shareholder indicates that they intend to abstain from voting for the appointment of the external auditors, the voting rights attaching to the shares represented by the form of proxy will be voted **FOR** the appointment of EY as external auditors of the corporation.

External Auditors' Independence

In addition to the letter issued by the external auditors regarding their independence, the Corporation and the Audit Committee of the Board have considered whether the services performed by the external auditors were compatible with maintaining the auditors' independence and have concluded that such was the case. In order to better define the limits within which such services are provided to the Corporation, the Board adopted, in addition to the Audit Committee charter, a policy respecting the pre-approval of audit and non-audit services.

Review of the Quality of the External Auditors' Work

The Audit Committee annually reviews the qualifications, performance and independence of the external auditors and ensures that they are registered with the Canadian Public Accountability Board as compliant participants.

The Audit Committee also meets with key members of the Corporation's dedicated audit team that worked on the audit. The Audit Committee actively sees to the rotation, every seven years, of the lead audit partner, to his or her replacement and to the qualifications of the team's key members. The Audit Committee also ensures that the audit team has the relevant knowledge for the purposes of the audit, that they have access to specialists within their firm, and that they demonstrate professional skepticism.

Every year, the Audit Committee also reviews the quality of the work performed by the external auditors in order to make an informed recommendation concerning the appointment of the audit firm that will act as the external auditors of the Corporation.

When determining the quality of the external auditors' work during its evaluation, the Audit Committee will usually consider, *inter alia*, the following elements:

- i) the quality of their annual audit plan and their team;
- ii) the extent of their knowledge of the air transportation industry as well as their experience handling complex accounting issues;
- iii) the quality of their quarterly reviews and annual audit, and of their evaluation of the internal controls in place;
- iv) the quality and efficiency of their communications with management;
- v) the professionalism they demonstrated in the course of the audit review process; and
- vi) the reasonableness of their audit fees and non-audit fees.

3. Employee Share Purchase Plan

At the Meeting, the shareholders will examine and, if deemed appropriate, approve the resolution reproduced below (the "Resolution approving the Employee Share Purchase Plan") to ratify the amended and restated Employee Share Purchase Plan for the benefit of all employees or executives of the Corporation (the "2025 Employee Share Purchase Plan").

The Employee Share Purchase Plan is a compensation plan designed to encourage employees to become shareholders of the Corporation and stimulate their interest in creating value and increasing the price of the Corporation's shares.

The 2025 Employee Share Purchase Plan was initially implemented in January 1989, and was subsequently amended in November 2004, March 2007, March 2012, March 2015, January 2016, September 2017, December 2017, February 2022, February 2023 and March 2024.

Unless a shareholder indicates that they intend to vote against the proposal, the voting rights attaching to the shares represented by the form of proxy will be voted **FOR** the resolution regarding the ratification of the amendments to the 2025 Employee Share Purchase Plan.

The programs referred to as Transaction (as described at greater length in the section entitled “**Executive Officer Compensation Discussion and Analysis**” in this Circular) and Transcapital (as described at greater length below) are directly linked to the 2025 Employee Share Purchase Plan as regards the total number of shares that may be subscribed for or the total number of shares that may be issued to a single person or to insiders of the Corporation.

Last year, the Corporation increased the number of shares in its reserve based on the historical share price, assumptions and the number of employees at that date. The decrease in the share price, as well as the fact that more employees than estimated decided to participate in the Corporation’s share purchase plan, significantly reduced its share reserve. In order to ensure that the level of participation in the 2025 Employee Share Purchase Plan will be maintained for future years, the Corporation wishes to further increase its reserve.

On March 21, 2025, the Board approved the allocation of an additional reserve representing a total of 1,000,000 shares that may be issued in addition to the remaining balance as at March 20, 2025, of 909,644 shares to be issued in the context of the 2025 Employee Share Purchase Plan. In order for the new reserve provided for in the 2025 Employee Share Purchase Plan to come into force, the adoption of the Resolution regarding the Ratification of the Amendments to the 2025 Employee Share Purchase Plan must be approved by a majority of the votes cast by the shareholders, in person or by proxy, at the Meeting.

Recent amendments to the 2025 Employee Share Purchase Plan

Amendments made to the existing 2025 Employee Share Purchase Plan essentially provide for an additional reserve of shares that may be issued to employees over the next few years in the context of the Share Purchase Plan for the Benefit of All Employees or Executives of Transat. The full text of the amended 2025 Employee Share Purchase Plan is set forth in Schedule B to this Circular, and a summary of the material terms of the 2025 Employee Share Purchase Plan, the Permanent Stock Ownership Incentive Plan for Top Managers (the “**Transaction**” program), and the Stock Ownership Incentive and Capital Accumulation Plan (the “**Transcapital**” program) that are attached to the 2025 Employee Share Purchase Plan is provided in the section entitled “**Executive Officer Compensation Discussion and Analysis**” of this Circular.

Before deciding to approve the amendments to the 2025 Employee Share Purchase Plan, the Board took into consideration that, as at March 20, 2025, there were only 909,644 reserved shares that could be issued, which represented 2.29% of the total number of Transat’s outstanding Voting Shares.

Adding 1,000,000 additional reserved shares for future issuance under the 2025 Employee Share Purchase Plan, which represents an increase of 2.5% of the total number of outstanding Voting Shares, would bring the total number of these reserved shares to 1,909,644, namely 4.8% of the total number of outstanding Voting Shares as at March 20, 2025.

At the Meeting, the shareholders will be asked to consider and, if deemed appropriate, approve the following resolution:

“**WHEREAS AS** of March 21, 2025, the Board of Directors of the Corporation adopted, subject to the shareholders’ approval, a resolution approving the additional reserve of shares to be issued under the 2025 Employee Share Purchase Plan.

BE IT RESOLVED:

THAT the Corporation be, and it is, hereby authorized to allocate an additional reserve of 1,000,000 issuable shares in addition to the 909,644 reserved shares remaining as at March 20, 2025, thus bringing the total of reserved shares to 1,909,644, and to amend the text of the 2025 Employee Share Purchase Plan accordingly;

THAT any director or officer of the Corporation be, and he or she is, hereby authorized to sign, for and on behalf of the Corporation, any document and to take any measure deemed necessary or useful in order to give effect to this resolution, including compliance with any securities laws and regulations as well as the rules of the Toronto Stock Exchange.”

Recommendation of the Board

The Board considers that the approval of the additional reserve of shares to be issued under the 2025 Employee Share Purchase Plan is aligned with the interests of the Corporation and its shareholders, and recommends that the shareholders vote **FOR** the resolution regarding the ratification of the amendments to the 2025 Employee Share Purchase Plan.

In accordance with the TSX rules, in order to take effect, the resolution must be adopted by a majority of the votes cast at the Meeting at which it is presented.

4. Approach to executive compensation

The section entitled “**Executive Officer Compensation Discussion and Analysis**” provides a detailed explanation of the Corporation’s usual executive compensation approach, which is premised on three underlying principles, namely, the Corporation’s performance, being competitive within the market and being aligned with the shareholders’ best interests.

Upon recommendation of the HRGC, the Board recommends that shareholders vote for the following non-binding advisory resolution, the text of which is also reproduced in Schedule C to this Circular:

Unless a shareholder indicates that he intends to abstain from voting, the voting rights attaching to the shares represented by the form of proxy will be voted **FOR** the Corporation’s approach to executive compensation.

“BE IT RESOLVED:

THAT, on an advisory basis and without diminishing the role and responsibilities of the Board of Directors, the shareholders accept the approach to executive compensation set out in the Management Proxy Circular attached to this resolution.”

Although this is an advisory vote and the results will not be binding upon the Board, the members of the Board and the HRGC will review and analyze the voting results. In 2024, this resolution received 14,262,419 votes for (97.72%) and 333,430 votes against (2.28%).

5. Shareholder proposals

Consideration of the Shareholder Proposals set out in Schedule D

The Corporation has received two proposals from the Mouvement d’éducation et de défense des actionnaires (“MÉDAC”). At the request of MÉDAC, the text of these proposals and MÉDAC’s arguments in support of them, as well as the Board’s responses, are presented in Schedule D to this Circular. After discussions with MÉDAC, it was agreed not to put the proposals to a shareholder vote.

Deadline to Submit Shareholder Proposals

Proposals relating to any matter that the persons entitled to vote at the 2026 shareholder meeting wish to submit at that meeting must be received by the Corporation between **November 30, 2025, and January 29, 2026**.

PART 2 – GENERAL CORPORATE GOVERNANCE PRACTICES

As a Canadian reporting issuer with securities listed on the TSX, the Corporation has in place corporate governance practices that are consistent with the requirements of *Policy Statement 58-201 to Corporate Governance Guidelines* and *Regulation 58-101 Respecting Disclosure of Corporate Governance Practices*, which were adopted by the Canadian Securities Administrators (“CSA”) and replace the previous TSX corporate governance guidelines.

The Corporation is regularly adjusting its corporate governance practices as regulatory changes come into effect and will continue to monitor these changes closely and consider amendments to its corporate governance practices, if need be.

Corporate governance and nomination initiatives

In April 2024, the Board decided to merge the Human Resources and Compensation Committee and the Corporate Governance and Nomination Committee into a single new committee named the Human Resources and Governance Committee (HRGC) and also decided to reduce the number of members on each of the Board’s committees, all to improve the efficiency of the committees’ operations while maintaining sound governance.

The HRGC regularly reviews our corporate governance practices in light of developing requirements and practices in this field. As new provisions come into effect, the HRGC will re-assess our corporate governance practices and recommend the implementation of changes, where appropriate. The members of the HRGC are also charged with examining, overseeing and evaluating the Corporation’s governance, compensation and nomination policies.

The Corporation’s Corporate Governance Manual is reviewed annually to reflect, among others, new legislative and regulatory developments in governance and securities law. The latest update was carried out in March 2025. Transat’s corporate governance practices meet or exceed *Regulation 58-101 Respecting Disclosure of Corporate Governance Practices* adopted by the Canadian Securities Administrators and ensure transparency and effective governance of the Corporation.

It is the responsibility of the HRGC, in collaboration with the Board Chair, to assess the size and composition of the Board and its Committees from time to time; to review the effectiveness of the Board’s activities and its relations with management; to assess the performance of the Board, its committees and individual Directors; and to review and recommend the compensation of Board members. The HRGC is also responsible for the renewal and succession planning process for Directors so that it may benefit from new ideas and perspectives while ensuring an appropriate continuity and facilitating the transition of the roles and responsibilities of the Board and its committees.

For the purposes of meeting good corporate governance practices, the Board decided at its June 5, 2024, meeting to eliminate the age limit to serve as a director, up until then set at 75 years of age. Consequently, the Corporate Governance Manual now provides that a Director, with the exception of the President and CEO, where applicable, must only tender his or her resignation after having served on the Board for a period of 12 years, which resignation will take effect at the next annual meeting.

Risk management and corporate responsibility initiatives

To improve its risk management capabilities, the Corporation has established a framework to provide a structure to identify, assess and manage the various risks related to the Corporation’s operations. For each of the risks, an owner has been identified to develop and implement mitigation measures to limit the consequences of the risks under their responsibility and/or the likelihood of the risks manifesting themselves. This owner represents a first line of defence in risk management. The Corporation’s support services, namely, Finance, Legal Affairs, Information Security and Human Resources, are a second line of defence as they are involved in the design and operation of complementary risk mitigation measures. Finally, the Corporation’s internal audit department is the third line of defence, providing independent assurance with respect to the effectiveness and efficiency of controls over these mitigation measures.

In addition, the Corporation has adopted an ongoing risk management process that includes a quarterly assessment of the risks to which the Corporation and its subsidiaries are exposed, under the oversight of the various committees of the Board of Directors: the Audit Committee (financial risks), the Human Resources and Governance Committee (human resource risks) and the Risk Management and Corporate Responsibility Committee (strategic and operational risks). This process is shared by the Corporation’s executive officers and Board members using unique mapping and common language to eliminate compartmentalized risk management.

As a result of the constantly changing economic and socio-political contexts, the risks to which the Corporation is exposed are continually re-assessed by the Corporation’s officers. This assessment ensures that risks are reprioritized based on their level of occurrence probability and their

quantitative and qualitative impact on the Corporation's business. These risks are then classified according to the impacts that may affect the strategic plan, the Corporation or the operations.

In addition, presentations specific to the priority risks with their mitigation measures are made by the risk owners to the respective committees. This approach supports a risk management culture within the Corporation.

Finally, the risks and uncertainties that are likely to have a material adverse effect on the Corporation are disclosed quarterly in the financial statements included in the Corporation's management discussion & analysis of the financial condition and results of operations.

Ethics

Directors are required to comply with our Charter of Expectations for Directors, which seeks to promote best practices and ensure ethical business conduct. This Charter sets out the professional and personal competencies and characteristics expected from Transat Directors; these include, among others, high ethical standards, attendance at meetings, diligence, international experience and accountability. In addition, the Corporate Governance Manual clearly states the parameters for the disclosure and management of potential conflicts of interest, guidelines that apply to all Directors.

As well, our Directors, EOs and employees are subject to the provisions of our Code of Ethics, which is made available to all employees of the Corporation. It is posted on Transat's website at www.transat.com and is also filed on SEDAR+ (www.sedarplus.ca). The Code is in effect within the Corporation and most of its subsidiaries. The Code of Ethics was reviewed on June 5, 2024.

The Board, through its HRGC, reviews the implementation of, and compliance with, the Code of Ethics throughout the Corporation and its subsidiaries. In this respect, the HRGC receives from our Chief Legal and Government Relations Officer and Corporate Secretary and our Director, Internal Audit on a quarterly basis, a written declaration as to any complaints received during each quarter pursuant to our Code of Ethics. The Corporation periodically requires that its Directors, executive officers and staff acknowledge having read the Code and agree to comply with it.

No material change report has been filed since the beginning of our most recently completed fiscal year pertaining to the conduct of a Director or Executive Officer of Transat that constitutes a departure from the Charter of Expectations or the Code of Ethics.

Our Code of Ethics clearly states that Directors and executive officers should avoid any transaction or event that could potentially create a conflict of interest. Should an event or a transaction occur in respect of which a Director has a material interest, full disclosure to the Board is required and such Director must abstain from voting on any such matter.

Transat's Code of Ethics, Charter of Expectations for Directors and best governance practices (set out in its Corporate Governance Manual) together with statements set out in the Board and Committee charters encourage and promote an overall culture of ethical business conduct. The Board's ongoing review of and adherence to these measures and principles also fosters ethical business conduct throughout the Corporation.

In addition, both the annual Board evaluation questionnaire and the Board member peer feedback survey contain specific questions pertaining to ethical business conduct.

Indebtedness of Directors and Executive Officers

None of our current or former Directors, EOs and personnel is indebted to us, or has contracted any loan that is the subject of a guarantee, support agreement, letter of credit or other similar arrangement on our part. Pursuant to our Corporate Governance Manual, it is our policy not to grant any loans to our Directors, EOs, personnel or nominees for the position of Board member of Transat. This policy also applies to our subsidiaries.

Independence of the Board Chair

The non-executive Board Chair is responsible for ensuring that the Board discharges its responsibilities independently of management. She also ensures that the Board fully executes its mandate and that the Directors clearly understand and respect the boundaries between Board and management responsibilities.

The description of the position of Board Chair sets out the Chair's responsibilities and duties in guiding the Board in the fulfillment of its stewardship role, including duties relating to the efficiency, management, composition and performance of the Board, corporate governance and relations with management, shareholders and interested third parties.

Other responsibilities include, without limitation, ensuring that the Corporation's strategic orientation, including its mission, vision and values, are defined and disclosed to the Board, and collaborating with the HRGC when setting the performance objectives of the Corporation's officers.

Supplier Code of Conduct and Corporate Procurement Policy

The Supplier Code of Conduct applies to all of the Corporation's suppliers, in addition to the tourism service providers for whom it was previously intended to ensure that every supplier is able to adhere to the principles and requirements under which we do business. This Code sets out our corporate responsibility requirements and we expect our suppliers to comply with the requirements set out in the code and to require their partners, suppliers, staff and subcontractors to do the same.

In December 2023, the Corporation also adopted a Corporate Procurement Policy, which is designed to achieve the following main objectives:

- Set out the guiding principles governing the acquisition of goods and services by Transat;
- Present the general governance and management rules applicable to procurement processes, in order to standardize Transat's practices; and
- Describe the division of responsibilities among the key players involved in the procurement process to promote effective organizational collaboration.

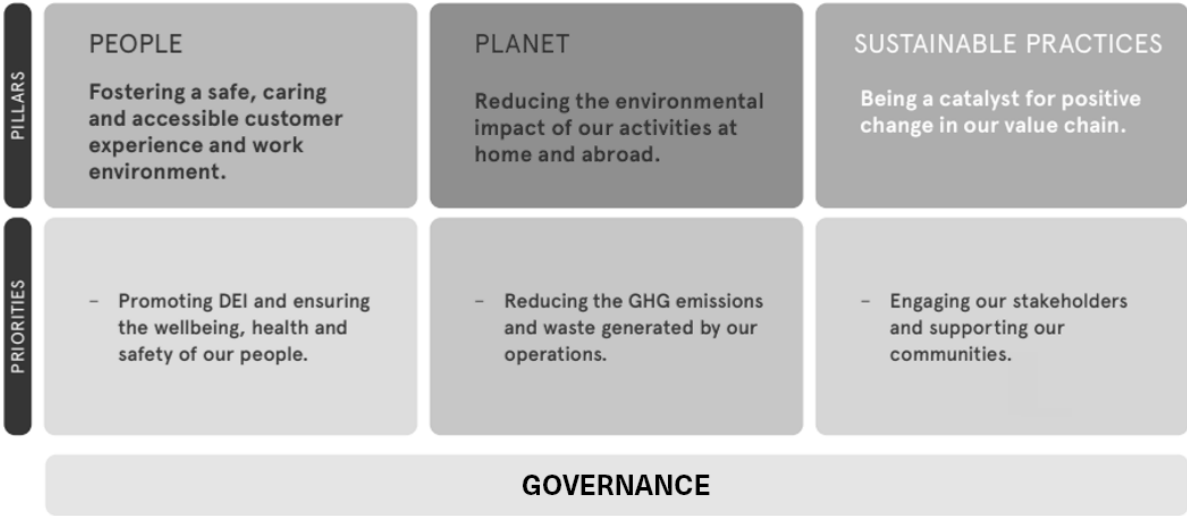
PART 3 – CORPORATE RESPONSIBILITY

Transat is committed to conducting its business with the central concern being to reduce its environmental impact and create a positive impact for its customers, its employees, and the communities that it serves, both here and at its destinations. Transat is dedicated to embedding sustainability into its decision-making process.

Corporate responsibility is regularly discussed at the Board level as well as within each of the Corporation’s committees, which have oversight over these factors relevant to their respective areas of responsibility.

Corporate Responsibility Framework

In 2024, we remained on course to achieving the goals set using the strategies found in the three pillars of our corporate responsibility framework: people, the planet and sustainable practices. We have continued to implement our initiatives while ensuring to optimize our resources to reinforce our highly structural actions.



In 2024, our activities included the following:

Pillar - People

In order to ensure continuous improvement, we continue to survey our clients. Once again this year, we have achieved high levels of satisfaction, which reflects the quality of service provided by our teams and our operational performance.

From a health and safety perspective, commitments were adopted after the 2024-2026 triennial plan was rolled out. With a view to continuous improvement, efforts focus on two action levers, namely prevention and the implementation of measures to expedite the return to work.

As for the accessibility of our products, services and platforms, the Corporation has published its second triennial accessibility progress report in accordance with the *Accessible Canada Act*.

Diversity initiatives are presented further on in the section entitled **“Diversity and Representation in the Corporation.”**

Pillar - Planet

In terms of decarbonization, Transat is focusing its efforts on energy efficiency and optimization in a context where temporarily grounded aircraft pose a significant problem for our decarbonization levers. Transat took measures to reduce its carbon footprint through such initiatives as its fuel efficiency program, the renewal of its fleet with more fuel-efficient aircraft, and a sustainable aviation fuel (SAF) technology watch. To that end, Transat is developing an SAF sourcing strategy that takes into consideration the regulatory requirements in Europe and the United Kingdom, the availability of SAF in Canada, as well as the financial tools that are available and accessible.

Pillar – Sustainable practices

As for responsible sourcing, the Corporation continued analyzing its strategic supply chain to improve the process for identifying and managing the risks of forced labour among its suppliers. The first report produced under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* was published in February 2024. One of the central actions of our progress in this area included training adapted to our operational context that is offered to the strategic procurement and products teams.

Transat also pursued certain initiatives over the years that have impacted communities, such as donations to and sponsorships of organizations and various causes.

For more information on our strategy and corporate responsibility achievements, see the additional information for 2023-2024 in our 2022-2023 Corporate Responsibility Report on Transat's website at <https://www.transat.com/en-CA/corporate-responsibility/our-ambition>.

Transat regularly provides reports on its decarbonization strategy, its carbon footprint as well as its risks and opportunities, as they relate to climate change. In that regard, the Corporation's third annual climate-related disclosure report, published in June 2024, was once again drafted based on the recommendations of the Task Force on Climate-Related Financial Disclosures ("TCFD").

In addition, Transat reports its annual CO₂ emissions to Transport Canada for the ICAO Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), applicable to certain international flights with the objective to achieve the aviation industry carbon neutral growth target.

As a signatory, through the National Airlines Council of Canada, to the Canadian Action Plan to Reduce Greenhouse Gas Emissions from Aviation, Transat collaborates with the Government and aviation industry stakeholders. Transat supports initiatives, industry committees and working groups to advance development of a Canadian Sustainable Aviation Fuel action plan.

Diversity and Representation in the Corporation

We believe that our success is based on the diversity of our workforce, which reflects our customers, our partners, and the communities in which we operate. Our experience and commitment to DEI help us to make decisions fostering a more inclusive workplace. Since our approach was launched in 2023, we reinforced our diversity, equity and inclusion initiatives by setting targets, structuring our corporate governance and rolling out awareness, training and communication campaigns.

The Corporation's commitments in terms of diversity aim to:

- Encourage diversity within teams by uniting people from all backgrounds and perspectives;
- Ensure that favourable conditions are in place so that everyone has equal access to resources and opportunities, regardless of their differences;
- Create a culture where everyone feels welcome, respected and valued, allowing them to develop a strong sense of belonging and to unleash their full potential.

Diversity policy

The Corporation is convinced that diversity encourages the consideration of varying perspectives, maximizes its efficiency and improves decision-making in its best interests. The Corporation also believes that the Board and senior executives are responsible for promoting inclusion by cultivating a climate of openness and respect where all employees can play their role to the fullest.

To support its convictions, in 2015 the Corporation adopted a policy on diversity within the Board and among senior executives (the "**Diversity Policy**") that was amended over the years to include concrete objectives for achieving a minimal level of representation of women on the Board and among senior executives. To that end, the Corporation is aiming to achieve and maintain a minimum percentage of women of 40% for the Board and 30% for senior executives.

In addition to the representation of gender, the representation of diversity groups is yet another criterion that is considered in the process for identifying and nominating members of the Board or senior executives, as are merit and the range of skills, expertise and experience required for efficient management.

Representation of women within the Corporation

The Corporation recognizes that diversity has many different aspects and believes that gender is a significant aspect thereof. The Corporation recognizes the crucial role that women can play on the Board, and that they must be represented in management positions.

The following table presents a picture of women's representation throughout Transat A.T. Inc. and its subsidiaries as of December 31, 2024.

Representation of women within the Corporation		
	Number of positions held by women	Percentage
Board of Directors	6 out of 11	54.5%
Senior Executives	3 out of 9	33.3%
Management Positions ¹	71 out of 175	40.6%

¹ Includes management positions from levels 1 to 12 in accordance with the job classification in force as at December 31, 2024.

Board of Directors

The HRGC is responsible for recommending qualified individuals who have the talent, business experience, expertise, leadership and level of commitment required of Directors.

To do this, the HRGC developed a set of criteria and recruitment protocols designed to include candidates from various backgrounds, notably by using a network of organizations and professional associations while also drawing on profiles of candidates in academic institutions, the private sector and not-for-profit organizations. The HRGC may also retain the services of a specialized firm to help it achieve its diversity objectives.

In addition, the HRGC has a mission to oversee and, periodically, take the following action:

- Evaluate the effectiveness and the contribution of each Director;
- Evaluate the effectiveness of the designation and/or nomination process in achieving the Corporation's diversity and inclusion objective commitment for Directors, as described in the Diversity and Inclusion Policy.

Finally, to support the gender-diversity objective set by the Corporation, the HRGC considers the level of representation of women on the Board by identifying and nominating candidates in view of their election and re-election to the Board. As at the date hereof, six of the 11 Directors are women.

Executive Officers

The HRGC's mandate is to oversee succession planning and the appointment of Executive Officers. In the performance of its oversight role, the HRGC regularly reviews the Corporation's approach to management of officers and employees demonstrating great aptitude. The HRGC also examines the employee development processes and practices in place and reviews the depth of succession candidate pools for key management positions throughout the Corporation.

The HRGC periodically:

- Reviews the recruitment and selection criteria to ensure that diversity is considered for Executive Officer positions; and
- Monitors the Corporation's performance in terms of diversity and ensures that procedures are in place to favour diversity and inclusion.

PART 4 – GOVERNANCE AND NOMINATION OF CANDIDATES

The Board, either directly or through Board committees, is responsible for the management and supervision of the business and affairs of the Corporation, the whole in the best interest of the Corporation and with the objective of enhancing the value for shareholders and other stakeholders. The Board's mandate and role consist of, among other things, (i) approving the corporate strategy and overseeing its implementation; (ii) approving, where appropriate, the appointment of a President and CEO; (iii) reviewing and, where appropriate, giving effect to the proposals of the President and CEO on the appointment of Transat's executive officers; (iv) setting goals for the President and CEO and reviewing with her the goals of the executive officers, monitoring their performance and implementing corrective measures as appropriate; (v) informing shareholders of the performance of the Corporation, its Board and Board Committees; and (vi) approving and ensuring the performance of the Corporation's legal obligations.

The Board is responsible for identifying the main risks related to the Corporation's operations and the appropriate systems to be implemented to manage these risks.

The roles and responsibilities of the Board and of each of its committees are set out in formal written charters (the full text of which can be promptly provided upon written request and is available on the Transat website at www.transat.com). These charters are generally reviewed every year to ensure they reflect best practices and are in compliance with any applicable regulatory requirements. The Audit Committee charter is also available in Schedule A to the Corporation's Annual Information Form.

Selection of Candidates

The selection process for new candidates to the Board is conducted by the HRGC. The HRGC's responsibilities, powers and activities are described in more detail in the Committee's report found in this Circular as well as in the Committee's charter, which is also filed on the Transat website at www.transat.com.

The HRGC is responsible for identifying and recommending to the Board suitable nominees for election to the Board. When making its recommendations, the HRGC considers the fact that the members of the Board should have diversified backgrounds, experiences and aptitudes. Directors are selected for their integrity and character, fair and independent judgment, breadth of experience, insight and knowledge, and strong business acumen. Directors are expected to bring these personal qualities to their role as a Director of the Corporation and apply sound business judgment to help the Board make wise decisions and provide thoughtful and informed advice to senior management.

To accomplish this duty, the HRGC:

- Assesses the composition and size of the Board and, in doing so, reviews the breadth and diversity of experience and competencies of the Directors;
- Identifies the competencies required by the Corporation following strategic planning;
- Identifies the profile of potential nominees;
- Recommends to the Board a list of nominees for election as Directors; and
- Approaches competent nominees.

Retirement of Directors

In June 2024, the Board amended the mandatory retirement policy for Directors to eliminate the requirement that Directors must tender their resignation upon reaching the age of 75. The mandatory retirement policy of the Corporation continues to provide that a Director, with the exception of the President and CEO, where applicable, must tender their resignation after having served as a Director for a period of 12 years, such resignation taking effect at the next annual meeting. We are of the opinion that this policy ensures the natural evolution of the Board. Notwithstanding the foregoing, the Board may determine that, due to exceptional circumstances, it is in the best interests of the Corporation that a Director having reached this limit be eligible for re-election for an additional term. Accordingly, in 2024, the Board decided that it is in the best interest of the Corporation to allow Ms. Susan Kudzman, Chair of the Board, to extend her term for a period of two years and to stand for re-election in 2026 and 2027, subject to her election by the shareholders, in order to ensure continuity in the role of Chair of the Board, which Ms. Kudzman has held only since March 2023.

Proposed Nominees

The following tables present each of the Directors who will be nominated for a Board seat during the Meeting. Information in the tables is based on the statements made by the persons concerned and updated on a yearly basis. The term of the solicited mandates is one (1) year, which will end at the next meeting.



Annick Guérard
President and CEO of the Corporation
 Montréal, Quebec, Canada

Non-Independent – Executive Officer ⁽¹⁾

Ms. Guérard was appointed President and CEO of Transat and joined the Corporation’s Board of Directors on May 27, 2021.

Between November 2017 and this appointment, Ms. Guérard was the Chief Operating Officer. She headed all of the Corporation’s operations and commercial activities. With her extensive knowledge of the industry and its issues, combined with her vision, leadership and efficiency, she plays a key role in the Corporation’s development and success.

Annick Guérard joined Transat in 2002 and has held many management positions involving strategy, operations, sales and marketing, the digital shift, revenue management, customer service and product development for various business units. Prior to joining Transat, she began her career in engineering consulting in the transportation industry, then served as a senior consultant in operations management for Deloitte Consulting. She holds a bachelor’s degree in civil engineering from Polytechnique Montréal and an MBA from HEC Montréal as well as the ICD.D. designation.

Since May 2023, Ms. Guérard has been a member of the board of directors of National Bank of Canada. She has been the chair of the board of Théâtre Espace Go since October 2021, after having been a director from 2019 to 2021. Prior to that, Ms. Guérard sat on the board of directors of Pomerleau from 2019 to 2023.

Areas of Expertise:

- Senior management and operations
- Air transportation and tourism
- Human resources and compensation
- Risk management

Director since: May 2021

Age: 54

Mandatory retirement: n/a

Languages mastered:

- French
- English

Meeting Attendance ⁽²⁾	Number	%	Other directorships of public companies during the last five (5) years
Board of Directors	16 out of 16	100%	▪ National Bank of Canada
Executive Committee ⁽³⁾	3 out of 3	100%	

Securities Held					
Fiscal Year	Shares	DSUs	Total Number of Shares and DSUs	Total Value of Shares and DSUs ⁽⁴⁾	Compliance with minimum Share or DSU ownership requirement (3 X base salary) 5-year objective

Owing to the consequences of and compensation restrictions imposed under the LEEFF loan, in May 2022, the HRCC (now the HRGC) decided to suspend the shareholding guidelines for Executive Officers until the Corporation was able to resume granting long-term share-based or Option-based incentives, as provided for in the usual programs.

2024 Annual Meeting of Shareholders Voting Results				
Votes For	% of Votes For	Votes Against	% of Votes Against	
14,330,267	98.18%	265,582	1.82%	



Geneviève Brouillette
Corporate Director
 Montréal, Quebec, Canada

Independent ⁽¹⁾

Ms. Geneviève Brouillette was Chief Financial Officer of Aldo, a global fashion retailer, from 2019 until the end of December 2024. With over 35 years' experience in finance and general management, she has contributed to the growth of many renowned companies, such as Keurig Dr Pepper, St-Hubert, Reader's Digest and Kraft Foods. Her expertise includes, among other things, developing and operationalizing strategic plans, developing and executing business plans, optimizing capital allocation, as well as business turnarounds, and mergers and acquisitions. In 2022, she received the title of Fellow by the Québec CPA Order.

Ms. Brouillette has also served for nearly 25 years on the board of directors of various organizations, including Crown corporations, private businesses and non-profit organizations.

She has been a member of the Board of Directors and Chair of the Audit Committee of Previa since 2022. She has also served on the Board of Directors of Hydro-Québec since 2017 where she is the Chair of the Audit Committee, has been a member of the Investment and Major Projects Committee since September 2024 and was a member of the Human Resources Committee until September 2024. She also served on the Board of Directors of the Multiple Sclerosis Society of Canada from 2001 to 2010.

Ms. Brouillette obtained a Bachelor of Accounting Science from the Université du Québec à Montréal in 1987 and a Bachelor of Commerce, with distinction, from McGill University in 1986.

Areas of Expertise:

- Senior management and operations
- Finance
- Human resources and compensation
- Risk management

Director since: March 2023

Age: 60

Mandatory retirement: 2035

Languages mastered:

- French
- English

Meeting Attendance ⁽²⁾	Number	%	Other directorships of public companies during the last five (5) years
Board of Directors	16 out of 16	100%	▪ None
Audit Committee	3 out of 3	100%	
HRGC	3 out of 3	100%	
Special Advisory Committee	8 out of 9	88.9%	

Securities Held

Fiscal Year	Shares	DSUs	Total Number of Shares and DSUs	Total Value of Shares and DSUs ⁽⁴⁾	Compliance with minimum Share or DSU ownership requirement 5-year objective ⁽⁵⁾
As at October 31, 2024	-	18,959	18,959	\$58,809	In progress (29.4%)

2024 Annual Meeting of Shareholders Voting Results

Votes For	% of Votes For	Votes Against	% of Votes Against
14,340,969	98.25%	254,880	1.75%



Lucie Chabot
Corporate Director
 Montréal, Quebec, Canada

Independent ⁽¹⁾

Ms. Lucie Chabot is a corporate director. Since April 2020, she has been a member of the Board of Directors and a member of the Audit Committee of Richelieu Hardware Ltd, North American market leader as an importer, distributor and manufacturer of specialty hardware and complementary products.

From May 2019 to June 2023, she was a director and the chair of the Audit Committee of Albecour Inc., a company in the aluminum smelter industry and a subsidiary of Investissement Québec. From May 2019 to May 2022, she was a director as well as the chair of the Audit Committee and a member of the Governance Committee of Tourisme Montréal, a Montréal-based organization engaged in the promotion of tourism for the City of Montréal. From 2017 to 2021, Ms. Chabot was Chair of the Board, Chair of the Audit Committee and Chair of the Information Technology Committee and a member of the Human Resources Committee of CDMV Inc., a Canada-wide distributor of products and services dedicated to veterinarians

Ms. Chabot was Vice-President and Chief Financial Officer of SAIL Outdoors Inc., a major Canadian retailer of sporting goods and outdoor equipment, from 2014 to 2018, and as such was responsible for the firm's accounting and financial services, human resources and information technology. She previously served as President of Distribution Vinearius Inc., a wine accessories distributor she founded. She also worked at Intertrade Systems Inc. from 2004 to 2007 as General Manager, Operations and Managed Services, after having served as the company's Vice-President, Finance and Human Resources. She was a co-shareholder of Strator Consulting Group Inc., a consulting firm in the retail, distribution and services field. From 1986 to 1994, she worked as Director and Vice-President, Finance, of Sports Experts Inc., the Canadian leader in sporting goods and sportswear retailing.

She began her career at Clarkson Gordon (EY) as an auditor in 1981 and joined the Provigo Group in 1984. Ms. Chabot is a graduate of Université Laval and a member of the Ordre des comptables agréés du Québec. She was named to the National Honour Roll of the Canadian Institute of Chartered Accountants, ranking 11th in Canada in 1982.

Areas of Expertise:

- Finance
- Human resources and compensation
- Risk management

Director since: October 2015

Age: 65

Mandatory retirement: 2028

Languages mastered:

- French
- English

Meeting Attendance ⁽²⁾	Number	%	Other directorships of public companies during the last five (5) years
Board of Directors	16 out of 16	100%	▪ Richelieu Hardware Ltd
Executive Committee ⁽³⁾	3 out of 3	100%	
Audit Committee	6 out of 6	100%	
HRCC	3 out of 3	100%	
JV Porter Advisory Committee ⁽⁶⁾	1 out of 1	100%	
Special Advisory Committee	8 out of 9	88.9%	

Securities Held

Fiscal Year	Shares	DSUs	Total Number of Shares and DSUs	Total Value of Shares and DSUs ⁽⁴⁾	Compliance with minimum Share or DSU ownership requirement 5-year objective ⁽⁵⁾
As at October 31, 2024	6,290	46,699	52,989	\$294,845	Yes

2024 Annual Meeting of Shareholders Voting Results

Votes For	% of Votes For	Votes Against	% of Votes Against
14,339,225	98.24%	256,624	1.76%



Valérie Chort
Corporate Director
 Toronto, Ontario, Canada

Independent ⁽¹⁾

Ms. Valérie Chort is a corporate director. From 2015 until her departure in January 2023, she was Vice President, Corporate Citizenship and Sustainability for RBC and Executive Director of the RBC Foundation where she was responsible for developing an integrated citizenship strategy aligned with RBC’s purpose and business objectives, and creating positive social, economic and environmental impacts in the community.

Areas of Expertise:

- Senior management and operations
- Government affairs, laws and regulations
- Risk management
- Corporate responsibility

Director since: April 2022

Age: 61

Mandatory retirement: 2035

Languages mastered:

- French
- English

Over the course of her career, Ms. Chort has held senior consulting, industry and government roles. Most recently she was Americas Leader for Sustainability & Climate Change with Deloitte, and Partner with Deloitte’s Enterprise Risk Services from 2001 to 2015 as well as Vice-President of Environment, Health and Product Safety with Husky IMS from 1994 to 2001.

Ms. Chort serves on the Boards of Legrand S.A., where she serves on the Audit Committee, the Commitments and Corporate Social Responsibility (CSR) Committee and the Compensation Committee, of North West Rubber Ltd, where she is a member of the Health and Safety Committee, of the Women’s College Hospital Foundation and of the International Institute for Sustainable Development, and is a also founding member of Women for Nature. In 2021, she was named as one of 26 Climate Champions in Canada by the British High Commission in Canada and the Canada Climate Law Initiative.

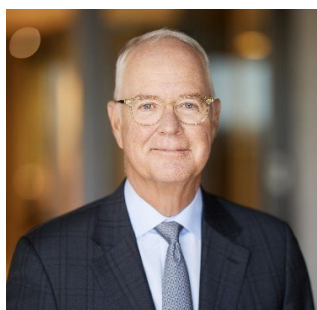
Ms. Chort earned a Bachelor of Science in Biochemistry and a Bachelor of Applied Science in Chemical Engineering from the University of Ottawa. She also has a certificate in Executive Education from Darden School of Business.

Meeting Attendance ⁽²⁾	Number	%	Other directorships of public companies during the last five (5) years
Board of Directors	16 out of 16	100%	▪ Legrand S.A.
RMCRC	4 out of 4	100%	
CGNC	2 out of 2	100%	

Securities Held

Fiscal Year	Shares	DSUs	Total Number of Shares and DSUs	Total Value of Shares and DSUs ⁽⁴⁾	Compliance with minimum Share or DSU ownership requirement 5-year objective ⁽⁵⁾
As at October 31, 2024	0	43,301	43,301	\$129,557	In progress (64.8%)

2024 Annual Meeting of Shareholders Voting Results					
Votes For		% of Votes For		Votes Against	
14,319,644		98.11%		276,205	
				1.89%	



Robert Coallier
Corporate Director
 Montréal, Quebec, Canada

Independent ⁽¹⁾

Mr. Robert Coallier is a corporate director. Mr. Coallier was Chief Executive Officer of Agropur Cooperative, a dairy processor, from 2012 to 2019. He has over 30 years' experience in, among other things, creating and managing businesses, organizational development, human resources management, business and financial turnaround and the development of customized IT and technology solutions.

Areas of Expertise:

- Senior management and operations
- Finance
- Human resources and compensation
- Risk management

Director since: March 2023

Age: 64

Mandatory retirement: 2035

Languages mastered:

- French
- English

Mr. Coallier also held senior management positions, including Vice-President and Chief Financial Officer, at Dollarama L.P. from 2005 to 2010, at Molson Coors from 2000 to 2005, at C-MAC Industries Inc. from 1996 to 2000 and at Caisse de dépôt et placement du Québec from 1988 to 1996.

Mr. Coallier serves on the Boards of the privately-held corporations Sanimax, where he has been the Chairman since 2020, and Dose Juice, where he has been the Chairman since 2024. He also serves on the Board of Stella-Jones, where he has been a member of the Audit Committee and the Human Resources Committee since 2020. Previously, he served as a member of the Board of Directors, Chair of the Human Resources Committee, Chair of the Special Committee appointing the new Chief Executive Officer and member of the Audit Committee and member of the Corporate Governance Committee of Industrial Alliance from 2008 to 2019.

Mr. Coallier graduated from McGill University in 1982 with a Bachelor of Arts degree in Economics and also holds an MBA from Concordia University.

Meeting Attendance ⁽²⁾	Number	%	Other directorships of public companies during the last five (5) years
Board of Directors	16 out of 16	100%	▪ Stella-Jones
Audit Committee	6 out of 6	100%	
HRCC	3 out of 3	100%	
HRGC	3 out of 3	100%	

Securities Held

Fiscal Year	Shares	DSUs	Total Number of Shares and DSUs	Total Value of Shares and DSUs ⁽⁴⁾	Compliance with minimum Share or DSU ownership requirement 5-year objective ⁽⁵⁾
As at October 31, 2024	-	15,561	15,561	\$46,167	In progress (23.1%)

2024 Annual Meeting of Shareholders Voting Results

Votes For	% of Votes For	Votes Against	% of Votes Against
14,355,565	98.35%	240,284	1.65%



Daniel Desjardins
Corporate Director
 Montréal, Quebec, Canada

Independent ⁽¹⁾

Mr. Daniel Desjardins, Ad.E, is an independent director. Since April 2024, he has been a Board member of Velan Inc. He was a member of the Board of Directors of Noranda Income Fund and a member of its Audit Committee and Independent Committee of the Board until the privatization of the Fund in March 2023. Since October 2023, Mr. Desjardins is a member of the Advisory Committee of Northvolt North America. Mr. Desjardins is an accomplished business lawyer and executive with extensive expertise in business law, compliance and risk management as well as decades of experience in financing and complex mergers and acquisitions. For more than 20 years, until December 2019, Mr. Desjardins was Senior Vice-President, General Counsel and Corporate Secretary at Bombardier Inc. In this role, he was responsible for legal affairs, compliance, internal audit, insurance and risk management for the entire company. From 2018 to January 2021, he served as Chair of the Board of Directors of Bombardier Transportation.

Areas of Expertise:

- Senior management and operations
- Finance
- Laws and regulations
- Risk management

Director since: January 2022

Age: 69

Mandatory retirement: 2034

He has been Chair of the Board of the Legal Leaders for Diversity Trust Fund since 2014 and is Chair of the Board of the Pointe-à-Callière Museum. Mr. Desjardins has received numerous professional awards and has twice been named one of Canada's 25 most influential lawyers. In 2017, the Barreau du Québec awarded him the Advocatus Emeritus distinction in recognition of his exceptional professional career.

Languages mastered:

- French
- English

Mr. Desjardins holds a law degree from the Université de Montréal and a Master of Laws degree from McGill University.

Meeting Attendance ⁽²⁾	Number	%	Other directorships of public companies during the last five (5) years
Board of Directors	16 out of 16	100%	<ul style="list-style-type: none"> ▪ Velan Inc. ▪ Noranda Income Fund (2022 to 2023)
Executive Committee ⁽³⁾	3 out of 3	100%	
Audit Committee	6 out of 6	100%	
RMCRC	4 out of 4	100%	
JV Porter Advisory Committee ⁽⁶⁾	1 out of 1	100%	
Special Advisory Committee	9 out of 9	100%	

Securities Held					
Fiscal Year	Shares	DSUs	Total Number of Shares and DSUs	Total Value of Shares and DSUs ⁽⁴⁾	Compliance with minimum Share or DSU ownership requirement 5-year objective ⁽⁵⁾
As at October 31, 2024	5,500	48,895	54,395	\$180,723	In progress (90.4%)

2024 Annual Meeting of Shareholders Voting Results				
Votes For	% of Votes For	Votes Against	% of Votes Against	
14,351,678	98.33%	244,171	1.67%	



Susan Kudzman
Corporate Director
 Montréal, Quebec, Canada

Independent ⁽¹⁾

Ms. Susan Kudzman is a corporate director and actuary. She was Executive Vice President and Chief Risk Officer and Corporate Affairs of the Laurentian Bank of Canada from 2015 to 2018. Previously, she was Executive Vice-President and Chief Risk Officer at Caisse de dépôt et placement du Québec from 2005 to 2010.

Areas of Expertise:

- Senior management and operations
- Finance
- Human resources and compensation

Director since: March 2014

Age: 62

Mandatory retirement: 2028

Languages mastered:

- French
- English
- Spanish

Ms. Kudzman was appointed in 2020 to the Board of Directors of PSP Investments, a Canadian Crown corporation that invests funds for the pension plans of the federal public service. Since 2018, she has also been a member of the Board of Directors of Medavie, an organization operating in the areas of insurance (Blue Cross) and health. She recently joined the board of directors of Nesto, a fintech company in the mortgage sector. She chaired the Board of Directors of Yellow Pages until the fall of 2024. She served on the Board of Directors of Nomad, a mining royalty company, from August 2020 to August 2022. From June 2020 to February 2022, she also served on the Board of Directors of Finaceit, a fintech company.

Ms. Kudzman has also been a member of various organizations and associations including Les Grands Ballets Canadiens de Montréal (2000-2015) and Montreal's International District (2006-2013). She was Vice-Chair of the Board of Directors of the Montreal Heart Institute Foundation from 2012 to 2020. Ms. Kudzman is currently a member of the Board of Directors of the ICD (Institute of Corporate Directors) and the Festival du nouveau cinéma.

Ms. Kudzman holds a Bachelor's degree in Actuarial Sciences from Université Laval (1984) and the titles of Fellow of the Canadian Institute of Actuaries (FCIA) (1987), Fellow of the Society of Actuaries (FSA) (1987) and Certified Enterprise Risk Analyst (CERA) (2009).

Meeting Attendance ⁽²⁾	Number	%	Other directorships of public companies during the last five (5) years
Board of Directors	16 out of 16	100%	<ul style="list-style-type: none"> ▪ Yellow Pages (2014-2024) ▪ Nomad Royalty Company Ltd (2022-2022)
Executive Committee ⁽³⁾	3 out of 3	100%	
Audit Committee	6 out of 6	100%	
HRCC	3 out of 3	100%	
RMCRC	4 out of 4	100%	
CGNC	2 out of 2	100%	
HRGC	3 out of 3	100%	
JV Porter Advisory Committee ⁽⁶⁾	1 out of 1	100%	
Special Advisory Committee	9 out of 9	100%	

Securities Held

Fiscal Year	Shares	DSUs	Total Number of Shares and DSUs	Total Value of Shares and DSUs ⁽⁴⁾	Compliance with minimum Share or DSU ownership requirement 5-year objective ⁽⁵⁾
As at October 31, 2024	0	80,789	80,789	\$457,437	Yes

2024 Annual Meeting of Shareholders Voting Results

Votes For	% of Votes For	Votes Against	% of Votes Against
13,966,041	95.69%	629,808	4.31%



Stéphane Lefebvre
President and Chief Executive Officer of Cirque du Soleil
 Montréal, Quebec, Canada

Independent ⁽¹⁾

In December 2021, Mr. Lefebvre was appointed President and Chief Executive Officer of Cirque du Soleil, a global entertainment company, and has held many executive positions with the company since 2016, including Chief Operating Officer and Chief Financial Officer. He oversaw Cirque du Soleil Entertainment Group's finances, information technology, global procurement and risk management, as well as capital deployment in its strategic areas of growth.

Areas of Expertise:

- Senior management and operations
- Finance
- Commercialization and marketing
- Risk management

Director since: April 2022

Age: 57

Mandatory retirement: 2035

Languages mastered:

- French
- English

Mr. Lefebvre has over 30 years of experience in strategic repositioning and in change management, having led several large-scale initiatives including turnarounds, acquisitions, integrations, restructurings and financings. He also has experience with Canadian and US capital markets and corporate governance.

Mr. Lefebvre was previously Chief Financial Officer at CAE Inc., a Canadian manufacturer of simulation technologies, modelling technologies and training services to airlines, aircraft manufacturers, healthcare specialists, and defence customers, where he worked for 20 years. Mr. Lefebvre began his career as a chartered accountant at Price Waterhouse, first working in auditing, then consulting, specifically on merger/acquisition and insolvency cases.

Since 2017, Mr. Lefebvre has been a director on the Board of C2 Montréal, a non-profit organization. He serves on the fundraising campaign committee for the National Circus School, as well as for the Museum of Fine Arts.

Mr. Lefebvre holds a Bachelor of Business Administration from École des Hautes Études Commerciales in Montréal and is a member of the Chartered Professional Accountants of Canada.

Meeting Attendance ⁽²⁾	Number	%	Other directorships of public companies during the last five (5) years
Board of Directors	13 out of 16 ^(a)	81.25%	▪ None
Audit Committee	3 out of 3	100%	

Securities Held					
Fiscal Year	Shares	DSUs	Total Number of Shares and DSUs	Total Value of Shares and DSUs ⁽⁴⁾	Compliance with minimum Share or DSU ownership requirement 5-year objective ⁽⁵⁾
As at October 31, 2024	0	34,877	34,877	\$108,777	In progress (54.4%)

2024 Annual Meeting of Shareholders Voting Results				
Votes For	% of Votes For	Votes Against	% of Votes Against	
14,368,434	98.44%	227,415	1.56%	

^(a) Mr. Lefebvre was unable to attend the special meeting of the Board of Directors on December 14, 2023, as he was travelling for business. He was unable to attend the special meeting of the Board of Directors on September 6, 2024, due to a scheduling conflict.



Bruno Matheu
President and founder of BLM Consulting
 Paris, France

Independent ⁽¹⁾

Since 2017, Mr. Bruno Matheu has been the President and founder of BLM Consulting, a corporation providing business advice and other management advice in various industries, including the transportation and aviation industries.

Mr. Maheu has been a director of IAG Group (International Airlines Group) since June 2024. From 2014 to 2017, Mr. Matheu was Chief Executive Officer, Airline Equity Partners for Etihad Aviation Group (UAE), a global aviation and travel group. Between 1992 and 2014, he also held various senior management positions for Air France and Air France-KLM, such as Chief Officer Long-Haul Business Unit, Chief Commercial Officer for Air France and Executive Vice President Marketing, Revenue Management & Network for Air France KLM. He was a member of the Executive Committees of Air France and Air-France - KLM for 16 years.

Mr. Matheu has considerable expertise in the aviation industry and has an outstanding track record in developing top line, optimizing resources, driving synergies, building and implementing comprehensive transformation plans for multiple airlines of various sizes across all continents.

Mr. Matheu is a member of the Board of Directors of SASP Section Paloise Rugby Pro.

Mr. Matheu is a graduate of the École Centrale de Paris and was named Chevalier de la Légion d'Honneur and Chevalier de l'Ordre National du Mérite, two French honours awarded in recognition of civilian or military service.

Areas of Expertise:

- Senior management and operations
- Air transportation and tourism
- Commercialization and marketing
- Human resources and compensation

Director since: March 2023

Age: 61

Mandatory retirement: 2035

Languages mastered:

- French
- English
- German

Meeting Attendance ⁽²⁾	Number	%	Other directorships of public companies during the last five (5) years		
Board of Directors	14 out of 16 ^(b)	87.5%	▪ International Airlines Group		
RMCR	3 out of 4 ^(b)	75%			
JV Porter Advisory Committee ⁽⁶⁾	1 out of 1	100%			
Securities Held					
Fiscal Year	Shares	DSUs	Total Number of Shares and DSUs	Total Value of Shares and DSUs ⁽⁴⁾	Compliance with minimum Share or DSU ownership requirement 5-year objective ⁽⁵⁾
As at October 31, 2024	-	21,792	21,792	\$64,718	In progress (32.4%)
2024 Annual Meeting of Shareholders Voting Results					
Votes For		% of Votes For		Votes Against % of Votes Against	
14,347,470		98.30%		248,379 1.70%	

^(b) Mr. Matheu was unable to attend the meeting of the RMCR on September 10, 2024 or the Board meeting on September 11, 2024 due to health reasons.



Ian Rae
President and Chief Executive Officer of Aptum Inc.
 Montréal, Quebec, Canada

Independent ⁽¹⁾

Mr. Ian Rae was appointed President and Chief Executive Officer of Aptum Inc., a global information technology managed services provider, in January 2023. In 2005, he founded CloudOps Inc., a company offering cloud computing services, solutions and products, where he was Chief Executive Officer until 2023. Mr. Rae also founded and was Chief Executive Officer of cloud.ca, a Canadian cloud infrastructure platform from 2014 to 2021. Prior to CloudOps, Mr. Rae was chief engineering at Coradiant from 2000 to 2002 and manager of IT systems at Canderel, a real estate developer, from 1997 to 2000.

Mr. Rae was a member of the Board of Directors of Genome Canada from 2017 to 2023. He is also involved in the startup community as an advisor and angel investor and is also a member of the Council of Canadian Innovators, the Digital Governance Council and the Government of Canada’s Economic Strategy – Digital Industries Table.

Mr. Rae is an experienced entrepreneur in the aviation and travel technology industries. He was, among other things, a partner in the travel startups Localmind (acquired by Airbnb) and Raikey Technologies (raikey.com, railagent.com, italiarail.com, italiatours.com), and is an advisor at On Board Data Systems (OBDS), a provider of EFB (electronic flight bag) and cloud-based aircraft maintenance software.

Mr. Rae holds a Bachelor of Sciences (Honours) in biology, with a major in Evolutionary Genetics from McGill University.

Areas of Expertise:

- Senior management and operations
- Air transportation and tourism
- Technology and digital

Director since: October 2018

Age: 53

Mandatory retirement: 2031

Languages mastered:

- French
- English

Meeting Attendance ⁽²⁾	Number	%	Other directorships of public companies during the last five (5) years
Board of Directors	12 out of 12	100%	▪ None
HRCC	6 out of 6	100%	
RMCRC	5 out of 5	100%	

Securities Held

Fiscal Year	Shares	DSUs	Total Number of Shares and DSUs	Total Value of Shares and DSUs ⁽⁴⁾	Compliance with minimum Share or DSU ownership requirement 5-year objective ⁽⁵⁾
As at October 31, 2024	0	66,983	66,983	\$220,140	Yes

2024 Annual Meeting of Shareholders Voting Results

Votes For	% of Votes For	Votes Against	% of Votes Against
14,356,635	98.36%	239,214	1.64%



Julie Tremblay
Corporate Director
 Montréal, Quebec, Canada

Independent ⁽¹⁾

Ms. Julie Tremblay is a corporate director. She was the President and Chief Executive Officer of TVA Group Inc. and Quebecor Media Group, a business unit of Quebecor Media Inc., a media leader in broadcasting, film and television production, news media, magazines and book publishing, from July 2014 until her retirement in October 2017. Between 1989 and 2014, she held various senior positions within Quebecor Inc., a Canadian leader in telecommunications, entertainment, news media and culture. She served as Vice President, Human Resources of Quebecor Inc. and Quebecor Media Inc. for more than eight years and then as Chief Operating Officer of Sun Media Corporation from June 2011 to September 2013. In September 2013, she was named President and Chief Executive Officer of Sun Media Corporation, until it was folded into the Quebecor Media Group. Prior to joining Quebecor Inc., Ms. Tremblay practised labour and employment law in a prominent law firm in Montréal.

Since January 2021, Ms. Tremblay has been a director, member of the Nominating and Governance Committee and member of the Compensation Committee of Haivision Systems Inc. (TSX: HAI) a leading global provider of mission-critical, real-time IP video solutions. She has also been a director of two private companies, namely, Attraction Media Inc., a leader in entertainment and media in Quebec, since December 2020, as well as LG2, the largest independent creative agency in Canada, since November 2022. She has also been a director of the Pointe-à-Callière Museum since September 2023.

She was a director of TVA Group Inc. (TSX:TVA.B) from 2014 to 2017. She was also a director of Fondation Montréal (2015-2017), Society for the Celebrations of Montréal's 375th Anniversary (2016-2017) and the Chamber of Commerce of Metropolitan Montréal (2016-2017).

Ms. Tremblay holds a Bachelor's degree in Political Science from McGill University and a Bachelor's degree in Civil Law from Sherbrooke University. She has been a member of the Quebec Bar since 1984.

Areas of Expertise:

- Senior management and operations
- Human resources and compensation
- Risk management
- Corporate responsibility

Director since: January 2022

Age: 65

Mandatory retirement: 2034

Languages mastered:

- French
- English

Meeting Attendance ⁽²⁾	Number	%	Other directorships of public companies during the last five (5) years
Board of Directors	16 out of 16	100%	▪ Haivision Systems Inc.
Executive Committee ⁽³⁾	3 out of 3	100%	
HRCC	3 out of 3	100%	
CGNC	2 out of 2	100%	
HRGC	3 out of 3	100%	

Securities Held

Fiscal Year	Shares	DSUs	Total Number of Shares and DSUs	Total Value of Shares and DSUs ⁽⁴⁾	Compliance with minimum Share or DSU ownership requirement 5-year objective ⁽⁵⁾
As at October 31, 2024	0	49,773	49,773	\$154,611	In progress (77.3%)

2024 Annual Meeting of Shareholders Voting Results

Votes For	% of Votes For	Votes Against	% of Votes Against
14,328,977	98.17%	266,872	1.83%

- (1) "Independent" refers to the standards of independence established under section 1.2 of Canadian Securities Administrators' *Regulation 58-101*.
- (2) Attendance at the meetings indicated above is determined for the period from November 1, 2023, to October 31, 2024, inclusively, namely the fiscal year of the Corporation.
- (3) The Executive Committee meets on an ad hoc basis when a situation requiring particular attention arises. This committee is made up of the President and CEO, the Chair of the Board and each of the other Committee Chairs.
- (4) Means (i) the cost of acquiring the shares and DSUs for the Director or (ii) the market value of the Voting Shares and DSUs held by the Director on October 31, 2024, namely \$1.76, multiplied by the number of Voting Shares and DSUs held on such date, whichever is the greater of the two.
- (5) Under the guidelines adopted by Transat, and amended in 2018, each Director who is not an employee must hold a number of shares or DSUs having a value equal to at least five times the annual Board retainer paid in cash to which he or she is entitled after having served five years as Director. While the annual cash retainer is usually \$50,000 a year, the restrictions imposed by the LEEFF loan currently limit this amount to \$40,000. It should be noted that no DSUs have been credited between January 31, 2019, and June 29, 2021, given the trading blackout period then in effect for insiders. Consequently, the amounts usually payable in the form of DSUs have been paid in cash during this period. To reflect the blackout period and the restrictions imposed by the LEEFF loan, the value of shares or DSUs held was adjusted to be proportional to the number of months during which each director received \$50,000 or \$40,000.
- (6) The JV Porter Advisory Committee was a temporary committee set up to accompany and advise management in its analysis and evaluation of the alliance with Porter Airlines Inc. This committee was dissolved on November 27, 2023 following the announcement of the alliance with Porter.

To the knowledge of Transat, none of the proposed nominees for election as Directors (i) is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director or executive officer of any company that, while the nominee was acting in that capacity, or within a year of that nominee 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; and (ii) has, within the 10 years before the date of this Circular, 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 his or her assets, except for the following directors:

- Mr. Stéphane Lefebvre, who was a director of Cirque du Soleil, a company that filed for protection under the Companies' Creditors Arrangement Act ("CCAA") in Canada on July 24, 2020, and Chapter 15 in the United States on June 30, 2020, as a result of the impact of the COVID-19 pandemic. An acquisition transaction by existing secured creditors was approved by the Quebec Superior Court on October 26, 2020. On November 24, 2020, the company announced the closing of the sale transaction with the company's secured creditors and its emergence from CCAA and Chapter 15 protection.
- Ms. Geneviève Brouillette, who, until the end of December 2024, was Chief Financial Officer of Aldo Group, a corporation that filed for protection under the Companies' Creditors Arrangement Act ("CCAA") in Canada on May 7, 2020, and recognition of such proceedings in the United States on May 8, 2020, also due to the impact of the COVID-19 pandemic. The Swiss subsidiary obtained protection under Swiss law on May 11, 2020. The restructuring process in Canada and the United States was successfully completed on July 12, 2022, with a plan of arrangement duly approved by the creditors, approved by the Court and duly implemented. The Swiss proceedings were also successfully completed on June 1, 2022, as an arrangement was reached with the creditors, approved by the Swiss Court and implemented.
- Mr. Bruno Matheu, who was a director of Darwin Arline SA, a Swiss corporation, from June 2016 to June 2017. Subsequently, on July 20, 2017, 99.1% of the Corporation was acquired by Luxembourg fund 4K Invest, owner of Adria Airways. On November 27, 2017, it filed a composition application with the bankruptcy judge due to financial difficulties following several unfavourable market events, including the loss of aircraft charter contracts. It was declared bankrupt on December 13, 2017, under the *Loi fédérale sur la poursuite pour dettes et la faillite (LP)*.

Majority Voting Policy

The Canada Business Corporations Act ("CBCA") was amended on August 31, 2022, to allow shareholders of a public corporation governed by the CBCA to vote "for" or "against" a candidate nominated for director at annual meetings of shareholders. This is a change from the "for" and "withhold" options previously offered to shareholders and, as a result, in December 2022, the Board amended its majority voting policy to comply with the CBCA.

The Corporation's majority voting policy provides that in an uncontested Director election, a candidate nominated for election as Director who receives more votes "against" than "for" will not be elected as a Director. Notwithstanding the foregoing, an incumbent Director who was a candidate and who was not elected during the election may continue in office until the earlier of: (i) the 90th day after the day of the election; and (ii) the day on which their successor is appointed or elected.

In addition, the Board may appoint the incumbent Director who was a candidate and who was not elected during the election to ensure that the Board is composed of the required number of (i) Canadian residents; and (ii) Directors who are not officers or employees of the Corporation.

Board Interlocks

No member of our Board serves with another member of our Board on the board of directors of another operating public corporation.

Shareholders Guidelines for Directors

In order to align the interests of Directors with those of shareholders, the CGNC has adopted a minimum equity ownership requirement for Directors. In 2018, the shareholding guidelines and the compensation of Directors were modified to narrow the Director's compensation gap to the median of the reference market. Under these guidelines, after having served five years as a Director, each Director must hold a number of Class A Voting Shares, a number of Class B Voting Shares or DSUs representing at least five times the annual cash retainer to which he or she is entitled.

It should be noted that no DSUs have been credited between January 31, 2019, and June 29, 2021, given the trading blackout period then in effect for insiders as a result of the Arrangement. The amounts usually payable in the form of DSUs have been paid in cash during this period. The target date for each Director has been revised to reflect the trading blackout period.

In addition, while the annual cash retainer is usually \$50,000 a year, the restrictions imposed under the LEEFF loan currently limit this amount to \$40,000. To reflect the restrictions imposed under the LEEFF loan, the value of shares or DSUs held was adjusted to be proportional to the number of months during which each director received \$50,000 or \$40,000.

For the purposes of determining whether the minimum equity ownership requirement for Board members has been met, we use the greater of (i) the acquisition cost of the shares for the Director; and (ii) the market value of shares held as at October 31 of each year.

Director Overboarding

The Board believes that, in order to make a full contribution to the Board, Directors must have sufficient time available to properly prepare for and attend Board meetings. The HRGC's general policy is to examine each nominee for the position of Director on a case-by-case basis, and this even if it may deviate from this policy. The HRGC's main goal, as described in the Corporate Governance Manual, is to propose a nominee to the Board who sits on the following maximum number of boards of directors: five boards of public corporations, including the Board; or only one board of a public corporation other than the Board, if the nominee is a full-time employee of the Corporation.

Qualifications of Directors

As part of our most recent recruitment process for additional Board members, the directors' skills matrix was examined by the Board to guarantee an appropriate mix of abilities, qualifications and experience to guide the long-term strategy and continued commercial operation of the Corporation. The review process led to changes in the skills matrix to adapt it to an evolving commercial environment but, more importantly, to ensure that the Board includes members who have the relevant experience and expertise to carry out its mandate effectively. Directors must also select no more than four core qualifications.

The inventory below is reviewed, as needed, to detect deficiencies in the desired range of abilities, competencies, skills and qualities required to deliver the overall strategy and the vision of the Corporation, and those that are adequately represented on the Board, while accounting for future retirements. The HRGC uses this evaluation as a basis for determining the competencies, experience, qualifications, diversity, languages mastered and personal qualities desired in eventual new Board members.

	Profile								Core qualifications ⁽¹⁾								
	Languages mastered			Independent	Member since	Age			Senior management and operations	Air transportation and tourism	Finance	Commercialization and marketing	Technology and digital transformation	Government affairs, laws and regulations	Human resources and compensation	Risk management	Corporate responsibility
	French	English	Others			45-55	56-65	66 and over									
Geneviève Brouillette	√	√		Y	2023		√		F	√		√			√	√	
Lucie Chabot	√	√		Y	2015		√		F			√			√	√	
Valérie Chort	√	√		Y	2022		√		F	√				√		√	√
Robert Coallier	√	√		Y	2023		√		M	√		√			√	√	
Daniel Desjardins	√	√		Y	2022			√	M	√		√		√		√	
Annick Guérard	√	√	√	N	2021	√			F	√	√				√	√	
Susan Kudzman	√	√	√	Y	2014		√		F	√		√			√	√	
Stéphane Lefebvre	√	√		Y	2022		√		M	√		√	√			√	
Bruno Matheu	√	√	√	Y	2023		√		M	√	√		√		√		
Ian Rae	√	√		Y	2018	√			M	√	√		√				
Julie Tremblay	√	√		Y	2022		√		F	√					√	√	√

(1) Definition of qualifications.

Senior management and operations

In-depth experience leading an organization, a major division or functional area of a business as well as planning and implementing strategy at the management and executive levels

Air transportation and tourism

In-depth experience in the air transportation, passenger transportation and tourism industries, including leisure travel, freight, airliner manufacturing, or with airport organizations and the managers thereof

Finance

In-depth experience in financial information, accounting and corporate financing at the management and executive levels; ability to evaluate, analyze and interpret financial statements and projections and use them to guide strategic business decisions

Commercialization and marketing

In-depth experience in the processes surrounding the marketing and branding of consumer products

Technology and digital transformation

In-depth experience in connectivity, artificial intelligence and cybersecurity, including cloud and digital transformation

Government affairs, laws and regulations

In-depth experience in government relations and public policies at various levels of government (federal, provincial and international); advising on lobbying compliance and ethical obligations. Experience in or knowledge of practice areas, including banking and financing, mergers and acquisitions, regulatory affairs and other relevant areas

Human resources and compensation

In-depth experience in human resources, compensation, talent management and succession planning for management or senior executives

Risk management

In-depth understanding of the various legal, operational and regulatory risks, and experience in identifying, evaluating and mitigating these risks at the management or executive levels

Corporate responsibility

In-depth understanding of the main environmental, social and governance challenges and factors. Experience integrating a sustainable development strategy into the business's umbrella strategy

Performance Assessment

The HRGC conducts an annual evaluation of the Board and its committees' effectiveness and compares the findings with the previous year's evaluation in order to target and implement suggested improvements. In 2025, this evaluation took on the form of an interview with the Chair of the HRGC. The purpose of the interview is to gather candid feedback from Directors on the effectiveness of the Board and its committees and to assess the performance of each Director and provide candid feedback to individual members, thus improving the Board's performance. Such feedback is intended to promote an exchange of ideas, encourage continuing education and enable Board members to enhance their individual contribution to the Board and to committee work.

The HRGC relies on the evaluation process and the competencies required by strategic planning to determine whether a member should withdraw from the Board.

The Board members are evaluated on an annual basis.

The following table indicates what is involved in the evaluation process:

	Evaluator			
	Board Chair	Chair of the HRGC	Each Director	HRGC
Performance of the Board	√	√	√	
Performance of the Committees	√	√	Committee members	
Performance of the Board Chair		√	√	
Performance of the President and CEO	√		√ ^{(1) (2)}	√ ⁽²⁾
Performance of the Committee Chairs	√	√	Committee members	
Performance of each Director	√	√	√	

(1) Evaluation as Director

(2) Evaluation as President and CEO

In addition to providing invaluable information on the efforts the Board must deploy to improve its performance, the evaluation process established by the Corporation encourages discussion on governance and continuing education initiatives.

Independence of Board members

As at October 31, 2024, all Directors, with the exception of Ms. Guérard (being an executive officer of the Corporation), were independent within the meaning of section 1.2 of *Regulation 58-101 respecting Disclosure of Corporate Governance Practices* and the independence standards approved by the Board. The Board, directly or through one of its committees, adopts structures and procedures to ensure the independence of the Board from the Corporation's management.

Directors, at their sole discretion, may hold in-camera sessions, in the absence of non-independent Directors or Executive Officers of the Corporation, at every regularly scheduled Board meeting and also when the need arises. This item is systematically included on the agenda of each Board meeting. For the 12-month period ended October 31, 2024, a total of 47 in-camera meetings of the Board and the committees were held. An in-camera session was held at each meeting of the Board and the committees, without exception. The Board Chair has the power, which she may exercise, to call a meeting of the Board on her own.

Each year, members of the HRGC assess, in camera, the performance of the Board Chair and the performance of the President and CEO without her being present. The members of the HRGC subsequently review the results with the President and CEO and the Board. A report is then made,

in camera, to the Board and further discussed among Board members. Every year, each Director also assesses the Board Chair's performance. A report is subsequently made, in camera, to the Board and further discussed among Board members.

The Board has developed written position descriptions for the Board Chair, each Committee Chair and the President and CEO. These are included in the Corporation's Corporate Governance Manual. Please consult the manual on Transat's website at www.transat.com for a detailed description of the positions of Board Chair as well as President and CEO.

Orientation and Continuing Education

The members of the CGNC (now HRGC) approved an orientation and continuing education program for new Directors that allows them to individually meet certain Executive Officers for initiation and information sessions on the corporate activities of the Corporation and its principal subsidiaries. In this context, the new Directors have the opportunity to meet the President and CEO of the Corporation and the presidents of the subsidiaries and receive directly from each of them a presentation on the activities of their respective business units. Each new Director is also asked to review the Corporate Governance Manual, the Charter of the Board, the Charter of each committee and the position descriptions of the Board Chair, the President and CEO, and the Chair of each committee in order to fully grasp the role he or she is expected to play as a Director and a committee member. Extensive documentation on the Corporation is also provided to new Directors in order to enable them to better understand the Corporation and its role and responsibilities. In January 2022, the CGNC improved the integration process by allowing the new Board members to participate in flash-trainings by videoconferencing with each executive officer totalling eight one-hour blocks over a two-week period. New Directors receive detailed presentation documents before each meeting and are given the opportunity to ask the presenters questions. At the end of the integration process, the new Directors meet with the HRGC Chair to share their experience with the integration process, and are invited to provide the HRGC Chair with their evaluation of the continuing education program.

As part of its mandate, the HRGC is also responsible for providing a continuous education program for members of the Board. This education program focusses on three distinct blocks: the first block focuses on general and governance issues, the second block focuses on the airline industry as a whole, and the third block focuses on issues related to the Corporation. This program provides Directors with opportunities to develop skills that are essential to their role as a Director at Transat and to ensure that they are up-to-date in their awareness of corporate and industry issues and their duties and responsibilities as Directors. This continuous education program is a joint responsibility of the Director and the Corporation.

The Corporation is a member of the Institute of Corporate Directors ("ICD"). This membership allows directors to attend any number of ICD events and discuss matters of current interest. The ICD is a not-for-profit professional association representing Canadian member directors and boards operating in the for-profit, not-for-profit and government sectors and promoting directors' professionalism and efficiency by making professional development tools available to them, particularly formal education programs, continuing education activities, certification processes, including the process leading to the ICD.D. designation, information and resources, and networking opportunities. The ICD offers a wide range of tools, resources and services to its members, which allow them to become better directors and contribute to the creation of high-calibre boards. Many of the Corporation's directors are members of the ICD.

The following table presents some of the training activities for Directors that took place in 2024:

Continuing Education for Directors in 2024		
Topic	Presented by	Directors attending
Presentation on the duties and responsibilities of directors	Fasken	All Directors
Presentation on climate disclosure	Transat A.T. Inc.	Members of the RMCRC and all Directors via the report from the Chair and the minutes
Presentation on risks	Transat A.T. Inc.	Members of the RMCRC and all Directors via the report from the Chair and the minutes
Presentation on computer and cybersecurity risks	Transat A.T. Inc.	Members of the RMCRC and all Directors via the report from the Chair and the minutes
Cybersecurity training	Transat A.T. Inc.	All Directors
Training on the accounting of an aircraft lease	Transat A.T. Inc.	Members of the Audit Committee and all Directors via the report from the Chair and the minutes
General presentation and update on tax developments	Transat A.T. Inc.	Members of the RMCRC and all Directors via the report from the Chair and the minutes.

PART 5 – DIRECTOR COMPENSATION

During the fiscal year ended October 31, 2024, annual retainers and attendance fees were paid to the members of the Board who are not employees or permanent Executive Officers of the Corporation (the “External Directors”).

Considering the pandemic and the unprecedented crisis that affected Transat as well as the entire airline industry and tourism in general, the then External Directors voluntarily agreed to temporarily reduce their compensation and attendance fees by 20% between April 1, 2020, and February 15, 2021. These reductions were imposed once again starting on April 29, 2021, when the Corporation entered into an arrangement with the Government of Canada under the LEEFF. The arrangement’s restrictions were in effect for the entire fiscal year ended October 31, 2024. They provide that director compensation rates cannot be higher than those in effect as at May 8, 2020.

For fiscal 2024, the terms indicated in the last column of the following table applied:

Annual Retainer of External Directors	Usual compensation (not paid in fiscal year 2024) (Last revision: August 2018)	During fiscal year 2024
External Director’s base annual retainer	\$50,000 in cash \$35,000 in DSUs, at \$8,750 per quarter	\$40,000 in cash \$28,000 in DSUs, at \$7,000 per quarter
Additional retainer - Chair of the Audit Committee	\$20,000 in cash	\$16,000 in cash
Additional retainer - Other committee Chairs	\$13,500 in cash	\$10,800 in cash
Additional retainer - Committee members	\$5,000 in cash	\$4,000 in cash
Additional retainer - Lead Director ⁽¹⁾	\$87,500 in cash	\$70,000 in cash
Attendance fees – Compensation per Board or committee meeting	\$1,500 in cash	\$1,200 in cash

(1) An additional amount of \$50,000 in cash as compensation for the independent Chair of the Board was added to the additional compensation of \$20,000 previously paid to the Lead Director.

An Advisory Committee was set up on June 29, 2023, to support and advise management in its analysis and evaluation of the alliance with Porter Airlines Inc. This committee was dissolved on November 27, 2023 following the announcement of the alliance with Porter. The annual compensation of the members of this committee was established as follows:

Compensation of the Chair of the JV Porter Advisory Committee	\$10,800 cash
Compensation of the members of the JV Porter Advisory Committee	\$4,000 cash
Attendance fees per meeting	\$1,200 cash

External Directors can choose to have between 0%, 25%, 50%, 75% or 100% of the annual and additional cash retainers and fees paid in DSUs pursuant to the DSU Plan for External Directors to better link their compensation to the creation of added value for shareholders and other stakeholders. The value of each DSU will be established based on the market price of a Voting Share of the Corporation on the date that such DSU is credited. When External Directors cease serving on the Board, all DSUs credited to their names are redeemed in cash by Transat based on the market price of the issued and outstanding shares of the Corporation at that time. A Director may request that payment of credited DSUs be deferred up to December 1st of the first calendar year beginning after the calendar year in which the Director ceased being a Board member.

Furthermore, a special advisory committee set up on September 19, 2024 is responsible for supporting and assisting management in its efforts to refinance the debt and strengthen the balance sheet.

Monthly compensation of the Chair of the Special Advisory Committee	\$12,000 cash
Monthly compensation of the members of the Special Advisory Committee	\$8,000 cash

These amounts may be reviewed by the Board if circumstances warrant, or if the Committee's mandate extends beyond a six (6)-month period.

External Directors are reimbursed by the Corporation for travel and other out-of-pocket expenses incurred in attending Board or committee meetings. In addition, travel privileges are granted to our Directors under the same policy as that which applies to all of the Corporation's employees. The Corporation regularly performs market comparisons of its Directors' compensation.

Total Compensation of External Directors

The following table sets forth the compensation paid to External Directors during the year beginning November 1, 2023, and ending October 31, 2024.

Director	Fees (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total compensation (\$)
Geneviève Brouillette	77,326	33,503	-	-	-	1,412	112,241
Lucie Chabot	109,433	28,000	-	-	-	490	137,923
Valérie Chort	50,561	50,961	-	-	-	1,102	102,624
Robert Coallier	82,800	28,000	-	-	-	972	111,772
Daniel Desjardins	91,172	50,446	-	-	-	731	142,349
Susan Kudzman	189,501	28,000	-	-	-	615	218,116
Stéphane Lefebvre	51,361	38,961	-	-	-	-	90,322
Bruno Matheu	54,820	39,073	-	-	-	-	93,893
Ian Rae	26,400	71,844	-	-	-	-	98,244
Julie Tremblay	61,961	56,361	-	-	-	-	118,322

Details on the Compensation of External Directors

Name	Paid in dollars (\$)		Paid in DSUs (\$)	
	Base annual retainer ⁽¹⁾	Attendance fees	Optional conversion ⁽²⁾	Base awards ⁽³⁾
Geneviève Brouillette	49,726	27,600	5,503	28,000
Lucie Chabot	73,433	36,000	-	28,000
Valérie Chort	22,961	27,600	22,961	28,000
Robert Coallier	48,000	34,800	-	28,000
Daniel Desjardins	53,972	37,200	22,446	28,000
Susan Kudzman	142,701	46,800	-	28,000
Stéphane Lefebvre	30,961	20,400	10,961	28,000
Bruno Matheu	33,220	21,600	11,073	28,000
Ian Rae	-	26,400	43,844	28,000
Julie Tremblay	28,361	33,600	28,361	28,000

(1) Includes the base annual retainer and the additional retainer as a committee member, paid in cash.

(2) Represents the value of the base annual retainer and the additional retainer as a committee member that the Director chose to convert into DSUs upon payment.

(3) Represents the value of the base annual retainer payable in DSUs.

Table of Outstanding Option-Based and Share-Based Awards

The following table sets forth, for each External Director, the number and value of Voting Share-based awards outstanding at the end of fiscal year 2024 (at a price of \$1.76 per share).

Name of Director	Option-based awards				Share-based awards		
	Number of securities underlying unexercised Options	Option exercise price	Option expiration date	Value of unexercised in-the-money Options	Number of Shares or Share units that have not vested	Market or payout value of Share-based awards that have not vested	Market or payout value of vested Share-based awards not paid out or distributed
	(#)	(\$)		(\$)	(#)	(\$)	(\$)
Geneviève Brouillette	n/a	n/a	n/a	n/a	n/a	n/a	33,368
Lucie Chabot	n/a	n/a	n/a	n/a	n/a	n/a	82,190
Valérie Chort	n/a	n/a	n/a	n/a	n/a	n/a	76,210
Robert Coallier	n/a	n/a	n/a	n/a	n/a	n/a	27,387
Daniel Desjardins	n/a	n/a	n/a	n/a	n/a	n/a	86,055
Susan Kudzman	n/a	n/a	n/a	n/a	n/a	n/a	142,189
Stéphane Lefebvre	n/a	n/a	n/a	n/a	n/a	n/a	61,384
Bruno Matheu	n/a	n/a	n/a	n/a	n/a	n/a	38,354
Ian Rae	n/a	n/a	n/a	n/a	n/a	n/a	117,890
Julie Tremblay	n/a	n/a	n/a	n/a	n/a	n/a	87,600

PART 6 – BOARD COMMITTEE REPORTS

Audit Committee Report



Committee Chair
Lucie Chabot

Members
Lucie Chabot
Robert Coallier
Daniel Desjardins
Susan Kudzman

The Audit Committee helps the Board discharge some of its oversight responsibilities towards shareholders, employees, and all interested parties. This is done by overseeing and monitoring the financial statements of the Corporation and internal control systems, identifying the risks (in collaboration with the RMCRC), performing the statutory audit of the annual financial statements and complying with the laws, regulations and codes as established by management and the Board.

For more information on the Audit Committee (including its charter) as well as its powers and mandate, please refer to our Annual Information Form for the fiscal year 2024 available at www.transat.com.

The four members of the committee are Independent Directors and financially literate within the meaning of the law.

It should be noted that Ms. Annick Guérard attends the meetings of the Committee upon invitation only.

In 2024, the Audit Committee held six meetings, with an attendance rate of 100%.

2024 Highlights

Within the performance of its duties, the Audit Committee regularly acts jointly with Transat’s management and the external auditors. The committee’s main duties and responsibilities over the last year are described below:

- Recommendation to the Board regarding the selection of external auditors and the determination of their compensation for the fiscal year 2025;
- Review of the quarterly financial statements and audit of the annual financial statements, including disclosure and compliance elements;
- Supervision and monitoring of internal financial control developments and assessment of the internal control measures implemented by management;
- Review of current and potential litigation;
- Review and recommendation of the Corporation’s annual budget;
- Review of the Corporation’s financial risks;
- Review of the financing strategy;
- Review of the hedging strategy policy for fuel and currencies;
- Review and recommendation of the policy on financial commitments and procurement;
- Review of the committee’s charter and annual work plan.

Risk Management and Corporate Responsibility Committee Report



Committee Chair

Daniel Desjardins

Members

Valérie Chort
Daniel Desjardins
Susan Kudzman
Bruno Matheu

The RMCRC ensures that the Corporation has a plan with respect to corporate responsibility, risk and sustainability management, periodically reviews the Corporation's practices in these matters and reports thereon to the Board.

The RMCRC's Charter can be promptly provided upon written request and is available on Transat's website at www.transat.com.

The four current committee members are Independent Directors.

It should be noted that Ms. Annick Guérard attends the meetings of the Committee upon invitation only.

In 2024, the RMCRC held four meetings, with an attendance rate of 100%.

2024 Highlights

The committee's main duties and responsibilities over the last year are described below:

- Comprehensive review of all risks and reprioritization of risks;
- Review of risks related to the Corporation's ability to continue as a going concern, environmental risks, reputational risks, financial risks, commercial risks, aviation risks, human resource risks, operational risks, as well as information technology and cybersecurity risks;
- Review of corporate, aviation and directors' insurance plans;
- Review of the financial risks management program;
- Review of the cybersecurity strategy;
- Review of the 2023 supplement to the Climate-related Disclosure Report;
- Review of the Accessibility Plan progress report;
- Review and recommendation of the update to the Corporate Responsibility Plan;
- Review of the Directors' and officers' liability risks;
- Review of the committee's charter and annual work plan.

Human Resources and Governance Committee (HRGC) Report



Committee Chair

Julie Tremblay

Members

Geneviève Brouillette
Robert Coallier
Susan Kudzman
Julie Tremblay

This new committee is the result of the merger, in April 2024, of the CGNC and the HRCC. The HRGC is responsible for establishing the policies regarding the compensation of Executive Officers, the development and training of their successors, and any human resource issues. It continuously supervises the implementation of compensation policies with non-unionized employees. In addition, the HRGC is responsible for the Corporation's approach to corporate governance, including identifying suitable new nominees for membership to the Board and the ongoing assessment of directors.

The HRGC Charter can be promptly provided upon written request and is available on Transat's website at www.transat.com.

All four members of the HRGC are Independent Directors. No Executive Officer of the Corporation serves as a Director or a member of the compensation committee of another issuer, one of whose executive officers also serves as a member of the Board or the HRGC.

It should be noted that Ms. Annick Guérard attends the meetings of the HRGC upon invitation only. Ms. Guérard withdraws from the meeting upon request or if matters relating to her are discussed.

In 2024, the HRGC held three meetings, and its predecessor committees held five meetings (three meetings of the HRCC and two meetings of the CGNC) with an attendance rate of 100%.

2024 Highlights

The main duties and responsibilities of the committee (and the predecessor committees HRCC and CGNC) over the last year are described below:

Human Resources component

- Approval of a budget to increase salaries and adjust salary ranges, a STIP formula and an LTIP formula in cash payable three years after being awarded;
- Approval of 2024 LTIP bonuses and STIP, LTIP and other incentive plan payments made in 2024;
- Examination of the consequences of and compensation restrictions imposed under the LEEFF loan on executive compensation and analysis of potential impacts and risks associated with the compensation programs;
- Approval of amendments to the pension agreements;
- Review of the EOs' objectives for the next year;
- Examination of the performance of the President and CEO, and recommendation of the terms of her compensation to the Independent Directors of the Board for approval as well as the examination, with the President and CEO, of the performance of the other EOs and recommendations as to their compensation;
- Annual review of the employee pension fund yields as well as development and presentation of recommendations to the Board for approval;
- Analysis of potential risks associated with compensation plans;
- Follow-up on the results of the advisory vote on compensation obtained at the annual general meeting of shareholders and the comments relating thereto received from the shareholders;
- Evaluation of the services rendered by the consultants retained regarding senior executive compensation and review of their independence;
- Review of the succession plan for the President and CEO and other EOs;

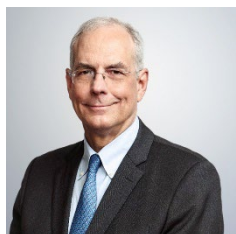
- Update of the status of labour relations and collective bargaining;
- Examination of key human resources indicators.

Governance component

- Review of share ownership requirements, compliance with such requirements by directors and follow-up of interim measures if such requirements are not met;
- Preparation and approval of the disclosure content regarding the compensation paid to the NEOs and the members of the Board via the Management Proxy Circular;
- Preparation and approval of the content of the disclosure relating to compensation paid to NEOs and Directors submitted to the CDEV to show compliance with restrictions imposed by the LEEFF loan;
- Overview of the development of the corporate responsibility strategy;
- Evaluation of the Board and its members;
- Review of the Directors' skills matrix;
- Review of governance trends;
- Review of the ongoing Board renewal process;
- Review of the Committees' charters, the Code of Ethics, the Corporate Governance Manual and the Committee's annual work plan;
- Presentation of a report to the Board on its activities at each regularly scheduled meeting of the Board.

Please read the section on “**Executive Officer Compensation Discussion and Analysis**” for a detailed discussion of our compensation philosophy as well as the NEO compensation programs and policies. All members of the HRGC fully understand the principles and policies underlying the compensation decisions made by an organization of the Corporation’s size acquired through direct experience relevant to their responsibilities in executive compensation, and possess the skills and experience needed to make informed decisions on the suitability of the Corporation’s policies and practices. More specifically, each Committee member has held a number of roles within executive management teams, including chief executive officer, chief financial officer or chief human resources officer. For a detailed description of the positions held by the committee members, please refer to the Director profiles in the section entitled “**Proposed Nominees**” in this Circular.

Special Advisory Committee Report



Committee Chair

Daniel Desjardins

Members

Geneviève Brouillette

Lucie Chabot

Daniel Desjardins

Susan Kudzman

A special advisory committee was set up on September 19, 2024 to support and assist management in its efforts to refinance the debt and strengthen the balance sheet.

The committee is made up of four Independent Directors.

It should be noted that Ms. Annick Guérard also attends the meetings of the Committee upon invitation only.

In 2024, the committee held nine meetings, with an attendance rate of 94.4%.

2024 Highlights

The committee's main responsibilities over the last year are described below:

- Assist management in its efforts to refinance the debt and strengthen the balance sheet;
- Make recommendations to the Board with respect to refinancing the debt and strengthening the balance sheet;
- Consider any matter that the committee considers relevant and make recommendations to the Board.

PART 7 – EXECUTIVE OFFICER COMPENSATION DISCUSSION AND ANALYSIS

Letter to Shareholders

A year of real transformation for Transat

A lot has happened in the last year. Fierce competition in all our areas of activity, economic uncertainty, as well as the costs and inefficiencies associated with the Pratt & Whitney GTF engine issues have led us to launch a comprehensive plan in the summer of 2024 called the Elevation Program, aimed at accelerating the execution of our strategic plan and ensuring long-term profitable growth.

Results that influenced compensation in 2024

Our approach to executive compensation for 2024 is consistent with the programs put in place at the time of the post-pandemic recovery. The short-term incentive (STIP) compensation of our executive officers reflects a level of customer satisfaction that is below ambitious targets set, but nevertheless very acceptable and an adjusted net income well below expectations. Based on these results, the short-term incentive plan generated a payment of 6.5% of salary earned for NEOs for 2024, below the targets set for this plan.

The long-term incentive plan (LTIP) paid in January 2024 generated a payment of 56.1% of the amount awarded in 2021 for NEOs. This plan was designed to achieve financial and strategic objectives, which were partially achieved in both cases. In January 2025, the LTIP awarded in 2022 paid out only 37.5% of the amount awarded. The goal of this plan was to achieve financial and strategic objectives. The financial objectives were not met and the strategic objectives were only partially met, which is consistent with the results and challenges encountered.

Refocusing our priorities and making changes to the 2025 compensation plans

In 2025, we will focus on our Elevation Program, which remains our top priority to accelerate the achievement of results that will improve our financial performance by focusing on value-creating initiatives. The quality of our service continues to set us apart.

This major transformation project served as the backdrop for the overhaul of our STIP and LTIP. The performance indicators adopted are perfectly aligned with the essentials: continuing to satisfy our customers while improving our adjusted EBITA, and over the longer term, improving cash flows. The incentive compensation of our executive officers will be directly linked to the achievement of these objectives, which are essential to the turnaround of our financial position.

Given the particular context we are facing, no salary increase was granted to executive officers as at January 1, 2025.

Restrictions imposed on executive compensation

The total compensation of our executive officers continues to be limited by the restrictions imposed by the LEEFF loan, namely, \$1,000,000 except for those who were already NEOs at the time of the agreement's execution, for whom the limit is set at their total compensation for 2019, which is even more restrictive. These limits make incentive plans based on shares or Options out of our reach.

Over the course of the year, the federal government agreed to adjust the restrictions on the particular situation of our President and CEO, who did not occupy this position at the time the constraints were put in place. Since November 1, 2023, Ms. Guérard's total annual compensation is limited to \$1,000,000 instead of her 2019 compensation level when she held the position of Chief Operating Officer. Corrections for fiscal 2021, 2022 and 2023 were also authorized to recognize the new limit and the fact that Ms. Guérard was President and CEO at the time, having been appointed on May 27, 2021. Despite the easing of these restrictions, Ms. Guérard's compensation remains below the compensation offered in the market for comparable CEO positions.

Annual advisory vote on executive compensation and engagement with shareholders

We are committed to ongoing communication with shareholders. At our last annual meeting, 97.72% of the votes were cast in favour of our approach to compensation. We encourage you to review this Executive Officer Compensation Discussion and Analysis and to vote again.

Conclusion

In conclusion, the Board is of the opinion that Transat's executive compensation has been managed prudently and responsibly, with a view to prioritizing the interests of shareholders and all stakeholders. The major changes made to the incentive compensation programs for 2025 demonstrate the commitment and motivation of our management team to successfully execute the organization's turnaround plan while recognizing that the contribution of all our employees is also very critical.



Julie Tremblay

Chair of the Human Resources and Governance Committee

Usual Compensation Approach and Objectives

In this Circular, the term “**Executive Officers**” or “**EOs**” refers to the officers holding Level 1 to 6 positions in Transat’s salary classification. For information purposes, there were eight EOs on October 31, 2024, namely: Annick Guérard, Joseph Adamo, Bernard Bussières, Julie Lamontagne, Marc Lumpé, Sebastian Ponce, Jean-François Pruneau and Bamba Sissoko.

The term “**Named Executive Officers**” or “**NEOs**” refers to the persons who held the positions of President and CEO and Chief Financial Officer in fiscal 2024, and the three other most highly compensated EOs of the Corporation and its subsidiaries. For fiscal 2024, the Named Executive Officers are Annick Guérard, Jean-François Pruneau, Patrick Bui, Joseph Adamo, Bernard Bussières and Marc Lumpé.

The usual purpose of the Corporation’s EO compensation policy is to provide competitive overall compensation commensurate with the Corporation’s performance. It seeks to attract the most competent people and keep them motivated and committed, in the interest of all the Corporation’s shareholders and other stakeholders. Thus, the aim is to position the fixed compensation at the median of its reference market. The variable compensation elements are designed so that their value varies according to the organization’s performance in order to control the costs when the Corporation does not meet its goals and to reward the executive officers commensurate with the organizational goals achieved and the Corporation’s financial performance to align with the interests of shareholders.

The guiding principles for the usual EO compensation are the following:

Performance based	Competitive Compensation	Alignment with the Shareholders’ Interest
<p>Most of the compensation programs are designed so that the compensation granted or paid is based on the overall performance of the Corporation.</p> <p>Cooperation among employees of the Corporation’s various subsidiaries is essential to the achievement of the business strategy and the compensation programs recognize this principle.</p>	<p>It is crucial for the Corporation to offer its executive officers competitive compensation to attract the best talent and maintain their loyalty.</p> <p>In the competitive context in which the Corporation conducts its operations and in preparing the succession of key executive officers, this guiding principle is essential.</p> <p>The Corporation, in collaboration with independent external advisors, periodically reviews the nature of the compensation programs and their potential value.</p> <p>The Corporation ensures that, on the whole, the value of overall compensation remains competitive in comparison with the practices of comparable companies and the practices of public companies in general.</p>	<p>Several programs of the overall compensation seek to establish a direct correspondence between the interests of the shareholders and the interests of the officers, namely:</p> <ul style="list-style-type: none"> ▪ the Voting Share-based grants; and ▪ the long-term programs linked to the value created for all shareholders. <p>Equity-based compensation as a proportion of overall annual compensation increases with the level of the position, thus strengthening the alignment of the officers’ interests with those of the shareholders.</p>
		<p>As a result of the consequences of and restrictions imposed on compensation under the LEEFF loan, equity compensation is limited and mostly replaced by LTIP bonuses payable in cash three years after their award based on the achievement of objectives. These objectives are among other things related to financial performance and strategic priorities.</p> <p>As long as the compensation restrictions apply, NEO compensation may not be aligned with the competitive compensation that Transat would like to offer them.</p>

Events That Influenced Compensation Decisions

The very particular context in which the Corporation has been evolving during the past years has had a considerable impact on the compensation decisions made.

Large Employer Emergency Financing Facility (LEEFF)

On April 29, 2021, the Corporation entered into an agreement with the CEEFC, a federal Crown corporation, under the Large Employer Emergency Financing Facility (LEEFF) to secure a loan that would be used, among other things, to finance the Corporation’s business resumption activities in the context of the pandemic. The conditions imposed under this agreement provide that NEO compensation at the time of the agreement’s execution, for those that still enjoy this status, cannot exceed the total compensation for fiscal year 2019. If the NEO did not work for the

Corporation in fiscal year 2019 or worked for the Corporation without being an NEO at the time of this agreement's execution, the \$1,000,000 limit applies. No grant of equity-based compensation or Options could be made to NEOs in 2019, and in light of the limitations that are still in effect, our ability to make such grants to certain NEOs is still restricted. Cash bonuses have been awarded in replacement of LTIP grants since 2019. These bonuses are payable 3 years after their award and, since 2021, are entirely conditional on the achievement of certain financial and strategic performance criteria for EOs, including NEOs.

On August 14, 2024, the CEEFC corrected the agreement relating to Ms. Guérard's total annual compensation to bring it to \$1,000,000, rather than her 2019 compensation when she was the Corporation's Chief Operating Officer. The amendment is retroactive to November 1, 2023 (fiscal 2024). The amendment also authorized adjustments for fiscal 2021, 2022 and 2023 to compensate for the difference between the 2019 total compensation limit and \$1,000,000 for those same years, in recognition of her appointment as President and CEO on May 27, 2021. The amount to correct the President and CEO's compensation for fiscal 2021, 2022 and 2023 has been set at \$809,612, consisting of a cash payment of \$404,806 in 2024 plus a cash payment of \$404,806 to be paid in fiscal 2025.

For the purposes of the conditions imposed by the agreement with the CEEFC, total compensation means the total compensation appearing in the "Summary Compensation Table" of the 2019 Management Proxy Circular, not including the value of the pension plan, the value of severance amounts paid and payments aimed at correcting the President and CEO's compensation for fiscal 2021, 2022 and 2023, but taking into account the 12-month period ending 90 days after the fiscal year end for the cash bonus or incentive programs and share- or option-based awards. Finally, share- or option-based awards made at the time of hiring new NEOs externally are excluded.

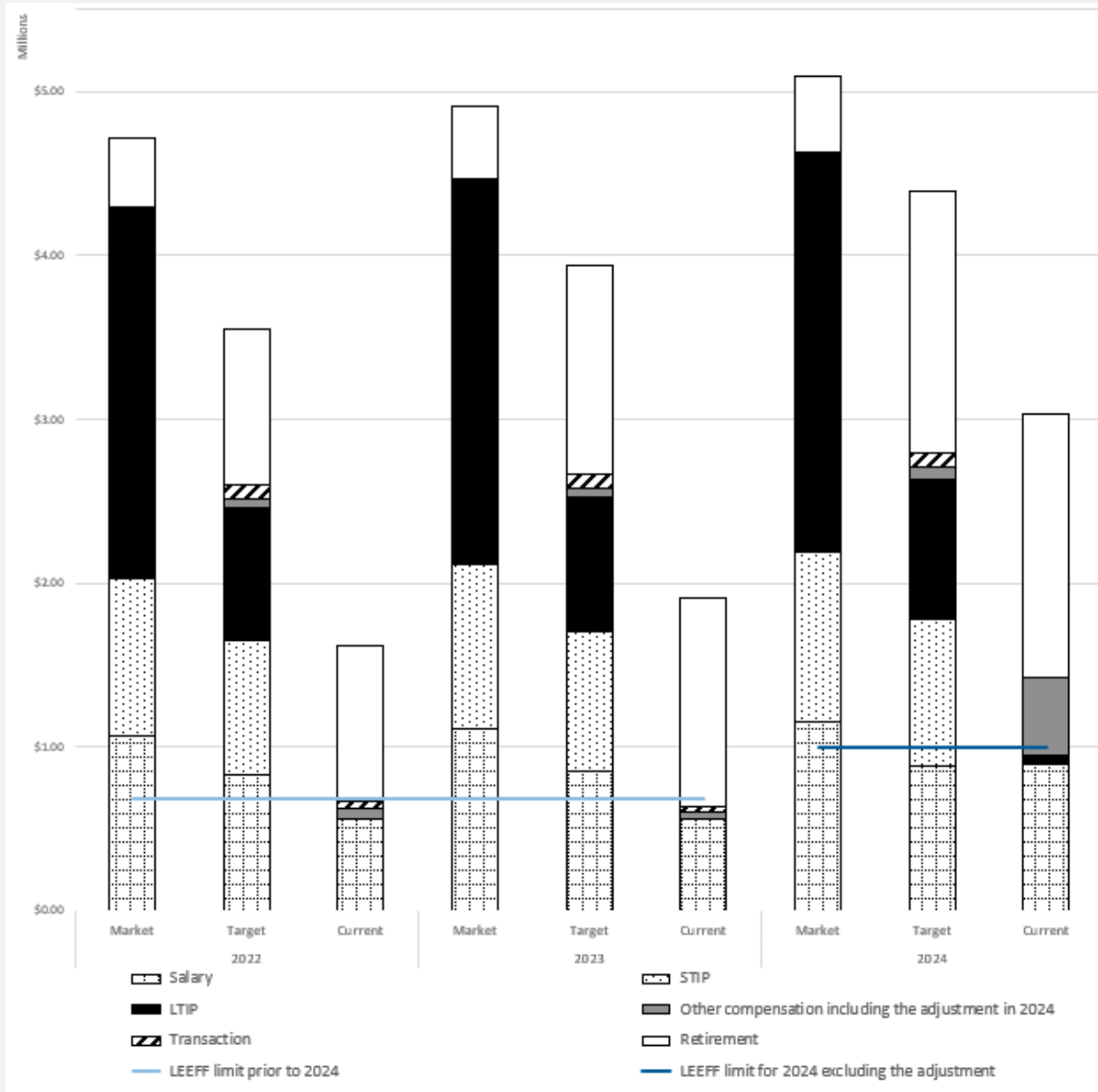
The Corporation believes that it is in compliance with LEEFF compensation restrictions.

Not having been able to grant share units or Options in fiscal 2019 given the trading blackout period that was in effect due to the potential transaction with Air Canada, the Corporation did not deem it appropriate to make any such awards so as to prevent total compensation from exceeding the authorized limits.

Market, Target and Current Compensation for the President and CEO

The graph below illustrates the following findings:

- The target compensation that Ms. Guérard would have been entitled to receive in the last three years under Transat's compensation policy was already significantly lower than the competitive total compensation for comparable CEO positions in the Canadian market (identified in the "Market" column of the chart).
- In addition to and due to the restrictions imposed by the LEEFF (horizontal lines of the graph), the current cash compensation that Ms. Guérard has been able to receive (hatched portion of the "Current" column) has been significantly limited since 2021 and her total compensation ("Current" column of the graph) has remained well below her target compensation and even more below market.



Market total compensation is the competitive total compensation offered to incumbents of comparable CEO positions in the Canadian market.

Ms. Guérard's **target total compensation** includes the target compensation elements that she could have received as President and CEO since her appointment on May 27, 2021, had it not been for the compensation restrictions imposed by the LEEFF loan.

Ms. Guérard's **current total compensation** takes into account the restrictions imposed by the LEEFF loan and whether or not the performance criteria impacting her compensation have been met; it is higher in 2024 due to the amendment approved by the CEEFC in August 2024, as described in this subsection, but remains well below market compensation.

Risks Relating to Compensation and Human Resources

Each year, the HRGC reviews and approves the Corporation's compensation policies and practices, taking into consideration any risks associated therewith, as well as each compensation component.

As part of this review, it was determined that Transat has made all necessary efforts to minimize the consequences and impacts of the LEEFF loan on its EOs' compensation and therefore aims to strengthen the retention of its key employees thanks to the mitigation measures that were implemented: salary surveys, specific analyses of the salary positioning of employees and executives in terms of succession planning or critical positions, important amendments to the short- and long-term incentive plans so as to take into account and comply with the consequences of

and compensation restrictions imposed under the LEEFF loan all while taking into account the interests of the Corporation, shareholders and employees, analysis of the issues related to attracting and hiring employees, and exit interviews to determine whether they are a result of compensation.

The purpose of these measures is to mitigate the risks associated with the departure of key employees, as well as with succession planning, in order to ensure the Corporation's long-term viability, which is essential in the current context.

Additionally, the usual compensation policies and programs have been partially suspended in the context of the Arrangement, i.e. the potential transaction with Air Canada (as defined in the Glossary). Share-based plans have been replaced by cash bonuses owing to the trading blackout implemented in 2019, 2020 and part of 2021, and thereafter to the compensation restrictions imposed under the LEEFF loan. Given this context, the Corporation has made all necessary efforts to optimize the impacts on compensation and to continue promoting the mobilization, retention and alignment of interests with shareholders. The 2024 and 2025 STIPs and the 2022 to 2025 LTIPs were designed to contribute to this objective: they ensure that the variable compensation is subject to (i) the satisfaction of criteria linked to operational and strategic priorities, and (ii) the target cannot be exceeded without a strong financial performance. The compensation of NEOs reflects the very specific context in which the Corporation has been operating since 2019, is appropriate in light of the Corporation's performance and is aligned with the pay-for-performance philosophy.

The Corporation's insider trading guidelines include a provision prohibiting the participation in a hedging transaction that could reduce or limit the economic risk associated with Transat shares or other securities held by an insider or the rights held by an insider in the shares, including, without limitation, Options, DSUs, PSUs, or other Transat securities. The prohibited transactions include the purchase of financial instruments, including prepaid variable forward contracts, equity swaps, call options, put options and other derivatives designed to hedge or offset a decrease in the market value of Transat's equity securities.

Comparison Group

The comparison group is used to establish a total target compensation for EOs that is positioned at the median of the group.

The comparison group was revised in December 2017 to reflect the Corporation's situation. The following criteria are used to select companies to be part of this comparison group:

- size in terms of revenues (from 0.25 to 4.0 times Transat's revenues);
- sector of activity that is similar or has similarities, namely consumer discretionary in general, air transportation or other types of transportation, distribution and retail sectors; and
- head office in the province of Quebec.

The following table shows the comparison group (in effect since 2018), which comprises 17 corporations. Initially, the comparison group included WestJet, The Great Canadian Gaming Corp. and Uni-Select. As they are no longer public companies, these businesses were removed from the comparison group.

Company	Comparable size	Sector of activity			Head office in Quebec
		Consumer discretionary	Air transportation	Distribution and retail	
Air Canada Inc.			X		X
Aimia Inc.		X			X
AutoCanada Inc.	X	X		X	
BMTC Group Inc.		X		X	X
BRP Inc.	X	X			X
Cascades Inc.	X				X

Company	Comparable size	Sector of activity			Head office in Quebec
		Consumer discretionary	Air transportation	Distribution and retail	
Chorus Aviation Inc.	X		X		
Cineplex Inc.	X	X			
Cogeco Communications Inc.	X	X			X
Corus Entertainment Inc.	X	X			
Dollarama Inc.	X			X	X
Metro Inc.				X	X
Québecor Inc.	X	X			X
Richelieu Hardware Ltd.	X	X		X	X
TC Transcontinental Inc.	X				X
TFI International Inc.	X				X
The North West Company Inc.	X			X	

The following table sets forth, for information purposes, some of Transat's financial data compared with the median of the comparison group.

	Revenues (\$M)	EBITDA (\$M)	Market Capital (\$M)	Employees
Transat – as at October 31, 2024	3,284	206	69	5,400
Transat – as at October 31, 2023	3,048	276	115	5,000
Comparison group ⁽¹⁾	2,977	421	2,044	7,600

(1) Data was collected in 2024.

The HRGC reviews the composition of our comparison group as needed and updates the total compensation data from this group. It reviews the positioning of the compensation of the Corporation's EOs within the comparison group as needed to ensure that it remains coherent with the objective of reaching the median, particularly in view of the evolution of the group's compensation practices and the market in general, and the Corporation's relative financial results.

The HRGC also reviews general compensation surveys to compare the Corporation's compensation policies with the generally accepted practices for public companies. Given the consequences and restrictions imposed on compensation by the LEEFF loan, the last market benchmarking exercise was carried out in 2021 when Ms. Guérard was appointed President and CEO.

External Advisors

In fiscal 2024, WTW was retained to obtain advice on corporate governance and EO compensation. WTW reports to the HRGC. Although the advisors from this firm contribute to the Committee's discussions by their expertise and knowledge of compensation and of Transat, the decisions are made by the HRGC, which remains accountable and may consider factors other than those raised by WTW.

Occasionally, this firm is solicited by other committees of the Board and by executives to perform work other than what was mandated by the HRGC. WTW performs such work only with the pre-approval and concurrence of the HRGC.

During fiscal year 2024, WTW performed work concerning EO compensation, more specifically concerning their compensation in the context of the consequences of and compensation restrictions imposed under the LEEFF loan.

The following table shows the total fees paid to WTW for services rendered in 2023 and 2024:

Services provided by WTW	2024 (\$)	2023 (\$)
Executive Compensation – Related fees	41,012	n/a
Other fees ⁽¹⁾	38,774	n/a
Total	79,786	n/a

(1) Includes survey purchase fees, Affinity business line fees, related to consulting services and actuarial services relating to the travel insurance program offered through Transat Distribution Canada, and brokerage fees.

Before retaining the services of WTW, Transat obtained the services of the consulting firm Gallagher for EO compensation. Gallagher among other things assisted the Corporation in its assessment of the risks relating to its compensation policies and programs. Gallagher’s services were also solicited by the CGNC before it merged with the HRCC for the purpose of the Board’s assessment process, as described in the section entitled “Performance Assessment.”

Since 2022, Gallagher has supported Management in the compliance exercise related to the Pay Equity Act and the management of compensation. These mandates were assigned to a separate team of professionals than the one advising the HRGC.

The Corporation paid the following fees to Gallagher for the services rendered in 2023 and 2024:

Services provided by Gallagher	2024 (\$)	2023 (\$)
Executive Compensation – Related fees	69,720	87,768
Other fees ⁽¹⁾	33,850	195,837
Total	103,570	283,605

(1) Includes fees related to pay equity, the Board assessment process and outsourcing services for the human resources department.

Usual Total Compensation Components

The following table summarizes the usual components of the global compensation policy of EOs.

It is common to use many variable compensation plans in publicly traded corporations that are similar in size to Transat. The variety of plans allows for a better balance of the plans whose vesting occurs over time (the option- or share-based plans encourage the retention of eligible employees and share price increase) and those whose vesting is subject to performance targets (encouraging operating performance in addition to share performance, and its effects on retention). The STIP and the PSUs are based on operational and financial performance, whereas the Options and the Transaction program are based on the passage of time as well as share price.

It is also important to link compensation to different time horizons in order to promote a sustained performance over the short-, mid- and long-term. The STIP encourages short-term performance, whereas the PSUs and the Transaction program are based more on mid-term performance, and Options are oriented over a longer term.

	Usual compensation components	Objectives	Compensation period	Criteria
FIXED	Base Salary	<ul style="list-style-type: none"> Recognize the level of responsibility, competencies and contribution to the Corporation's results Attract, retain and motivate 	Ongoing	Level of the position, competencies, individual contribution and reference market
	Benefits (group insurance)	<ul style="list-style-type: none"> Cover the executive and their family adequately (illness, dental, disability, death) 	Ongoing	According to the competitive market data; some projections directly related to salary
	Perquisites	<ul style="list-style-type: none"> Facilitate access to certain services to favour prioritization of the Corporation's business 	Ongoing	Level of the position
	Retirement plans: <ul style="list-style-type: none"> Defined Contribution Plan (DC) Executives defined benefit pension plan (DB) 	<ul style="list-style-type: none"> Encourage long-term commitment of the executive by contributing to retirement income Ensure a certain financial security at retirement Attract and retain 	Ongoing	Level of the position
VARIABLE	Short-term incentive opportunity <ul style="list-style-type: none"> Short-term incentive plan ("STIP") 	<ul style="list-style-type: none"> Achieve and exceed annual corporate financial and operational goals 	1 year	Be in office at the time of the STIP payment Transat ANI (replaced by the adjusted EBITDA in 2025) Customer satisfaction
	LTIP bonus	<ul style="list-style-type: none"> Achieve and sustain exceptional performance Promote retention through vesting conditions (3 years) 	3 years	Transat ANI Net debt Financial objectives related to refinancing activities Objectives tied to corporate responsibility Digitization In 2025, these criteria are replaced by a cash flow objective
	Mid- to long-term incentive opportunity <ul style="list-style-type: none"> Permanent stock ownership incentive plan (Transaction program) 	<ul style="list-style-type: none"> Support the achievement of shareholding guidelines 	3 years	Individual level of investment
	PSUs⁽¹⁾	<ul style="list-style-type: none"> Create value and increase share price Encourage share ownership Achieve the Corporation's medium-term financial goals Promote retention through vesting conditions (3 years) 	3 years	Transat ANI Total shareholder return
	Options⁽¹⁾	<ul style="list-style-type: none"> Encourage share ownership Create value and increase share price Promote retention through vesting conditions (3 years) 	7 years	Transat share price

(1) Starting in 2019, the PSU and Option grants were replaced by a cash bonus payable three (3) years after being awarded (or upon the closing of the Arrangement if the closing were to occur before the end of the three-year period for the 2019 bonus). Since 2021, all LTIP bonuses are linked to performance criteria for NEOs and other EOs. For the other eligible employees, 25% of the LTIP cash bonus is variable in 2021, 50% in 2022, 75% in 2023 and 100% in 2024 and 2025.

Details on each NEO compensation component are provided on the following pages.

Base Salary

For the purposes of internal equity, our senior executive positions are first evaluated and classified into different salary grades based on responsibilities, competencies, contribution to the Corporation's results and other conditions specific to each position. The senior executive positions are then compared to other similar senior executive positions in corporations making up our comparison group, and the salary data gathered are then analyzed to establish the median salaries in the market. Salary scales with minimums and maximums are then developed

based on the average of the market medians. Finally, the individual incumbents' salaries are positioned in the scales according to their competencies and experience.

Usually, the scales are reviewed annually according to the market movements. Individual salaries are usually revised annually, depending on the evaluation of the contribution to the Corporation's results and the evolution of the incumbent's competencies, as well as his positioning in the salary scale. The EOs' base salaries are reviewed by the HRGC, usually in the first quarter of each fiscal year.

Employee Benefits Program

The Canadian group insurance plan includes life insurance, medical insurance, dental insurance and disability insurance. This plan is designed to provide adequate protection to all employees, including EOs and their families in the event of death, disability, illness, etc. The design of the group insurance plan is based on four guiding principles: financial security, flexibility of choice, simplicity and control of the increase in costs. No change was made to Transat's group insurance plan in 2024.

Perquisites Program

The perquisites program provides for the allocation of a dollar value expressed as a percentage of the base salary (which varies between 8% and 10%, according to the position held), in order to cover certain business expenses. This amount is granted instead of any other allowance that could be paid or any reimbursement that could be made, such as an automobile allowance, reimbursement of club membership fees, reimbursement of financial services fees, etc. Transat's total compensation policy provides that the dollar value of perquisites should be close to the comparative market median. No change was made to the Corporation's perquisites program during fiscal year 2024.

Retirement Plans

<p>Defined Benefit Plan (for NEOs residing in Canada)</p>	<p>The Corporation's EOs are eligible to participate in a defined benefit pension plan under individual pension agreements entitling them to receive, starting at 65 years of age, a monthly retirement pension representing 1.5% of the average final base salary over five years per year of credited service. The eligible officers who began participating in the plan prior to 2015 have a staggered pension determination scale ranging from 1.5% to 2.0%. For more details, see the section entitled "Pension Plan Benefits."</p>
<p>Defined Contribution Plan (for NEOs residing in Canada)</p>	<p>To qualify for the Defined Contribution Plan, the executive officers must first participate in the Transat retirement plan for non-unionized employees, which includes an employee contribution paid to the RRSP and an employer contribution paid to the DPSP. For senior executive positions, each contribution is equal to 2%, up to the maximum contributions permitted by the <i>Income Tax Act</i> (Canada).</p> <p>Please refer to the section entitled "Pension Plan Benefits" for more details on the retirement plan provisions.</p>

Short-Term Incentive Plan ("STIP")

The objectives of the STIP are to:

- Motivate the employees and executives of the Corporation and its subsidiaries to support the growth of profit margins;
- Strengthen the connection between compensation, profitability and corporate performance; and
- Offer competitive compensation aligned with Transat's compensation philosophy, namely, to encourage and reward success through collective work.

About the STIP since fiscal year 2022

Faced with the difficulty of setting realistic financial objectives and satisfying the prerequisite triggering a payment relating to the other objectives applicable before 2022, in other words of generating a positive ANI in the context of the pandemic and the resumption of operations, changes were made to the STIP since 2022.

The targets to be achieved in terms of financial and operational objectives are recommended by the HRGC and approved by the Board on an annual basis. At the end of the fiscal year, the HRGC reviews the results achieved in relation to the usual performance criteria and targets.

The following table presents the STIP's structure since 2022 as well as the performance criteria used for the STIP in 2024.

	The first 3% of the target bonus	Target bonus over 3% and up to 10% of base salary	Target bonus over 10% of base salary
Component	Retention	Operational	Financial
Description	This component seeks to retain personnel and is paid automatically	This component is based on the achievement of operational objectives	This component is based on the achievement of financial objectives
Performance criteria for fiscal year 2024	Be in office at the time of the STIP payment	Customer satisfaction (CSAT)	Based on the achievement of one financial objective (ANI)
Any payout above target and up to the maximum depends exclusively on financial objectives being exceeded and cannot represent more than 50% of the ANI available to shareholders.			

The following table presents the bonuses at the minimum, target and maximum levels, expressed as a percentage of the base salary, for each NEO.

	Minimum	Target	Maximum
% of the bonus	0%	100%	200%
Annick Guérard ⁽¹⁾	0%	100%	200%
Jean-François Pruneau ⁽²⁾	0%	50%	100%
Joseph Adamo	0%	37.5%	75%
Bernard Bussières	0%	37.5%	75%
Marc Lumpé	0%	50%	100%

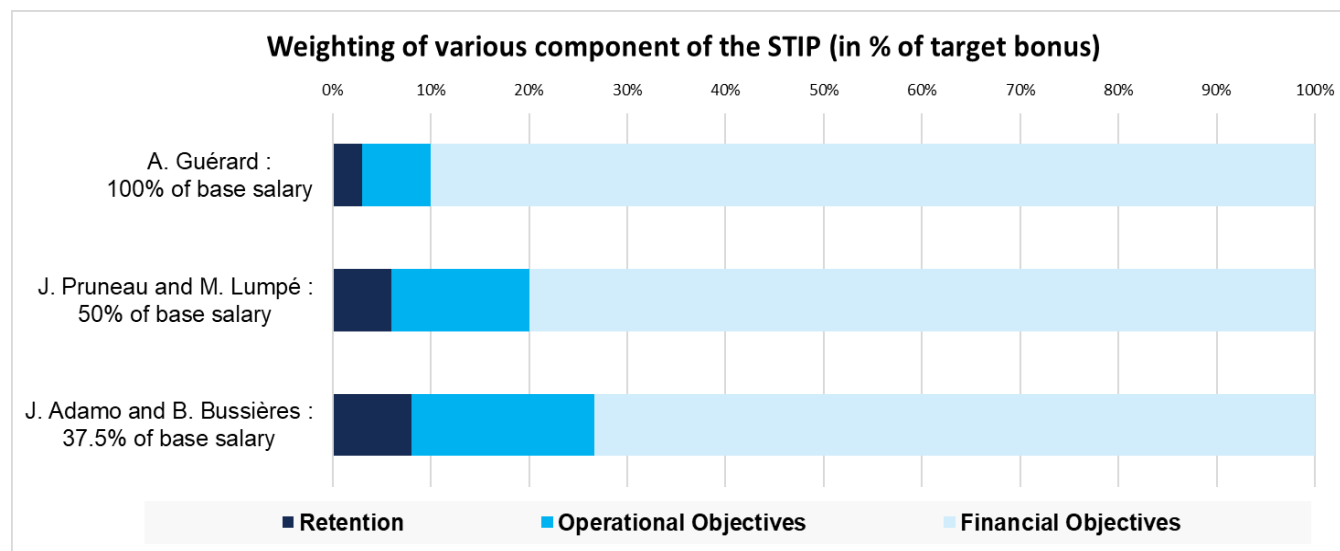
(1) Ms. Guérard was appointed President and CEO of the Corporation on May 27, 2021. Her target bonus was then revised to 100% and her maximum bonus to 200% of her base salary under the STIP. These changes only came into effect on November 1, 2023, retroactively, following the approval of the amendment to the CEEFC on August 14, 2024.

(2) Mr. Pruneau was appointed Chief Financial Officer of the Corporation on January 9, 2024. The STIP bonus is calculated pro rata to the time worked during the financial year.

For all the NEOs, the bonus calculation formula for 2024 is as follows:

$$\text{Base Salary} \times \text{Target Bonus} \times \text{Sum of weighted results} = \text{Bonus paid}$$

The following graph illustrates the weighting of the three component metrics of the 2024 STIP based on the target bonus percentage for each eligible NEO.



STIP paid in Fiscal Year 2024

For the fiscal year ended October 31, 2024, the amount of bonus payable corresponds to the sum of the payment of the retention component (3.0%), 50% of the operational component (3.50%), and 0% of the financial component. The STIP paid corresponds to 6.5% of base salary for all NEOs who received a 2024 STIP payment.

Customer satisfaction levels (CSAT) reached 76%, resulting in the payment of the operational component’s 50% target.

The financial component did not generate any payments as the 2024 ANI is below the threshold.

Messrs. Pruneau, Adamo and Lumpé were able to receive the entire bonus owing to them under the STIP, i.e., \$26,625, \$24,054 and \$31,551, respectively. Given the compensation restrictions imposed under the LEEFF loan, Ms. Guérard and Mr. Bussièrès did not receive any cash payments of the \$57,843 and \$25,265, respectively, owing to them. Mr. Bui was unable to receive a bonus, having voluntarily left the organization on December 15, 2023.

Long-Term Incentive Plan (“LTIP”)

The usual long-term incentive plans established by the Corporation are designed to motivate executives to achieve long-term goals and thus contribute to the increase in the value of the capital invested in the Corporation by the shareholders. Their objective is also to ensure a target compensation value that serves to position the total compensation at the median of our comparison group when all targeted results are achieved, with the potential to exceed the median of the comparison group if results are exceptional.

Usual plans	Objectives	Vesting/Performance rules
Permanent stock ownership incentive plan (“Transaction program”)	<ul style="list-style-type: none"> Support the achievement of shareholding guidelines 	<ul style="list-style-type: none"> 1/3 of the shares vest on January 10 of the 1st, 2nd and 3rd years following the award year On condition of participation in the share purchase plan

Usual plans	Objectives	Vesting/Performance rules
PSUs ⁽¹⁾	<ul style="list-style-type: none"> ▪ Create value and increase share price ▪ Encourage share ownership ▪ Motivate achievement of the Corporation's medium-term financial goals ▪ Promote retention through vesting conditions 	<ul style="list-style-type: none"> ▪ PSU vesting is subject to the achievement of a performance rule valid for a 3-year cycle
Stock options	<ul style="list-style-type: none"> ▪ Create value and increase share price ▪ Promote retention through vesting conditions 	<ul style="list-style-type: none"> ▪ 1/3 of the Options vest after 1 year, 2/3 after 2 years, 1/3 after 3 years ▪ Expected lifetime of 7 years

(1) The last outstanding PSUs awarded vested or were cancelled on June 30, 2021. Since then, there are no unvested outstanding PSUs.

Employee Share Purchase Plan

The Employee Share Purchase Plan is a compensation plan designed to encourage employees to become shareholders of the Corporation and stimulate their interest in increasing the price of the Corporation's shares. The Transcapital and Transaction programs are directly tied to the Employee Share Purchase Plan.

The Share Purchase Plan for the Benefit of All Employees or Executives of Transat is directly tied to the Transaction program and to the Transcapital program as regards the total number of shares that may be subscribed for or that are issuable to a single person (five percent (5%) of the number of issued and outstanding Voting Shares). For each enrolment period, no member may subscribe for a number of Variable Voting Shares or Voting Shares of which the aggregate subscription price exceeds 10% of his or her annual salary in effect on the enrolment date.

The number of shares collectively issuable to the Corporation's insiders under the Employee Share Purchase Plan and any other related share purchase plan must at all times be less than the majority of the shares issuable under the Employee Share Purchase Plan.

The number of shares issuable to insiders at any time under the Employee Share Purchase Plan and all other share-based compensation plans of the Corporation cannot exceed ten percent (10%) of the number of issued and outstanding shares of Transat, and the number of shares issued to insiders within any one-year period under the Employee Share Purchase Plan and all other share-based compensation plans of the Corporation cannot exceed ten percent (10%) of the issued and outstanding shares.

The Employee Share Purchase Plan enables participating employees to subscribe, on a monthly basis and by means of payroll deductions, for Voting Shares issued from Transat's treasury at the then-current market price, namely the weighted average of the closing prices on the TSX over the five (5) trading days preceding the subscription of shares, less a 10% discount. No member may sell all or part of the Voting Shares subscribed for under this Plan prior to July 1 of the year following that in which the shares were subscribed, on which date the subscribed shares become unrestricted.

Notwithstanding the foregoing, a member may sell all of the Voting Shares subject to this plan prior to the July 1 date mentioned above should Transat undergo a Change of Control. For the purposes of the Employee Share Purchase Plan and for a more detailed explanation of a Change of Control, we refer you to the full text of the amended plan set out in Schedule B hereto.

The Employee Share Purchase Plan provides that holders of a majority of Voting Shares must specifically approve (i) any increase in the maximum number of Voting Shares issuable under the Employee Share Purchase Plan other than for standard anti-dilution purposes, (ii) any increase in the discount percentage, or (iii) any amendment to the Corporation's contribution under the Employee Share Purchase Plan, and that any other amendment to the Employee Share Purchase Plan does not require shareholder approval.

Examples of amendments that may be made without shareholder approval include, more specifically, the following:

- i. Formal minor or technical amendments to any provision of the Employee Share Purchase Plan;
- ii. Corrections to the provisions of the Employee Share Purchase Plan containing an ambiguity, defect, error or omission;
- iii. Changes to provisions governing the release of Voting Shares;

- iv. An addition to or amendment of provisions pertaining to any form of financial assistance provided to the members by the Corporation with a view to facilitating the purchase of Voting Shares under the Employee Share Purchase Plan.

The rights and privileges conferred on a member under the Employee Share Purchase Plan are non-transferrable.

In the event of the employment termination, retirement, death or permanent disability of a member of the plan, all shares subscribed for by the member, whether they had become unrestricted or not, would automatically become unrestricted.

During the fiscal year ended October 31, 2024, we issued a total of 776,833 Voting Shares under this plan. As at October 31, 2024, the maximum number of shares available for future issuance under the Employee Share Purchase Plan is 1,401,689 Voting Shares (i.e., 3.57% of the issued shares).

Beginning on February 1, 2019, and depending on the date on which an employee became an insider under the Arrangement, the plan was suspended for that employee. The plan was suspended on June 27, 2019, for all other employees. Finally, the plan was reactivated on January 1, 2022.

The Board bears full responsibility for the Share Purchase Plan and the Transaction program. Please see the description of the Transaction program for explanations on the Board's responsibility.

Permanent Stock Ownership Incentive Plan (the "Transaction program")

The Employee Share Purchase Plan and Transaction program are part of the long-term variable compensation of the Corporation's EOs and seek to encourage EOs to become and remain shareholders of the Corporation, to stimulate their interest in increasing the price of the Corporation's shares and to promote their retention. The objective of the Permanent Stock Ownership Incentive Plan is also to encourage the members to meet or exceed the shareholding guidelines adopted by the Corporation by awarding each eligible executive officer shares for which the total purchase price is equal to the percentage of salary invested by the said executive in the Share Purchase Plan.

The Transaction program is directly tied to the Transcapital program and to the Share Purchase Plan for the Benefit of All Employees or Executives of Transat as regards the total number of shares that may be subscribed for or that are issuable to a single person (5% of outstanding shares) or insiders of Transat (collectively, less than a majority of shares available under the plan, and less than 10% of the outstanding shares at any time).

The Transaction program gives participating EOs who subscribe, on a monthly basis, by means of payroll deductions, for Voting Shares issued out of Transat's treasury under the Share Purchase Plan to benefit from an additional contribution from the Corporation in an amount equal to the officer's contribution, and this by means of a purchase made on the secondary market at the market price.

The following table presents the principal terms of the Employee Share Purchase Plan and the Transaction program as at October 31, 2024:

Maximum number of Issuable Shares	The maximum number of issuable shares under the Share Purchase Plan is 1,947,901, which number was approved by the shareholders. Of these shares, 1,401,689 are available for future issuance.
Eligible Members	Designated Executive Officers of the Corporation.
Participation Level	The NEOs and all other EOs may subscribe for a number of shares the total subscription price of which is equal to between 0% and 5% or between 0% and 10% (based on position level) of the Executive Officer's base salary.
Subscription Price	The subscription price under the Share Purchase Plan is equal to the weighted average of the shares' closing price on the TSX for the five trading days preceding the share subscription, to which a 10% discount is applied for those shares subscribed for out of the officers' contribution.
Contribution of the Corporation	The Corporation contributes an amount equal to the officer's contribution, and this by means of a purchase made on the secondary market at the market price.
Market Price	The market price to determine the number of shares allocated corresponds to the closing price of the shares on the TSX on the date the shares to be allocated by the Corporation are purchased.

Vesting Terms	One-third of the allocated shares vest on January 10 of each of the three years following the year in which they are awarded. The shares subscribed for in the context of the Share Purchase Plan are released (become unrestricted) on the third January 1 following the end of the calendar year in which they were subscribed.
Payment Terms	The shares of the Corporation that have vested to the members, following their contributions by way of payroll deductions, are subscribed from Transat's treasury, and the Corporation's contribution is made with shares purchased on the secondary market.

The Transaction program was progressively suspended for insiders beginning February 1, 2019. The employer's contribution was replaced by a cash payment. These cash payments ended December 31, 2021, as the program was reactivated on January 1, 2022. Consequently, for the November 1, 2020, to December 31, 2021, period, no share was awarded to the EOs under the Transaction program.

During the fiscal year ended October 31, 2024, a total of 57,229 shares valued at approximately \$150,727 (\$234,120 in 2023) were awarded under the Transaction program.

The Board bears full responsibility for the Transaction program and the Share Purchase Plan. It has the power to adopt, amend, suspend or terminate them, as it may deem necessary and desirable and in compliance with the rules established by the regulatory authorities.

However, the following amendments require the approval of a majority of the shareholders present at a meeting:

- Increase in the maximum number of shares issuable under the Share Purchase Plan other than for standard anti-dilution purposes;
- Increase in the discount percentage offered under the Share Purchase Plan; or
- Increase in the Corporation's contribution.

Stock Ownership and Capital Accumulation Incentive Plan for the Non-Unionized Employees (the "Transcapital program")

The Employee Share Purchase Plan and Transcapital program are part of the compensation package offered to the Corporation's employees and seek to encourage its employees to become shareholders of the Corporation and stimulate their interest in increasing the price of the Corporation's shares.

The Transcapital program is directly tied to the Share Purchase Plan for the Benefit of All Employees or Executives of Transat and to the Transaction program as regards the total number of shares that may be subscribed for or that are issuable to a single person (5% of outstanding shares) or insiders of Transat (collectively, less than a majority of shares available under the plan, and less than 10% of the outstanding shares at any time).

The Transcapital program enables participating employees who subscribe, on a monthly basis, by means of payroll deductions, for Voting Shares issued out of Transat's treasury under the Share Purchase Plan to benefit from an additional contribution from the Corporation made from shares it purchases on the secondary market.

The following table presents the principal terms of the Employee Share Purchase Plan and the Transcapital program as at October 31, 2024:

Maximum Number of Issuable Shares	The maximum number of issuable shares is 1,947,901 under the Share Purchase Plan, which number was approved by the shareholders. Of these shares, 1,401,689 are available for future issuance.
Eligible Members	The eligible employees must have completed six months of continuous service and must not participate in the Transaction program.
Participation Level	Eligible employees can subscribe monthly for a number of shares representing between one and five percent (1% to 5%) of their base salary and receive a contribution from the Corporation. In addition, employees can subscribe monthly for additional shares up to a total of 10% of their annual base salary, without, however, receiving a contribution from the Corporation for any shares subscribed for in excess of five percent (5%) of their base salary.
Subscription Price	The subscription price under the Share Purchase Plan is equal to the weighted average closing price of the shares on the TSX for the five trading days preceding the share subscription, to which a 10% discount is applied for those shares subscribed for out of the employees' contribution.

Contribution of the Corporation	The Corporation contributes an amount equal to 30% or 60% of the employee's contribution (up to five percent (5%) of the base salary), and this by means of a purchase on the secondary market at the market price.
Market Price	The market price to determine the number of shares allocated corresponds to the closing price of the shares on the TSX on the date the shares to be allocated by the Corporation are purchased.
Vesting Terms	All shares subscribed for and granted in respect of a calendar year become unrestricted on July 1 following the end of the calendar year in which they were subscribed for or granted.
Payment Terms	The shares of the Corporation that have vested to the members, following their contributions by way of payroll deductions, are subscribed from Transat's treasury, and the Corporation's contribution is made with shares purchased on the secondary market.

Beginning on February 1, 2019, and based on the date on which an employee became an insider under the Arrangement, the plan was suspended. The plan was finally suspended for all non-insider employees on June 27, 2019, the date on which the first arrangement agreement related to the Arrangement was executed. The employer's contribution was replaced by cash payments, which ended on December 31, 2021, as the program was reactivated on January 1, 2022.

During the fiscal year ended October 31, 2024, a total of 307,356 shares valued at approximately \$786,449 (\$552,107 in 2023) were awarded under the Transcapital program.

The Board bears full and complete responsibility with regard to the Transcapital program. It has the power and authority to adopt, amend, suspend or terminate the program, as it deems necessary or desirable and in compliance with the rules established by the regulatory authorities.

However, approval by a majority of the shareholders present at a meeting is required for amendments that would increase the maximum number of Shares issuable other than for standard anti-dilution purposes.

Annual Long-Term Incentive Opportunity

The following table sets forth, for each NEO, the target value of each component of the long-term incentive program in effect during fiscal year 2024. The value of the bonus represents the LTIP target value normally granted.

Name	Annual long-term incentive opportunity ⁽¹⁾		
	PSU Grants	Option Grants	Transaction program - Share grants ⁽³⁾⁽⁴⁾
	Par value = [# of PSUs x price per share on date of grant ⁽²⁾] / salary	Notional par value = [# of Options x price per share on date of grant ⁽²⁾] / salary	Par value = [# of shares x price per share on date of grant] / salary
Annick Guérard ⁽⁵⁾	65.0%	60.0%	10.0%
Jean-François Pruneau	45.0%	37.5%	10.0%
Joseph Adamo	35.0%	30.0%	10.0%
Bernard Bussièrès	35.0%	30.0%	10.0%
Marc Lumpé	45.0%	37.5%	10.0%

(1) The annual grants and awards under the long-term incentive program are determined according to the par value contemplated for the level of the position.

(2) The price for the Options granted and for the PSUs awarded is determined according to the weighted average trading price of Transat Voting Shares on the TSX for the five trading days preceding the date of grant or award. In the case of Options, however, the price used for calculation purposes cannot be less than \$12. If the share price is below that figure, the actual par value is therefore lower than the theoretical par value. This rule, one of the objectives of which is to limit stock dilutions, was not applied to the calculation used to determine the value of the Options replaced by a cash bonus, as this bonus is not dilutive and presents a limited potential for appreciation.

(3) The value of the shares awarded under the Permanent Stock Ownership Incentive Plan depends on the value invested by the member in the Share Purchase Plan for the Benefit of All Employees, subject to a maximum for the level of the position, expressed as a percentage of the salary. The price upon the award is equal to the purchase price of the shares on the secondary market.

(4) Although all NEOs have the same opportunity, namely 10% of their salary, the actual percentage may be lower due to individual participation decisions.

(5) Ms. Guérard was appointed President and CEO of the Corporation on May 27, 2021. Her annual long-term incentive opportunity was revised to 75% for Options and 85% for PSUs. However, these changes did not come into effect in May 2021 owing to the consequences of and compensation restrictions imposed under the LEEFF loan. Following the approval of the amendment to the CEEFC on August 14, 2024, Ms. Guérard's compensation was increased retroactively to November 1, 2023. However, the Option and PSU targets will only be increased to 75% and 85% respectively as of fiscal 2025.

PSU Plan

The PSU plan is administered by the HRGC. The HRGC determines the number of PSUs that will be awarded and may amend, suspend or cancel the PSU Plan or the terms and conditions of any PSUs granted under this plan. However, no amendment, suspension or cancellation may be made, where appropriate, (a) without obtaining the required approvals from regulatory authorities; (b) without obtaining the consent of the participant, if this has the effect of modifying or compromising the rights pertaining to the PSUs already granted. If the plan is terminated, the HRGC may, as its option, choose to accelerate the vesting schedule and the vesting date stipulated in a PSU grant agreement according to the conditions it establishes at that time. The HRGC may also establish, at the time of each grant, in accordance with the restrictions set out in the PSU Plan, the grant date, the vesting date, the financial performance criteria that must be achieved for the purposes of granting PSUs or the vesting of all or part thereof, if applicable, and other special conditions applicable to a grant of PSUs under the PSU Plan. Moreover, the Board may amend the PSU Plan at any time in its sole and absolute discretion and without the consent of the participants, provided that it does not reduce the number of PSUs already credited to a participant's individual registry before the amendment.

EOs have not held PSUs since July of 2021. In accordance with the provisions of the PSU plan, the last PSUs vested or were cancelled after the trading blackout period was lifted in June of 2021.

Vesting of PSUs during Fiscal Year 2024

No PSU vested during fiscal year 2024. Currently, there are no granted but unvested PSUs outstanding.

2016 Option Plan

In January 2016, the Board approved the adoption of a new Option plan (the “**2016 Option Plan**”), replacing the Option plans approved in 2009 and 1995. For clarity, all Options granted under the 2009 Plan and the 1995 Plan remain subject to the respective terms and conditions of these plans. Differences with the 2016 Option Plan are identified in the section entitled “**2009 and 1995 Option Plans**.” The plan allows a member to purchase a share of the Corporation at a fixed price at the time of granting.

On December 13, 2017, the Board approved by way of resolution an amendment to the definition of the Change of Control clause of the 2016 Option Plan. This definition now extends, among other things, to an event where a majority of the voting securities for the election of the Directors of Air Transat A.T. Inc. and Transat Tours Canada Inc., collectively, are sold or assigned. This amendment does not require shareholder approval, seeing as the 2016 Option Plan provides that such amendments may be made at the Board's discretion.

The following table presents the principal terms of the 2016 Option Plan:

Maximum Number of Securities Issuable as at October 31, 2024	Reserve: 1,517,653 and outstanding Options: 369,702 Total: 1,887,355 (4.81% of the issued and outstanding Voting Shares)
Reserve	Expired or cancelled Options are put back into the reserve for future grants only if they do not represent more than five percent (5%) of the outstanding Voting Shares of the Corporation. Options in excess of 5% will be cancelled. Options that have not yet been granted under the 2009 and 1995 plans have been transferred to this reserve.
Eligible Members	Executives and other eligible employees of the Corporation and its subsidiaries. ⁽¹⁾ The options granted under the 2016 Option Plan are non-transferrable.
Exercise Price	Weighted average trading price of the shares of the Corporation on the TSX for the five trading days preceding the grant.
Vesting Terms	One-third of the initial grant per year on each of the first three anniversary dates of the grant. In the event of Change of Control, any Option granted and not vested may be exercised, and the Board may force the exercise of any Option granted, whether vested or not, according to the terms and conditions prescribed by the Board.
Performance Criterion	Vesting of the Options is not subject to the achievement of any performance rule.
Payment Terms	When the Options are exercised, the member acquires the shares of the Corporation.
Term	Generally, the Options have a lifespan of seven years. If the expiry date of an Option falls within a blackout period (or within 10 business days after the end of a blackout period), the expiry date will be postponed to the 10 th day after the end of the trading blackout period.

Participation	<p>The number of Voting Shares which may be subscribed for by a single person (including any insider and associate of such person within the meaning of the <i>Securities Act</i> (Quebec), within a one-year period, under this Plan and any other option plan or voting share purchase plan of the Corporation, shall not represent more than five percent (5%) of the Corporation's issued and outstanding shares.</p> <p>The number of Options that may be granted within any one-year period under the Plan must not exceed, in the aggregate, two percent (2%) of the number of issued and outstanding Voting Shares of the Corporation.</p>
Termination of Employment	Please refer to the section "Benefits Provided by the Text of the Plans."

(1) Since March 15, 2006, the Board has decided, by resolution, to suspend the grant of Options to Directors who are not employees or EOs of the Corporation.

Under the 2016 Option Plan, the Board may, without the shareholder's approval, make certain amendments of the following nature: (i) minor or technical amendments to any provision of the Plan; (ii) corrections to any provision of the Plan containing an ambiguity, defect, error or omission; or (iii) changes to the Option termination provisions that do not entail an extension beyond the original Option expiry date.

However, the following amendments require the approval of a majority of the shareholders present at a meeting:

- Any increase to the maximum number of Class B Voting Shares issuable under the 2016 Option Plan;
- The reduction of the exercise price of an Option held by an insider (other than for standard anti-dilution purposes);
- The extension of the term of an Option held by an insider (other than the automatic extension set forth in the Plan);
- Any amendment allowing the transfer or assignment of the Options other than by will or according to the legal provisions governing intestate successions;
- The extension of the blackout expiration term;
- Any amendment allowing the grant of Options to Directors who are not also executives or employees of the Corporation; and
- Any amendment to the paragraph relating to amendments to the 2016 Option Plan.

The number of shares issuable to insiders, at any time, under this 2016 Option Plan and all of the other share-based compensation plans of the Corporation, cannot exceed 10% of the number of issued and outstanding shares of Transat, and the number of shares that are issued to insiders, within any one-year period, under this 2016 Option Plan and all of the other share-based compensation plans of the Corporation, cannot exceed 10% of the number of issued and outstanding Voting Shares.

Usual Option Grant Process

The number of Options granted is established according to the position and base salary of each member and the exercise price. The number of Options granted to each executive officer in question is equal to a percentage of the base salary divided by the weighted average trading price (or by the value of \$12 if the trading price calculated as described above is lower than this limit) of the Corporation's Voting Shares on the TSX for the five trading days preceding the date of grant.

In extraordinary cases, Options may be granted upon new hires or in exceptional situations within the context of succession management for the positions eligible for grants of Options. The list of beneficiaries of proposed annual grants is presented for discussion to the HRGC, which then makes its recommendation at the next Board meeting for final approval.

Vesting of Options during Fiscal Year 2024

No Options vested in 2024.

About the 2021 LTIP Grants (paid in January 2024)

Given the very specific context in which the Corporation has been evolving since 2019 (for details, see the subsection entitled **"Events That Influenced Compensation Decisions"**), no PSUs or Options have been granted since 2018 in the context of usual annual grants. These grants were replaced by the awarding of a cash bonus payable three years after the date on which they would normally have been granted. If the LEEFF loan is not repaid at the time of this payment, all or part of the payment may become incompatible with the consequences of and compensation restrictions imposed under the LEEFF loans for NEOs.

The 2021 grant was replaced by the awarding of an LTIP cash bonus (2021 LTIP bonus), payable three years after being awarded in accordance with the stipulated rules. The value of this bonus represents the LTIP target compensation value normally granted. The main objectives of this

bonus were to encourage, motivate and retain participating employees and align their interests with those of the Corporation's shareholders. For senior executives, this bonus was dependent on financial measures, namely, adjusted net income (ANI) and net debt as at October 31, 2023, and strategic measures related to the refinancing of the LEEFF loan and the strategy tied to corporate responsibility. For other eligible employees, the 2021 LTIP bonus was 75% fixed and 25% based equally on the ANI and net debt at October 31, 2023.

In the case of Ms. Guérard, as the LEEFF loan had still not been repaid at the time of the payment, payment of the 2021 LTIP owing in January 2024 was incompatible with the consequences of and compensation restrictions imposed under the LEEFF loan. Therefore, she only received \$59,309 in cash from a total amount of \$296,891.

About the 2024 LTIP Awards

The 2024 LTIP bonus was awarded in January 2024.

For senior executives and other eligible employees:

- 50% of the target value attributed which at the time of payment varies is based on the achievement of financial performance criteria, namely,
 - the ANI for 2024, 2025 and 2026, each receiving the same weighting, together account for half of the financial part of the bonus and whose value at the time of payment varies between 0% and 150% of the value assigned,
 - completion of a structuring refinancing that accounts for 16 2/3% of the financial part of the bonus and whose value at the time of payment varies between 0% and 110% of the value assigned, and
 - the net debt ratio divided by the evaluated EBITDA if the criterion linked to the structuring refinancing is achieved, accounts for 33 1/3% and whose value at the time of payment varies between 0% and 150% of the value assigned;

and

- 50% of the target value attributed can vary between 0% and 100% at the time of payment based on the level of achievement of strategic objectives tied to:
 - various objectives tied to corporate responsibility, counting for 50% of the strategic part of the bonus, and
 - digitization initiatives, counting for 50% of the strategic part of the bonus.

The target values attributed are equal to the target compensation value of the grants that normally would have been made. The bonuses payable as a result of these grants are subject to a maximum.

The following table presents the targets and amounts awarded in replacement of the PSUs and Options for each of the NEOs.

	Target – PSUs (in % of base salary)	Amount awarded in replacement of PSUs ⁽¹⁾	Target – Options (in % of base salary)	Amount awarded in replacement of Options ⁽²⁾	Total amount awarded – 2024 LTIP bonus
Annick Guérard⁽³⁾	65%	\$359,823	60%	\$154,979	\$514,802
Jean-François Pruneau⁽⁴⁾	45%	\$225,000	37.5%	\$87,488	\$312,488
Joseph Adamo	35%	\$129,248	30%	\$51,692	\$180,940
Bernard Bussières	35%	\$135,756	30%	\$54,295	\$190,051
Marc Lumpé	45%	\$217,971	37.5%	\$84,754	\$302,725

(1) The LTIP cash bonus was awarded to the NEOs in 2024. The amount awarded was determined using the parameters in effect on the normal PSU grant date, January 10, 2024, and is payable three years after that date. The base salaries and position levels on that date were taken into account.

(2) The LTIP cash bonus was awarded to the NEOs in 2024. The amount awarded was determined using the parameters in effect on the normal Option grant date, January 10, 2024, and is payable three years after that date. The base salaries, position levels, share price and Black-Scholes value on that date were taken into account. The rule providing that the value of

\$12 must be used if the weighted average price of the Corporation's Voting Shares on the TSX over the five trading days preceding the grant date is lower than that figure was not applied to the calculation used to determine the value of the Options replaced by a cash bonus in 2024, as this bonus is not dilutive and presents a limited potential for appreciation. The value of the LTIP bonuses awarded on January 10, 2024 take into account the following assumptions:

	2024
Exercise price	\$3.90
Risk-free rate	3.32%
Dividends	-
Volatility (60 months)	56.60%
Expected lifetime	4 years
Fair value per Option	\$1.82

- (3) Ms. Guérard was appointed President and CEO of the Corporation on May 27, 2021. The target value of her PSUs and Options was then revised to 85% and 75%, respectively. However, these changes did not come into effect in May 2021 owing to the consequences of and compensation restrictions imposed under the LEEFF loan. Following the approval of the amendment to the CEEFC on August 14, 2024, Ms. Guérard's compensation was increased retroactively to November 1, 2023. However, the Option and PSU targets will only be increased to 75% and 85% respectively as of fiscal 2025.
- (4) Mr. Pruneau was appointed Chief Financial Officer of the Corporation on January 9, 2024.

About the 2025 STIP and LTIP

The major changes made to these two plans align directly with the success of the Elevation Program that was communicated to the securities marketplace and the generation of cash flow over the next three years, an element that is crucial to the health of Transat's balance sheet and the urgency of the Corporation's restructuring.

▪ 2025 STIP

The STIP structure and performance criteria have been reviewed for fiscal year 2025 to link the plan to the success of the Elevation Program. For EOs, the bonus is based on base salary, target bonus, the achievement of a financial criterion, namely, the 2025 Adjusted EBITDA, and the achievement of an operational criterion, namely, customer satisfaction in 2025. The retention bonus was eliminated to align with market practices.

The maximum bonus is always set at 200% of the target bonus.

▪ 2025 LTIP

The 2025 LTIP bonus was awarded in January 2025. The structure and performance criteria have been reviewed to link the plan to the success of the Elevation Program.

The target value awarded may vary between 0% and 200% at the time of payment based on the level of achievement of a financial objective evaluated over the performance period from November 1, 2024 to October 31, 2027, i.e., adjusted operating cash flow. Objectives relating to corporate responsibility were removed from the 2025 LTIP bonus to align with market practices, to make the bonus objectives more consistent with Transat's current priorities, and since the customer satisfaction measure is a measure linked to corporate responsibility integrated into the STIP.

The bonuses payable as a result of these awards are subject to a maximum.

Variable Compensation Clawback

Each Executive Officer signed a clawback clause concerning the amounts disbursed under the variable compensation plans. Under this clause, the Corporation may claw back the amounts disbursed, within a 3-year period:

- If it is proven that the factual or financial data on the basis of which such additional compensation was granted came from information that was falsified or erroneous at the source due to the executive's intentional fault or direct or contributory negligence; and
- If the Corporation had to review and reissue amended financial statements (other than a review resulting from a change in the applicable accounting rules or interpretations) and the calculation of the additional compensation paid to the executive according to these amended financial statements would have resulted in an amount lower than the amount awarded to the executive.

Minimum Shareholding Requirement for the NEOs

The shareholding guidelines adopted by the Corporation provide that EOs must hold, no later than at the end of the 5-year period following their appointment, the number of Voting Shares or DSUs with a value corresponding to a specific multiple of their annual base salary. In the event that an Executive Officer is promoted, the guidelines provide that they then benefit from an additional 3-year period effective from the date of his promotion to reach the new minimum shareholding multiple which will then be applicable to him.

In May 2022, the HRCC (now the HRGC) decided to suspend the EO shareholding guidelines until the Corporation was able to resume granting long-term share-based or Option-based incentives, as provided for in the usual programs.

The amount used to determine compliance with the EOs' minimum shareholding requirement will be (i) the cost of acquiring the shares for the Executive Officer; or (ii) the market value of the shares held on October 31 of each year, whichever is the higher. The shares taken into consideration include the shares vested under the Transaction program, including when they have not yet vested or become unrestricted.

The table below indicates the minimum shareholding multiple applicable to each position held.

Position	Minimum shareholding multiple
President and CEO	3.0 times the annual salary
Chief Operating Officer Chief Financial Officer Chief Airline Operations Officer	1.5 times the annual salary
Other NEOs	1.0 times the annual salary

If the executive officer has not reached the pro rata holding he should have reached (20% after one year, 40% after two years, 60% after three years, 80% after four years, 100% after five years), they must keep 100% of the shares vested under the Stock Option Plan/Transaction program and 50% of the shares vested (after taxes) under the PSU Plan, up to the required pro rata holding.

If the executive officers commit a deliberate act that prevents them from complying with their holding rules, such as selling shares they hold, they shall keep shares representing 100% of the net profit derived from the exercise of Options and the vesting of PSUs, and future grants under the long-term incentive plans will be reduced or eliminated, unless the HRGC decides otherwise.

The status of the NEOs as regards the achievement of their shareholding requirements could usually be found in the section entitled "Named Executive Officers" in their individual profiles. In light of the consequences of and compensation restrictions imposed under the LEEFF loan for NEOs, the HRCC decided to suspend the shareholding requirements for EOs, including NEOs, for such time as it is not possible for the Corporation to resume its usual long-term incentive awards.

PART 8 – NAMED EXECUTIVE OFFICERS



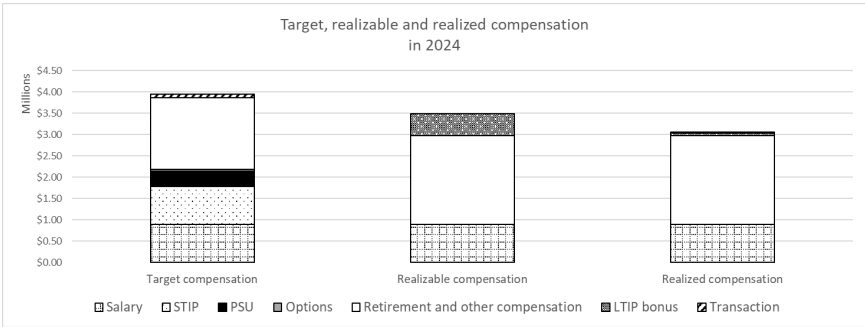
Annick Guérard
President and CEO, Transat A.T. Inc.

Annick Guérard was appointed President and CEO of the Corporation on May 27, 2021. Prior to that, she was the Chief Operating Officer and headed all of the Corporation’s operations (other than those of the hotel subsidiary), including the operations of the Air Transat airline.

As principal executive officer of the Corporation, she controls and oversees the business of the Corporation. Her deep knowledge of the business, the industry and consumers combined with her vision, leadership and efficiency allow her to play a key role in the Corporation’s development and success.

Languages mastered: French and English

- Although at the time of Ms. Guérard's appointment as President and CEO, her base salary was established at \$825,000, revised to \$858,000 on January 1, 2023, and then to \$888,030 on January 1, 2024, she only started earning the last amount on November 1, 2023, owing to the consequences of and compensation restrictions imposed under the LEEFF loan. The base salary actually paid to her between May 27, 2021 and October 31, 2023 was \$553,574, which corresponds to what she was receiving prior to her appointment as President and CEO. Her salary was not changed on January 1, 2025.
- Of the \$57,843 owed to her under the STIP for fiscal year 2024, Ms. Guérard did not receive any cash payment owing to the consequences of and compensation restrictions imposed under the LEEFF loan.
- Ms. Guérard was only able to receive \$59,309 of the total amount of \$296,891 owed to her as cash payment for the 2021 LTIP bonus owing to the consequences of and compensation restrictions imposed under the LEEFF loan.
- No Options or PSUs were granted in 2024. An LTIP cash bonus payable in 2027, subject to the achievement of strategic and financial objectives, was awarded in replacement of these grants and subject to the consequences and compensation restrictions imposed under the LEEFF loan.
- Ms. Guérard received \$404,806 in cash to correct her compensation for fiscal 2021, 2022 and 2023 following approval, by the CEEFC, of an amendment relating to her compensation, as described in the subsection entitled “**Events that Influenced Compensation Decisions**” of this Circular. A second cash amount of \$404,806 will be paid in fiscal year 2025 for the same reasons.
- Normally, 61% of Ms. Guérard’s total direct compensation target is variable and linked to the performance of the business. In 2024, the STIP paid and the LTIP bonus, which represent 37% of the total direct compensation granted, are linked to the performance of the business.
- Direct compensation means the sum of: the base salary, target STIP, target LTIP and target value of the shares awarded under the Transaction program.
- The following graph shows the total target, realizable and realized compensation in 2024 (as defined at the bottom of the graph).



Total target compensation represents the sum of: the base salary, target STIP, estimated target value of the Options and PSUs, pension plan, other compensation (which includes perquisites) and target value of shares usually awarded under the Transaction program.

Total realizable compensation represents the sum of: the base salary, STIP paid for fiscal year 2024 (namely, \$0 for fiscal year 2024), pension plan and other compensation (which includes perquisites), and value of the LTIP cash bonus awarded in 2024 and payable in 2027 if the objectives are met.

Total realized compensation represents the sum of: the base salary, STIP paid for fiscal year 2024 (namely, \$0 for fiscal year 2024), LTIP bonus awarded in 2021 and paid in fiscal year 2024 (namely, \$59,309 for fiscal year 2024), pension plan and other compensation (which includes perquisites) and value of vested shares (Transaction program).

Total realizable compensation and total realized compensation also include payment of a cash amount following approval, by the CEEFC, of an amendment related to Ms. Guérard’s compensation described in the subsection entitled “**Events that Influenced Compensation Decisions**” of this Circular.



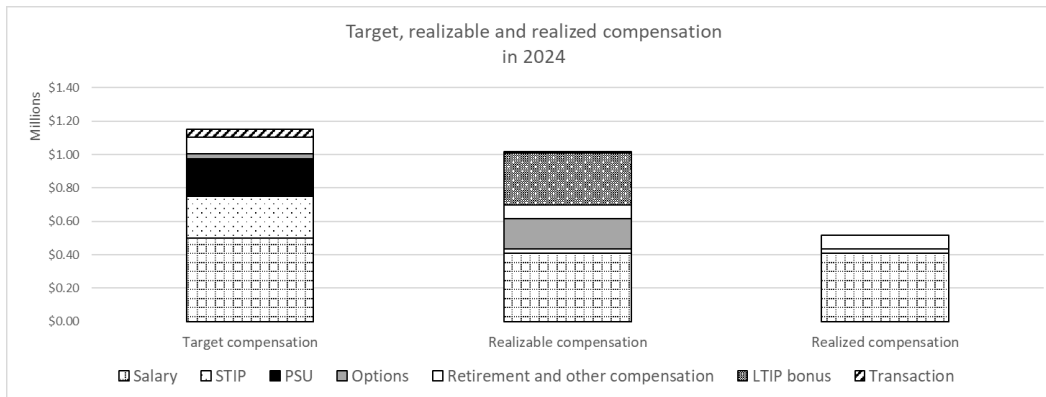
Jean-François Pruneau
Chief Financial Officer, Transat A.T. Inc.

Jean-François Pruneau joined Transat in 2024 as Chief Financial Officer. As such, he contributes to the strategic development and financial sustainability of the Corporation. He coordinates and supervises accounting matters, the treasury as well as capital and risk management.

Mr. Pruneau is also responsible for investor relations and supply management, and ensures sound financial management over the short, medium and long term.

Languages mastered: French and English

- Mr. Pruneau’s base salary of \$500,000 in 2024 was not changed on January 1, 2025.
- \$26,625 was paid to Mr. Pruneau under the STIP for fiscal year 2024. This amount was adjusted to reflect the number of days worked during the fiscal year.
- No regular grant of Options or PSUs was made in 2024. An LTIP cash bonus payable in 2027, subject to the achievement of strategic and financial objectives, was awarded in replacement of these grants.
- The following graph shows the total target, realizable and realized compensation in 2024 (as defined at the bottom of the graph).



Annualized **target total compensation** represents the sum of: the base salary, target STIP, estimated target value of the Options and PSUs, pension plan, other compensation (which includes perquisites) and target value of shares usually awarded under the Transaction program.

Total realizable compensation represents the sum of: the base salary, STIP paid for fiscal year 2024, pension plan and other compensation (which includes perquisites), value of shares awarded under the Transaction program, value of the Options granted at the time of hiring and value of the LTIP cash bonus awarded in 2024 and payable in 2027 if the objectives are met.

Total realized compensation represents the sum of: the base salary, STIP paid for fiscal year 2024, pension plan and other compensation (which includes perquisites).

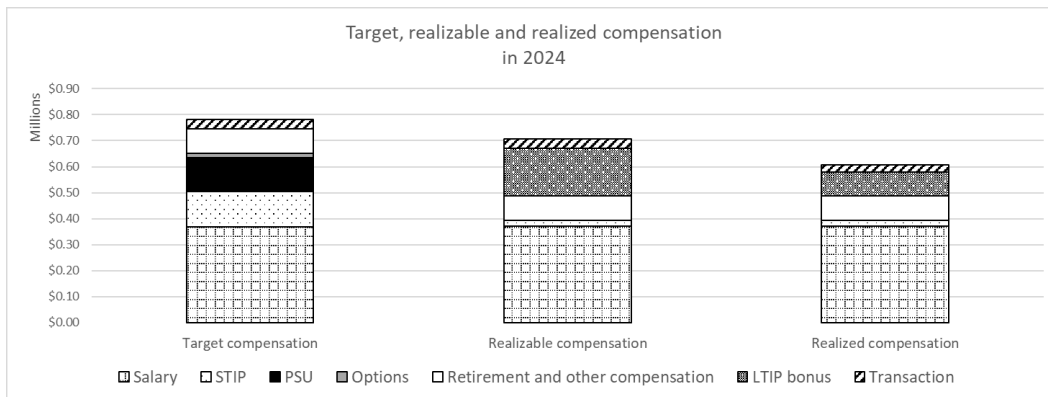


Joseph Adamo
President, Transat Distribution Canada, Chief Sales and Marketing Officer, Transat A.T. Inc.

Joseph Adamo joined Transat in 2011 as Senior Director, then Vice-President, Marketing and Ecommerce. Later, he was appointed General Manager of Transat Distribution Canada (TDC), then President, his current position which he held concurrently with that of Vice-President and Chief Distribution Officer of Transat from May 2017 to April 2021. In April 2021, he was appointed Chief Sales and Marketing Officer of Transat, a role he combines with that of President of TDC. In this role, Mr. Adamo leads the business’s branding and customer experience strategies and oversees all sales, marketing, e-commerce and contact centre activities.

Languages mastered: French, English and Italian

- Mr. Adamo's base salary of \$369,281 on January 1, 2024 was not changed on January 1, 2025.
- \$24,054 was paid to Mr. Adamo under the STIP for fiscal year 2024.
- Mr. Adamo received \$91,467 for the 2021 LTIP cash bonus.
- No Options or PSUs were granted in 2024. An LTIP cash bonus payable in 2027, subject to the achievement of strategic and financial objectives, was awarded in replacement of these grants.
- The following graph shows the total target, realizable and realized compensation in 2024 (as defined at the bottom of the graph).



Total target compensation represents the sum of: the base salary, target STIP, estimated target value of the Options and PSUs, pension plan, other compensation (which includes perquisites) and target value of shares usually awarded under the Transaction program.

Total realizable compensation represents the sum of: the base salary, STIP paid for fiscal year 2024, pension plan and other compensation (which includes perquisites), value of shares awarded under the Transaction program and value of the LTIP cash bonus awarded in 2024 and payable in 2027 if the objectives are met.

Total realized compensation represents the sum of: the base salary, STIP paid for fiscal year 2024, LTIP cash bonus awarded in 2021 and paid in fiscal year 2024, pension plan and other compensation (which includes perquisites) and value of the shares acquired (Transaction program).



Bernard Bussières
Chief Legal and Government Relations Officer and Corporate Secretary, Transat A.T. Inc.

Bernard Bussières joined Transat in 2001 as Vice President, General Counsel and Corporate Secretary. In 2022 he was appointed to his current position as Chief Legal and Government Relations Officer and Corporate Secretary of Transat. As such, he is responsible for overseeing all of the Corporation’s legal, regulatory and compliance matters.

Languages mastered: French and English

- Mr. Bussières’ base salary of \$387,875 on January 1, 2024 was not changed on January 1, 2025.
- Of the \$25,265 owed to him under the STIP for fiscal year 2024, Mr. Bussières did not receive any cash payment owing to the consequences of and compensation restrictions imposed under the LEEFF loan.
- Mr. Bussières received \$98,722 as a cash payment for the 2021 LTIP bonus.
- No Options or PSUs were granted in 2024. An LTIP cash bonus payable in 2027, subject to the achievement of strategic and financial objectives, was awarded in replacement of these grants.
- The following graph shows the total target, realizable and realized compensation in 2024 (as defined at the bottom of the graph).



Total target compensation represents the sum of: the base salary, target STIP, estimated target value of the Options and PSUs, pension plan, other compensation (which includes perquisites) and target value of shares usually awarded under the Transaction program.

Total realizable compensation represents the sum of: the base salary, STIP cash payment for fiscal year 2024, (\$0 for fiscal year 2024), pension plan and other compensation (which includes perquisites) and value of the LTIP cash bonus awarded in 2024 and payable in 2027 if the objectives are met.

Total realized compensation represents the sum of: the base salary, STIP cash payment for fiscal year 2024 (\$0 for fiscal year 2024), LTIP cash bonus awarded in 2021 and paid in fiscal year 2024 and pension plan and other compensation (which includes perquisites).

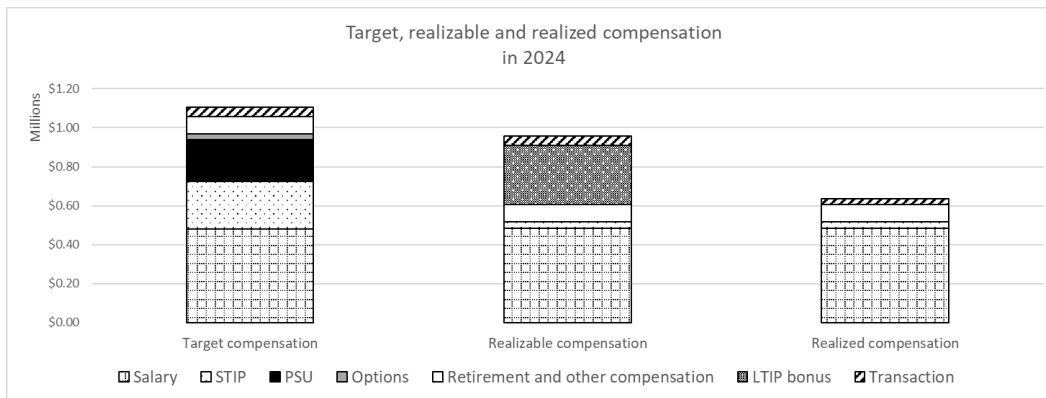


Marc Lumpé
Chief Airline Operations Officer, Transat A.T. Inc.

Marc-Philippe Lumpé joined Transat as Chief Airline Operations Officer on June 1, 2022. As such, he is responsible for all of the Corporation’s airline operations. Mr. Lumpé tends to the fleet’s optimization, operational performance as well as compliance with safety, quality and security regulations. He also coordinates and supervises the control teams, air operations and technical operations, which extends to aircraft maintenance, airport operations and in-flight service, including passenger experience and crew hiring, planning and training.

Languages mastered: French, English and German.
 Mr. Lumpé also speaks Spanish and Italian.

- Mr. Lumpé’s base salary of \$484,380 on January 1, 2024 was not changed on January 1, 2025.
- An amount of \$31,551 was paid to Mr. Lumpé under the STIP for fiscal year 2024. No Options were awarded or PSUs granted in 2024. An LTIP cash bonus payable in 2027, subject to the achievement of strategic and financial objectives, was awarded in replacement of these grants.
- The following graph shows the total target, realizable and realized compensation in 2024 (as defined at the bottom of the graph).



Total target compensation represents the sum of: the base salary, target STIP, estimated target value of the Options and PSUs, pension plan, other compensation (which includes perquisites) and target value of shares usually awarded under the Transaction program.

Total realizable compensation represents the sum of: the base salary, STIP paid for fiscal year 2024, pension plan and other compensation (which includes perquisites), value of shares awarded under the Transaction program and value of the LTIP cash bonus awarded in 2024 and payable in 2027 if the objectives are met.

Total realized compensation represents the sum of: the base salary, STIP paid for fiscal year 2024, pension plan and other compensation (which includes perquisites) and value of the shares acquired (Transaction program).

PART 9 – SUMMARY COMPENSATION TABLE

Summary Compensation Table

The following table sets forth the information regarding the total compensation of the last three fiscal years of the President and CEO, the Chief Financial Officer, the former Chief Financial Officer and the three other most highly compensated EOs of the Corporation and its subsidiaries (collectively, the “NEOs”).

Name and principal position	FY	Salary	Share-based awards		Option-based awards ⁽⁶⁾	Incentive plan compensation		Pension value ⁽⁹⁾	All other compensation ⁽¹⁰⁾	Total compensation
			PSUs ⁽⁴⁾	Transaction Program ⁽⁵⁾		Short term ⁽⁷⁾	Long term ⁽⁸⁾			
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Annick Guérard ⁽¹⁾	2024	889,894	0	0	0	0	59,309	1,604,557	475,998	3,029,758
President and CEO, Transat A.T. Inc.	2023	555,703	0	27,466	0	0	0	1,277,748	50,013	1,910,931
	2022	555,703	0	45,989	0	8,210	0	945,383	59,594	1,614,880
Jean-François Pruneau ⁽²⁾	2024	409,615	0	5,769	181,974	26,625	0	42,925	36,865	703,773
Chief Financial Officer, Transat A.T. Inc. (since January 9, 2024)	2023	-	-	-	-	-	-	-	-	-
	2022	-	-	-	-	-	-	-	-	-
Patrick Bui ⁽³⁾	2024	58,476	0	5,848	0	0	0	3,965	58,608	126,897
Former Chief Financial Officer, Transat A.T. Inc.	2023	459,493	0	45,943	0	0	0	44,091	276,354	825,882
	2022	427,665	0	36,803	0	20,314	0	75,450	38,490	598,723
Joseph Adamo	2024	370,056	0	37,002	0	24,054	91,467	57,936	37,006	617,521
President, Transat Distribution Canada	2023	355,843	0	35,584	0	183,243	154,349	94,270	35,584	858,873
Chief Sales and Marketing Officer, Transat A.T. Inc.	2022	343,512	0	28,501	0	16,317	31,211	133,045	38,901	591,487
Bernard Bussières	2024	388,690	0	0	0	0	98,722	61,794	38,869	588,075
Chief Legal and Government Relations Officer and Corporate Secretary, Transat A.T. Inc.	2023	373,761	0	0	0	192,470	0	287,191	37,376	890,798
	2022	359,914	0	0	0	0	90,834	295,782	42,047	788,577
Marc Lumpé	2024	485,397	0	48,535	0	31,551	0	45,806	43,686	654,975
Chief Airline Operations Officer, Transat A.T. inc. (since June 1, 2022)	2023	466,754	0	46,675	0	335,517	0	51,288	42,008	942,242
	2022	188,654	0	19,212	322,515	8,961	0	32,340	16,979	588,661

- (1) Ms. Guérard’s compensation takes into account an amendment approved by the CEEFC in August 2024, as described in subsection “Events That Influenced Compensation Decisions” of this Circular.
- (2) Mr. Pruneau joined the Corporation on January 9, 2024.
- (3) Mr. Patrick Bui joined the Corporation on November 15, 2021 and left on December 15, 2023.
- (4) No PSUs were granted in 2022, 2023 and 2024 due to the trading blackout period in effect and the consequences of and compensation restrictions imposed under the LEEFF loan. These grants were replaced with award of an LTIP bonus as detailed above.
- (5) This amount represents Transat’s contribution to the share purchase program (Transaction program). This contribution equals a maximum of 10% of the officer’s base salary. Participation in the program was suspended for NEOs as of February 1, 2019, due to the trading blackout period in effect. The employer’s contribution was replaced by a cash payment until the program was reactivated on January 1, 2022. The value of these payments in cash is presented in the “All other compensation” column.
- (6) As an incentive for Messrs. Pruneau and Lumpé to join the Corporation as Chief Financial Officer and Chief Airline Operations Officer, respectively, they received exceptional grants to offset the compensation at their former jobs that they were relinquishing. Mr. Pruneau received a grant of 100,000 Options on January 10, 2024. These Options vest over three years, at a rate of 1/3 on each anniversary date. Mr. Lumpé received a grant of 150,000 Options on June 13, 2022. These Options will become fully vested on the third anniversary of their grant date and will expire on June 12, 2029. These grants take into account the following assumptions:

	2024	2022
Exercise price	\$3.90	\$4.18
Risk-free rate	3.32%	3.09%
Dividends	-	-
Volatility (60 months)	56.60%	64.70%
Expected lifetime	4 years	4 years
Fair value per Option	\$1.82	\$2.15

- (7) The NEOs are eligible to participate in the STIP. Ms. Guérard and Mr. Bussièrès did not receive any cash payment of the \$57,843 and \$25,265, respectively, owed to them due to the consequences of and compensation restrictions imposed under the LEEFF loan. For the same reasons, Ms. Guérard did not receive any cash payment of the \$399,456 owed to her in 2023, and she only received \$8,210 in cash of the \$26,396 owed to her in 2022. Mr. Bussièrès did not receive any cash for the \$17,096 owed to him under the STIP for fiscal year 2022. Mr. Bui did not receive a bonus for fiscal years 2023 and 2024, since he voluntarily left the organization on December 15, 2023.
- (8) Represents payment of the cash bonus for the LTIP bonus. In 2024, Ms. Guérard only received \$59,309 in cash of the amount of \$296,891 owed to her due to the consequences of and compensation restrictions imposed under the LEEFF loan. For the same reasons as in 2023, Ms. Guérard was unable to receive her \$489,523 cash bonus, and Mr. Bussièrès received no cash payment of the \$166,591 owed to him as such. Similarly, Ms. Guérard was unable to receive the \$394,061 bonus owed to her in cash and Mr. Bussièrès only received in cash \$90,834 of the \$135,428 owed to him in 2022. Messrs. Pruneau and Lumpé were not employed by Transat when LTIP bonuses were awarded in 2019, 2020 and 2021, and therefore were not eligible to receive these bonuses. Mr. Bui did not receive payment of his 2021 LTIP bonus, since he voluntarily left in December 2023.
- (9) The value of the retirement plan represents, for each fiscal year, the sum of the change attributable to compensatory items of the defined benefit pension plan and the compensatory amount of the defined contribution pension plan, as explained and presented in the tables under the section entitled “**Pension Plan Benefits**” of this Circular. To that end, the change attributable to compensatory items of the defined benefits plan corresponds to the cost of services rendered in the fiscal year, plus the value of the amendments to a participant’s pension agreement and a variation of the compensation that differs from the actuarial assumptions, if any.

After Ms. Guérard was appointed President and CEO of the Corporation on May 27, 2021, a new pension agreement was implemented. The values equal the sum of the values of Ms. Guérard’s two pension agreements.

For each fiscal year, the amount of the change attributable to compensatory items was established using the same actuarial assumptions as those that served to establish the accrued benefit obligation presented in Transat’s financial statements for the years ended October 31, 2022, 2023 and 2024, respectively, in accordance with generally accepted accounting principles.

- (10) For 2022, the amount includes the value of the perquisites paid under the perquisites program (allowances): Ms. Guérard: \$50,013; Mr. Bui: \$38,490; Mr. Adamo: \$34,351; Mr. Bussièrès: \$35,991; Mr. Lumpé: \$16,979, as well as the value of the cash payments made following the suspension of the Transaction program: Ms. Guérard: \$9,581; Mr. Adamo: \$4,550; Mr. Bussièrès: \$6,055.

For 2023, the amount includes the value of the perquisites paid under the perquisites program (allowances): Ms. Guérard: \$50,013; Mr. Bui: \$41,354; Mr. Adamo: \$35,584; Mr. Bussièrès: \$37,376; Mr. Lumpé: \$42,008. In addition, Mr. Bui’s amount includes an exceptional bonus of \$235,000 that was paid to him on January 31, 2023, to compensate him for the compensation he was giving up when he left his previous employment.

For 2024, Ms. Guérard received a cash payment of \$404,806 following approval, by the CEEFC, of an amendment related to her compensation, as described in the subsection entitled “**Events that Influenced Compensation Decisions**” of this Circular.

For 2024, the amount also includes the value of the perquisites paid under the perquisites program (allowances): Ms. Guérard: \$71,192; Mr. Pruneau: \$36,865; Mr. Bui: \$5,263; Mr. Adamo: \$37,006; Mr. Bussièrès: \$38,869; Mr. Lumpé: \$43,686. In Mr. Bui’s case, this amount also includes \$53,345 to compensate for his vacation earned but not taken.

PART 10 – INCENTIVE PLANS

Table of Outstanding Option-Based and Share-Based Awards

The following table sets forth, for each NEO, the number and value of Option-based and Share-based awards outstanding as at October 31, 2024.

Name of the officer	Option-based Awards				Share Based Awards																																													
	Number of securities underlying unexercised Options	Option exercise price	Option expiration date ⁽¹⁾	Value of unexercised in-the-money Options ⁽²⁾		Number of shares or share units that have not vested ⁽³⁾	Market or payout value of share-based awards that have not vested ⁽⁴⁾	Market or payout value of vested share-based awards (not paid out or distributed) ⁽⁵⁾																																										
				Vested	Not vested																																													
	(#)	(\$)		(\$)	(\$)	(#)	(\$)	(\$)																																										
Annick Guérard	11,875	8.97	Sept. 18, 2024	0	n/a	8,944	15,742	n/a																																										
	26,500	10.94	January 11, 2025	0	n/a				Jean-François Pruneau	100,000	3.90	January 9, 2031	n/a	0	1,725	3,036	n/a	Joseph Adamo	7,625	8.97	Sept. 18, 2024	0	n/a	19,608	34,509	n/a	7,758	10.94	January 11, 2025	0	n/a	Bernard Bussières	7,619	8.97	Sept. 18, 2024	0	n/a	0	0	1,934	8,325	10.94	January 11, 2025	0	n/a	Marc Lumpé	150,000	4.18	June 12, 2029	n/a
Jean-François Pruneau	100,000	3.90	January 9, 2031	n/a	0	1,725	3,036	n/a																																										
Joseph Adamo	7,625	8.97	Sept. 18, 2024	0	n/a	19,608	34,509	n/a																																										
	7,758	10.94	January 11, 2025	0	n/a				Bernard Bussières	7,619	8.97	Sept. 18, 2024	0	n/a	0	0	1,934	8,325	10.94	January 11, 2025	0	n/a	Marc Lumpé	150,000	4.18	June 12, 2029	n/a	0	24,370	42,891	n/a																			
Bernard Bussières	7,619	8.97	Sept. 18, 2024	0	n/a	0	0	1,934																																										
	8,325	10.94	January 11, 2025	0	n/a				Marc Lumpé	150,000	4.18	June 12, 2029	n/a	0	24,370	42,891	n/a																																	
Marc Lumpé	150,000	4.18	June 12, 2029	n/a	0	24,370	42,891	n/a																																										

(1) The options that were set to expire on September 18, 2024 are still outstanding owing to the trading blackout period still in effect on October 31, 2024.

(2) The monetary value was calculated using the difference between the trading price of Transat's Voting Shares on the TSX on October 31, 2024, namely \$1.76, and the Option exercise price.

(3) Includes the share awards under the Transaction program whose vesting depends only on time. No PSUs are outstanding as at October 31, 2024. Please refer to the "Usual Total Compensation Components" section.

(4) The monetary value was calculated using the trading price of the Voting Shares of Transat on the TSX on October 31, 2024, namely \$1.76.

(5) Represents the DSUs granted over time. The monetary value was calculated using the trading price of the Voting Shares of Transat on the TSX on October 31, 2024, namely \$1.76.

Table of the Value Vested or Earned During the Fiscal Year

The following table sets forth, for each NEO, the value vested or earned during the fiscal year under the various compensation plans.

Name of the officer	Option-based awards: value vested during the fiscal year ⁽¹⁾	Share-based awards: value vested during the fiscal year ⁽²⁾	Non-equity incentive plans: value earned during the fiscal year ⁽³⁾
Annick Guérard	\$0	\$29,342	\$59,309
Jean-François Pruneau	\$0	\$0	\$26,625
Patrick Bui	\$0	\$0	\$0
Joseph Adamo	\$0	\$26,577	\$115,521
Bernard Bussi�eres	\$0	\$0	\$98,722
Marc Lump�e	\$0	\$29,248	\$31,551

- (1) The value is determined by assuming that the Stock Options vested during the fiscal year would have been exercised on the vesting date of each relevant grant. The value corresponds to the difference between the closing price of the Voting Shares on the TSX on the vesting date and the exercise price.
- (2) For the Transaction program, the value corresponds to the number of shares that vested during the fiscal year multiplied by the price per share on the vesting date.
- (3) Payments made under the Short-Term Incentive Plan (STIP) for fiscal year 2024 and under the LTIP bonus payable in cash for 2021 for which the value was vested and paid in January 2024.

PART 11 – PENSION PLAN BENEFITS

Retirement plans constitute an integral part of the overall compensation of EOs. In considering the value of the retirement benefits provided to the EOs (in Canada), the HRGC takes into account the annual service cost, the accrued retirement benefit obligation, as well as the annual benefit that would be available to the Executive Officer upon retirement.

Under the terms of the retirement benefit plan, the participant is eligible, starting at the age of 65 and for the remainder of his or her life, to a monthly retirement benefit. The amount of this benefit is established based on a percentage of 1.5% per year of credited service, multiplied by the “final average salary over 5 years,” namely the average of the five (5) years of service credited to the participant during which the participant’s base salary was the highest. Any new participant in the plan will be subject to these conditions. However, the participants who enrolled before 2015, which includes certain NEOs, benefit from a grandfather clause pursuant to which (1) their “final average salary over 5 years” also includes the target bonus under the STIP, and (2) the percentage of the pension cumulated per year of employment varies between 1.5% and 2% according to their total years of credited service.

The amount of the retirement benefit payable by the Corporation is reduced by the sum of the following benefits:

- The retirement benefit payable upon turning 65 under the Transat’s retirement plan for non-unionized employees, which is the actuarial equivalent value of the amount accrued by the participant on the date of his or her retirement under such plan.
- The maximum retirement benefit payable upon turning 65 under the Quebec Pension Plan, as determined on the participant’s retirement date, multiplied by the number of eligible years of service and divided by 35.

The retirement benefit plan also contains the following terms and conditions:

- The participant may elect early retirement between the ages of 55 and 65 years.
 - In the event that early retirement is taken between the ages of 55 and 60, the retirement benefit is reduced by 5/12% for every full month that the retirement was taken before the participant’s 60th birthday.
 - Where early retirement is taken between the ages of 60 and 65, no reduction applies to the retirement benefit.
 - Furthermore, for participants with over 20 eligible years of credited service, if early retirement is taken upon the date where the sum of age attained plus eligible years of credited service equals 85 (provided the participant is at least 55 years of age), no reduction applies to the retirement benefit.
- If the participant ceases to be employed by Transat before the date of his or her retirement, Transat will issue a certificate or promise of payment of the retirement benefit calculated as of his date of termination of employment, but payable only when the participant turns 65, except in the case of dismissal for cause or if the participant ceases his or her participation in the retirement plan, which results in the automatic cancellation of the participant’s right to any retirement benefit pursuant to the standard pension agreement.

Since May 27, 2021, Ms. Guérard entered into two pension agreements: one in effect before she was appointed President and CEO and one that was implemented at the time of her appointment. In both cases, the amount of the benefit is determined according to the same formula as used by participants who joined before 2015. Ms. Guérard’s pension formula reflects the weighted average rate of her two agreements, that is to say, 1.6451%, as though they were but one. The agreements provide for the possibility of transferring years of credited service from the first agreement to the one implemented at the time of her appointment. In that regard, the transfer of 2.25 years of credited service was approved in January 2025.

The following table indicates, for each of the NEOs, the years of service credited and estimated annual retirement benefits payable at age 65 accrued as at October 31, 2024, and which will accrue if the participant remains employed by the Corporation until age 65. The table also sets forth the changes in the accrued retirement benefit obligation from November 1, 2023, to October 31, 2024, including the annual cost attributable to compensatory items for fiscal year 2024. These amounts were calculated using the same actuarial assumptions used for determining the accrued benefit obligation at year-end presented in our financial statements for the year ended October 31, 2024, in accordance with generally accepted accounting principles.

Ms. Guérard’s new pension agreement was amended in March 2024 for the redemption of prior service, that is to say, 2.274 years of service rendered prior to December 3, 2012 (namely, prior to the date on which she became eligible to participate in the pension plan for senior executives) for a total of 4.272 years redeemed in addition to credited service. Ms. Guérard has been with Transat since 2002. The value of the base salary and target bonus corresponding to her position as President and CEO on the redemption date, indexed by 3% compounded annually

between 2022 and the year of her 65th birthday, is taken into consideration for this redeemed time. These amendments came into effect in March 2024, and are reflected in the table below.

Mr. Bussières' pension agreement was amended in February 2022 to provide that the retirement allowance for the years of services credited prior to November 1, 2021 would be indexed by 3% starting on the 13th payment. This amendment came into effect in February 2022 and is reflected in the table below. It was amended once again in February 2023. Following this amendment, the retirement allowance earned for the years credited prior to November 1, 2022 will be indexed by 3% on the 13th, 25th and 37th month after payment of the allowance begins, and then one last time by 0.93% on the 49th month after his retirement.

Table of Pension Plan Benefits

Name of the officer	Number of years credited service ⁽¹⁾	Annual benefits payable ⁽²⁾		Accrued benefit obligation as at November 1, 2023 ⁽³⁾	Change in the accrued benefit obligation during the fiscal year		Accrued benefit obligation as at October 31, 2024 ⁽³⁾
		As at October 31, 2024	At age 65		Compensatory change ⁽⁴⁾	Non-compensatory change ⁽⁵⁾	
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Annick Guérard⁽⁶⁾	11.91	463,191	1,208,567	3,168,138	1,586,947	1,081,791	5,836,876
Jean-François Pruneau	0.81	6,083	107,082	0	39,903	12,562	52,465
Patrick Bui	2.08	n/a	4,292	57,304	2,725	(38,649)	21,380
Joseph Adamo	11.37	88,707	158,223	772,519	50,594	164,018	987,131
Bernard Bussières	23.64	237,607	287,315	2,361,885	54,082	379,489	2,795,456
Marc Lumpé	2.42	16,986	195,242	54,227	36,175	39,095	129,497

- (1) Number of years of service credited in a position eligible for the pension plan for executive officers on or prior to October 31, 2024, following termination of employment or retirement in 2024.
- (2) Represents the benefits payable at age 65 based on the average final salary and the participation at the forecasted date and without subtracting the benefits coming from the Canada Pension Plan or the Quebec Pension Plan.
- (3) Represents the value of the projected pension benefits earned for years of service credited up to October 31, 2023, or October 31, 2024, accounting for the benefits of the Canada Pension Plan and the Quebec Pension Plan, established in accordance with the assumptions described in Transat's respective financial statements.
- (4) Corresponds to the cost of services rendered during the fiscal year plus the value of the amendments to the agreement, if any, and the value corresponds to a variation of the compensation that differs from the actuarial assumptions.
- (5) Represents the impact of all the other changes, including the interest related to the obligation for the previous year plus the change in the discount rate used to measure the obligations, the changes in other assumptions and the gains or losses realized other than those related to the compensation as well as the lump-sum payments.
- (6) After Ms. Guérard was appointed President and CEO of the Corporation on May 27, 2021, a new pension agreement was implemented. The values equal the sum of the values of Ms. Guérard's two pension agreements.

Obligations stemming from payable defined retirement benefits are guaranteed by an irrevocable letter of credit held by a third-party trustee. This letter of credit provides for immediate payment of the accrued value of the benefits under the plan, without acceleration, upon the occurrence of the following events:

- the acquisition or holding of more than 50% of the voting rights by a person acting alone or persons acting in concert (20% for certain plan members prior to 2016);
- the loss of majority by the Directors in office; and
- the sale of 50% of the assets or the majority of the securities of Air Transat and TTC (or the sale of 50% of the assets or the majority of the securities of Air Transat or TTC for plan members prior to 2016);

In the event of a Change of Control or an event of default, namely, failure to pay the agreed annuities, to renew the letter of credit or, for the Corporation, to pay the related fees, the letter of credit issued to secure obligations under EO defined benefit pension agreements would be drawn down.

Defined Contribution Plan Table

To qualify for the Defined Contribution Plan offered to the officers of Transat in Canada, they must first participate in the Transat retirement plan for non-unionized employees, which includes an employee contribution paid to the RRSP and an employer contribution paid to the DPSP. For senior management positions, the contributions are two percent (2%) each, up to the maximum contributions allowed under the Income Tax Act (Canada).

The following table sets out the changes in the sums accumulated in the defined contribution plan between November 1, 2023, and October 31, 2024, including the Corporation's contributions for fiscal year 2024.

Name of officer	Accumulated value as at November 1, 2023	Compensatory amount ⁽¹⁾	Accumulated value at the end of FY 2024
	(\$)	(\$)	(\$)
Annick Guérard⁽²⁾	460,909	17,610	588,056
Jean-François Pruneau	0	3,022	6,042
Patrick Bui	26,521	1,240	0
Joseph Adamo⁽²⁾	176,138	7,342	223,704
Bernard Bussières	455,407	7,712	538,608
Marc Lumpé	15,057	9,631	41,008

(1) Represents the employer contributions (equivalent to the employee contributions), namely two percent (2%) of the participant's base salary up to the income tax limits.

(2) For Ms. Guérard and Mr. Adamo, only the contributions to the RRSP and DPSP paid since she began participating in the pension plan for senior executives are subtracted from the value of the retirement benefits.

PART 12 – TERMINATION OF EMPLOYMENT AND CHANGE OF CONTROL BENEFITS

Benefits Provided by the Individual Agreements in Case of Termination of Employment

The Corporation has entered into an agreement with each of the NEOs in order to determine the applicable terms and conditions of employment of said individuals, specifically in the context of termination of employment. Each of these agreements was entered into in exchange for undertakings on the part of the NEOs, as hereinafter described.

The NEO undertakes not to solicit our customers or employees for a period of 18 to 24 months and not to enter into competition with us, namely not to operate or to participate in a business operating in the same sectors of activity, in any jurisdiction where Transat or one of its subsidiaries has a place of business, for a period of 12 to 24 months.

The agreements provide for payment of a termination allowance in case of involuntary departure (excluding cases of death, disability or dismissal for serious cause) or in case of termination of employment following a Change of Control. No allowance will be payable in the event of a voluntary termination of employment. The allowance includes the base salary plus a bonus under the STIP, for a number of months determined as follows:

Officer	Involuntary departure termination allowance	Change of Control (CofC) termination allowance
Annick Guérard	<ul style="list-style-type: none"> ▪ 24 months of base salary ▪ STIP on target for 12 months 	
Jean-François Pruneau	<ul style="list-style-type: none"> ▪ 24 months of base salary and twice the average annual bonus paid as an annual bonus during the shortest period between the term of his employment or the two most recently completed fiscal years 	
Joseph Adamo	<ul style="list-style-type: none"> ▪ 18 months of base salary and the average annual bonus paid as a bonus during the shortest period between the term of his employment or the two most recently completed fiscal years 	
Bernard Bussières	<ul style="list-style-type: none"> ▪ 12 months of base salary plus one month per year of service (max. 18 months, which has been reached) ▪ STIP on target for the duration of the allowance 	<ul style="list-style-type: none"> ▪ 18 months of base salary plus one month per year of service (max. 24 months, which has been reached) ▪ STIP on target for the duration of the allowance
Marc Lumpé	<ul style="list-style-type: none"> ▪ 24 months of base salary and twice the average annual bonus paid as an annual bonus during the shortest period between the term of his employment or the two most recently completed fiscal years 	

The allowance is paid only if the Corporation terminates the officer's employment for a reason other than serious cause and if the executive officer resigns for "valid reasons," as described in the agreements. The "valid reasons" include, in particular, a material and adverse change of functions affecting the position; a significant reduction of compensation; and more generally, any constructive dismissal. With regard to Ms. Guérard and Mr. Adamo, these provisions only apply in the 12 months following a Change of Control.

The notion of Change of Control when relating to individual agreements entered into before January 13, 2016, is defined as follows:

- Acquisition or holding of 20% or more of the voting rights; except acquisition by the Corporation itself, a subsidiary or affiliate of the Corporation, or a company with the same shareholders;
- Non-reelection of the majority of the members of the Board at the time the agreement comes into force (or their successors approved by three-quarters of the Directors in office); and
- Sale of 50% of the assets, the majority of the voting rights to Air Transat or Transat Tours Canada, or almost all the assets of Air Transat or Transat Tours Canada.

The notion of Change of Control when relating to individual agreements entered into on January 13, 2016, or thereafter is defined as follows:

- Acquisition or holding of more than 50% of the voting rights by a person acting alone or in concert with other persons;
- Loss of the majority by the Directors in office;
- Sale of 50% of the assets or of a majority of the securities of Air Transat and TTC.

In addition to the NEOs, the other EOs have indemnification clauses varying between 12 and 24 months, depending on seniority and circumstances (whether or not a Change of Control has occurred).

Benefits Provided by the Text of the Plans

Apart from the agreements made with the NEOs and the similar agreements signed with certain other senior officers, the pension and long-term incentive plans contain provisions in case of termination of employment and Change of Control, which apply to all the members in these plans, including the NEOs. These provisions are summarized in the table below. No new grants or awards will be made after the trigger date.

Trigger	Options	DSUs	PSUs	Share Purchase Plan/Transaction Program	Retirement Plan	Employee and other Benefits
Involuntary departure (termination WITHOUT cause)	<ul style="list-style-type: none"> ▪ Six months to exercise vested Options. ▪ Unvested Options at the termination date are cancelled. 	DSUs: the amount paid is calculated by multiplying the number of DSUs in the executive officer's account on the termination date by the value of the Corporation's shares on the termination date.	PSUs vest based on the % of the last vesting cycle ended, pro rata to the months worked in the cycle of each award.	All the shares subscribed by the member and the vested shares become unrestricted. The non-vested shares are lost.	A certificate of the Accrued benefits on the termination date is issued to the member.	Group insurance (basic life insurance, medical and dental care insurance for the employee and his dependents, as the case may be, as well as travel insurance for a maximum period of 14 consecutive days) will remain in effect, until the earlier of the following dates: (i) the effective date of a group insurance policy with a new employer; or (ii) six months after the termination of employment.
Involuntary departure (termination WITH cause)	<ul style="list-style-type: none"> ▪ The Options granted will become null and void as of the date of termination of employment. 	DSUs: the amount paid is calculated by multiplying the number of DSUs in the officer's account on termination date by the value of the Corporation's shares on the termination date.	No payment.	All the shares subscribed by the member and the vested shares become unrestricted. The non-vested shares are lost.	Vesting of the portion of the defined contributions. Cancellation of the right to benefits of the defined benefit plan.	End of coverage.

Trigger	Options	DSUs	PSUs	Share Purchase Plan/Transaction Program	Retirement Plan	Employee and other Benefits
Resignation	<ul style="list-style-type: none"> ▪ Three months to exercise vested Options. ▪ Unvested Options at the termination date are cancelled. 	DSUs: the amount paid is calculated by multiplying the number of DSUs in the officer's account on his termination date by the value of the Corporation's shares on that date.	No payment.	All the shares subscribed by the member, and all the vested shares become unrestricted. The unvested shares are lost.	A certificate of the Accrued benefits on the termination date is issued to the member.	End of coverage.
Retirement	<ul style="list-style-type: none"> ▪ Six months to exercise vested Options. ▪ Unvested Options at the termination date are cancelled. 	DSUs: the amount paid is calculated by multiplying the number of DSUs in the officer's account on the date of retirement by the value of the Corporation's shares on that date.	PSUs are vested <i>pro rata</i> to the member's number of completed months of service during the review period. The number of RSUs obtained will vest according to the achievement of the performance criteria of the cycle just ended.	All the shares subscribed by the member and the shares awarded (vested or not) are released.	The payment is made pursuant to the terms of the pension plan agreement.	End of coverage.
Change of Control	Any Option granted and not vested may be exercised, or the Board of the Corporation may force the exercise of any Option, whether vested or not, according to the terms and conditions prescribed by the Board.	DSUs: the amount paid is calculated by multiplying the number of DSUs in the officer's account on the date of the Change of Control by the redemption value of the shares of the Corporation.	All PSUs awarded and not vested vest on the date of the Change of Control.	All the subscribed shares, unrestricted or not, and all the shares awarded automatically vest on the date of a Change of Control of the Corporation.	The trust agreement provides, in case of a Change of Control, for the immediate payment of the accrued value of the benefits under the plan.	Not applicable (refer to the provisions relating to breach of contact).

On January 13, 2016, and December 13, 2017, the Corporation amended the plans in order to amend the Change of Control clauses. The following table summarizes the Change of Control clauses inserted in the plans and applicable to the various grants and awards made:

Application	Option Plan ⁽¹⁾ Share Purchase Plan/Transaction Program Defined Benefit Pension Plan ⁽²⁾ DSU Plan for Executive Officers ⁽³⁾ DSU Plan for Independent Directors ⁽⁴⁾	PSU Plan
Grants and awards before January 13, 2016	Unsolicited event or series of events (except for the events described in (iii) hereinafter) with one of the following results: (i) acquisition or holding of 20% or more of the voting rights; (ii) non-reelection of the majority of the members of the Board; (iii) sale of 50% of the assets or the majority of the securities of Air Transat or TTC; (iv) loss of 10% or more of the assets or voting rights after an event, such as nationalization or imposition of a confiscatory tax or assessment.	The last outstanding PSUs expired in June 2021 following the lifting of the blackout period. They had been granted in 2017 and 2018.
Grants and awards on or after January 13, 2016	Event or series of events with one of the following results: (i) acquisition or holding of more than 50% of the voting rights by a person acting alone or persons acting in concert; (ii) loss of majority by the Directors in office; (iii) sale of 50% of the assets or the majority of the securities of Air Transat and TTC ⁽⁵⁾ .	

(1) There are no more Options outstanding under the 1995 and 2009 Option Plans.

(2) The Change of Control clause in force before January 13, 2016, will continue to apply to all the members before that date, and the clause applicable on or after January 13, 2016, will apply to new members after that date, unless there is an agreement providing for 50%.

(3) The DSU Plan for Executive Officers has not been amended. No grant was made under the plan since 2008.

(4) The DSU Plan for Independent Directors no longer has a Change of Control clause since June 13, 2018.

(5) For grants and awards made between January 13, 2016, and December 13, 2017, this clause stipulated: the majority of the securities of Air Transat or TTC.

Value of Benefits in the Event of Termination of Employment (Involuntary Departure) and Change of Control

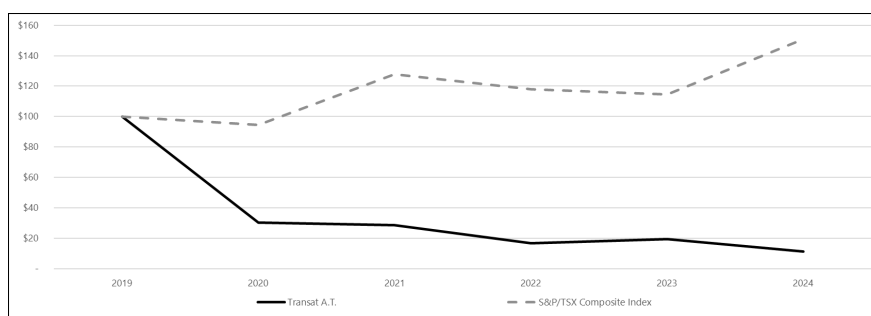
The following table reflects the monetary value of the termination allowance in the event of involuntary departure (ID) or a Change of Control (CofC) as well as the accelerated benefits payable to each NEO following a Change of Control, as provided in the various compensation plans and the individual agreements, if the event had occurred on October 31, 2024.

Name		Termination Allowance ⁽¹⁾	Options ^{(2) (3)}	PSU ^{(2) (4)}	Share Purchase Plan/Transaction Program ⁽²⁾	2022, 2023 and 2024 LTIP Bonuses ⁽⁵⁾	Retirement Plan ⁽⁶⁾
Annick Guérard	ID	\$2,664,090	n/a	\$0	n/a	\$0	n/a
	CofC		\$0	\$0	\$15,742	\$0	
Jean-François Pruneau	ID	\$1,053,250	n/a	\$0	n/a	\$0	n/a
	CofC		\$0	\$0	\$3,036	\$0	
Joseph Adamo	ID	\$657,570	n/a	\$0	n/a	\$0	n/a
	CofC		\$0	\$0	\$34,509	\$0	
Bernard Bussièrès	ID	\$799,993	n/a	\$0	n/a	\$0	n/a
	CofC	\$1,066,657	\$0	\$0	\$0	\$0	n/a
Marc Lumpé	ID	\$1,335,828	n/a	\$0	n/a	\$0	n/a
	CofC		\$0	\$0	\$42,891	\$0	

- (1) In the event of a Change of Control, the termination allowance would only be paid in the event of an involuntary departure following the Change of Control.
- (2) Accelerated vesting under these plans occurs at the time of the Change of Control, regardless of whether or not the NEO's employment is terminated. The termination allowance is not automatically payable upon the Change of Control.
- (3) Messrs. Pruneau and Lumpé have Options that were unvested as at October 31, 2024, and whose exercise price was greater than the \$1.76 share price as at October 31, 2024. As a result, no value can be realized in the event of a Change of Control on October 31, 2024.
- (4) As at October 31, 2024, there were no PSUs outstanding. As a result, no value can be realized in the event of a Change of Control on October 31, 2024.
- (5) The 2022, 2023 and 2024 LTIP bonuses were awarded given the blackout period in effect as well as the consequences of and compensation restrictions imposed under the LEEFF loan. The bonuses are payable three years after being awarded and, in the case of the 2022, 2023 and 2024 bonuses, are payable based on the extent to which certain performance criteria are met. No LTIP bonus (2022, 2023 and 2024) will be paid in the event of a Change of Control or an involuntary departure.
- (6) A Change of Control does not result in any additional retirement benefits. However, the trust agreement provides for the immediate payment of the accrued value of the benefits under the plan. The obligations stemming from the defined pension benefits are guaranteed by an irrevocable letter of credit held by a third-party trustee and guaranteed by an equivalent reserve amount.

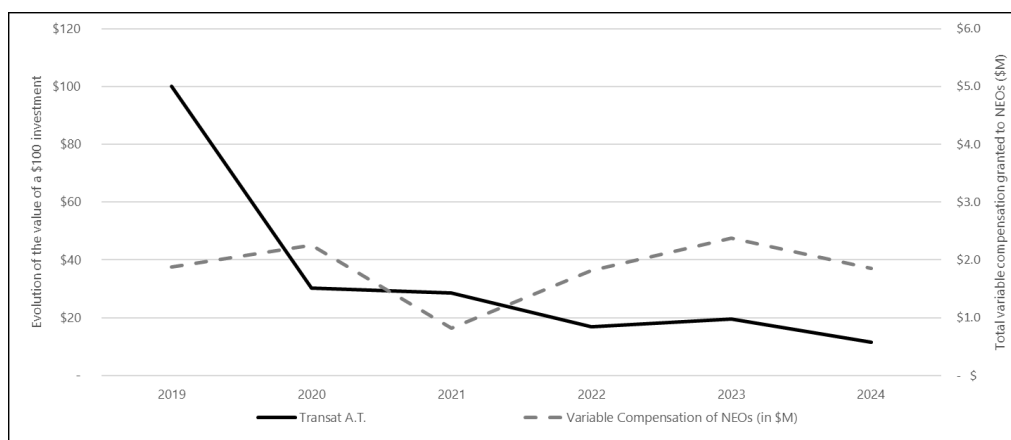
PART 13 – PERFORMANCE GRAPHS

The following performance graph indicates the cumulative total return over five (5) years, assuming a \$100 investment made on October 31, 2019, in Voting Shares of the Corporation (assuming reinvestment of the dividends) and in the S&P/TSX Composite Total Return Index.



Financial years	2019	2020	2021	2022	2023	2024
Transat A.T. Inc.	100	30	29	17	20	11
S&P/TSX Composite Index	100	95	128	118	115	151

The following graph indicates the trend of the total variable compensation awarded to the NEOs over the same 5-year period as the previous graph. It compares the sum of the total variable compensation awarded to the NEOs (STIP bonuses paid, PSU awards, Option grants, value attributed to the LTIP cash bonus and value of shares awarded under the Transaction program) with the cumulative total return over five years, assuming a \$100 investment made on October 31, 2019, in Transat's Voting Shares. Regular LTIP plans are designed to align EO compensation with the value of the shares of the Corporation. Given the Arrangement as well as the consequences of and compensation restrictions imposed by the LEEFF loan, since 2019 the LTIP grants were replaced by LTIP bonuses payable in cash. The relationship between EO compensation and the value of the shares of the Corporation is therefore not as direct. This notwithstanding, EO compensation is aligned with the Corporation's strategic and operational priorities, including its financial results. The usual compensation plans will return as soon as circumstances permit, in particular when the restrictions imposed by the LEEFF have been fully lifted.



Fiscal years ⁽¹⁾	2019	2020	2021	2022	2023	2024
Transat A.T. Inc.	100	30	29	17	20	11
Variable compensation of NEOs (in \$M) ⁽²⁾	1.880	2.255	0.822	1.813	2.375	1.857

(1) For the 2019 to 2024 fiscal years, no PSUs or Options were granted under the usual programs. These grants were replaced by an LTIP bonus payable in cash, which is included in the compensation presented in the graph and table above (target value at the time of award). Messrs. Pruneau and Lumpé, however, were granted 100,000 Options and 150,000 Options, respectively, upon hiring. The value of these grants is included in the compensation presented in the graph above.

(2) Ms. Guérard's 2024 annual long-term incentive opportunity does not reflect retroactive changes to her compensation as at November 1, 2023 since no change was made to her 2024 LTIP award.

PART 14 – SUCCESSION PLANNING

The HRGC continuously monitors the development activities of management personnel while keeping a close eye on the internal movements resulting from promotions and departures. Moreover, under its normal work plan, the HRGC annually reviews the strategy on which the professional development of highly skilled managers and leaders is based and specifically monitors the progress of individuals being considered as succession candidates for the position of President and CEO, and for all other senior executive positions.

To that end, in 2023, the Corporation created a new preliminary succession identification process for senior executives that focuses mainly on evaluating the following:

- The propensity of certain individuals to succeed in senior executive positions in terms of the levels of excellence, influence and maturity they demonstrate in their current roles;
- The leadership capabilities currently required to deploy the strategic plan and implement the optimization plan;
- The critical role certain positions play in achieving the Corporation's strategic plan, based on the positions' financial repercussions on Transat, their impact on the achievement of strategic objectives, the challenges of recruiting for the positions, and the risk of departure of the individual currently in office.

To promote the development of the individuals identified as senior executive succession candidates, the Corporation continues to allow these candidates to progress through various positions so they can develop their understanding of the Corporation's business model, deploy major projects requiring multidisciplinary collaboration and rapidly apply the leadership skills that will be required in their next positions. This path is supported by psychometric evaluations, individual development plans and coaching by the President and CEO and by EOs.

PART 15 – SECURITIES AUTHORIZED FOR ISSUANCE UNDER COMPENSATION PLANS

Equity Securities

The following table indicates the number of Voting Shares available for future issuance under the Option Plans.

Plan Category	Number of securities to be issued upon exercise of outstanding Options, warrants or rights as at October 31, 2024	Weighted average exercise price of outstanding Options, warrants and rights as at October 31, 2024	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) as at October 31, 2024
	(a)	(b)	(c)
Equity compensation plans approved by securityholders	369,702	\$5.13	1,517,653
Equity compensation plans not approved by securityholders	n/a	n/a	n/a
Total	369,702	\$5.13	1,517,653

2009 and 1995 Option Plans

As indicated above, the current Option grants are carried out under the 2016 Option Plan. There are no more Options outstanding under the 2009 and 1995 Option Plans. A majority of the terms and conditions of the 2009 Plan are identical to those of the 2016 Option Plan. The differences (other than the definition of Change of Control that is explained in detail in the section entitled “**Termination of Employment and Change of Control Benefits**”) are as follows:

- In accordance with paragraph 3.4 of the 2016 Option Plan, all shares contemplated by Options that have expired or been cancelled before they were exercised (including those from the 2009 Plan) become reserved shares provided that the reserve, namely the total of the outstanding Options and the Options available for future grants, is equal to five percent (5%) or less.
- The 2009 Plan provides that vesting of the Options is subject to the passage of time and performance targets. The 2016 Plan provides that vesting of the Options is subject to the passage of time. However, the Board may determine other vesting provisions.

Status of Outstanding Options

	Total as at October 31, 2024	Total as at October 31, 2023	Total as at October 31, 2022
Total number of Options granted during fiscal year, including Options granted to NEOs ⁽¹⁾ (A)	100,000	50,000	150,000
	100,000	0	150,000
Number of securities outstanding as at October 31 (B)	39,266,191	38,489,358	38,012,144
Burn rate: Options granted during the fiscal year as a % of the outstanding Voting Shares (A / B)	0.25%	0.13%	0.39%
Total number of outstanding Options (C)	369,702	425,904	480,847
Outstanding Options as a % of the total outstanding Voting Shares (C / B)	0.94%	1.11%	1.26%
Balance available for future grants ⁽²⁾ (D)	1,517,653	1,461,451	1,406,508
Total potential dilution (E) equals (C) + (D)	1,887,355	1,887,355	1,887,355
Total potential dilution – Balance available for future grants as a % of the total outstanding Voting Shares (F) equals (E) / (B)	4.81%	4.90%	4.97%

(1) Mr. Marc Lumpé was granted 150,000 Options on June 13, 2022, an EO was granted 50,000 Options on March 13, 2023 and Mr. Jean-François Pruneau was granted 100,000 Options on January 10, 2024.

(2) According to the Corporation's internal guidelines, the expired or cancelled Options do not return in the reserve of Options available for future grants, as long as the sum of Options outstanding and Options available for future grants represent more than 5% of Transat's issued and outstanding Voting Shares. Therefore, 156,202 Options were returned in the reserve of Options available in 2024.

Employee Share Purchase Plan

The maximum number of issuable shares under the Employee Share Purchase Plan is 1,947,901 Voting Shares. Of this number, 1,401,689 securities were available for future issue at October 31, 2024 (3.57% of issued shares). During the fiscal year ended October 31, 2024, no Voting Shares were issued under the Plan.

DSU Plan

The grants of DSUs to EOs were discontinued by the Corporation effective November 1, 2006. Dividend equivalents, when applicable, are converted into additional DSUs according to the terms and conditions of the plan for EOs who held DSUs before the grants ceased.

PART 16 – ADDITIONAL DISCLOSURE

Corporate Disclosure Policy

The Corporation follows a disclosure policy setting out the process by which it discloses its corporate information. The policy is implemented by the disclosure committee. Its members include most EOs of the Corporation responsible for, among other things, earnings announcements, reviewing analyst reports, conference calls and meetings with analysts, selective disclosure of information, the use of forward-looking information, dealing with rumours and blackout periods. The policy provides for a disclosure compliance system and procedures to ensure that material information concerning Transat's affairs is brought to the attention of the disclosure committee members in a timely and accurate manner.

The disclosure policy is reviewed on a regular basis by the disclosure committee, in order to update it in relation to the Corporation's practices concerning disclosure within the Corporation.

Additional Information

More information on the Corporation is available on the SEDAR+ website at www.sedarplus.ca or the Corporation's website at www.transat.com. Copies of our annual information form, management proxy circular, financial statements and MD&As may be obtained upon request made to our Corporate Secretary. We may charge a reasonable fee if the request is made by a person who is not a shareholder of Transat, unless we are in the course of a distribution of our securities pursuant to a short-form prospectus, in which case these documents will be provided free of charge. Transat's financial information can be found in the comparative financial statements and MD&A for our last fiscal year.

Transat is a reporting issuer in the different Canadian provinces, and we must file our financial statements and management proxy circular with each of the Canadian securities administrators. We also file an annual information form with these same administrators.

Relationship with Shareholders

The Corporation believes in the importance of a frank and constructive dialog with the shareholders. Between the annual meetings, the Corporation will provide the shareholders with a transparent process that will allow them to communicate with the Board, the Chair of the Board including the Board committee chairs. The Board has designated Jean-François Pruneau, Chief Financial Officer, and alternatively Richard Bilodeau as the representatives responsible for receiving and examining the communications and requests for meetings addressed to the Board. Mr. Pruneau will decide if the purpose of the communication is the responsibility of the Board or if it is more appropriate to transfer the communication to management.

Shareholders may formulate requests for information, observations or suggestions verbally or send them by email to investorrelations@transat.com or by mail (indicating "Confidential" on the envelope) to the attention of the corporate secretary of the Corporation at 300 Léo-Pariseau Street, Suite 600, Montréal, Quebec H2X 4C2.

Approval of the Management Proxy Circular

The content and the sending of this Circular have been approved by the Board.

Montréal, Quebec, March 21, 2025

BY ORDER OF THE BOARD OF DIRECTORS

TRANSAT A.T. INC.



Bernard Bussières

Chief Legal and Government Relations Officer and Corporate Secretary

SCHEDULE A – ADVANCE NOTICE BY-LAW

Introduction

The purpose of this Advance Notice By-Law (the “**By-law**”) is to establish the conditions and framework under which holders of record of Class A Variable Voting Shares and Class B Voting Shares of the Corporation may exercise their right to submit director nominations by fixing a deadline by which such nominations must be submitted by a shareholder to the Corporation prior to any annual or special meeting of shareholders. In addition, the By-law sets forth the information that a shareholder must include in the notice to the Corporation for the notice to be considered a written notice having been properly and validly given.

It is the position of the Corporation that this By-law is beneficial to shareholders and other stakeholders.

Nomination of Directors

1. Nomination Procedures

Subject only to the Canada Business Corporations Act (the “**Act**”) and the articles of the Corporation, only persons who are nominated in accordance with the following procedures shall be eligible for election as Directors of the Corporation. Nominations of persons for election to the Board of Directors of the Corporation (the “**Board**”) may be made at any annual meeting of shareholders, or at any special meeting of shareholders, if one of the purposes for which the special meeting was called is the election of Directors. Such nominations may be made in the following manner:

- a. by or at the direction of the Board, including pursuant to a notice of meeting;
- b. by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act, or a notice of the shareholders made in accordance with the provisions of the Act; or
- c. by any person (a Nominating Shareholder):
 - i. who, at the close of business on the date of the giving of the notice provided for below in this By-law and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and
 - ii. who complies with the notice procedures set forth below in this By-law.

2. Timely Notice

In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Corporate Secretary of the Corporation at the head office of the Corporation.

3. Manner of Timely Notice

To be timely, a Nominating Shareholder’s notice to the Secretary of the Corporation must be made:

- a. in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the “**Notice Date**”) on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and
- b. in the case of a special meeting (which is also not an annual meeting) of shareholders called for the purpose of electing Directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made. In no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder’s notice as described above.

4. Proper Form of Timely Notice

To be in proper written form, a Nominating Shareholder’s notice to the Corporate Secretary of the Corporation must set forth:

- a. as to each person whom the Nominating Shareholder proposes to nominate for election as a director:

- i. the name, age, business address and residential address of the person;
 - ii. the principal occupation or employment of the person;
 - iii. the class or series and number of shares in the share capital of the Corporation that are controlled or that are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; and
 - iv. any other information relating to the person that would be required to be disclosed in a dissident shareholder's proxy circular in connection with solicitations of proxies for the election of Directors pursuant to the Act and Applicable Securities Laws (as defined below); and
- b. as to the Nominating Shareholder proposing a nomination and giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Corporation and any other information relating to such Nominating Shareholder that would be required to be made in a dissident shareholder's proxy circular in connection with solicitations of proxies for the election of Directors pursuant to the Act and Applicable Securities Laws (as defined below).

The Corporation may require any proposed nominee to provide such other information, including a written consent to act, as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent Director of the Corporation or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.

5. Eligibility for Nomination as a Director

No person shall be eligible for election as a Director of the Corporation unless nominated in accordance with the provisions of this By-law; provided, however, that nothing in this By-law shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The Chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such non-compliant nomination shall be disregarded.

6. Definitions

For the purpose of this By-law, the terms below shall have the following meaning:

- a. **"public announcement"** shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System of Electronic Document Analysis and Retrieval at www.sedarplus.ca; and
- b. **"applicable Securities Laws"** means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada.

7. Delivery of Notice

Notwithstanding any other provision of this By-law, notice given to the Corporate Secretary of the Corporation pursuant to this By-law may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the Corporate Secretary of the Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is delivered by personal delivery, email (at the aforesaid address) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Corporate Secretary at the address of the principal executive offices of the Corporation; provided that if such delivery or electronic communication is made on a day that is not a business day or later than 5:00 p.m. (Eastern time) on a day that is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

8. Board Discretion

Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement set forth in this By-law.

SCHEDULE B – 2025 EMPLOYEE SHARE PURCHASE PLAN

**Share Purchase Plan
For the benefit of all employees or executives
(Amended and restated as at March 20, 2025)**



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Share Purchase Plan (SPP)

For the benefit of all employees or executives

TRANSAT A.T. INC.

1. INTERPRETATION

In this Share Purchase Plan, the following terms shall have the meanings ascribed to them hereinafter, depending on the context:

- 1.1. "Board of Directors" means the Board of Directors of Transat A.T. Inc.;
- 1.2. "Committee" means the Human Resources and Compensation Committee of the Board of Directors;
- 1.3. "Company" means Transat A.T. Inc. and any Canadian subsidiary in which it holds, directly or indirectly, more than 50% of the issued share capital entailing the right to vote in all circumstances;
- 1.4. "Employee or Executive" means all the regular Employees or Executives domiciled in Canada and holding a permanent position with the Company;
- 1.5. "Enrolment Form" means the form that must be completed and signed by the Employee or Executive to be able to join the Share Purchase Plan;
- 1.6. "Enrolment Period" means the period between November 1 and no later than December 31 of each calendar year;
- 1.7. "Member" means any Employee or Executive who will have been designated as eligible for the Share Purchase Plan in accordance with subsection 3.1 and who will have subscribed for Shares of the Company in accordance with subsections 3.2 and 5.2 hereof;
- 1.8. "Unrestricted Shares" means the transfer of the subscribed shares to the Member, giving the Member the right to trade them;
- 1.9. "Salary" means the base annual salary of the Employee or Executive, excluding commissions, bonuses, overtime pay, perquisites, travel expenses and any special payment for extraordinary services;
- 1.10. "Share Purchase Plan" means this "Share Purchase Plan for the Benefit of All Employees or Executives" or the "SPP," such as it may be amended from time to time;
- 1.11. "Shares or Voting Shares" means the shares of Transat A.T. Inc., currently listed as "TRZ.TO" on the Toronto Stock Exchange, including any fraction of a Share, subscribed and then held by the Trustee on behalf of each Member under this Share Purchase Plan;
- 1.12. "Share Subscription" means the issuance of shares by the Company from its share capital in consideration of a Member's payroll deduction;
- 1.13. "Termination" means that the Employee or Executive has permanently left the Company's employ and does not include permanent layoff, rotating or voluntary layoff, or temporary layoff;
- 1.14. "Transat" means Transat A.T. Inc.;
- 1.15. "Trustee" means any financial institution or corporation that may be appointed by Transat from time to time under this Share Purchase Plan.

2. "SPP" STRUCTURE

2.1. "SPP" Effective Date and Duration

The Share Purchase Plan, as amended herein, replaces, effective March 20, 2025, the Share Purchase Plan that came into force on January 12, 1989, as amended thereafter.

2.2. Description of Shares Issuable/Subscribed under the "SPP"

The Shares eligible to be subscribed under this Share Purchase Plan shall constitute treasury Shares of Transat's share capital.

The maximum number of Shares issuable under this Share Purchase Plan, including the related plans and programs, in particular Transcapital and Transaction, is **1,909,644**, subject to any adjustment under subsection 5.6.

The maximum number of Shares issuable to a single person under this Share Purchase Plan and any other share purchase plan or stock option plan of the Company shall not represent more than five percent (5%) of the outstanding shares in any Enrolment Period.

The number of Shares collectively issuable to the Company's insiders under this Share Purchase Plan and any other related share purchase plan shall at all times be less than the majority of the Shares issuable under this Share Purchase Plan.

The number of Shares issuable to insiders, at any time, under this Share Purchase Plan and all of the other share-based compensation plans of the Company, cannot exceed ten percent (10%) of the issued and outstanding shares of the Company, and the number of Shares issued to insiders, within any one-year period, under this Share Purchase Plan and all of the other share-based compensation plans of the Company, cannot exceed ten percent (10%) of the issued and outstanding shares of the Company.

The notion of "insider" is as defined in the *Securities Act* (Ontario).

3. "SPP" ELIGIBILITY AND MEMBERSHIP

3.1. Eligibility

Eligibility for the Share Purchase Plan extends to all Employees or Executives designated by the Company or by the Committee, as the case may be, who have no less than three (3) months of continuous service at the last day of each Enrolment Period.

3.2. Membership

Membership in the Share Purchase Plan is completely optional and begins on January 1st of the calendar year following the Member's enrolment to the Share Purchase Plan.

An eligible Employee or Executive shall become a Member of this Share Purchase Plan only if he joins the SPP by completing the Enrolment Form, and if he subscribes, subject to any other decision of the Board of Directors or the Committee, for a number of Shares whose aggregate subscription price shall equal between 1% and 10%, in multiples of 1%, of the Member's annual base Salary except for Executives who are Members of the Transcapital or Transaction Programs, as the case may be, for whom the rules of membership are defined in each of these Plans.

A Member may terminate his membership to the Plan at all times, by completing the Membership termination form. Following his termination to the Plan, the employee will not be able to re-enroll in the Plan until the next enrolment period.

3.3. Not to be Likened to a Contract of Employment

Membership shall in no case be considered a contract of employment with the Company or become a consideration or a condition of employment. It shall not affect the Company's right to dismiss, terminate, reprimand or lay off the Member at any time, regardless of the consequences that such an act might have on his membership in the "SPP."

4. "SPP" RESPONSIBILITY AND MANAGEMENT

4.1. Responsibility

4.1.1. The Board of Directors bears full and complete responsibility with regard to the Share Purchase Plan, which includes, but not limited to, the power and authority to adopt, amend, suspend or terminate the Share Purchase Plan, as it deems necessary or desirable. Any such adoption, amendment, suspension or termination is subject to the rules set forth by the regulatory authorities.

4.1.2. Subject to subsection 4.1.3, shareholder approval is not required for amendments to the Share Purchase Plan.

4.1.3. Approval by a majority of the voting shareholders present at a duly called shareholder meeting is required for (i) any increase to the maximum number of Shares issuable under the Share Purchase Plan, other than for standard anti-dilution purposes, (ii) any increase in the discount percentage or (iii) amendment to Transat contribution under this Plan.

4.1.4. No amendment of the Share Purchase Plan may contravene the requirements of any competent regulatory authority to which the Share Purchase Plan or Transat is now or may hereafter be subject to.

4.1.5. The shareholders' approval of an amendment may be given by way of confirmation at the next meeting of shareholders after the amendment is made, provided that no Shares are issued pursuant to the amended terms.

4.2. Management

The Board of Directors mandates the Committee to manage and administer the Share Purchase Plan, which confers full and complete authority on the Committee to interpret and adopt rules and by-laws and any other provisions necessary or desirable for the administration of the "SPP."

The responsibility for maintaining the list of Members and their membership records shall be entrusted to a Trustee acting as administrator of the "SPP" for the benefit and on behalf of the Members. A Member's record shall contain each subscription of Shares he will have made and the Number of Shares Subscribed that become unrestricted. The Trustee shall also be responsible for proceeding, on each date where the Shares become unrestricted, with the transfer of the unrestricted Shares to the Member; at the Member's request and except as otherwise provided in subsection 6.1 or 6.2, the Trustee may also proceed with the delivery of the share certificates for the Shares subscribed during a Plan Year or proceed with the sale at the market price of the same subscribed Shares, at the earliest after the Shares become fully unrestricted.

All of the Trustee's fees in relation with the management of the "SPP" shall be borne by the Company, except for the fees for delivery of share certificates or sale of Shares, including the brokerage fees upon the sale of the Shares at the Member's request, which shall be at the Member's expense.

5. "SPP" PRINCIPLES AND OPERATION

5.1. Principle

The principle is to encourage Employees or Executives to join the Share Purchase Plan in order to subscribe monthly, by payroll deductions, for the Shares of the Company, varying in number according to the Member's Monthly Contribution (hereinafter the "Member's Monthly Contribution"). The Member's Monthly Contribution shall be equal to 2/26 or 3/26 (depending on whether 2 or 3 payroll deductions will have been deducted during the month, in view of the number of pays (2 or 3) made in that same month) of between 1% and 10%, in multiples of 1%, of the Member's annual base Salary, at his option. The incentive comes from the 10% discount granted on the subscription price of each Share subscribed, subject to the Member remaining the owner of the Share as long as it is restricted.

5.2. Share Subscription Mechanisms

The principle set out in subsection 5.1 shall be applied as follows: an eligible Employee or Executive shall become a Member of the Share Purchase Plan by subscribing monthly by payroll deductions for a number of Shares (the "Number of Shares Subscribed") whose aggregate price shall equal 2/26 or 3/26 (depending on the month) of between 1% and 10% of his annual base Salary (in multiples of 1%), the number of which shall be obtained by the formula:

$$\{ [2/26 \text{ or } 3/26 \times 1\% \text{ to } 10\% \times \text{annual Salary}] \div [0.90 \times \text{subscription price}] \}$$

where the subscription price under the Plan is equal to the weighted average closing price on the Toronto Stock Exchange (TSX) for the five (5) trading days preceding subscription of the Shares.

5.3. Restriction Mechanisms

The Shares subscribed by a Member shall be escrowed; these Shares are initially restricted and they shall only become unrestricted in accordance with the following conditions: 100% of the Number of Shares Subscribed with respect to a calendar year shall become unrestricted on the July 1st following the end of the Plan Year with respect to which they were subscribed.

5.4. Issue of the Subscribed Shares

The Number of Shares Subscribed monthly shall be subscribed from the Company's treasury within ten (10) days from the end of the month by the Trustee on behalf of the Member utilizing the Member's monthly contributions (payroll deductions).

5.5. Shareholders' Rights

The Shares subscribed by a Member in accordance with and subject to the provisions of sections 5 and 6 confer on the said Member, upon their subscription, the voting rights, the rights to receive dividends (paid automatically by reinvestment by the Trustee within ten (10) days from the end of the month, in the form of additional unrestricted Shares at a price per share equal to the weighted average closing price on the Toronto

Stock Exchange (TSX) for the five (5) trading days preceding the date of reinvestment of the dividends), the rights to receive the financial statements and all the other rights usually inherent to a shareholder.

5.6. Change in the Share Capital

In the event of a change in the share capital of the Company, such as would occur following a stock split, consolidation, stock dividend, etc., the Number of Shares Subscribed by a Member shall be adjusted in the same manner as for all other shares, subject to any other determination by the Committee as a result of the change made to the Company's share capital and subject to the required approvals, if any.

6. PROVISIONS IN CASE OF TERMINATION, RETIREMENT, DEATH, ETC. OR CHANGE OF CONTROL

6.1. Termination

When a Member voluntarily terminates his employment or when the Member's employment is terminated due to his dismissal (with or without cause), all the Shares subscribed by the Member, regardless of whether or not they became unrestricted before Termination, shall become unrestricted automatically. The Member may then ask the Trustee to provide him with a certificate issued for all the Shares subscribed; he may also ask the Trustee to sell all or part of the aforesaid Shares at the market price. If the Member gives no instructions to the Trustee within ninety (90) days from his Termination date, the Trustee shall send him a share certificate at the address shown in its books.

6.2. Retirement, Death or Permanent Disability

In the event that the Member retires (de facto, but after age 55), dies or becomes totally and permanently disabled (qualifying for Transat's long-term disability plan), the Member or the beneficiary, as the case may be, may ask the Trustee to provide him with a certificate issued for all the Shares subscribed, regardless of whether or not they previously became unrestricted, because they will then become unrestricted automatically. The Member or the beneficiary, as the case may be, may also ask the Trustee to sell all or part of all the aforesaid Shares at the market price. If the Member gives no instructions to the Trustee within ninety (90) days from his retirement or disability date, the Trustee shall send him a share certificate at the address shown in its books; in case of death, the Trustee shall act in accordance with the beneficiary's instructions, if applicable.

6.3. Change of Control

In the event of a change of control of the Company, as defined in Schedule "A," the Member shall have the same rights as in the foregoing subsection 6.2.

6.4. Payroll Deductions Not Yet Used for Subscription of Shares

In the event that on the occurrence of one of the contingencies described in subsections 6.1, 6.2 and 6.3, the Member's Monthly Contributions (payroll deductions) have not yet been used by the Trustee to subscribe for Shares, these amounts shall be remitted by Transat to the Member or his beneficiary.

7. GENERAL PROVISIONS

The rights and privileges conferred on a Member under the provisions of this Share Purchase Plan are non-transferable.

The provisions of this Share Purchase Plan shall be governed and interpreted in accordance with the Laws of the Province of Quebec, and the applicable Laws of Canada.

SCHEDULE "A" TO THE SPP

CHANGE OF CONTROL

For the purposes of the Share Purchase Plan for the benefit of All Employees or Executives of Transat known as "SPP" (the "Share Purchase Plan"), a "Change of Control" occurs when an event results in a Change of Control of the Company. "Change of Control of the Company" means a situation that creates a de facto control of the Company, whether directly or indirectly, by ownership of the Company's securities, whether by agreement or in any other manner. Without limiting the generality of the foregoing, the following events will be considered a Change of Control:

- a) if a person or several persons acting jointly or in concert, proceeding by takeover bid in accordance with the applicable provisions of the Securities Act (Quebec), become the beneficial owners, directly or indirectly, of a certain number of securities of the Company conferring more than 50% or more of the voting rights for the election of the Company's directors;
- b) if a person or several persons acting jointly or in concert, proceeding by stock market trading, by over-the-counter sale, or in any other manner whatsoever, become the beneficial owners, directly or indirectly, of a certain number of securities of the Company conferring more than 50% or more of the voting rights allowing them to elect the Company's directors; however, the acquisition of securities by the Company itself, by one of its subsidiaries or affiliates, or by an employee benefit plan of the Company or one of its subsidiaries or affiliates (or by the Trustee of such a plan), or by a company or other legal entity of which, after acquisition, almost all of the voting securities are beneficially owned, directly or indirectly, by the persons who, prior to acquisition, were the owners of the securities of the Company that were acquired by the said company or other legal entity, in proportions substantially similar to those of their previous holding of the securities of the Company, shall not constitute a change of control;
- c) if the individuals constituting the Board of Directors of the Company cease, for any reason whatsoever, in the course of the same shareholder meeting or following the execution of a shareholder resolution, to constitute a majority of the members of the Board of Directors without the Board of Directors, as it was constituted immediately prior to the said meeting or resolution, having approved the said change;
- d) if assets of the Company representing 50% or more of the book value of all assets of the Company as determined on the date of the last audited financial statements of the Company, are sold, liquidated or otherwise assigned; or
- e) if a majority of the voting securities for the election of the directors of Air Transat A.T. Inc. and Transat Tours Canada Inc. are sold or assigned.

Effective as of January 1, 2015, as amended on January 13, 2016, December 13, 2017, and February 24, 2022.

SCHEDULE C – APPROACH TO EXECUTIVE COMPENSATION

The section entitled “**Executive Officer Compensation Discussion and Analysis**” explains in detail the Corporation’s approach to executive compensation which is based on three (3) founding principles, namely to be based on the Corporation’s performance, to be competitive with the market and to be aligned with the best interests of the shareholders.

Upon recommendation of the Human Resources and Compensation Committee, the Board recommends that the shareholders vote in favour of the following non-binding advisory resolution.

“BE IT RESOLVED:

THAT on an advisory basis and without limiting the role and responsibilities of the Board, the shareholders accept the approach to executive compensation set out in the Management Proxy Circular attached hereto.”

Although it is an advisory vote and the results will not be binding upon the Board, the members of the Board and of the Human Resources and Compensation Committee will review and analyze the results of the vote. In 2024, this resolution received 14,262,419 votes in favour (97.72%) and 333,430 votes against (2.28%).

Unless it is indicated that the shareholder wishes to abstain from voting, the shares represented by the form of proxy will be voted FOR the Corporation’s approach to executive compensation.

SCHEDULE D – SHAREHOLDER PROPOSALS

The following proposals (translated from French to English) were presented to the management of the Corporation by the *Mouvement d'éducation et de défense des actionnaires* (“MÉDAC”), which has a place of business at 82 Sherbrooke Street West, Montréal, Quebec H2X 1X3.

On the date its proposals were filed and based on the public information available, MÉDAC held 320 Class B Voting Shares of the Corporation, representing 0.0008% of all issued and outstanding Voting Shares.

PROPOSAL NUMBER ONE – NOT SUBMITTED TO A SHAREHOLDER VOTE

ADVANCED GENERATIVE ARTIFICIAL INTELLIGENCE (AI) SYSTEMS AND CODE OF CONDUCT

It is proposed that the Corporation adhere to the Voluntary Code of Conduct on the responsible development and management of advanced generative AI systems.

MÉDAC’s argument:

Over a year ago, the federal government published the Voluntary Code of Conduct on the Responsible Development and Management of Advanced Generative AI Systems¹. Although they offer many advantages, such as the ability to draft emails, answer complex questions, and produce images or produce realistic videos, they present significant health and safety risks, can propagate bias and carry the potential for serious social impacts, particularly when used by malicious actors.

It is telling that even the pioneers of artificial intelligence are wary of the risks it presents. In early 2023, over 350 AI industry leaders signed a declaration² urging the international community to make it a priority to mitigate the risk of “extinction” posed by AI, placing it on par with a pandemic or nuclear war. Since this moratorium has not taken place, it is safe to assume that the urgency to act is even greater today, as Joshua Bengio, one of the signatories of this moratorium request, expressed in an interview with *Les Affaires*.³

Aware of the importance of a rigorous framework to manage and mitigate these risks, the federal government invited companies to join the Code, which describes:

- measures that should be applied pending the adoption of regulations under the *Artificial Intelligence and Data Act*;
- as well as the additional measures that should be taken by any company that develops or manages the operations of such a system made widely available for use, i.e. systems with a wider range of potentially harmful or inappropriate uses.

The purpose of this proposal is to invite the Board of Directors to decide that the Corporation should adhere to this Code of Conduct.

The Corporation’s position:

The Corporation recognizes the importance of rigorously managing artificial intelligence to mitigate the risks associated with its use.

The Corporation has taken various measures targeting the use of AI, and will continue to do so. More specifically, the Corporation has implemented internal guidelines regarding the responsible use of AI that aim to protect the personal data for which we are responsible and provide a framework for the legal and ethical use of AI by all of our personnel.

Moreover, a working committee regularly meets to discuss and oversee potential initiatives involving the use of artificial intelligence within the Corporation.

¹ [Voluntary Code of Conduct on the Responsible Development and Management of Advanced Generative AI Systems](#)

² <https://futureoflife.org/open-letter/stoppons-les-experimentations-sur-les-ia-une-lettre-ouverte/>

³ <https://www.lesaffaires.com/secteurs/techno/yoshua-bengio-le-moratoire-na-pas-eu-lieu-2/>

Even though we believe that the Code's principles are generally aligned with our policies, we must first evaluate the effort that would be required to implement measures similar to those described therein, and we also feel that adhering to the Code at this point in time would be premature. We are committed to carrying out this evaluation over the next year and to reconsidering our adherence to the Code next year.

PROPOSAL NUMBER TWO – NOT SUBMITTED TO A SHAREHOLDER VOTE

DISCLOSURE OF LANGUAGES MASTERED BY EMPLOYEES

It is proposed that the languages mastered by employees be disclosed, broken down by jurisdiction, for all territories (countries, states, provinces) in which the Corporation operates.

MÉDAC's argument:

When candidates are hired, their skills are assessed to determine whether they meet the requirements of the job for which they are applying. Among these, of course, are language skills. Information on this subject is known to all companies. This information, in its statistical form, is of interest to everyone.

In recent years, several public controversies about language have tainted the reputation of major companies with respect to their social responsibility and their interpretation of their duties and obligations with respect to the diversity inherent in our societies. Language is at the heart of our democratic institutions and is a fundamental attribute of the community. Such situations, harmful from every point of view, must be avoided. To this end — and for several other reasons — it is appropriate for all interested parties (stakeholders) to know, through a formal and official disclosure, the languages mastered by the Corporation's employees.

Obviously, by “mastered,” what is understood is a level of language sufficient to allow its generalized use, verbal and written, in all spheres of activity of both legal and physical persons; a level of language sufficient to enable each one to assume their duties and functions fully and completely.

The Corporation's position:

As mentioned in the proposal, it is accurate to say that at the time of hiring, the candidates' competencies are assessed to determine whether they meet the job requirements, and that one of the competencies assessed is language skills. We confirm, in fact, that every individual hired at Transat has the language skills needed to perform their job adequately, which means that individuals hired for a position in the province of Quebec, for instance, will at the very least (barring certain exceptions) be able to speak French.

Although we do not systematically compile information on the language requirements for each of Transat's existing positions, we estimate that approximately 58% of our positions in Quebec (65% of our positions in Canada as a whole) require bilingualism. These positions are mainly flight attendants (note that knowledge of languages other than French and English, although an asset, is not a prerequisite for these positions), pilots and flight dispatchers, as well as certain administrative positions.

Questions?

For any question or additional information on the annual and special meeting of the shareholders of Transat, please contact our proxy solicitation agent:



Toll-free in North America:

1 800-848-3405

Outside North America (international):

1 438 944-1087

For immediate assistance:

1 438 944-1088

Email: INFO_TMxis@TMX.com

