

Company Profile

September 2016

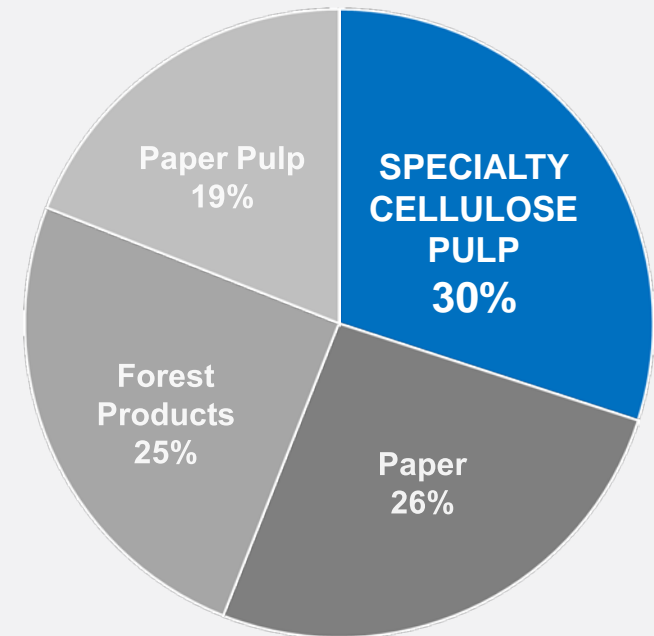


Rooted in tomorrow.

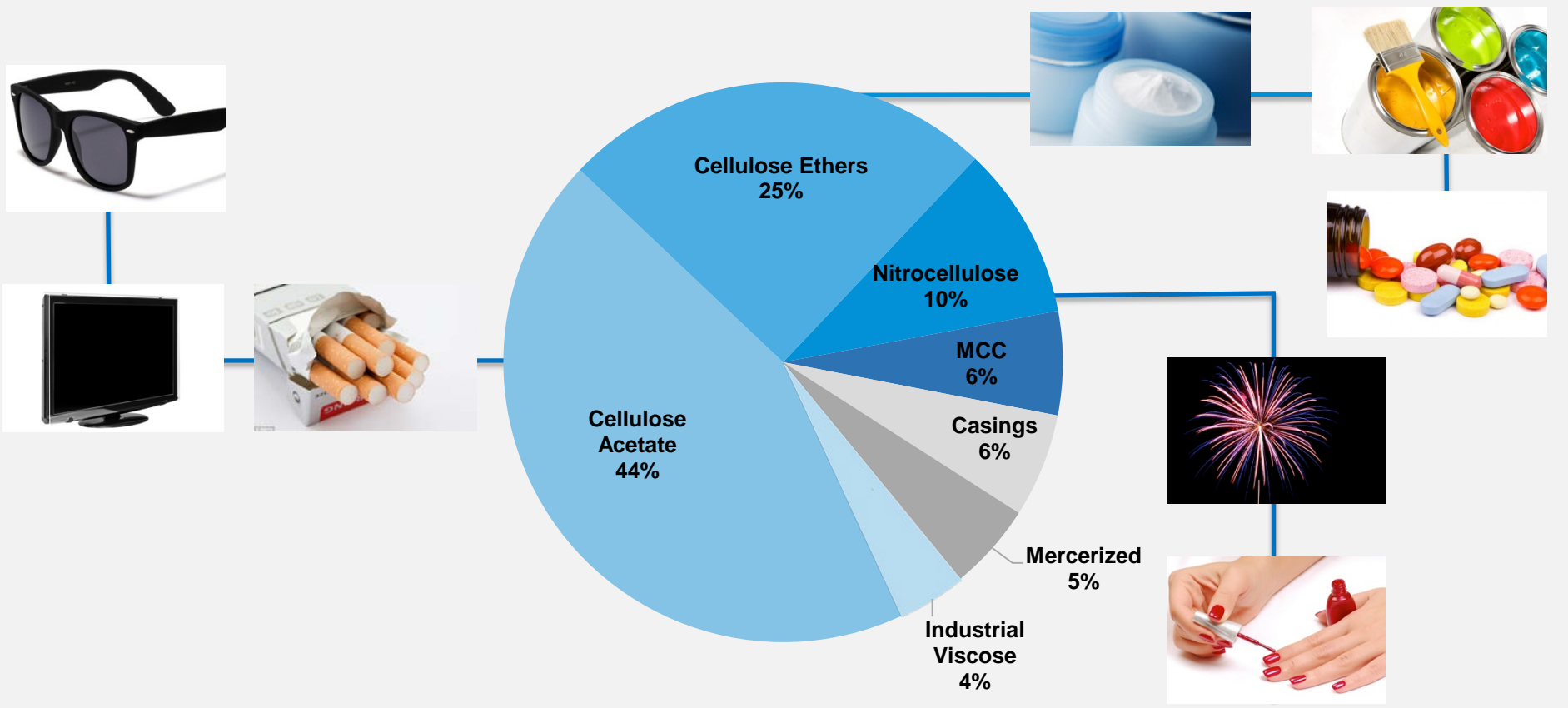
Who is Tembec?

- TSX listed under TSE: TMB
- 3,000 employees
- Global leader in sustainability
- Customers worldwide, operations in North America and France
- Manufacturer of
 - Forest Products (Lumber)
 - Paper Pulp
 - Paper
 - **SPECIALTY CELLULOSE PULP**

SALES OF \$1.5 BILLION IN FISCAL 2016

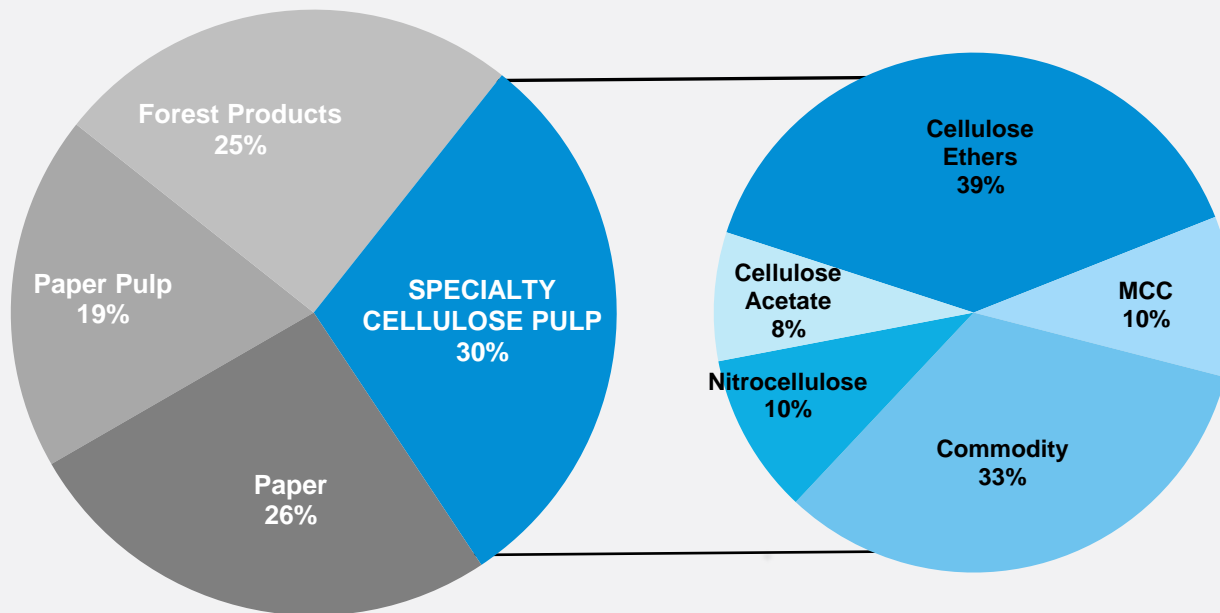


Global Market for Specialty Cellulose



Tembec's Market for Specialty Cellulose

- Tembec is well positioned for growth in specialty cellulose market.
- As Cellulose Acetate markets continue to decline, Tembec's strong market position in Cellulose Ethers leaves it well positioned for future growth.



Specialty Cellulose Market's Estimated CAGR ¹	
Cellulose Ethers	4%
MCC	4%
Industrial Viscose	2%
Nitrocellulose	0%
Cellulose Acetate	-1%

¹ Compounded Annual Growth Rate

Applications for Tembec Products

Forest Products

- Framing Materials
- Manufacturing Furniture
- Pulp (Wood Chips)
- Fuel (Chips, Sawdust, Shavings & Bark)
- Horticulture



Paper

- Commercial Printing & Publishing
- Packaging
- Point-of-Sale Displays
- Newspapers
- Paperback Publishers



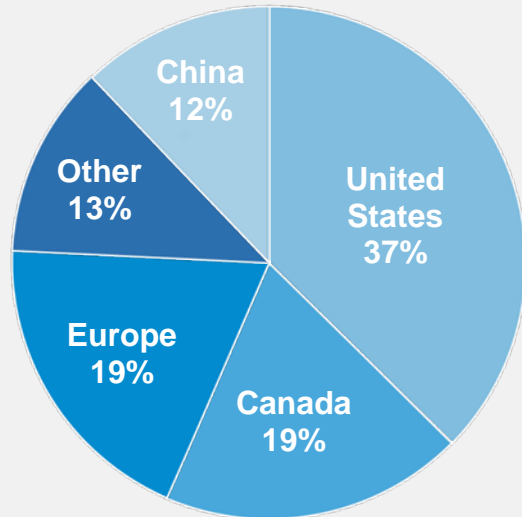
Paper Pulp

- Copy, Printing & Writing Papers
- Construction Paper & File Folders
- Coated Bleached Board
- Tissue & Toweling



Regional Sales and Operations

Sales by Region



- 2 Specialty Cellulose Mills – Canada & France
- 7 Sawmills – Canada
- 2 Paper Mills – Canada
- 2 Hardwood Pulp Mills – Canada
- 4 Chemical Plants – Canada, France & US

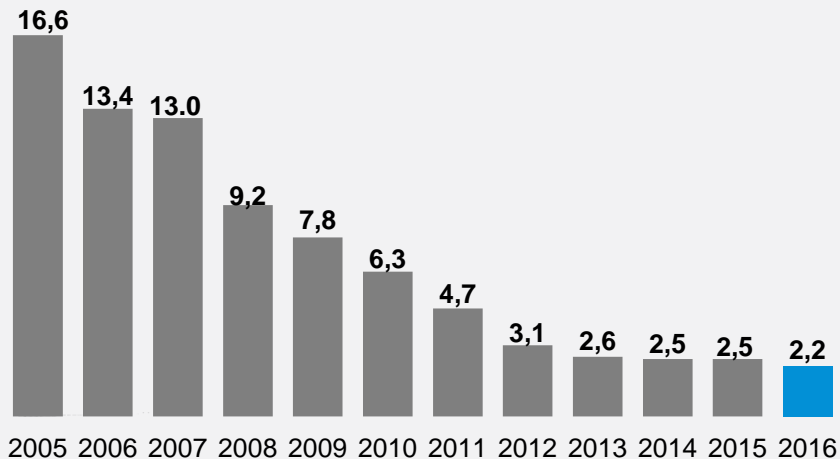


Tembec's Focus on Safety

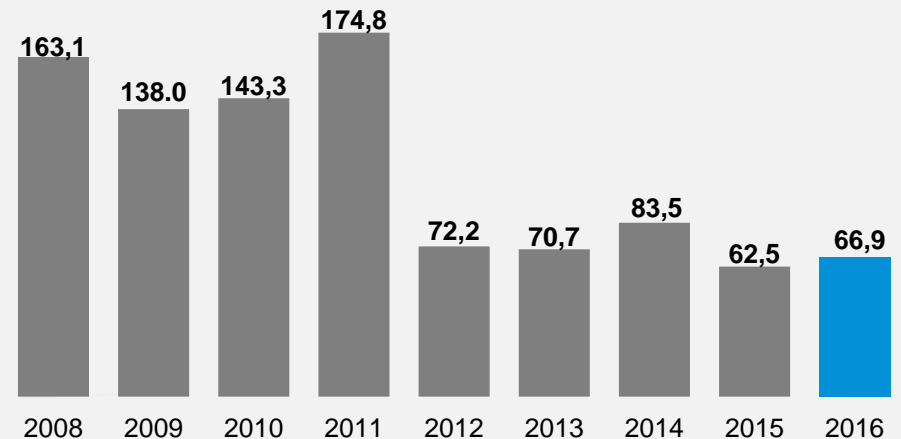
Safety is Tembec's #1 priority

- Since launching a Health and Safety Plan in 2007, the Company has reduced the Occupational Safety and Health Administration incident rate (OIR) by 85%.
- In 2016, the Company's OIR dropped by 12% year-over-year to an all-time low of 2.2.
- Focus is on training, employee ownership, accountability and risks of all types.

Safety - OSHA Incident Rate



Safety - Total Severity Rate



Environmental Leadership & Social License to Operate

All Tembec products start in the forest – a renewable resource – and we are well aware that sound environmental practices are good for business and for the community at large.

- **Leadership in Forest Stewardship Council® (FSC®) Certification**

In 2001, Tembec was the first large public company in Canada to commit to utilize standards developed by FSC® and seek certification on all company forest management units. By 2008, Tembec had certified 100% of public forestlands under its management, and also achieved Chain of Custody certification.

- **Forest Conservation**

Tembec works with Canadian Parks and Wilderness Society (CPAWS), Wildlands League and Ducks Unlimited Canada, among other such organizations. Focus on conserving and protecting forest lands, including wetlands, and wildlife habitat for species at risk.

- **Aboriginal Policy**

Tembec builds and maintains relationships with First Nations and Métis communities near operations. Policy addresses capacity building, employment, information-sharing, business relations and measures to harmonize traditional land use and forestry operations. Tembec's initial 1999 First Nations Policy was a trendsetter in the forest products industry.

Environmental Leadership & Social License to Operate

Tembec works collaboratively with groups and individuals that assert rights and interests in the forest lands on which Tembec operates, and who live in proximity to its manufacturing facilities.

- **Environmental Management System is Among North America's Best**

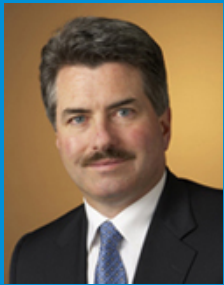
First major Canadian forest product company to implement in all operations internationally recognized EMS best practices in compliance with ISO 14001 standard.

- **Reducing Usage of Conventional Energy and Maximizing Fiber Utilization**

Tembec co-generates green electricity, uses biogas from wastewater, and produces green steam using fuels such as biomass and manufacturing residuals. Green energy reduces usage of conventional energy, notably fossil fuels, helping to address climate change.

Tembec's Leadership

Seasoned executives with broad forest products industry experience. Deep expertise in general management, finance, operations, sales and marketing, and business development.



James Lopez, Director, President and CEO

Mr. Lopez was appointed President and Chief Executive Officer in January 2006 and has been a Director of the Corporation since January 2006. Prior to being named President and Chief Executive Officer, Mr. Lopez served as Executive Vice President and President of the Corporation's Forest Products Group from August 2003 to January 2006. Currently Mr. Lopez is a co-chairman of the Bi-National Softwood Lumber Council between Canada and the United States. He graduated from California University of Pennsylvania with a bachelor's degree in economics in 1981.



Michel Dumas, Executive Vice President, Finance and CFO

After obtaining an Honors Bachelor of Commerce degree from the University of Ottawa in 1980, Mr. Dumas joined Tembec in 1985 as Controller for the High-Yield Pulp Mill in Temiscaming, Quebec. In 1991, he became Vice President, Finance and CFO of Spruce Falls Inc., an affiliate of Tembec, and in 1997 was promoted to Executive Vice President, Finance and CFO of Tembec.

Tembec's Leadership



Chris Black, Executive Vice President, Forest Products, Pulp and Paper

Mr. Black was appointed to this position in 2013, and has held progressively more senior roles since joining Tembec in 2000 as Vice President, Sales and Marketing, Newsprint. He previously held marketing, sales and general management positions with Navistar, and finance and marketing positions with Kimberly-Clark. He is a graduate of York University with a B.A. in Economics (1980) and an M.B.A. (Finance) also from York University (1982).



Christian Ribeyrolle, Executive Vice President, Specialty Cellulose

Mr. Ribeyrolle was appointed to this position in 2013, and has held progressively more senior operational management and management positions since joining Tembec in 2003 as Manager of the mill in Tartas, France. He holds a chemical engineering degree from l'École Nationale Supérieure de Chimie de Clermont-Ferrand in France. Since 2009 he has held the position of President, Tembec France SAS.



Marcus Moeltner, Vice President Business Development

Mr. Moeltner was appointed to this position in 2011. He began his career with Kimberly-Clark and over 12 years held financial positions of increasing responsibility. He joined Tembec in 2000 and became Vice President Corporate Development in 2004. From 2005 to 2008 he was Vice President Finance of Grant Forest Products, then rejoined Tembec in May 2008. He holds an Honors Bachelor of Commerce (1987) degree from Laurentian University and has a Certified Management Accountant (CMA) designation (1992).