



VOTE FOR TRANSAT

VOTE BLUE

**VOTE FOR A CLEAR STRATEGY
AND A STRONGER FUTURE**



VOTETRANSAT.CA



FOR QUESTIONS CONTACT

Laurel Hill Advisory Group

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LETTER TO SHAREHOLDERS

Dear Fellow Shareholders,

This year's Annual and Special Meeting comes at a pivotal moment for Transat. Just as our recovery plan is beginning to deliver tangible results, shareholders are being asked to consider a disruptive governance overhaul put forward by Financière Outremont. This activist shareholder, with less than 10% of outstanding shares, is seeking effective control of Transat without proportionate ownership, paying a premium or offering a concrete and actionable plan.

Financière Outremont's proposal is the latest in a series of attempts to take control of Transat, this time by seeking three of six board seats, including the Chair role. This proposal comes at a critical moment, just as Transat's recovery plan is being executed, its turnaround is gaining traction, and the company is well positioned for sustainable growth.

As it has proactively done since 2022, your Board is putting forward a thoughtfully constructed board slate that reflects Transat's evolution as it moves from recovery to its next phase of growth. It combines essential continuity with independent perspectives and value-additive shareholder representation designed to serve all shareholders, not the interests of a single investor.

We are asking you to choose a Board that is structured to act independently and in the interests of all shareholders, that is reflective of ownership position while preserving independence and accountability to all shareholders. Transat is presenting a Board that includes representation from some of Transat's largest shareholders – including representatives from Fonds de solidarité des travailleurs et travailleuses du Québec (FTQ) ("Fonds de solidarité FTQ") and Caisse de dépôt et placement du Québec ("La Caisse"), maintains strong Quebec roots combined with broad vision, and is grounded in independence, industry experience, and accountability. Transat offered Financière Outremont board representation aligned with its minority share ownership, along with signing a support and voting agreement on customary terms and conditions, but Financière Outremont rejected this reasonable and proportionate proposal.



RIGHT DECISIONS YESTERDAY ARE DELIVERING VALUE TODAY

Improved the balance sheet.

Successfully completed major debt restructuring reducing federal debt by half and lowered annual interest costs by approximately \$45 million, and reduced solvency risk. A stronger balance sheet protects shareholder value and improves long-term upside.

Delivering real financial results.

Cost and operating improvements are translating into better earnings. Improving profitability supports a more valuable and sustainable corporation, despite operational challenges with engine problems grounding part of the Airbus 321 fleet.

Improved operations.

Bringing key ground handling and passenger services at Montreal Airport in-house improved reliability, on-time performance, and customer satisfaction. Transat's rigorous focus and discipline also led to improved on-time performance and reliability.

Strengthened liquidity responsibly.

Completed engine monetizations generating cash and supporting liquidity while maintaining fleet flexibility. Stronger liquidity reduces risk and provides flexibility to grow.

To learn more about our plan and progress, shareholders can visit www.votetransat.ca

TRANSAT IS ON THE RIGHT TRACK

After navigating one of the most severe crises in global aviation history, one that hit Transat harder than its peers because of its focus on leisure travel, Transat has reached an inflection point in its recovery. Amid border closures, demand collapse and engine groundings issues, Transat has taken decisive action to protect its business and shareholders.

Through leadership, disciplined execution, restructuring, and the sustained commitment of our employees and shareholders, Transat has stabilized operations, strengthened financial performance, preserved shareholder value, and laid the foundation for long-term value creation.

Transat delivered record adjusted EBITDA in 2025, sharply reduced cash burn, cut government-backed debt by approximately 50% - leaving shareholders unimpaired and reducing annual interest expenses by approximately 90%, advanced cost-reduction initiatives, and, over the last 12 months, saw its share price outperform Air Canada and the S&P/TSX. These results confirm the recovery is real and underway making it critical to preserve momentum. Independent research analysts expect continued progress in fiscal 2026.

TRANSAT BY THE NUMBERS

\$271M

RECORD EBITDA¹

88%

STOCK INCREASE

50%

REDUCTION IN DEBT

45%

LOWER CASH BURN

8.7

CUSTOMER
SATISFACTION

-1.1%

COST PER AVAILABLE
SEAT MILE

¹Adjusted EBITDA is a non-IFRS financial measure and refers to operating income (loss) before depreciation, amortization and asset impairment expense, reversal of impairment of the investment in a joint venture, the effect of changes in discount rates used for accretion of the provision for return conditions, changes in market price of CORSIA Eligible Emissions Units (carbon credits), restructuring costs and other significant unusual items, and including premiums related to derivatives that matured during the period. The Corporation uses this measure to assess the operational performance of its activities before the aforementioned items to ensure better comparability of financial results. Adjusted operating income is also used to calculate variable compensation for employees and senior executives. For more detailed information and for the reconciliations between the IFRS financial measures and the non-IFRS financial measures, please refer to Section 2 Non-IFRS financial measures of Transat's MD&A in its 2025 Annual Report, available on SEDAR at www.sedarplus.ca and on www.transat.com in the Investors section.



Your Board remains committed to disciplined and agile governance, balancing the interests of all shareholders to support Transat's continuing recovery and growth. We thank our shareholders, including individuals, employees, retirees, and major institutional shareholders, for their continued trust.

DISRUPTION PUTS TRANSAT'S PROGRESS AT RISK

Financière Outremont (controlled by Pierre Karl Péladeau) owns less than 10% of shares but is proposing to take control of 50% of the Board seats and the Chair position, all going to close connections of Mr. Péladeau, with no complex, international, and regulated commercial airline industry knowledge or experience. Financière Outremont is proposing to reduce the Board to a size too small to provide effective oversight, relevant expertise, and required independence. Introducing extensive governance disruption now would create real operational risk, distracting from transformation, causing potential leadership turnover, and weakening the Board's ability to fully support the company and play its role.

For months, Transat and its main stakeholders, have tirelessly engaged with Financière Outremont constructively and in good faith. The Board acknowledges that a minority shareholder may have representation and offered one seat consistent with its ownership of less than 10%, matching the approach used for other shareholder-nominated directors, conditional upon signing a customary, standard "no-disruption" agreement to ensure stability and protect all shareholders, and outlined plans to reduce Board size. Financière Outremont rejected this reasonable proposal, making it clear it would accept nothing less than control of the Board and launched a costly and unnecessary proxy fight. While Financière Outremont claims to be concerned about governance and the future of Transat, Mr. Péladeau and his nominees, have offered no capital, no plan, and no execution roadmap. It has failed to detail a plan to fund growth, manage financial leverage, or address fleet and labour issues in a highly regulated, complex, international, capital-intensive industry. It has not even

MR. PÉLADEAU'S REPEATED ATTEMPTS TO TAKE CONTROL OF TRANSAT

Over the past several years, Mr. Péladeau has repeatedly sought control of Transat through various low-value or no-premium proposals. These efforts were ultimately rejected by the Board in favour of a value-preserving government-backed restructuring plan.

Since the termination of the Air Canada transaction, Mr. Péladeau (through a related holding company) has made multiple attempts to acquire control of Transat at undervalued levels.

In 2024 and 2025, it submitted several non-binding, highly conditional offers, including one that valued Transat at \$0.80 per share, well-below the market value at the time, and another proposed acquisition that valued Transat's equity at \$1.

In July 2025, following the dismissal of its legal challenge to Transat's government-backed debt restructuring, Mr. Péladeau publicly stated his continued intent to acquire Transat.

The Board believes this proxy fight is his attempt to make good on that while not providing any value to shareholders.

acknowledged the real dynamics shaping Transat's recovery including the following facts: Canadian pandemic support was mostly debt as opposed to grants, engine groundings affected our fleet and operating efficiency as one of the most impacted Canadian airlines due to our fleet mix, and 2023 industry performance reflects a temporary rebound not a new baseline. Most critically, Financière Outremont hasn't identified any flaw in Transat's plan, or how its nominees would deliver better results.

Governance overhaul without a clear strategy introduces uncertainty, delays decision-making, and dilutes accountability.

This appears to be nothing more than another attempt to ultimately acquire control without offering value to shareholders. Mr. Péladeau's three nominees are not independent, linked through long-standing relationships, limiting the diversity of viewpoints that independent shareholders should demand.

Mr. Péladeau's proposal emphasizes control over independence and does not provide the depth of industry-relevant oversight required to guide Transat through its next phase. Notably, he argues that a CEO should not sit on the Board; however, for a widely held public corporation like Transat, effective governance depends on transparent executive accountability to an independent Board, not the informal, shareholder-driven control structure he is seeking.

What may function in a family-controlled business does not translate to an international public airline where independence, diversity of perspective, and accountability are essential to safety, regulation, and long-term value creation.

Any proposal that seeks to gain control without a consideration shifts risk without compensation. Control without a concrete plan creates uncertainty. Control without relevant experience increases missteps – when the margin for error is thin.

ORDERLY BOARD EVOLUTION WITH SHAREHOLDER INPUT FOR THE NEXT PHASE OF GROWTH

Transat has navigated through the aborted Air Canada transaction, the pandemic, and a complex restructuring, and is continuing with its proactive approach to board design, deliberately transitioning Transat into its next growth phase with a right-sized slate and added expertise.

As Transat faced this unprecedented sequence of events, the Board's role was not to optimize in perfect conditions, it was to preserve value, protect the business, and keep the Corporation viable. During the relaunch and restructuring period, the Board prioritized stability and continuity while Transat rebuilt operations and negotiated a critical balance sheet restructuring. With those milestones achieved,



and the recovery underway, the Board is now executing an orderly evolution in composition and size to match the next strategic cycle. Orderly succession, planned retirements, and skills alignment have been active priorities and underway for 4 years as evidenced by the fact that three returning independent nominees average less than 4 years of tenure.

Your Board has shaped a slate that blends continuity and new perspectives, added experience, and independent oversight. Transat's proposed Board nominees offer expertise in aviation (including international aviation), operation and management experience, transportation and tourism, industry regulations and finance. This measured approach follows extensive shareholder engagement and a clear-eyed view of where Transat stands and the route ahead.

The Board remains committed to skills-based renewal within a governance framework that safeguards independence, expertise, proportionality, and accountability.

VOTE THE **BLUE** PROXY TO KEEP TRANSAT ON TRACK

This contest presents a clear choice: (1) execute a recovery plan that's working, and a deliberately constructed Board aligned with long-term value or (2) embrace disproportionate control by a single shareholder that is not offering a proper consideration, providing any capital contribution, or an actionable operating plan.

Your Board unanimously believes the first path is the right one, for Transat, employees, customers, shareholders, and Quebec.

Your vote is extremely important. Even if you have never voted before, voting is fast and easy. Cast your vote today to ensure it is counted in time. We urge you to read this circular carefully and your Board unanimously recommends that you vote **FOR ALL 8** Transat Nominees

BOARD AND MANAGEMENT TEAM FOCUSED ON DISCIPLINED LONG-TERM VALUE CREATION

Key initiatives to strengthen competitive position:



Launch of a new loyalty program in 2026



Targeted cabin refurbishment and premium seating enhancements



Ongoing fleet planning to support efficiency and reliability



Expanded use of automation and artificial intelligence across revenue management, customer experience, and cost control

using the enclosed **BLUE** Proxy and vote for the amendment to Transat's articles to provide for a minimum of 8 and a maximum of 15 directors. **DO NOT VOTE** for Financière Outremont's nominees. You may also receive a proxy and other materials from Financière Outremont. Please disregard such proxy and use only the **BLUE** Proxy to vote your shares. As Transat uses a "universal" proxy containing the names of all the Transat nominees as well as the other nominees, there is no need to vote on any other form regardless of how you wish to vote.

In addition, only the most recently dated proxy will be counted, and any prior dated instructions will be disregarded. Assuming the amendment to Transat's articles is approved at the meeting and the size of the Board is reduced to 8 directors, you may only vote for up to 8 director nominees and, in the event you vote for more than 8 director nominees, only the votes cast for the first 8 director nominees listed on the proxy will be counted. In these circumstances, only the 8 director nominees receiving the highest number of FOR votes at the meeting will be elected as directors. If shareholders do not approve the amendment to Transat's articles to reduce the size of the Board to 8 directors, shareholders may vote for up to 9 nominees, and only the votes cast for the first 9 director nominees listed on the proxy will be counted and only the 9 director nominees receiving the highest number of FOR votes at the meeting will be elected as directors.

Thank you for your support and trust.

Sincerely,



Susan Kudzman
Chair of the Board





VOTING IS NOW OPEN

VOTE TODAY. DON'T WAIT.

Vote your **BLUE** Proxy early to ensure it will be counted.

Even if you have never voted before and no matter how many shares you own, becoming a voter is fast and easy.

To vote **FOR ALL** the Transat nominees, vote the **BLUE** Proxy. Follow the instructions on the **BLUE** Proxy or voting information form.



VOTE ONLINE

Registered shareholders: www.meeting-vote.com

Beneficial Shareholders: www.proxyvote.com



VOTE BY PHONE

Registered shareholders:

Toll-free: 1-888-489-7352

Beneficial Shareholders:

In Canada: 1-800-474-7493 (in English) or 1-800-474-7501 (in French)

In U.S.: 1-800-454-8683

Don't wait until the proxy voting deadline at **9:00 a.m.** Montréal time on Friday, March 6, 2026.

QUESTIONS? NEED HELP VOTING?

Contact Laurel Hill Advisory Group by email at assistance@laurelhill.com, or by texting "INFO" to, or calling, 1-877-452-7184 (North American toll-free) or 1-416-304-0211 (International).

You can also visit our Annual and Special Meeting site at: www.votetransat.ca for more information about Transat and our proposed Board.

REASONS TO VOTE

This year's Meeting presents a clear binary decision: responsibly evolve under qualified, independent oversight, or disrupt it with a governance overhaul that would effectively concentrate control in the hands of a single shareholder who has for years unsuccessfully sought to take control of Transat.

This most recent attempt to take control is done without offering a proper consideration to shareholders, providing capital contribution, any disclosed actionable operating plan, or financing strategy. The consequences of this decision will directly affect Transat's strategy, execution certainty, risk allocation, and how the interests of Transat and its shareholders' investments are treated.

Transat has reached a critical inflection point following an unprecedented industry shock. Through disciplined execution and restructuring, Transat has stabilized operations, materially strengthened financial performance, and positioned itself to complete the recovery and return to sustainable long-term value creation and customer loyalty.

The following three reasons outline why shareholders should vote FOR the eight (8) Transat Nominees, with full nominee details set out beginning on page xvi of this Circular.

TRANSAT AT A GLANCE



Financial performance is improving.

Transat delivered its strongest adjusted EBITDA in history, sharply reduced cash burn, and improved normalized cash generation.



The balance sheet is materially stronger.

Federal debt has been reduced from approximately \$779 million to about \$334 million, cutting annual interest costs by roughly \$45 million and extending maturities. Financial risk has been reduced and Transat has time to grow into its capital structure.



Operations are more reliable.

On-time performance and customer satisfaction have improved and customer complaints compare favourably with major Canadian peers.



The strategy is gaining traction.

Joint Venture with Porter is expanding network reach, a new loyalty program is launching with a major financial partner, and fleet availability is improving as engine groundings decline. The business is positioning itself for sustainable growth, not short-term fixes.



Governance is stable and evolving responsibly.

The Board remains majority independent, and its size and the expertise of its nominees have been aligned with Transat's current needs. Transat is governed with discipline, independence, expertise, and continuity during a critical recovery period and will evolve responsibly following significant engagement.



Skytrax has named Transat Best Leisure Airline for 3 years in a row.



REASON 1: TRANSAT'S PLAN IS WORKING. CONTINUITY OF EXECUTION IS CRITICAL AT THIS STAGE OF THE RECOVERY.

Through the implementation of its Elevation Program, Transat is well into its recovery and delivering results. Following the most severe and prolonged disruption in the history of commercial aviation, Transat has achieved measurable and meaningful progress across its financial, operational, and strategic priorities. The COVID pandemic affected Transat more severely than many peers given its focus on leisure travel, one of the last segments to recover as borders finally fully reopened in 2022 and travel patterns normalized. Despite this disproportionate impact, Transat has delivered substantial progress through a multi-year plan overseen by an engaged Board and a focused management team.

Transat completed a comprehensive restructuring of its government-backed debt that significantly reduced leverage, improved terms, and extended maturities while leaving shareholders unimpaired. This restructuring was a necessary milestone in restoring financial flexibility and credibility without compromising long-term strategic options. The agreement included an approximately 90% reduction in annual interest expenses and represented the best alternative that could be obtained without negative consequences to shareholders, Transat, or its stakeholders. The restructuring received strong market validation with Transat's share price increasing by approximately 70% in the week following the announcement and analysts publishing highly supportive research notes. Yet, Financière Outremont filed a motion before the Quebec Superior Court in an attempt to block the closing of said restructuring. This attempt was rejected by the Court and Transat was able to successfully close this restructuring to the benefit of all shareholders.

It is important to note that government support for airlines varied globally during the pandemic. In Canada, support took the form of repayable loans rather than grants, which naturally affected leverage metrics relative to global peers.

ELEVATION PROGRAM OVERVIEW

Revenue management operation.

Increase flight and package revenue by implementing improved inventory and pricing strategies, along with more holistic analytics and AI tools.

External cost reduction.

Sustainably reduce external spend across categories through pricing/contract optimization, demand volume rationalization and specification/vendor performance review.

Contact centre and GTM Efficiency.

Improve contact centre performance with process improvement and tech/AI. Improve GTM efficiency through reduction in distribution fees and improvement of marketing ROI.

Crew productivity and network

scheduling. Increase crew productivity, revised network scheduling process, improved crew planning tools and CBA renegotiation.

Operational efficiency.

Reduce operational costs through improved inventory management, maintenance technician efficiency, maintenance programs review.

Organizational effectiveness.

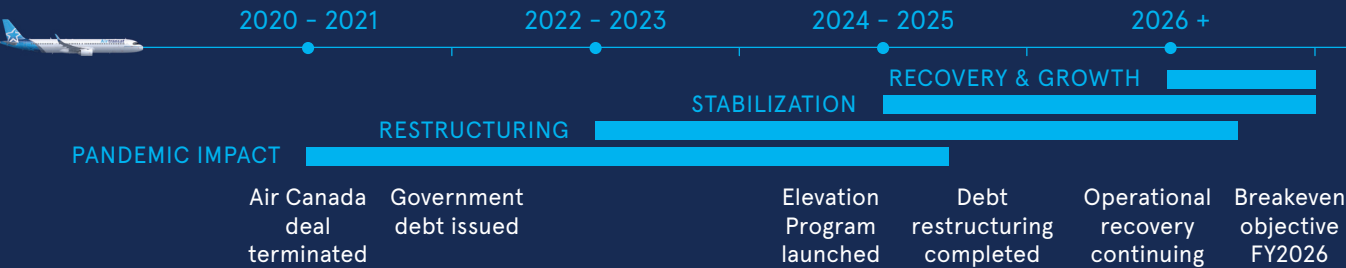
Improve the health of the organization through increased spans of control and de-layering, and ensuring Transat is right-sized for the future.

Based on the Corporation’s current trajectory, Transat expects leverage to normalize toward industry levels over the course of its strategic plan execution.

2025 saw record adjusted EBITDA, improved yields, tight cost control, reduced cash burn, and strengthened liquidity trends. While 2023 reflected an exceptional rebound year for the global airline industry, characterized by pent-up demand and constrained capacity, it does not represent a normalized earnings baseline against which Transat should be judged. Even so, Transat delivered year-over-year improvement in adjusted cost per available seat mile, despite continued operational headwinds caused by Pratt and Whitney engine groundings that remain outside Transat’s control but are expected to be resolved by 2027.

Operationally, Transat has continued to improve reliability and customer experience. Transat was named the World’s Best Leisure Airline at the 2025 Skytrax World Airline Awards for the seventh time, and for the third consecutive year. On-time performance has strengthened, customer satisfaction has recovered following temporary disruption caused by engine groundings which disproportionately affected Transat because of its fleet mix, and complaint rates compare favourably with larger domestic peers. At the same time, Transat has also ensured labour stability by successfully negotiating a ratified agreement with a key employee segment.

TRANSAT’S RECOVERY JOURNEY



Contrary to Financière Outremont’s claims, there is no imminent liquidity or solvency risk. Year-over-year, annual cash burn has improved materially and continues to trend in the right direction. Combined with the completed debt restructuring (which will improve cash generation by approximately \$45 million annually), these facts underscore that stability is being restored. What is appropriate, and



already underway, is an orderly, skills-based board renewal aligned with Transat's strategic needs, not a disproportionate reshaping of the Board by a shareholder with less than 10% ownership.

In airlines and other asset-heavy businesses, governance disruption at the wrong moment often manifests in delayed decisions, loss of much-needed strategic continuity, internal distraction, loss of key talent, and inconsistent or failed oversight. These effects are particularly acute during periods when management teams are balancing liquidity management, fleet decisions, labour relations, and commercial optimization simultaneously. The current Board and CEO Annick Guérard are executing the Elevation Program, advancing toward sustainable cash flow and normalized leverage. These efforts require continuity of oversight, clear lines of accountability, and informed decision-making grounded in an understanding of Transat's recent history and current constraints.

REASON 2: ORDERLY GOVERNANCE AND FAIRNESS REQUIRE PROPORTIONALITY, INDEPENDENCE, AND ACCOUNTABILITY.

At the centre of this vote is a fundamental question about proportionality: how much influence should a shareholder with less than 10% ownership exercise over the Board, and strategic direction of Transat, and the investments of over 90% of our shareholders?

Sound corporate governance protects all shareholders by aligning influence with economic ownership, ensuring independent oversight, reflecting the right mix of skills and experience, and enforcing accountability through established processes. It ensures that no shareholder is treated differently or given an advantage over others. Your Board has upheld these principles throughout Transat's transition, navigating crisis, executing a complex restructuring, and now steering recovery without sacrificing long-term value.

From the outset of its engagement with Financière Outremont, the Board approached negotiations

EVOLVING GOVERNANCE PROCESS TO SUPPORT THOUGHTFUL BOARD DESIGN

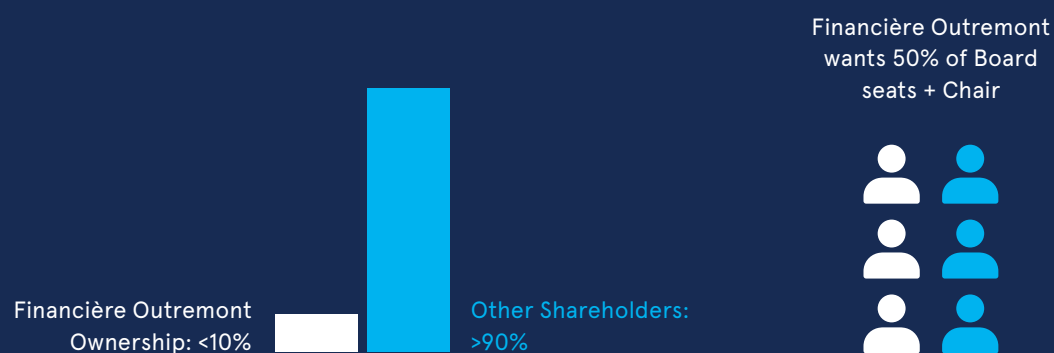
Proportionality, independence, expertise, and accountability are key principles in Transat's Board design.

The composition of the current slate and reduced Board size reflect a process that has been active for years and is now being executed as orderly retirements take place and Transat enters its next strategic cycle. This includes:

- Annual board assessment and peer benchmarking
- Annual skills matrix review tied to strategic plan
- Succession planning (chair, committee chairs, director rotation)
- Evergreen pipeline of candidates reviewed regularly
- Annual review of board size, committee coverage, and workload
- Input from major shareholders

The implementation timing has spanned from 2022–2026 (70% new directors). Board right-sizing is aligned with transition from stabilization to sustained execution.

FINANCIÈRE OUTREMONT, OWNING <10% OF TRANSAT IS SEEKING DE FACTO BOARD CONTROL



constructively, offering one Board seat consistent with its ownership and applying the same standards that would be afforded to other large shareholders. The Board also informed Financière Outremont it was planning to reduce Board size and continuing its structured board design process aligned with shareholder feedback.

Financière Outremont rejected this reasonable offer. Rather, it insists on demanding three of six Board seats allocated to closely connected individuals and the Chair position, which would result in control of the Board, despite only owning less than 10% of the outstanding shares and offering no proper consideration, providing no capital contribution, actionable operating plan, or financing strategy. Granting such influence would be materially off-market and fundamentally inconsistent with accepted governance standards.

Independence is also at stake. An effective Board must provide rigorous independent oversight of management, assess risk objectively, and act in the best interests of all shareholders. That requires directors who are not only formally independent, but also free of entangling alliances. A Board controlled by individuals with close ties risks groupthink and compromised fiduciary judgment. Transat's nominees reflect a diversity of backgrounds in aviation (including international aviation), finance, operations, and governance. They were consciously selected through a robust governance process and with the input of some of Transat's largest shareholders to ensure independent, rigorous oversight, not allegiance to any single shareholder.

Directors must be accountable to all shareholders.

Financière Outremont has not explained how its changes would create value, improve outcomes, manage risk, or address capital needs.

By contrast, your Board has been open and responsive to shareholder input while preserving safeguards. It has embraced representation that takes into account ownership, methodical board design for the challenges of the future, and transparent evaluation, refusing only demands that would erode independence and heighten risk without appropriate consideration.

Transat operates in a highly regulated, capital-intensive, and cyclical industry. Small changes in fleet availability, network design, or liquidity can have outsized impacts. At this phase, one of the primary risks is impaired execution created by governance disruptions.

Your Board is confident that Transat has the right mix of experience, expertise, continuity, independence, and representation to complete its recovery and build for the future with its proposed nominees.

THE RIGHT NOMINEES FOR THE RIGHT TIME

Transat is still completing a multi-year recovery. Material progress has been made, but execution remains complex. This reality demands specific, applied oversight experience.

The Transat Nominees bring three essential skillsets to navigate this landscape:

Airline and transportation expertise.

Fleet decisions, route economics, capacity discipline, and yield management involve long-term capital investments and regulatory complexity, locally and internationally. Directors without domain experience may underestimate operational dependencies and downside risk. Transat's Nominees includes individuals with hands-on airline and transportation backgrounds who understand how disruptions, fleet constraints, strong alliances and commercial levers interact.

Restructuring and capital discipline.

While Transat's recent debt restructuring improved flexibility, it did not eliminate the need for long-term capital discipline. Managing through seasonal swings and normalizing leverage requires rigorous, experienced oversight that understands creditor dynamics and long-term capital trade-offs. Several Nominees have led restructurings and have significant expertise in asset-heavy industries, allowing the Board to stress-test management assumptions and avoid shortsighted moves that erode value.

Execution oversight in complex transformations.

Transat's recovery depends on coordinated execution across cost control, operations, customer experience, and commercial strategy. Oversight must go beyond credentials. It requires lived experience managing transformation. Nominees who have led large organizations through change bring awareness of risk factors like distraction, overreach, and loss of institutional memory, and the ability to advise and challenge management constructively while preserving momentum.

REASON 3: TRANSAT NOMINEES REFLECT AN AGILE AND PURPOSE-BUILT BOARD THAT IS THOUGHTFULLY CONSTRUCTED AND SUPPORTED BY TWO MAJOR SHAREHOLDERS.

Full information about each of the nominees can be found on page xviii.



CHRISTIANE BERGEVIN

- New
- Independent

Skills

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



VINCENT DUHAMEL

- New
- Independent

Skills

- ✓ Senior management and operations
- ✓ Finance
- ✓ Human resources and compensation
- ✓ Corporate responsibility



DANIEL DESJARDINS

- Returning
- Independent

Skills

- ✓ Senior leadership and operations
- ✓ Finance
- ✓ Government affairs, laws and regulations
- ✓ Risk management



ANNICK GUÉRARD

- Returning
- Not independent

Skills

- ✓ Senior management and operations
- ✓ Air transportation and tourism
- ✓ Technology and digital transformation
- ✓ Risk management



MARIE-PIERRE DHERS

- New
- Independent
- Representing Fonds de solidarité des travailleurs et travailleuses du Québec (FTQ)

Skills

- ✓ Senior leadership and operations
- ✓ Air transportation and tourism
- ✓ Finance
- ✓ Corporate responsibility



STÉPHANE LEFEBVRE

- Returning
- Independent

Skills

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



MICHAEL R. DILOLLO

- New
- Independent
- Representing La Caisse de dépôt et placement du Québec

Skills

- ✓ Senior management and operations
- ✓ Air transportation and tourism
- ✓ Finance
- ✓ Risk management



BRUNO MATHEU

- Returning
- Independent

Skills

- ✓ Senior management and operations
- ✓ Air transportation and tourism
- ✓ Commercialization and marketing
- ✓ Technology and digital transformation

Transat’s Board construction reflects intentional design focused on balancing the continuity of institutional knowledge and informed decision-making that are critical to safety, strategy, culture, regulatory compliance, risk mitigation, and commercial execution on an international scale, with the right balance of fresh perspectives, as Transat completes its recovery and transitions into its next strategic phase.

The Board, led by the Board Chair and the Human Resources and Governance Committee, conducted a comprehensive and structured evaluation and selection process assessing board size; identified needed skills for the path ahead; considered committee representation; vetted independence and potential conflicts; evaluated each candidate’s ability to meaningfully contribute to an effective, balanced, and independent Board; and interviewed nominees. The goal was to balance shareholder input with Transat’s strategic and operational needs.

As a result, the Transat nominees include three returning independent directors, Transat’s CEO, and 4 new additions. Each was selected for specific contributions to oversight, strategy, finance, and risk management. The returning independent

TRANSAT’S NOMINEES BRING THE RIGHT MIX OF SKILLS AND EXPERIENCE

TRANSAT NOMINEES	DEMOGRAPHICS AND PROFILE						CORE QUALIFICATIONS							
	Independence Status	Member since	Age 45 - 55	Age 56 - 65	Gender	Senior leadership and operations	Air transportation and tourism	Finance	Commercialization and tourism	Technology and digital transformation	Government affairs, laws and regulations	Human resources and compensation	Risk management	Corporate responsibility
1 CHRISTIANE BERGEVIN	✓		✓	F	✓	✓	✓	✓				✓		
2 DANIEL DESJARDINS	✓	2022	✓	M	✓		✓			✓		✓		
3 MARIE-PIERRE DHERS	✓		✓	F	✓	✓	✓							✓
4 MICHAEL R. DIOLLO	✓		✓	M	✓	✓	✓					✓		
5 VINCENT DUHAMEL	✓		✓	M	✓		✓				✓			✓
6 ANNICK GUÉRARD		2021	✓	F	✓	✓			✓			✓		
7 STÉPHANE LEFEBVRE	✓	2023		✓	M	✓		✓			✓	✓		
8 BRUNO MATHEU	✓	2023		✓	M	✓	✓		✓	✓				

directors average 4 years of tenure and have guided Transat through restructuring, stabilization, and recovery. Their continued presence maintains critical institutional knowledge and informed oversight.

Two of the nominees have been nominated in accordance with a support and voting agreement with each of the Fonds de solidarité FTQ and La Caisse, together holding 16.1% of shares reflecting constructive engagement with these long-standing shareholders and representative of their long-term support of Transat's strategy and management. This ensures meaningful shareholder voice within a balanced and independent governance structure.

And finally, two new independent nominees are being proposed as part of Transat's Nominees following a rigorous, forward-looking assessment of the capabilities needed to steward the next phase of Transat's growth strategy. Bringing complementary expertise and demonstrated independence, these nominees further enhance the Board's effectiveness and position it to provide disciplined oversight in support of durable, long-term value creation.

Together, these nominees create a right-sized, independent, and high-functioning Board with the judgment and experience to complete the recovery and support long-term growth.

The slate integrates fresh perspectives, preserves institutional memory, and provides significant expertise and experience without disruption.

CHRISTIANE BERGEVIN is a new independent nominee, Ms. Bergevin has served in executive roles at major enterprises for more than 35 years, including Hydro One and Desjardins Group. Currently the President of Bergevin Capital and a senior advisor to the European global consultancy firm of Roland Berger in Canada, with global activities including in the aviation, energy, sustainability and tourism sectors, Ms. Bergevin is a director of IAMGOLD Corporation, Azimut Exploration Inc. and RATP Dev (France), one of the world largest public transport operators worldwide.



DANIEL DESJARDINS is a returning independent director with extensive governance, legal, and risk oversight experience. His prior senior leadership roles at Bombardier and long-standing board service equip him to oversee governance, compliance, and risk management in a regulated and operationally complex environment. His experience is particularly relevant as Transat continues to operate within a restructured capital framework while strengthening its governance processes.



MARIE-PIERRE DHERS is a new nominee put forward by Fonds de solidarité FTQ, a significant shareholder of Transat. She brings extensive global experience in airline operations, large scale transformation, and strategic value creation. Her nomination reflects the Board's commitment to adding sector-specific expertise (including international operations) that strengthens execution and long-term performance.



MICHAEL R. DILOLLO is a new nominee put forward by La Caisse de dépôt et placement du Québec. Mr. DiLollo is an experienced aviation executive who began his career as a pilot and flight engineer. Previously, Mr. DiLollo was a director of Nav Canada and the Chief Executive Officer of Caribbean Airlines. Currently serving as Managing Director, Capital Solutions at La Caisse, leading its aviation strategy, Mr. DiLollo serves as Chairman of EINN Volant Aircraft Leasing Holding, and brings capital markets and investment experience along with meaningful operational depth, which will be useful to the Board and Transat in carrying out its Elevation Program.



VINCENT DUHAMEL brings more than 30 years of international finance expertise to the board as a new independent nominee, culminating in his role as Fiera Capital's Global President and Chief Operating Officer. Mr. Duhamel is a director of Idealist Capital and Thrust Capital Partners.



ANNICK GUÉRARD, President and Chief Executive Officer, brings more than two decades of experience at Transat across strategy, operations, revenue management, customer experience, and digital transformation. As CEO, she has led the Corporation through the most challenging period in its history, including pandemic disruption, restructuring, and recovery execution. Her presence on the Board ensures alignment between strategy and execution, while accountability is preserved through a strong independent majority.



STÉPHANE LEFEBVRE is a returning independent director who brings experience leading large global organizations through transformation and recovery. As President and Chief Executive Officer of Solotech Inc. and former President and Chief Executive Officer of Cirque du Soleil and former Chief Financial Officer of CAE Inc., he has overseen restructuring, capital deployment, and operational execution in asset-heavy, international businesses. His perspective and knowledge of the aerospace industry support disciplined oversight as Transat moves from recovery toward sustainable growth.



BRUNO MATHEU is a returning independent director who is an accomplished executive and board member with a considerable expertise in the aviation industry, and strong track record in airline transformation and operations optimization for multiple airlines worldwide, including as CEO of Airline Equity Partners for Etihad Aviation Group and executive positions for Air France KLM. He has been a director since 2023 and is a member of the Board for International Airlines Group. Mr. Matheu is also a director of IAG Group (International Airlines Group).



SHAREHOLDERS SHOULD SAY NO TO FINANCIÈRE OUTREMONT

Financière Outremont is asking shareholders to approve a fundamental shift in control at a critical stage in Transat's recovery. That request demands close scrutiny. Their proposal is neither conventional nor proportionate to its ownership level, capital contribution, or commitment to transparent leadership. It has not disclosed an operating or financing plan to support its case.

Despite presenting itself as a governance-focused investor, Financière Outremont's conduct does not align with that claim. At the last annual shareholders' meeting, it chose not to vote its approximately 9.5% stake, contributing to adjournment, delay, and cost.

TRANSAT'S NOMINEES CAN EXECUTE ON THE COMPANY'S ELEVATION PROGRAM

Near-Term Decisions	Transat Slate	Financière Outremont slate
Air transportation and tourism	✓	
Senior management and operations	✓	✓
Finance	✓	✓
Commercialization and marketing	✓	
Technology and digital transformation	✓	✓
Government affairs, laws and regulations	✓	✓
Human resources and compensation	✓	
Risk management	✓	✓
Corporate responsibility	✓	

At the heart of its proposal is a bid for de facto Board control with 50% of seats and the Chair position despite holding under 10% of the shares. By proposing to reduce the Board size to six under the guise of 'good governance', Mr. Péladeau would secure effective veto power over virtually all major decisions affecting Transat and its shareholders. In effect, this would allow Mr. Péladeau to steer direction, dominate decision-making, and concentrate influence.

The current proxy contest does not exist in isolation. Mr. Péladeau (through a holding company he controls) has made multiple attempts since 2020 to gain control of Transat through various means none of which included an offer providing adequate consideration for such control.

FINANCIÈRE OUTREMONT'S NOMINEES LACK THE NECESSARY EXPERIENCE

Mr. Péladeau has limited relevant airline governance experience and significant availability concerns. He does not provide the oversight profile required to guide Transat through its next phase. While Mr. Péladeau has recently invested in private aviation infrastructure and regional assets, including the acquisition of Starlink Aviation, a private terminal and charter services operator at Montréal-Trudeau, and assets related to Chrono Aviation, these investments are not comparable to the governance and operational complexity of a large, regulated, international, business-to-consumer airline. Operating or governing a full-scale public airline involves materially different responsibilities, including safety oversight, labour relations, consumer protection, slot management, and creditor and regulatory engagement.

André Brosseau does not bring direct airline governance experience and maintains professional close ties to Mr. Péladeau, serving as an employee and director within his businesses, which may raise independence concerns for a highly regulated, safety-focused, and widely-held public company.

Similarly to Mr. Brosseau, Jean-Marc Léger has no airline experience and is closely connected to Mr. Péladeau. Proxy advisors have voiced concerns over Mr. Péladeau's controlled companies' lack of independent governance.

For a highly regulated airline with significant labour, customer, and creditor obligations, stable, autonomous governance is essential. Transat shareholders are being asked to accept a governance philosophy that, in prior instances, did not prioritize or protect minority shareholder outcomes during periods of stress.

In October 2024, he submitted a non-binding proposal at \$0.80 per share, representing a significant discount to market price at the time. In April and May 2025, he made further proposals valuing Transat’s equity at effectively zero, including a proposal to acquire Transat for \$1. These proposals would have eliminated or severely impaired shareholder equity, introduced material execution risk, and threatened customer confidence, supplier relationships, and credit card processing arrangements.

By contrast, the Board’s decision to pursue a comprehensive restructuring with the federal government preserved shareholder equity, reduced total debt by more than \$400 million and was followed by an immediate material increase in Transat’s share price, reflecting investor confidence in the outcome.

In Canadian public markets, control typically requires one of three things: a control premium, capital contribution, or a binding, credible strategic proposal. Financière Outremont has offered none of these. Instead, it rejected a Board seat aligned with its ownership and dismissed offers to reduce Board size and participate in thoughtful board design.

This refusal is telling. If Financière Outremont’s approach were successful, all shareholders would bear the significant risks associated with a governance overhaul, while Financière Outremont would retain the ability to determine outcomes disproportionate to its investment. This shifts downside risk to shareholders without offering any upside.

Concentrated governance models tend to reduce the effectiveness of independent oversight, increase related-party risk, and discourage robust challenge within the boardroom. These risks are magnified in companies operating in regulated, capital-intensive industries where independent judgment and stakeholder confidence are essential.

PÉLADEAU’S FAILED TAKEOVER ATTEMPTS



OCTOBER 2024

Submitted a non-binding proposal at \$0.80 per share, representing a significant discount to market price.

APRIL 2025

Made another proposal valuing Transat’s equity at effectively zero.

MAY 2025

Proposed acquiring Transat for \$1.

DECEMBER 2025

Launched an unnecessary proxy battle for control of the Board.

Transat’s Board has deliberately avoided this outcome by maintaining an independent majority, diverse experience, and clear separation between ownership and control.

THE TIMING MAKES THE ASK EVEN RISKIER

REASON 1

THE TURNAROUND IS WORKING

Transat is delivering record EBITDA and reduced cash burn.

REASON 2

FINANCIÈRE OUTREMONT’S DEMANDS ARE DISPROPORTIONATE

It owns <10% but wants 50% of Board control.

REASON 3

TRANSAT’S NOMINEES ARE THE RIGHT BOARD TO COMPLETE THE RECOVERY

A highly skills based slate will execute on Transat’s actionable plan.

Transat is still completing a recovery from historic disruption. Transat has restructured debt, stabilized operations, and materially improved financial results. But residual constraints remain: aircraft groundings due to Pratt & Whitney engines issue which has disproportionately affected Transat due to its fleet mix, liquidity seasonality, and the need to convert gains into cash flow. Your Board and management have a clear plan to manage these risks.

Transat operates in a highly visible industry with significant regulatory, safety, labour, and public interest considerations. Board members and controlling shareholders inevitably shape strategy and stakeholder confidence. Granting disproportionate control to Financière Outremont would introduce operational disruption, governance and credibility risks that are significant, unnecessary, avoidable, and misaligned with Transat’s current needs.

Transat requires credibility with regulators, governments, lenders, partners, employees, and customers. Introducing governance instability or perceived

related-party influence risks undermining that credibility at a moment when confidence is essential.

At this stage of Transat's recovery, the choice before shareholders is between proportionate, skills-based governance that supports execution, and an abrupt transfer of control unsupported by a plan, capital commitment, or relevant operating experience. Transat has taken concrete steps to put forward a thoughtful and agile Board by listening to its shareholders, strengthening oversight, and positioning Transat for sustainable value creation while preserving stability at a critical inflection point. The Board believes this balanced approach best serves the interests of all shareholders and provides the strongest foundation for completing the recovery through the Elevation Program and delivering long-term value.

Financière Outremont has made a number of assertions since the filing of its meeting requisition. We believe shareholders deserve to hear the facts.

FINANCIÈRE OUTREMENT ASSERTION

THE FACTS

Transat's share price has declined -57%

Five-year comparisons are distorted by COVID-19, which had a disproportionately severe and prolonged impact on Canadian leisure airlines due to border closures and quarantine regimes. The more relevant comparison period is post-winter 2023, following the sustained resumption of operations. Transat's share price performance is in line with Air Canada's last 3-years and the last year of the S&P/TSX Composite.

Average EBITAR margin was -15.9% (2020-24)

Margin comparisons from 2020-2022 are heavily skewed by COVID pandemic-era shutdowns, during which Transat's international leisure model was uniquely constrained. When isolating airline operations and focusing on 2023-2025, the margin gap narrows materially.

Total debt/EBITAR ratio is 5.5x

In June 2025, Transat completed a comprehensive restructuring of its LEEFF debt, reducing obligations from \$772M to \$334M, improving terms, and extending maturities. The transaction left shareholders unimpaired and was followed by a meaningful increase in the share price, indicating market support.

Liquidity is insufficient and cash balances are rapidly deteriorating

Reported cash fluctuations are highly seasonal. Liquidity remains adequate, with no solvency risk.

The Board lacks urgency and has failed to act decisively to fix Transat

Since 2023, the Board has overseen debt restructuring, operational stabilization, and the launch of the Elevation Program. Adjusted EBITDA reached a record level in 2025, and cash burn improved by 45% year-over-year, evidence of active oversight and execution discipline.

Financière Outremont has attempted to engage constructively, but the board repeatedly refused

The Board engaged with Financière Outremont on multiple occasions and offered one Board seat, consistent with its less than 10% ownership, as well as an orderly reduction of Board size. These reasonable and market overtures were declined unless they resulted in effective control, or not subject to the signing of a customary support and voting agreement, which would be off-market and disproportionate.

Transat's government-backed debt limits its ability to refinance and access capital

This misrepresents the nature and impact of the government debt restructuring. There are no covenants or restrictions preventing refinancing or limiting future access to capital markets. Transat's Board and management remain actively engaged in capital planning and optimization, subject to market conditions.

Reducing the Board to six members, with three activist nominees would improve governance and performance

Granting 50% of Board seats (including the Chair) to a minority shareholder, without consideration or capital commitment, would amount to de facto control. This structure seriously undermines independent oversight during a critical recovery phase.

Transat needs a full strategic review and recapitalization to survive long term

Transat already operates under a defined, Board-approved recovery and growth plan, with clear milestones; Financière Outremont has not disclosed a financing plan, capital commitment, or execution roadmap, despite seeking effective control of the Board.

BACKGROUND TO SOLICITATION

The following is a chronology of material events surrounding the Corporation's interactions with Financière Outremont and its affiliates, that relate to this solicitation. This chronology demonstrates the Board's transparency throughout the process, its consistent engagement with Financière Outremont and its affiliates, as well as its numerous attempts to accommodate Financière Outremont's and its affiliates' views and avoid a dispute on reasonable terms.

Financière Outremont's Past Attempts to Acquire the Corporation

Since December 2020, Financière Outremont and its affiliates have made various attempts and submitted non-binding or conditional proposals to purchase all of the issued and outstanding Voting Shares. The Board carefully considered each of these approaches and, each time, determined that they were below market value and highly conditional and not in the best interests of the Corporation, having regard to the interests of all of its shareholders and those of its other key stakeholders. Such decisions were made by the Board each time after due consideration, with input from management and external financial and legal advisors, of all relevant factors as well as reasonably available alternatives at the applicable time, including the views expressed by shareholders.

Restructuring of LEEFF Loan and Failed Application by Financière Outremont

On June 5, 2025, the Corporation announced that it had reached an agreement in principle with CEEFC regarding the restructuring of the LEEFF Loan. On June 27, 2025, the Corporation was served with an application for an interlocutory injunction and permanent injunction from Financière Outremont which aimed in particular at preventing closing of the restructuring of the LEEFF Loan unless the Corporation obtained shareholder approval. Financière Outremont's application was dismissed. The restructuring of the LEEFF Loan closed on July 10, 2025.

Letter From Financière Outremont

On November 17, 2025, Financière Outremont addressed a letter (the "**Letter**") to the Board requesting, among other things (i) a reduction in size of the Board from 11 to six (6) members (with three (3) members being nominees of Financière Outremont, one of whom to become Chair of the Board), (ii) a recapitalization of the Corporation, and (iii) a strategic review of the Corporation. Financière Outremont also proposed to meet quickly in order to discuss implementation of their proposal.

They demanded a positive answer to the requests before November 21, 2025 failing which they would make the Letter and “related presentation documents” public. On November 19, 2025, the Board met to discuss the Corporation’s response to the Letter, and formed a working committee comprised entirely of independent directors, namely Susan Kudzman, Geneviève Brouillette and Daniel Desjardins (the “**Working Committee**”), to review and consider the Letter, and to make recommendations to the Board.

On November 20, 2025, the Working Committee met to discuss next steps and how to respond to the Letter. It was determined that additional clarification as to Financière Outremont’s position should be sought, given the vague and sweeping nature of certain requests made in the Letter.

On November 21, 2025, in the interest of transparency and fostering dialogue between the Corporation and its stakeholders and given that the Corporation remains open to constructive input that serves the best interests of the Corporation and all shareholders, the Board offered to meet with Financière Outremont to discuss the Letter. Financière Outremont agreed to meet with the Working Committee and a meeting was scheduled between the members of the Working Committee, on the one hand, and Pierre Karl Péladeau and André Brosseau, in their capacity as representatives of Financière Outremont, on the other hand.

On November 24, 2025, the Working Committee met in anticipation of the meeting with Messrs. Péladeau and Brosseau. On the same day, the Working Committee and Messrs. Péladeau and Brosseau met to discuss the Letter. As no agreement could be reached on the demands presented by Financière Outremont, Transat representatives were informed that a formal requisition to call a special meeting would be forthcoming.

Requisition from Financière Outremont; Transat’s Numerous Attempts to Meaningfully engage with Financière Outremont

On November 25, 2025, the Corporation received a formal requisition from Financière Outremont (the “**Requisition**”) requesting that the Corporation convene a special meeting of shareholders in accordance with the CBCA to vote on (i) the removal of Susan Kudzman, Lucie Chabot, Valérie Chort, Robert Coallier, Annick Guérard, Stéphane Lefebvre, Bruno Matheu and Ian Rae as directors of the Corporation, (ii) the appointment of Pierre Karl Péladeau, André Brosseau and Jean-Marc Léger as directors of the Corporation, and (iii) an amendment to the articles of incorporation of the Corporation to provide that the number of directors shall be a fixed number, such number to be equal to 11 less the number of vacancies created by the removal of the directors mentioned in paragraph (i) plus the number of directors mentioned in paragraph (ii) (to the extent elected).

On November 26, 2025, the Board met to discuss the Requisition. It was determined to form a special committee (the “**Special Committee**”), composed of the same independent directors as the Working Committee, a majority of whom were not targeted by the Requisition, to review and consider the Requisition. The Board approved a mandate for the Special Committee, which mandate included, among other things, to review and consider the Requisition and all reasonably available alternatives and to engage such advisors as the Special Committee deemed appropriate in the circumstances, including legal counsel, communication advisors, and proxy advisors. The Special Committee thereafter retained external legal, strategic, financial and communication advisors. On the same day, Annick Guérard, the Corporation’s President and Chief Executive Officer, confirmed receipt of the Requisition to Pierre Karl Péladeau and indicated that the same was being reviewed by the Board.

On November 27, 2025, Financière Outremont’s legal counsel contacted the Corporation’s external legal counsel in order to request that the Corporation confirm whether the requests and proposals made in the Letter were acceptable or not to the Corporation before 12 p.m. on November 28, 2025. On the same date, the Special Committee met to further discuss the Letter, the Requisition and the various options reasonably available to the Corporation with a view to the best interests of the Corporation.

On November 28, 2025, the Board met again to discuss the approach towards the Letter, the Requisition and options reasonably available to the Corporation. Following the Board meeting, Susan Kudzman, Chair of the Board, contacted Mr. Péladeau asking to be provided with more information on the Letter. Mr. Péladeau responded on the same day, ignoring the Corporation’s request for additional clarification, that he considered the Corporation to be voluntarily ignoring the Letter (and the requests made therein) and that he will express himself “in the appropriate forums”.

On November 30, 2025, the Special Committee again met to continue discussions on the Requisition and the absence of meaningful engagement from Financière Outremont with the Corporation. After the Special Committee meeting, Ms. Kudzman sent an email to Mr. Péladeau asking for a meeting early on December 1, 2025. The same request was also relayed by the Corporation’s financial advisor to Mr. Brosseau and by the Corporation’s external legal counsel to Financière Outremont’s legal counsel. On December 1, 2025 at around 2:00 a.m., Mr. Péladeau responded to Ms. Kudzman’s email by indicating that he was not available to meet early on December 1, 2025 and that if the Corporation had any proposal to make, such proposal should be presented immediately as Mr. Péladeau had instructed his team to “go public” at 9:00 a.m. on December 1, 2025.

On December 1, 2025, at around 7:00 a.m., Ms. Kudzman initiated a telephone conversation with Mr. Brosseau on behalf of Financière Outremont in order to discuss a potential cooperation framework and constructive solutions, including potential changes to the Board's composition. Immediately following the telephone conversation (before 8:00 a.m.), Ms. Kudzman relayed to both Messrs. Péladeau and Brosseau by text message the main points discussed with Mr. Brosseau. Those text messages went unanswered.

On December 1, 2025, at around 8:30 a.m., despite the Corporation's efforts to meaningfully engage with Financière Outremont and to discuss a potential cooperation framework and constructive solutions, Financière Outremont issued a press release with respect to the Requisition. On the same day, the Corporation issued a press release confirming receipt of the Requisition and indicating that the Corporation was reviewing the Requisition, including its validity and implications, and that the Corporation would respond in due course.

On December 9, 2025, after more than one (1) week absent of any interactions with Financière Outremont, Financière Outremont formally refused the constructive solutions put forward by Ms. Kudzman on December 1, 2025.

On December 15, 2025, the Corporation issued a press release announcing the date of the Meeting was to be set at March 10, 2026 and indicating that the Meeting was being called in direct response to the Requisition, while also enabling the Corporation's regular annual business to proceed in an orderly and most efficient manner. As provided in the press release, after careful deliberation, with the interests of all shareholders of the Corporation in mind and on the advice of the Special Committee, the Board determined the date of the Meeting based on several factors, including (i) the meeting date requested in the Requisition of February 6, 2026, would have required the Corporation to hold two (2) meetings of the shareholders in short succession, addressing overlapping subject matters resulting in unnecessary duplication, cost, shareholder confusion and distraction, (ii) holding the Meeting earlier than March 10, 2026, would have required the Corporation to divert substantial time and resources to preparing materials for the Meeting on an unduly compressed timeline, to the detriment of matters that are in the interests of all shareholders given the Corporation's ongoing operational and strategic priorities and not just the interests of Financière Outremont, and (iii) as the Corporation's shareholder base is diverse and widely held, setting the date of the Meeting 22 business days from the date requested by Financière Outremont was critically important to preserve fairness to the full shareholder base.

Following receipt of the Requisition, the Corporation engaged in multiple discussions and meetings throughout the second half of December and January. During the period from December 22, 2025 to January 28, 2026, the Special Committee formally met five (5) times to discuss the Letter and the Requisition.

In that context, the Corporation, via Ms. Guérard and the Special Committee, and Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ) ("**Fonds**") and Caisse de dépôt et placement du Québec ("**La Caisse**"), two (2) significant shareholders of the Corporation collectively holding 16.1% of the issued and outstanding Voting Shares, engaged on multiple occasions to discuss and exchange views on the Letter and the Requisition.

Throughout January 2026, an indicative non-binding term sheet (the "**Term Sheet**") providing for high level concepts with respect to a potential settlement was developed by and under negotiation, initially, between the Fonds, La Caisse and Financière Outremont, and thereafter with the involvement of the Corporation. Discussions ensued throughout January 2026 concerning the draft Term Sheet and potential terms for a potentially constructive resolution to the contested meeting threatened by Financière Outremont.

On January 28, 2026, a meeting was held among Mr. Brosseau (representing Financière Outremont), senior representatives of the Fonds and La Caisse, and Ms. Guérard, Ms. Kudzman and Daniel Desjardins (a member of the Board and of the Special Committee), in order to discuss, among other things, the draft Term Sheet.

On January 29, 2026, the Corporation's external counsel shared with Financière Outremont's external counsel a first draft of support and voting agreement (the "**SVA**") reflecting the terms of the draft Term Sheet then circulating and customary terms and covenants.

On January 30, 2026, as previewed by Financière Outremont's external counsel, the Corporation received (i) an advance notice nomination of directors pursuant to which Financière Outremont notified the Corporation that, at the Meeting, Financière Outremont would be nominating André Brosseau, Jean-Marc Léger and Pierre Karl Péladeau for election as directors of the Corporation, and (ii) shareholder proposals to (A) amend the articles of incorporation of the Corporation (as amended) to delete the minimum and maximum number of directors set out in such articles and fix the number of directors at six (6), and (B) elect André Brosseau, Pierre Karl Péladeau and Jean-Marc Léger as directors of the Corporation (together, the "**Nomination Notice and Proposal**"). The Nomination Notice and Proposal was silent on which directors on the Board Financière Outremont intended to seek removal of at the Meeting.

Between January 30, 2026 and February 1, 2026, the Corporation's external counsel made multiple follow-ups (verbal and by email) to Financière Outremont's external counsel on the draft SVA submitted on January 29, 2026.

On February 1, 2026, the Corporation received an extensive mark-up of the draft SVA from Financière Outremont's external counsel, in which they substantially diluted all initially proposed customary obligations on Financière Outremont and made

disproportionate requests, rejecting notably any restrictions (including standstill covenants) on Financière Outremont in the event an agreement could be reached, thus preserving as much freedom and flexibility to engage in wide-ranging potentially disruptive initiatives such as meeting requisitions, shareholder proposals, negative public statements about the Corporation, its Board, management or business, as well as the right to initiate any litigation or pursue any adverse claim notwithstanding any agreement.

On February 2, 2026, representatives of the Corporation discussed with representatives of the Fonds and La Caisse those proposed changes to the SVA which might be acceptable versus those that could not be accepted as being in the best interests of the Corporation and all of its shareholders.

On February 2, 2026, the Corporation's external counsel and Financière Outremont's external counsel discussed the mark-up of the draft SVA. During that call, Financière Outremont's external counsel indicated that they met with Mr. Péladeau earlier that day and conveyed that they thought at this point it did not look like the parties would be able to reach a settlement.

Despite Financière Outremont's external counsel's indication that they thought a settlement was unlikely, the Corporation, in its continuous efforts to meaningfully engage with Financière Outremont, with input and in consultation with the Fonds and La Caisse, decided to prepare a mark-up of the SVA, which mark-up included significant compromises from the Corporation. The SVA mark-up was shared with Financière Outremont's external counsel on February 3, 2026 with a request to hold a call among all of the parties, including the Fonds and La Caisse, to discuss the mark-up as soon as possible on February 4, 2026.

On February 4, 2026, Financière Outremont's external counsel sent an email to representatives of the Corporation, the Fonds and La Caisse indicating that the requested call was not necessary. Indeed, after extensive discussions and negotiations between representatives of the Corporation (including its external legal counsel), the Fonds (including its external legal counsel) and La Caisse (including its external legal counsel) and representatives of Financière Outremont (including its external legal counsel), Financière Outremont, via its external counsel, confirmed to representatives of the Corporation, the Fonds and La Caisse that a settlement was not possible, as Financière Outremont was not ready to accept nor entertain any negotiations with respect to certain customary and reasonable terms that would typically be included in settlements entered into in similar situations with a shareholder holding less than 10% of issued and outstanding voting shares.

Subsequently, from February 4, 2026 through February 9, 2026, representatives of the Special Committee held numerous calls and meetings, both directly and via their respective external counsel, with senior representatives of the Fonds and La

Caisse, to discuss and advance the terms of a draft support and voting agreement with each investor and the align on the slate of director nominees to be put forward for election by shareholders at the Meeting.

Following such discussions, the Board, on the recommendation of the Special Committee, unanimously approved the proposed slate of director nominees, being the Transat Nominees set out in this Circular, to be put forward for election at the Meeting and authorized the entering into of support and voting agreements with each of the Fonds and La Caisse. The Corporation entered into a support and voting agreement with each of the Fonds and La Caisse effective February 9, 2026, which provide for, among other things, the inclusion of one nominee of each of the Fonds and La Caisse on the Board and the vote of all of the Voting Shares of each of the Fonds and La Caisse in favour of the Transat Nominees. Complete copies of the support and voting agreements have been filed and are accessible under the Corporation's profile on SEDAR+ (www.sedarplus.ca).

Active Board Engagement

Since the receipt of the Letter and Requisition, the Board (and the Special Committee) conducted an extensive process involving multiple formal and informal meetings and calls at which the Corporation's legal, financial and other advisors were present, to consider the Letter and the Requisition. The Board (and the Special Committee) attempted on multiple occasions to engage meaningfully with Financière Outremont to discuss a cooperation framework and constructive solutions; each of these attempts have been faced with little to no receptivity from Financière Outremont. As part of their process, the Board and the Special Committee took into account, among other things, the views expressed by its significant shareholders (including the Fonds and La Caisse), investors, analysts, customers, employees and other stakeholders.



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FOR QUESTIONS CONTACT

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Q&A FOR SHAREHOLDERS

The following questions and answers are intended to address common questions shareholders may have regarding the Meeting, the proxy contest, and the Board's recommendations. The following is only a summary and shareholders are encouraged to read the Circular in its entirety.

Q1. What am I being asked to vote on at the Meeting?

The Meeting is being held to consider matters set forth in the Requisition, the advance notice and the shareholder proposals, each delivered to the Corporation by Financière Outremont Inc., and to proceed with the Corporation's annual and special meeting business. The business to be addressed at the Meeting is to:

- receive the audited consolidated financial statements of the Corporation for the fiscal year ended October 31, 2025, and the external auditor's report thereon;
- approve an amendment to the Corporation's articles of incorporation to have a minimum of eight (8) and a maximum of 15 directors (the "**Board Size Resolution**");
- elect eight (8) directors of the Corporation, each to serve until the 2027 annual meeting of shareholders or until his or her successor is duly elected or appointed;
- appoint Ernst & Young LLP as the Corporation's auditor, at a remuneration to be fixed by the Board;
- approve in an advisory, non-binding capacity, the Corporation's approach to executive compensation;
- approve an amendment and restated of the employee share purchase plan of the Corporation, effective as of January 28, 2026;
- vote on dissident shareholder proposal 1 (amendment of the Corporation's articles of incorporation to fix the number of directors at six (6)) ("**Dissident Shareholder Proposal 1**");
- vote on dissident shareholder proposal 2 (election of André Brosseau) ("**Dissident Shareholder Proposal 2**");
- vote on dissident shareholder proposal 3 (election of Jean-Marc Léger) ("**Dissident Shareholder Proposal 3**"); and
- vote on shareholder proposal 4 (election of Pierre Karl Péladeau) ("**Dissident Shareholder Proposal 4**") and collectively with the Dissident Shareholder Proposal 1, Dissident Shareholder Proposal 2 and Dissident Shareholder Proposal 3, the "**Dissident Shareholder Proposals**").

Q2. What does Transat recommend?

The Board unanimously recommends that shareholders use the **BLUE** Proxy to vote as follows:

FOR the approval of the Board Size Resolution.

FOR the election of each Transat nominee:

✓ Christiane Bergevin	✓ Daniel Desjardins	✓ Marie-Pierre Dhers
✓ Michael R. DiLollo	✓ Vincent Duhamel	✓ Annick Guérard
✓ Stéphane Lefebvre	✓ Bruno Matheu	

FOR the approval of an amendment and restatement of the Corporation's employee share purchase plan.

FOR the appointment of Ernst & Young LLP as the Corporation's auditor, at a remuneration to be fixed by the Board.

FOR the approval, in an advisory, non-binding capacity, of the Corporation's approach to executive compensation.

AGAINST Dissident Shareholder Proposal 1.

WITHHOLD for Dissident Shareholder Proposal 2.

WITHHOLD for Dissident Shareholder Proposal 3.

WITHHOLD for Dissident Shareholder Proposal 4.

Q3. Why is the Board making these recommendations?

We describe each resolution being put forward by the Corporation and each Dissident Shareholder Proposal and the Board's reason for its recommendation with respect to each resolution and each Dissident Shareholder Proposal on pages 12 - 24 and 77 - 81 of this Circular, and elsewhere in this Circular.

Q4. Are the Board recommendations supported by certain significant shareholders?

Yes. Both Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ) and La Caisse de dépôt et placement du Québec, two (2) of the most significant shareholders of the Corporation holding, in the aggregate, 16.1% of the issued and outstanding Voting Shares, have entered into support and voting agreements with

the Corporation pursuant to which (i) the Corporation has agreed to put forward for election at the Meeting one (1) nominee from Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ) (namely Marie-Pierre Dhers) and one (1) nominee of La Caisse de dépôt et placement du Québec (namely Michael R. DiLollo), and (ii) each of Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ) and La Caisse de dépôt et placement du Québec have agreed to vote **FOR** each resolution and proposal put forward by the Corporation, including **FOR** the Board Size Resolution and **FOR** the election of each of Transat's eight (8) nominees.

Q5. Who is soliciting my proxy?

The Board and management of Transat are soliciting the **BLUE** Proxy for use at the Meeting. In connection with this solicitation, the Board and management have provided this Circular and retained Laurel Hill Advisory Group to assist with these efforts. As Transat is using a "universal" proxy containing all the Transat's nominees as well as the other nominees proposed by Financière Outremont, there is no need to use any other proxy regardless of how you propose to vote. Shareholders should discard any other proxy received from Financière Outremont.

Q6. How will the solicitation be made?

The solicitation will be made primarily by mail or by any other means our management may deem necessary. The Corporation has retained Laurel Hill Advisory Group as its strategic shareholder advisor and proxy solicitation agent for assistance in connection with the solicitation of proxies for the Meeting.

Q7. What if I can't attend the Meeting in person?

If you cannot attend the Meeting in person, please ensure the enclosed **BLUE** Proxy is received by Transat's transfer agent, TSX Trust Corporation, well in advance of the proxy cut-off at 9:00 a.m. (Montreal time) on March 6, 2026 to ensure your vote is counted and there is as high as possible representation at the Meeting. The **BLUE** Proxy includes instructions as to how you may vote by phone, mail or via the internet. Late proxies may be accepted or rejected by the chair of the Meeting at their discretion and the chair of the Meeting is under no obligation to accept or reject any particular late proxy. The chair of the Meeting may waive or extend the proxy cut-off time at their discretion without notice.

Q8. What documents have been sent to shareholders?

Your package includes this Circular and our audited consolidated annual financial statements for the year ended October 31, 2025 along with a **BLUE** Proxy. In addition to these, we are sending, along with our financial statements, a copy of our report under the Fighting Against Forced Labour and Child Labour in Supply Chain Act for

the year ended October 31, 2025. These documents are also available on our proxy website (www.votetransat.ca) as well as on SEDAR+ (www.sedarplus.ca), and our investor relations page (<https://www.transat.com/en-CA/corporate/investors>).

Q9. Who is entitled to vote at the Meeting?

Shareholders holding Voting Shares as at the close of business on January 28, 2026, the record date for the Meeting, are entitled to vote at the Meeting, or at any adjournment or postponement thereof.

Q10. What proxy or voting instruction form should I use?

Use ONLY the **BLUE** Proxy to vote. As Transat is using a “universal” proxy containing all of the Transat nominees as well as the other nominees and proposals proposed by Financière Outremont, there is no need to use any other proxy regardless of how you propose to vote. Shareholders should discard any other proxy received from Financière Outremont.

Q11. When must my shares be voted by?

The proxy voting cut-off is set for 9:00 a.m. (Montreal time) on March 6, 2026 (or 48 hours, excluding Saturdays, Sundays and statutory holidays, before the start of any adjournment or postponement of the Meeting, if applicable). Please ensure the enclosed **BLUE** Proxy is received by Transat’s transfer agent, TSX Trust Corporation, well in advance of the proxy cut-off to ensure your vote is counted. If you elect to vote through the internet or by phone, you do not need to return your **BLUE** Proxy. Late proxies may be accepted or rejected by the chair of the Meeting at their discretion and the chair of the Meeting is under no obligation to accept or reject any particular late proxy. The chair of the Meeting may waive or extend the proxy cut-off time at their discretion without notice.

Q12. What if I already voted on Financière Outremont’s form of proxy or voting instruction form and want to change my vote?

It’s not too late to change your vote. Simply recast your vote using the **BLUE** Proxy. The later dated **BLUE** Proxy will supersede your previous vote. If you have mistakenly voted on any form of proxy or voting instruction form received from Financière Outremont, you may change your vote by voting on the **BLUE** Proxy. This will revoke and replace your earlier vote. You have the right to change or revoke your vote up until the proxy voting cut-off.

Q13. What if I vote FOR more than eight (8) director nominees on my BLUE Proxy?

You are permitted to vote for fewer than eight (8) director nominees, but if you vote **FOR** more than eight (8) director nominees on your **BLUE** Proxy, only your votes cast **FOR** the first eight (8) director nominees in the order listed on your **BLUE** Proxy will be counted and your votes on the other director nominees will be invalid and will not be counted.

Q14. What if I vote “FOR” the Board Size Resolution and FOR Dissident Shareholder Proposal 1 on my BLUE Proxy?

You may only vote **FOR** either the Board Size Resolution being put forward by Transat or Dissident Shareholder Proposal 1 or **AGAINST** both the Board Size Resolution and Dissident Shareholder Proposal 1. If you vote **FOR** both the Board Size Resolution and Dissident Shareholder Proposal 1 on your **BLUE** Proxy, only the votes cast **FOR** the Board Size Resolution on your **BLUE** Proxy will be counted and your votes on Dissident Shareholder Proposal 1 will be invalid and will not be counted.

How will my **BLUE** Proxy be voted?

If no specification is provided on the **BLUE** Proxy, your Voting Shares will be voted in line with the Board’s recommendation as follows:

FOR the approval of the Board Size Resolution.

FOR the election of each of Transat’s eight (8) nominees.

FOR the approval of an amendment and restatement of the Corporation’s employee share purchase plan.

FOR the appointment of Ernst & Young LLP as the Corporation’s auditor, at a remuneration to be fixed by the Board.

FOR the approval, in an advisory, non-binding capacity, of the Corporation’s approach to executive compensation.

AGAINST Dissident Shareholder Proposal 1.

WITHHOLD for Dissident Shareholder Proposal 2.

WITHHOLD for Dissident Shareholder Proposal 3.

WITHHOLD for Dissident Shareholder Proposal 4.

Q15. Why is this proxy contest happening now?

Financière Outremont has requisitioned a meeting and submitted an advance notice nomination and shareholder proposals seeking significant changes to the size and composition of the Board. This request comes at a time when Transat is demonstrating positive momentum in the recovery phase of a carefully-designed multi-year plan following unprecedented industry disruption and a successful debt restructuring.

Q16. Why should I support Transat and vote the **BLUE Proxy?**

Transat believes that the choice should be clear for shareholders to vote **FOR** the Board slate recommended by Transat – a slate that reflects a balanced Board with an independent majority, meaningful shareholder representation from Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ) and La Caisse de dépôt et placement du Québec, the Corporation's significant shareholders together holding 16.1% of the issued and outstanding Voting Shares, and experience aligned with Transat's current recovery phase and forward-looking strategic needs. Transat's proposed Board nominees offer expertise in aviation, operation and management experience, transportation and tourism, industry regulations and finance. This measured approach follows extensive shareholder engagement and a clear-eyed view of where Transat stands and the route ahead.

The contest presents a clear choice: (1) execute a recovery plan that's working, and a deliberately constructed Board aligned with long-term value or (2) embrace disproportionate control by a single self-serving shareholder with no detailed plan, no commitments, high execution risk and no-premium takeover agenda. Your Board unanimously believes the first path is the right one, for Transat, employees, customers, shareholders and Quebec.

Q17. Is the Board opposed to shareholder representation?

No. The Board supports shareholder engagement and proportionate representation (as evidenced by the Corporation having agreed to put forward for election at the Meeting one (1) nominee of Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ) (namely Marie-Pierre Dhers) and one (1) nominee of La Caisse de dépôt et placement du Québec (namely Michael R. DiLollo)). The Board engaged in good faith and made concrete proposals to accommodate proportional representation while preserving independent oversight. The Board offered Financière Outremont a board seat consistent with its ownership level and governance best practices. Financière Outremont rejected that offer.

Q18. Why does the Board oppose Financière Outremont's proposals?

After careful evaluation and deliberation, the Board opposes the proposals because Financière Outremont is seeking an ill-suited, unduly small Board fixed at only six (6) members and disproportionate control on the Board relative to its ownership, without presenting a capital commitment, operating plan, or financing strategy. The Board believes this would introduce unnecessary execution and governance risk at a critical stage of the Corporation's recovery. Shareholders should also consider that Financière Outremont has previously advanced proposals that contemplated acquiring or restructuring the Corporation, which would likely have impaired or eliminated existing shareholder equity at significantly discounted value.

Q19. What would Financière Outremont's proposals mean in practice?

Financière Outremont is seeking to (i) reduce the size of the Board to six (6) directors, and (ii) have three (3) of six (6) board seats, which would give it effective blocking power and outsized influence over Board decisions. This level of control is not typical for a shareholder with less than 10% ownership and no control premium or disclosed plan.

Q20. Has Financière Outremont presented an alternative business plan?

No. Financière Outremont has not disclosed a detailed operating plan, financing plan, or execution roadmap or risk mitigation. It has not explained what specific changes it would make to Transat's strategy or the senior management team or how those changes would be implemented.

Q21. Why does the Board believe timing matters in this contest?

Transat has been stabilized and is positioned for sustainable growth; however, it is still completing the execution phase of its recovery if it is to unlock its full potential. The Corporation is managing operational constraints, working to normalize leverage, and converting improved performance into sustainable cash flow. The Board believes governance stability and informed oversight are particularly important at this stage as it continues to progress on its recovery plan.

Q22. Does Transat slate include a nominee from Financière Outremont?

No. The Board offered Financière Outremont a board seat consistent with its ownership level and governance best practices. Financière Outremont rejected that offer.

Q23. What happens if Financière Outremont's nominees are elected?

If Financière Outremont's proposals are approved, Financière Outremont would obtain effective control of the Board despite its minority ownership position. The Board believes this would increase governance and execution risk without providing shareholders with sufficient clarity on strategy or accountability. Such a shift could also result in the loss of institutional knowledge and create uncertainty for senior management at a critical phase of execution.

Q24. How does the Board view governance change more broadly?

The Board supports measured, skills-based renewal aligned with the Corporation's strategic needs. It does not support abrupt governance changes that would effectively concentrate control in the hands of a minority shareholder, undermine independence, or introduce execution risk without a clear plan.

Q25. Where can I find additional information?

Shareholders are encouraged to read this Circular in its entirety, including the Letter to Shareholders and the detailed discussion of the Board's recommendations. Information about voting procedures and deadlines is included in the Notice of Meeting and accompanying materials. Shareholders are also encouraged to visit www.votetransat.ca to keep up to date.

Q26. When and where will the Meeting take place?

The Meeting will be held as a virtual and in-person meeting on March 10, 2026 at 9:00 a.m. (Montreal time) as follows:

Virtually

Via live webcast at <https://meetings.lumiconnect.com/400-507-795-750>

Password "transat2026" (case sensitive)

In person

Lumi Experience, 1250 René-Lévesque Boulevard West,
36th Floor, Suite 3610, Montreal, Quebec, H3B 4W8

Q27. How do I vote my **BLUE** Proxy before the Meeting?



INTERNET: Go to www.meeting-vote.com and follow the instructions. You will need your 13-digit control number that appears on your **BLUE** form of proxy or in the email TSX Trust sent you.



INTERNET: Go to www.proxyvote.com and follow the instructions. You will need your 16-digit control number that appears on your **BLUE** voting instruction form or in the email you received.



PHONE: Call 1-888-489-7352 (toll free in North America). You will need your 13-digit control number that appears on your **BLUE** form of proxy or in the email TSX Trust sent you.



PHONE: Call 1-800-474-7493 (English) or 1-800-474-7501 (French) if you hold your shares through a Canadian bank, broker or other intermediary or 1-800-854-8683 if you hold your shares through a U.S. bank, broker or other intermediary. You will need your 16-digit control number that appears on your **BLUE** voting instruction form or the email you received.



FAX OR EMAIL: Complete the **BLUE** form of proxy and send it to TSX Trust by fax at 1-416-607-7964, or scan and email it to TSX Trust at proxyvote@tmx.com.



MAIL: Complete and return your **BLUE** voting instruction form in the prepaid envelope provided.



MAIL: Complete and return your **BLUE** form of proxy in the prepaid envelope provided.

Q28. How do I determine what type of Shareholder I am?

REGISTERED SHAREHOLDERS

You are a registered shareholder if your Voting Shares are registered in your name (i.e. your name appears on your share certificate or Direct Registration System (DRS) statement) and you received a form entitled "**BLUE** Form of Proxy".

NON-REGISTERED SHAREHOLDERS

You are a non-registered (beneficial) shareholder if your Voting Shares are not registered in the records of the Corporation directly in your name, but instead in the name of an intermediary (such as a securities broker or a financial institution) which holds them on your behalf. If you received a form entitled "**BLUE** Voting Instruction Form" from your intermediary or an email requesting voting instructions from your intermediary, your Voting Shares are not registered in your name.

Q29. Who should I contact for more information or for voting assistance?

If you have any questions or require assistance with voting, please contact Transat's proxy solicitation agent, Laurel Hill Advisory Group, by calling 1-877-452-7184 (toll-free in Canada and the United States) or 1-416-304-0211 (International), by texting "INFO" to either number, or by email at assistance@laurelhill.com.

2026 Annual and Special Meeting: Overview & Board Recommendations

The annual and special meeting of shareholders of Transat A.T. Inc. will be held on Tuesday, March 10, 2026, at 9:00 a.m. (Montreal time) in a hybrid format, allowing all shareholders to participate either in person or visually by live webcast. The meeting will be conducted exclusively in French, with simultaneous English translation. The Board has fixed January 28, 2026, as the record date for determining which shareholders are entitled to receive notice of and to vote at the meeting.

Management Proxy Circular Summary

This summary highlights some of the important information you will find in this management proxy circular (the “**Circular**”). We recommend that you read this entire Circular before voting.

Shareholder Voting Matters

Item	Proposal	Board Recommendation	Where to Find More Information
1.	Amendment of the articles of incorporation to have a minimum of eight (8) and a maximum of 15 directors	VOTE FOR	Page 12
2.	Election of directors	VOTE FOR	Page 15
3.	Amendment to the employee share purchase plan	VOTE FOR	Page 12
4.	Appointment of Ernst & Young LLP as auditor	VOTE FOR	Page 12
5.	Advisory vote on executive compensation	VOTE FOR	Page 14
6.	Dissident Shareholder Proposals:		
	Dissident Shareholder Proposal 1. Amendment of the articles of incorporation to fix the number of directors at six (6)	VOTE AGAINST	Page 77
	Dissident Shareholder Proposal 2. Election of André Brosseau as a director	VOTE WITHHOLD	Page 78
	Dissident Shareholder Proposal 3. Election of Jean-Marc Léger as a director	VOTE WITHHOLD	Page 79
	Dissident Shareholder Proposal 4. Election of Pierre Karl Péladeau as a director	VOTE WITHHOLD	Page 80

YOUR VOTE IS EXTREMELY IMPORTANT - VOTE YOUR BLUE PROXY ONLINE OR BY TELEPHONE TODAY

Questions or Need Help Voting?

Call or text “INFO” to Laurel Hill Advisory Group at 1-877-452-7184 (Canada/US), 1-416-304-0211 (International), or email assistance@laurelhill.com

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NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS AND OF AVAILABILITY OF MEETING MATERIALS

Montreal, Quebec, February 9, 2026.

You are invited to attend the annual and special meeting of the shareholders of Transat A.T. Inc. ("**Transat**" or the "**Corporation**") to be held as a virtual and in-person meeting, presented exclusively in French, with simultaneous translation into English (the "**Meeting**").

When: March 10, 2026, at 9:00 a.m. (Montreal time)

Where: Virtually

Via live webcast at

<https://meetings.lumiconnect.com>

[400-507-795-750/](tel:400-507-795-750/)

Password "transat2026" (case sensitive)

In person

Lumi Experience, 1250 René-Lévesque

Boulevard West,

36th Floor, Suite 3610, Montreal, 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

Business Items to be Brought Before The Meeting

1. Receiving the consolidated financial statements of the Corporation for the fiscal year ended October 31, 2025, and the external auditor's report thereon (the "**Annual Financial Statements**");
2. Considering and if deemed advisable, adopting a special resolution authorizing the amendment of the articles of incorporation of the Corporation to have a minimum of eight (8) and a maximum of 15 directors, as more fully described in the Circular;
3. Electing the directors of the Corporation;
4. Considering and adopting an ordinary resolution to approve the amendment and restatement effective January 28, 2026 of the employee share purchase plan of the Corporation, as more fully described in the Circular;
5. Appointing the auditor for the fiscal year ending October 31, 2026, and authorizing the Board to fix the auditor's remuneration;
6. Considering and approving an advisory and non-binding resolution regarding the Corporation's approach to executive compensation (as more fully described in the Circular);
7. Considering the Dissident Shareholder Proposals set out in Schedule D of the Circular; and

8. Considering such other business that may properly come before the Meeting or any adjournment or postponement thereof.

Your package includes the Circular, a copy of this notice and a BLUE form of proxy (if you are a registered shareholder) ("BLUE Form of Proxy") or a BLUE voting instruction form ("BLUE VIF") (if you are a non-registered or beneficial holder) (together, the "BLUE Proxy"). 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.

Attendance and Voting at the Meeting

The Corporation's board of directors (the "**Board**") has set the close of business on January 28, 2026, 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 as of 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 attached management information circular (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 attend the Meeting, we recommend that shareholders vote as soon as possible by electronic means, by fax or by email in the manner set out in the instructions included on the **BLUE Proxy** which accompanies this notice of Meeting. All votes must be received by TSX Trust Company ("**TSX Trust**") no later than 9:00 a.m. (Montreal time) on March 6, 2026 (or 48 hours, excluding Saturdays, Sundays and statutory holidays, before the start of any adjournment or postponement of the Meeting, if applicable). The chair of the Meeting reserves the right to accept or reject late proxies, waive or extend the proxy cut-off at his or her discretion and without prior notice, but Transat is under no obligation to accept or reject any particular late proxy or voting instructions.

On November 25, 2025, the Corporation received a formal requisition (the "**Requisition**") from Financière Outremont Inc. ("**Financière Outremont**") that the Corporation convene a special meeting of the shareholders in accordance with the *Canada Business Corporations Act* in order to vote on (i) the removal of Susan Kudzman, Lucie

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Questions or Need Help Voting?

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assistance@laurelhill.com

Chabot, Valérie Chort, Robert Coallier, Annick Guérard, Stéphane Lefebvre, Bruno Matheu and Ian Rae as directors of the Corporation, (ii) the appointment of Pierre Karl Péladeau, André Brosseau and Jean-Marc Léger as directors of the Corporation, and (iii) an amendment to the articles of incorporation of the Corporation to provide that the number of directors shall be a fixed number, such number to be equal to 11 less the number of vacancies created by the removal of the directors mentioned in paragraph (i) plus the number of directors mentioned in paragraph (ii) (to the extent elected). On January 30, 2026, the Corporation received (i) an advance notice nomination of directors pursuant to which Financière Outremont notified the Corporation that, at the Meeting, Financière Outremont would be nominating André Brosseau, Jean-Marc Léger and Pierre Karl Péladeau for election as directors of the Corporation, and (ii) shareholder proposals to (A) amend the articles of incorporation of the Corporation to delete the minimum and maximum number of directors set out in such articles and fix the number of directors at six (6) (the **"Dissident Shareholder Amendment"**), and (B) elect André Brosseau, Pierre Karl Péladeau and Jean-Marc Léger (collectively, the **"Dissident Nominees"**) as directors of the Corporation (together, the **"Dissident Shareholder Proposals"**). The Dissident Shareholder Proposals were silent on which directors on the Board Financière Outremont intended to seek removal of at the Meeting.

This annual and special meeting of the shareholders of the Corporation will address the matters covered in the Requisition and the Dissident Shareholder Proposals. After careful review of the Requisition and the Dissident Shareholder Proposals, the Board has determined to accept such Requisition and the Dissident Shareholder Proposals despite certain deficiencies contained in those materials. As Transat uses a "universal" proxy containing the names of all the Corporation's nominees as well as the Dissident Nominees, there is no need to vote on any other form regardless of how you wish to vote. Shareholders should only use the enclosed **BLUE** Proxy and discard any other proxy received from Financière Outremont.

The Board does not endorse the nomination of any Dissident Nominees, being André Brosseau, Jean-Marc Léger or Pierre Karl Péladeau, and the presence of the Dissident Nominees on the enclosed **BLUE** Proxy is NOT an approval of or a comment on the fitness, character, suitability or qualifications of André Brosseau, Jean-Marc Léger or Pierre Karl Péladeau.

The Board unanimously recommends that shareholders vote **AGAINST** the Dissident Shareholder Amendment to fix the number of directors at six (6). Fixing the number of directors at six (6) would unduly reduce the Board's needed flexibility to respond to changing circumstances and needs; could have unintended consequences for Board and committee composition and effectiveness for a public company of Transat's size and complexity; with such a low, fixed number, even modest board adjustments would require an amendment to the articles to be brought to a shareholder

vote, impairing the Board's ability to act effectively and causing undue costs and delays; and would be inconsistent with industry and peer practices which typically provide for a range in the articles. A range avoids unnecessary, administrative votes while preserving shareholder oversight of the limits. A shareholder-approved range framework allows the Board to add skills when needed without waiting for a shareholder vote to amend the articles, consistent with the Corporation's industry peers.

The Board unanimously recommends that shareholders vote **WITHHOLD** on the election of each of the Dissident Nominees, being André Brosseau, Jean-Marc Léger or Pierre Karl Péladeau as directors of the Corporation. Mr. Péladeau does not have direct experience in commercial airline operations, airline restructuring, or aviation-specific capital markets execution. André Brosseau's skills does not materially enhance the Board's collective competencies in these areas or strengthen oversight of the Corporation's current strategic plan. Jean-Marc Léger's skills and experience do not address the Corporation's most critical governance and execution needs at this stage. You can find additional information with respect to each of Financière Outremont's shareholder proposals at pages 77 to 80 of the Circular, including the Corporation's responses and recommendations.

You may receive proxy solicitation materials from Financière Outremont, including proxy statements and proxy cards. The Board recommends that you disregard them. We are not responsible for the accuracy of any information provided by Financière Outremont or the nominees contained in any proxy solicitation materials filed or disseminated by or on behalf of, Financière Outremont or any other statements that Financière Outremont or its representatives have made or may otherwise make.

Assuming the shareholders adopt the special resolution authorizing the amendment of the articles of incorporation of the Corporation to have a minimum of eight (8) and a maximum of 15 directors (as more fully described in the Circular), you may only vote for up to eight (8) director nominees. You are permitted to vote for fewer than eight (8) director nominees, but if you vote **FOR** more than eight (8) directors nominees using the enclosed **BLUE** Proxy, only your votes cast **FOR** the first eight (8) nominees in the order listed on the **BLUE** Proxy will be counted and your votes on the other director nominees will be invalid and will not be counted. You may only vote **FOR** the special resolution authorizing the amendment of the articles of incorporation of the Corporation to have a minimum of eight (8) and a maximum of 15 directors, OR the Dissident Shareholder Amendment to fix the size of the board of directors at six (6). If you vote **FOR** both items using the enclosed **BLUE** Proxy, only your vote **FOR** special resolution authorizing the amendment of the articles of incorporation of the Corporation to have a minimum of eight (8) and a maximum of 15 directors will be counted.

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Questions or Need Help Voting?

Call or text "INFO" to Laurel Hill Advisory Group at 1-877-452-7184 (Canada/US), 1-416-304-0211 (International), or email assistance@laurelhill.com

Your vote is extremely important. Even if you have never voted before voting is fast and easy. Cast your vote today to ensure it is counted in time. We urge you to read this Circular carefully and your Board unanimously recommends that you vote (i) **FOR** the amendment to Transat's articles to provide for a minimum of eight (8) and a maximum of 15 directors, (ii) **FOR** the election of each Transat's nominees, (iii) **FOR** the appointment of Ernst & Young LLP as the Corporation's auditor, at a remuneration to be fixed by the Board, (iv) **FOR** the amendment and restatement of the Corporation's employee share purchase plan, (v) **FOR** the advisory and non-binding resolution regarding the Corporation's approach to executive compensation, (vi) **AGAINST** dissident shareholder proposal 1 (amendment to the Corporation's articles of incorporation to fix the number of directors at six (6)), (vii) **WITHHOLD** on dissident shareholder proposal 2 (election of André Brosseau), (viii) **WITHHOLD** on dissident shareholder proposal 3 (election of Jean-Marc Léger), and (ix) **WITHHOLD** on dissident shareholder proposal 4 (election of Pierre Karl Péladeau).

Questions

For live technical assistance in operating the Meeting platform and voting during the Meeting, please contact Lumi Canada Inc. at support-ca@lumiglobal.com.

If you have any questions or require assistance in completing your **BLUE** Proxy, please contact our strategic shareholder communications advisor and proxy solicitation agent, Laurel Hill Advisory Group, by calling 1-877-452-7184 (toll-free in Canada and the United States) or 1-416-304-0211 (International), by texting "INFO" to either number, or by email at assistance@laurelhill.com.

Montreal, Quebec, February 9, 2026.

By Order of the Board of Directors

Transat A.T. Inc.



Nathalie Forcier

Chief Legal and Government Relations Officer and
Corporate Secretary

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GENERAL INFORMATION

This management information circular (the “**Circular**”) is provided in connection with the solicitation of proxies by and on behalf of the management of Transat A.T. Inc. (“**Transat**” or the “**Corporation**”) for use at its annual and special meeting of shareholders which will be held in-person and virtually on Tuesday, March 10, 2026, at 9:00 a.m. (Montreal time), for purposes set forth in the accompanying Notice of Meeting, or at any adjournment or postponement thereof (the “**Meeting**”).

The Meeting will be held in-person at Lumi Experience, 1250 René-Lévesque Boulevard West, 36th Floor, Suite 3610, Montreal, Quebec, H3B 4W8, and the virtual format to be conducted via live webcast at <https://meetings.lumiconnect.com/400-507-795-750>. Our hybrid meeting format will enable our shareholders to

participate in the Meeting regardless of their geographic location.

In this Circular, “**you**” and “**your**” refer to the shareholders of Transat A.T. Inc. and “**Transat**”, the “**Corporation**”, “**we**”, “**us**”, or “**our**” refer to Transat A.T. Inc. (and, where the context so requires, Transat A.T. Inc. and its subsidiaries). Capitalized terms not otherwise defined and used in this Circular have the meaning ascribed to such terms in the section “Glossary”.

The information provided in this Circular that relates to financial information is provided as of October 31, 2025. Except as otherwise stated, all other information is provided as of January 28, 2026, and all dollar amounts shown are in Canadian dollars.

GENERAL PROXY AND MEETING MATTERS

Who Can Vote

Shareholders holding Voting Shares as of the close of business on the Record Date are entitled to vote at the Meeting, or at any adjournment or postponement thereof. Your vote is important. Voting by proxy prior to the Meeting is the easiest way to vote your Voting Shares. As a shareholder, it is important that you read this Circular carefully and vote your Voting Shares either prior to the Meeting by proxy or at the Meeting by following the steps explained below. Regardless of whether you are able to attend the Meeting, we recommend you vote well in advance of the proxy voting cut-off at 9:00 a.m. (Montreal time) on March 6, 2026.

How To Vote

Registered Shareholders

You are a registered shareholder if your Voting Shares are registered in your name (i.e., your name appears on your share certificate or Direct Registration System (DRS) statement) and you received a form entitled “**BLUE** Form of Proxy”. If you hold your Voting Shares through the Corporation’s ESPP, Transaction Plan or Transcapital Plan, you should have received a voting instruction form from TSX Trust.

Option 1 – Voting by Proxy Prior to the Meeting (**BLUE** Form of Proxy)

Voting by proxy means appointing a proxyholder (i.e., the persons named by management, yourself or someone else) to vote as per your voting instructions, if any, at the Meeting. The record date for determination of shareholders entitled to receive notice of, and vote at, the Meeting is January 28, 2026.

You may vote by proxy using one of the methods described below:



Internet: Go to www.meeting-vote.com and follow the instructions. You will need your 13-digit control number that appears on your **BLUE** form of proxy or in the email TSX Trust sent you.



Phone: Call **1-888-489-7352** (toll free in North America). You will need your 13-digit control number that appears on your **BLUE** Form of Proxy or in the email TSX Trust sent you. **If you vote by phone, you will not be able to appoint anyone other than the persons named by management as your proxyholder to represent you at the Meeting. Therefore, if you wish to appoint someone else as your proxyholder to attend the Meeting, this voting method is not recommended.**



Fax or email: Complete the **BLUE** Form of Proxy and send it to TSX Trust by fax at 1-416-607-7964, or scan and email it to TSX Trust at proxyvote@tmx.com.



Mail: Complete and return your **BLUE** Form of Proxy in the prepaid envelope provided.

Your duly completed **BLUE** Form of Proxy must be received by TSX Trust, or your must have voted via the internet, by phone, by fax or by email by no later than 9:00 a.m. (Montreal time) on March 6, 2026, (or 48 hours, excluding Saturdays, Sundays and statutory holidays, before the start of any adjournment or postponement of the Meeting, if applicable). The chair of the Meeting may waive or extend the proxy cut-off at their discretion and without prior notice.

YOUR VOTE IS EXTREMELY IMPORTANT - VOTE YOUR BLUE PROXY ONLINE OR BY TELEPHONE TODAY

Questions or Need Help Voting?

Call or text “INFO” to Laurel Hill Advisory Group at 1-877-452-7184 (Canada/US), 1-416-304-0211 (International), or email assistance@laurelhill.com

If you elect to vote through the internet or by phone, you do not need to return your **BLUE** Form of Proxy.

The appointed persons named in the **BLUE** Form of Proxy are officers and/or directors of the Corporation. If you wish to appoint some other person, who need not be a shareholder, to attend and represent you at the Meeting, you may do so by inserting such person's name in the blank space provided in the **BLUE** Form of Proxy. In both cases, it is recommended to indicate how you wish to vote for each item to be voted on, otherwise your proxyholder will have the discretion to vote as they see fit. If you appoint a proxyholder who is not the persons named by management and the proxyholder wishes to attend the Meeting virtually, once your form is submitted, please take the secondary step and contact, or ask your proxyholder to contact, TSX Trust by phone at 1-866-751-6315 (toll free in North America), or complete the online form available at www.tsxtrust.com/control-number-request, by no later than 9:00 a.m. (Montreal time) on March 6, 2026 in order to register your proxyholder. Please also provide an email address at which TSX Trust will send a 13-digit proxyholder control number for your proxyholder to be able to join the Meeting virtually. Proxyholder control numbers will be distributed by TSX Trust 24 to 48 business hours before the Meeting. Without a proxyholder control number, your proxyholder will be unable to join the Meeting virtually and if your proxyholder does not join the Meeting, your voting rights will not be exercised, as your proxyholder is required to attend the Meeting for them to be exercised. A proxyholder who will be attending the Meeting in person does not need to take the above secondary step. If your proxyholder wishes to attend the Meeting in person, no proxyholder control number is required, your proxyholder just needs to report to the registration desk on the day of the Meeting.

Option 2 - Attending and Voting at the Meeting

If you wish to attend and vote at the Meeting, you do not need to complete or submit your **BLUE** Form of Proxy. You will only need to:

- (i) if attending the Meeting in person, register on the day of the Meeting at the registration desk at Lumi Experience, 1250 René-Lévesque Boulevard West, 36th Floor, Suite 3610, Montreal, Quebec, H3B 4W8. No need for a proxyholder control number; or
- (ii) if attending the Meeting virtually, visit <https://meetings.lumiconnect.com/400-507-795-750> on the day of the Meeting, select the option **"I have a login"** and enter the 13-digit control number that appears on your **BLUE** Form of Proxy or in the email TSX Trust sent you, if you signed up for electronic delivery, as your control number and "transat2026" (case sensitive) as your password. Once logged in, simply follow the instructions on the screen during the Meeting. Joining the Meeting by selecting the option

"I am a guest" will not allow you to vote or ask questions at the Meeting.

If you wish to appoint someone else to attend the Meeting on your behalf, please follow the instructions indicated in the preceding section entitled **"Option 1 - Voting by Proxy Prior to the Meeting (BLUE Form of Proxy)"** of this Circular.

The **BLUE** Form of Proxy must be dated and signed by the holder of the shares represented by the **BLUE** Form of Proxy, or the shareholder's duly authorized in writing, or if the shareholder is a corporation or other legal entity, by an authorized officer or attorney. If the signatory is acting in a fiduciary or representative capacity, provide full particulars of such appointment and authority.

Non-Registered Shareholders

You are a non-registered shareholder if your Voting Shares are not registered in the records of the Corporation directly in your name, but instead in the name of an intermediary (such as a securities broker or a financial institution) which holds them on your behalf. If you received a form entitled **"BLUE Voting Instruction Form"** from your intermediary, your Voting Shares are not registered in your name. Most intermediaries now delegate the responsibility for obtaining voting instructions from clients to Broadridge Financial Solutions Inc. (**"Broadridge"**).

Option 1 - Voting by Proxy Prior to the Meeting (BLUE VIF)

Voting by proxy means appointing a proxyholder (i.e. the persons named by management, yourself or someone else) to vote as per your voting instructions, if any, at the Meeting.

If you received a **BLUE** VIF or an email from Broadridge, you may vote by proxy by giving your voting instructions using one of the methods described below:



Internet: Go to www.proxyvote.com and follow the instructions. You will need your 16-digit control number that appears on your **BLUE** VIF or in the email you received.



Phone: Call 1-800-474-7493 (English) or 1-800-474-7501 (French) if you hold your shares through a Canadian bank, broker or other intermediary or 1-800-854-8683 if you hold your shares through a U.S. bank, broker or other intermediary. You will need your 16-digit control number that appears on your **BLUE VIF or the email you received. If you vote by phone, you will not be able to appoint anyone other than the persons named by management on your BLUE VIF as your proxyholder. Therefore, if you wish to appoint someone else as your proxyholder to attend the Meeting, this voting method is not recommended.**



Mail: Complete and return your **BLUE** VIF in the prepaid envelope provided.

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Questions or Need Help Voting?

Call or text "INFO" to Laurel Hill Advisory Group at 1-877-452-7184 (Canada/US), 1-416-304-0211 (International), or email assistance@laurelhill.com

Submit your duly completed **BLUE** VIF to Broadridge, as applicable, or vote on the internet or by phone, as applicable, well in advance of the proxy cut-off at 9:00 a.m. (Montreal time) on March 6, 2026 (or 48 hours, excluding Saturdays, Sundays and statutory holidays, before the start of any adjournment or postponement of the Meeting, if applicable) or such other deadline Broadridge may fix to ensure your vote is received in a timely manner. The chair of the Meeting may waive or extend the proxy cut-off at their discretion and without prior notice. Please contact your intermediary to ensure you do not miss your applicable voting deadline. If you elect to vote on the internet or by phone, you do not need to return your **BLUE** VIF.

The appointed persons named in the **BLUE** VIF are officers and/or directors of the Corporation. If you wish to appoint some other person, who need not be a shareholder, to attend and represent you at the Meeting, you may do so by inserting such person's name in the blank space provided in the **BLUE** VIF. In both cases, it is recommended to indicate how you wish to vote for each item to be voted on, otherwise your proxyholder will have the discretion to vote as they see fit. If you appoint a proxyholder who is not the persons named by management and the proxyholder wishes to attend the Meeting virtually, once your form is submitted, please take the secondary step and contact, or ask your proxyholder to contact, TSX Trust by phone at 1-866-751-6315 (toll free in Canada and the U.S.) or 1-416-682-3860, or complete the online form available at www.tsxtrust.com/control-number-request, by no later than 9:00 a.m. (Montreal time) on March 6, 2026, in order to register your proxyholder and provide an email address at which TSX Trust will send a 13-digit proxyholder control number for your proxyholder to be able to join the Meeting virtually. Proxyholder control numbers will be distributed by TSX Trust 24 to 48 business hours before the Meeting. Without a proxyholder control number, your proxyholder will be unable to join the Meeting virtually and if your proxyholder does not join the Meeting, your voting rights will not be exercised, as your proxyholder is required to attend the Meeting for them to be exercised. A proxyholder who will be attending the Meeting in person does not need to take the above secondary step. If your proxyholder wishes to attend the Meeting in person, no proxyholder control number is required, your proxyholder just needs to report to the registration desk on the day of the Meeting.

Option 2 – Attending and Voting at the Meeting

As we do not have access to the names or holdings of our non-registered shareholders, if you wish to attend and vote at the Meeting or to appoint someone else to do so on your behalf, you must follow the following two (2) steps:

Step 1: Submit to your intermediary your voting instructions and appoint yourself or another person (who need not be a shareholder) as your proxyholder before the Meeting by inserting your name or such other person's name in the space provided on the **BLUE** VIF for such purpose. Although

optional for shareholders who intend to attend the Meeting or have someone else attend it on their behalf, it is recommended to also specify how you wish to vote for each item to be voted on, otherwise your proxyholder will have the discretion to vote as they see fit. Please refer to the section entitled "Option 1 – Voting by Proxy Prior to the Meeting (**BLUE** VIF)" of this Circular earlier for further details on how to submit your voting instructions. Voting by phone is not recommended as it is not possible to appoint someone else than the persons named by management as proxyholder by phone. Your intermediary must receive your instructions by no later than 9:00 a.m. (Montreal time) on March 6, 2026, or such other deadline your intermediary may fix for your proxyholder's appointment to be effective. The chair of the Meeting may waive or extend the proxy cut-off at their discretion and without prior notice. Please contact your intermediary to ensure you do not miss your applicable voting deadline.

Important Note: U.S. non-registered shareholders who wish to appoint themselves or a proxyholder must obtain a legal proxy form from their intermediary and submit it to TSX Trust by no later than 9:00 a.m. (Montreal time) on March 6, 2026.

Step 2: Once your voting instructions or legal proxy form has been submitted, if the proxyholder wishes to attend the Meeting virtually, please take the secondary step and contact, or ask your proxyholder to contact, TSX Trust by phone at 1-866-751-6315 (toll free in North America) 1-416-682-3860, or www.tsxtrust.com/control-number-request, by no later than 9:00 a.m. (Montreal time) on March 6, 2026, in order to register yourself or your proxyholder and provide an email address at which TSX Trust will send a 13-digit proxyholder control number to be able to join the Meeting virtually. Proxyholder control numbers will be distributed by TSX Trust 24 to 48 business hours before the Meeting. Intermediaries do not provide proxyholder control numbers. Therefore, shareholders who appointed themselves or someone else as their proxyholder through their intermediary must still contact TSX Trust thereafter. A proxyholder who will be attending the Meeting in person does not need to take the above secondary step. If your proxyholder wishes to attend the Meeting in person, no proxyholder control number is required, your proxyholder just needs to report to the registration desk on the day of the Meeting.

Once these steps are completed and if applicable, a proxyholder control number is received from TSX Trust, you or your proxyholder will be able to attend the Meeting:

- (i) if in person, register on the day of the Meeting at the registration desk at Lumi Experience, 1250 René-Lévesque Boulevard West, 36th Floor, Suite 3610, Montreal, Quebec, H3B 4W8. No need for a proxyholder control number; or
- (ii) if virtually, visit <https://meetings.lumiconnect.com/400-507-795-750> on the day of the Meeting, select

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the option **"I have a login"** and enter the 13-digit control number that you received from TSX Trust as your control number and "transat2026" (case sensitive) as your password. Once logged in, simply follow the instructions on the screen during the Meeting. Joining the Meeting by selecting the option **"I am a guest"** will not allow you to vote or ask questions at the Meeting.

Without a proxyholder control number, you or your proxyholder will not be able to attend the Meeting virtually as a shareholder and will only be able to attend as a guest, which will not entitle you or your proxyholder to vote or ask any questions. If you do not complete the above two (2) steps by 9:00 a.m. (Montreal time) on March 6, 2026, you will not be able to obtain a proxyholder control number. The control number appearing on your VIF is NOT a proxyholder control number and may therefore not be used to attend the Meeting virtually. The chair of the Meeting may waive or extend the proxy cut-off at their discretion and without prior notice. Please contact your intermediary to ensure you do not miss your applicable voting deadline.

How to Complete your Form and How your Shares will be Voted

When you vote by proxy prior to the Meeting, you may appoint either the persons named by management as your proxyholder (namely, Susan Kudzman, Chair of the Board, Annick Guérard, CEO of the Corporation, or Daniel Desjardins), or you may appoint someone else to represent you at the Meeting and vote on your behalf. You have the right to appoint any other person (who need not be a shareholder) to attend and act on your behalf at the Meeting. That right may be exercised by writing the name of such person in the space provided for such purpose in your **BLUE** Form of Proxy or **BLUE** VIF.

If you do not intend to attend the Meeting or be represented at the Meeting, you may appoint the persons named by management to represent you at the Meeting and complete your **BLUE** Form of Proxy by indicating how you wish to vote for each item to be voted on. If you leave the section for the appointment of your proxyholder blank your **BLUE** Form of Proxy, you will be deemed having appointed the persons named by management as your proxyholder.

If you intend to attend the Meeting or have someone else than the persons named by management represent you as your proxyholder at the Meeting and vote on your behalf, although you could only indicate your name or the name of such other person in the space provided on your **BLUE** VIF and submit it without indicating how you wish to vote for each item to be voted on, it is still recommended to complete your form and indicate how you wish to vote for each item.

If you have **NOT** specified how you wish your proxyholder to vote on a particular matter at the Meeting, your proxyholder

will be entitled to vote your Voting Shares as they see fit. In the case that you appoint management's designated proxyholders, your vote will be exercised as follows:

- **FOR** the Board Size Resolution, as set out in Schedule A of this Circular;
- **FOR** the election of each of the Corporation's nominees, being Christiane Bergevin, Daniel Desjardins, Marie-Pierre Dhers, Michael R. DiLollo, Vincent Duhamel, Annick Guérard, Stéphane Lefebvre and Bruno Matheu;
- **FOR** the ESPP Amendment Resolution, as set out in Schedule B of this Circular;
- **FOR** the appointment of Ernst & Young LLP ("**EY**") as auditor and authorizing the Board to fix their remuneration;
- **FOR** the Corporation's non-binding advisory approach to executive compensation, as set out in Schedule C of this Circular;
- **AGAINST** Financière Outremont's shareholder proposals to amend the articles of the Corporation to fix the number of directors of the Corporation to six (6) directors, as set out in Schedule D of this Circular (the "**Dissident Shareholder Amendment**"); and
- **WITHHOLD** for the election of each of Financière Outremont's nominees, being André Brosseau, Jean-Marc Léger and Pierre Karl Péladeau, as set out as shareholder proposals 2, 3 and 4 in Schedule D of this Circular.

The **BLUE** Proxy confers discretionary authority with respect to amendments to any of the foregoing matters and such other matters as may properly come before the Meeting. Management is not aware of any such amendments or of other matters to be submitted at the Meeting.

If you appointed a proxyholder other than the persons named by management to represent you at the Meeting and vote on your behalf, please make sure your proxyholder attends the Meeting in person or obtains their proxyholder control number and joins the Meeting if they wish to attend the Meeting virtually, otherwise your voting rights will not be exercised, as your proxyholder is required to attend the Meeting either in person or virtually for them to be exercised.

Assuming the Board Size Resolution is approved at the meeting and the size of the Board is reduced to eight (8) directors, you are permitted to vote for fewer than eight (8) director nominees, but if you vote **FOR** more than eight (8) directors nominees, only your votes cast **FOR** the first eight (8) directors nominees in the order listed in the **BLUE** Form of Proxy will be counted and your votes on the other directors nominees will be invalid and will not be counted. You may only vote **FOR** either the Board Size Resolution, as

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set out in Schedule A of this Circular put forward by the Corporation or the Dissident Shareholder Amendment being put forward by Financière Outremont, or **AGAINST** both the Board Size Resolution and the Dissident Shareholder Amendment. If you vote **FOR** both the Board Size Resolution and the Dissident Shareholder Amendment using the **BLUE** Form of Proxy, only the votes cast **FOR** the Board Size Resolution will be counted and your votes on the Dissident Shareholder Amendment will be invalid and will not be counted. If you do not specify how you want your shares to be voted, they will be voted **FOR** the Board Size Resolution, voted **FOR** all of the Transat Nominees (as defined below), **FOR** the ESPP Amendment Resolution, **FOR** the appointment of EY as auditor, **FOR** the advisory vote on executive compensation, **AGAINST** the Dissident Shareholder Amendment, and **WITHHOLD** for the election of André Brosseau, Jean-Marc Léger and Pierre Karl Péladeau as directors of the Corporation.

You may only vote for up to eight (8) director nominees and, in the event you vote for more than eight (8) director nominees, only the votes cast for the first eight (8) director nominees listed on the proxy will be counted. In these circumstances, only the eight (8) director nominees receiving the highest number of **FOR** votes at the meeting will be elected as directors.

Voting at the Meeting

Registered shareholders who voted prior to the Meeting and who decide to attend the Meeting virtually using their control number do not need to vote again using the voting buttons appearing on their screen during the Meeting. If they vote again at the Meeting, their vote will, however, be taken into account and replace their vote transmitted before the Meeting.

Proxyholders (including non-registered shareholders who appointed themselves as proxyholder and third parties who were appointed as proxyholders by registered shareholders or non-registered shareholders) do not have to vote again at the Meeting if the shareholder they represent already indicated on their **BLUE** Proxy how they wish to vote. They may, however, if they wish, vote at the Meeting by voting in accordance with the voting instructions of the shareholder they represent or as they see fit, if the shareholder they represent has not indicated how to vote. If the shareholder who is represented by a proxyholder indicated how to vote for each item through voting instructions submitted prior to the Meeting and the proxyholder votes differently at the Meeting, the proxyholder's vote will automatically be changed to follow the shareholder's voting instructions submitted prior to the Meeting once the Meeting has ended and the votes are compiled by the scrutineers.

Changing your Vote

If you change your mind about how you wish to vote your Voting Shares, you can revoke your proxy by any of the

methods outlined below, or by any other means permitted by law.

Registered shareholders may change their vote by:

- voting again on the internet, by phone, by fax, by email, or by mail as applicable, well in advance of the proxy voting cut-off at 9:00 a.m. (Montreal time) on March 6, 2026, as their intermediary may have an earlier deadline;
- attending the Meeting in person on the day of the Meeting and voting at the Meeting; or
- attending the Meeting virtually at <https://meetings.lumiconnect.com/400-507-795-750> on the day of the Meeting by selecting the option "**I have a login**" and entering the 13-digit control number that you received from TSX Trust as their control number and "transat2026" (case sensitive) as their password and voting at the Meeting.

Non-registered shareholders may change their vote by:

- voting again on the internet, by phone, by fax or by email, as applicable, by no later than the proxy voting cut-off at 9:00 a.m. (Montreal time) on March 6, 2026, or such other deadline their intermediary may fix;
- completing a new **BLUE** VIF with a later date than the one previously submitted and mailing it as soon as possible at the address directed by their intermediary by no later than the proxy voting cut-off at 9:00 a.m. (Montreal time) on March 6, 2026, or such other deadline their intermediary may fix; or
- any other instructions provided by their intermediary.

Although proxyholders (including non-registered shareholders who appointed themselves as proxyholder and third parties who were appointed as proxyholder by registered shareholders and non-registered shareholders) could vote differently at the Meeting, please note that if such votes differ from the last voting instructions processed by TSX Trust or their intermediary before the proxy voting cut-off of 9:00 a.m. (Montreal time) on March 6, 2026, or such other deadline their intermediary may fix, the vote of the proxyholder will automatically be modified once the Meeting will have ended and the votes are compiled to reflect the last voting instructions received from the shareholder before such deadline if the shareholder has provided voting directions.

Late proxies may be accepted or rejected by the chair of the Meeting at their discretion and the chair of the Meeting is under no obligation to accept or reject any particular late proxy. The chair of the Meeting may waive or extend the proxy voting cut-off without notice.

Attending and Participating at the Meeting

We are holding the Meeting in a hybrid format, and shareholders will be able to attend the Meeting in person or

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virtually. Attending the Meeting virtually will still allow registered shareholders or duly appointed proxyholders, including non-registered shareholders who have duly appointed themselves as proxyholder, to participate at the Meeting and ask questions, all in real time. Registered shareholders and duly appointed and registered proxyholders can vote at the appropriate times during the Meeting either in person or virtually.

If you attend the Meeting virtually, it is important that you are connected to the internet at all times during the Meeting in order to vote when polls open. It is your responsibility to ensure connectivity for the duration of the Meeting. You should allow ample time to check into the Meeting virtually and complete the related procedure.

Shareholders and guests will be able to join the Meeting on the day of the Meeting at <https://meetings.lumiconnect.com/400-507-795-750>. For a better experience, it is recommended to use a high-speed internet connection and the latest version of Chrome, Safari, Edge or Firefox. Internet Explorer is not supported. It is also recommended to ensure your browser is compatible by trying to log in at least 15 minutes before the Meeting.

Only registered shareholders and duly appointed and registered proxyholders will be eligible to vote while participating at the Meeting. Registered shareholders should use their 13-digit control number appearing on their form of proxy and non-registered shareholders should use their 13-digit proxyholder control number received by email from TSX Trust. The voting polls will be open during the formal part of the Meeting. The chair of the Meeting will indicate the time of opening and closure of the polls for the items to be voted on. Voting options will be visible on your screen and you will simply have to select your voting option. Your choice will be highlighted.

During the Meeting, only registered shareholders and duly appointed proxyholders who have joined the Meeting using their 13-digit control number or proxyholder control number will have the opportunity to ask questions by typing and submitting questions through the field available for such purpose. Questions sent via the Lumi Platform online

platform will be moderated before being sent to the Chair. To ask a question verbally instead, send your phone number and subject in the messaging tab. The Lumi platform will dial you in the conference. Please mute your computer and listen to the meeting on your phone only. This will prevent any delay or feedback from occurring. When called upon to ask your question, you will be unmuted.

Guests and non-registered shareholders who did not appoint themselves as proxyholder by the 9:00 a.m. (Montreal Time) voting deadline on March 6, 2026, will not be able to log in to the Meeting and submit questions or vote at the Meeting. They will only be able to join the webcast as guests. It is recommended that shareholders send their question as soon as possible during the Meeting so that these can be addressed at the appropriate time. Questions relating to matters to be voted on will be addressed by the chair of the Meeting and other members of management present at the Meeting before those items are voted on while general questions will be addressed at the end of the Meeting, after the adjournment of the formal business of the Meeting and management's presentation about the Corporation's business. To respect both time constraints and other shareholders, when submitting questions, shareholders are asked to be brief and as much to the point as possible. To allow us to answer questions from as many shareholders as possible, shareholders and proxyholders are kindly asked to cover only one topic per question. Questions from multiple shareholders on the same topic or that are otherwise related may be grouped, summarized and answered together.

If you have difficulty accessing the Meeting virtually, please refer to the Virtual Meeting Guide included with this Circular.

If you have any questions about the information contained in this Circular, or require assistance in completing your **BLUE** Form of Proxy, please contact the Corporation's strategic shareholder advisor and proxy solicitation agent, Laurel Hill, by calling 1-877-452-7184 (toll-free in Canada and the United States) or 1-416-304-0211 (International), by texting "INFO" to either number, or by email at assistance@laurelhill.com.

ADDITIONAL INFORMATION

Ownership Restrictions Affecting the Voting Shares

Under the *Canada Transportation Act*, S.C. 1996, c. 10 (the "CTA"), 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 also qualify as "Canadian" within the meaning of the CTA.

In order to remain "Canadian" within the meaning of the CTA, 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

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by a person who is not Canadian. In the event that a Class A Variable Voting Share becomes held by a Canadian, it will be converted into a Class B Voting Share on a one-for-one basis automatically and without any further action by the Corporation or the holder.

On May 8, 2019, the Corporation amended its articles of incorporation under a plan of arrangement pursuant to the CBCA to align restrictions on non-Canadian ownership and voting control with the definition of “Canadian” in Subsection 55(1) of the CTA. As a result, 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.

In accordance with Transat By-Law 2012-2, the CBCA regulations, and in compliance with Transat’s articles of arrangement and the CTA, the Board has implemented administrative measures to ensure Ownership Restrictions. These measures are reflected through a mandatory declaration of ownership and control. All shareholders who wish to vote at the Meeting, whether by completing and submitting a form of proxy or a voting instruction form, or by attending and voting directly at the Meeting, must complete this declaration to enable Transat to comply with the Ownership Restrictions. If the declaration of ownership and control is not duly completed or if Transat or its transfer agent, TSX Trust, determines that you have indicated, whether inadvertently or otherwise, that you own or control the wrong class of shares, the automatic conversion provided for in the Corporation’s articles of arrangement will apply. In addition, if any statement in the declaration is inconsistent with the information held by the Corporation, Transat may take any action it deems necessary to ensure compliance with the Ownership Restrictions. Furthermore, if the declaration is not completed or is found to be incorrect, the Voting Shares represented by such proxy will be deemed to be owned or controlled by a non-Canadian authorized to provide air service. This declaration forms part of the form **BLUE** VIF of proxy included with this Circular (or **BLUE** VIF form provided to Non-Registered Shareholder).

The Corporation also obtained an exemption from the Autorité des marchés financiers and the Ontario Securities Commission confirming that its outstanding Class A Variable Voting Shares and Class B Voting Shares are treated as a single class of shares for the purposes of applying takeover bid rules and early warning reporting requirements under applicable securities laws. A copy of this decision is available under Transat’s profile on SEDAR+ at www.sedarplus.ca.

Voting Rights Attached to the Voting Shares

As of January 28, 2026, a total of 40,622,131 Voting Shares 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 the Record Date.

Each Class A Variable Voting Share carries one vote per share, and each Class B Voting Share also carries one vote per share, except, in both cases, if the adjustment rules described in further details in the section entitled

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"Ownership Restrictions Affecting the Voting Shares" of this Circular apply.

Principal Shareholders

As of January 28, 2026, to the knowledge of the Corporation, based on the most recent publicly available information, the only person who beneficially owned, directly or indirectly, or exercised control or direction over 10% or more of the outstanding Voting Shares was Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ), which held 4,360,426 Class B Voting Shares, representing approximately 10.73% of all issued and outstanding Voting Shares.

Quorum For the Meeting

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 and outstanding Voting Shares on January 28, 2026, being the Record Date.

The Corporation received a shareholder proposal from the Mouvement d'éducation et de défense des actionnaires ("MÉDAC") requesting various initiative aimed at enhancing seeking to further enhance shareholder participation at annual meetings, particularly among retail shareholders. Given the unique circumstances of this year's special meeting, MÉDAC agreed to withdraw the proposal and reserve the right to resubmit it next year. MÉDAC's proposal followed the postponement of last year's annual meeting due to not meeting quorum, which was influenced by a significant shareholder choosing not to vote. In response, and consistent with prior years, the Corporation has again retained a proxy solicitation firm and is working closely with its transfer agent and meeting service providers, including Lumi Experience Montréal and Broadridge, to reinforce shareholder outreach efforts and encourage retail shareholder participation.

Transat remains firmly committed to enabling all shareholders to fully exercise their voting and participation rights. As outlined in this Circular, shareholders have access to clear, comprehensive voting mechanisms, and, based on discussions with the transfer agent, the Corporation

understands that its voting process is straightforward, aligned with market practice, and that no alternative technological solution would meaningfully improve participation. With the exception of last year's exceptional circumstances, Transat has consistently met quorum requirements at its annual meetings. The Corporation believes that its established practices—including transparent proxy materials and accessible voting and participation instructions—continue to effectively support strong shareholder participation.

Transfer Agent

Proxies and votes are tallied by duly authorized representatives of TSX Trust, the Corporation's transfer agent. You can contact TSX Trust either by mail at 1190 des Canadiens-de-Montreal Avenue, Suite 1700, Montreal, Quebec, H3B 0G7, by telephone at 1-800-387-0825, by fax at 1-416-361-0470, or by email at shareholderinquiries@tmx.com.

Proxy Solicitation

Proxies will be solicited primarily by mail or by any other means our management may deem necessary. Transat has retained Laurel Hill Advisory Group 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 \$350,000 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 of this Circular, including printing, postage and delivery costs.

Questions And Assistance

If you have any questions or require assistance with voting, please contact Transat's proxy solicitation agent, Laurel Hill Advisory Group, by calling 1-877-452-7184 (toll-free in Canada and the United States) or 1-416-304-0211 (International), by texting "INFO" to either number, or by email at assistance@laurelhill.com.



PLEASE REMEMBER, THE CUT-OFF FOR VOTING YOUR BLUE PROXY IS 9:00 A.M. (MONTREAL TIME) ON MARCH 6, 2026

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BUSINESS OF THE MEETING

Financial Statements

The Annual Financial Statements are available on our website at www.transat.com/en-CA/corporate/investors, in the Corporation's Annual Report available under the Corporation's profile on SEDAR+ at www.sedarplus.ca, and in print, free of charge, to any shareholder who requests a copy to the Corporation by email at investorrelations@transat.com or by mail to the Corporate Secretariat, Transat A.T. Inc., 300 Léo-Pariseau, Suite 600, Montreal, (Quebec), H2X 4C2. No vote is required on this matter.

Board Size Resolution

The Corporation is seeking shareholder approval for the Board Size Resolution. As there are eight (8) nominees to the Board, the size of the Board will need to be reduced as the articles of incorporation of the Corporation currently provide that the Board may have no less than nine (9) and no more than 15 members. To offer additional flexibility for the Corporation's Board composition moving forwards, and consistent with the flexibility afforded to other issuers in their articles, the Board recommends that you vote **FOR** the following special resolution, as set out in Schedule A of this Circular:

"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The minimum and maximum number of directors of the Corporation provided for in the articles of the Corporation is hereby changed from nine (9) to 15 to eight (8) to 15; and
2. The directors of the Corporation are hereafter empowered to determine by resolution from time to time the number of directors of the Corporation within the minimum and maximum numbers provided for in the articles of the Corporation."

To be effective, the Board Size Resolution must be approved by the affirmative vote of no less than two-thirds (66 2/3 %) of the votes cast by the holders of Voting Shares present in person or represented by proxy at the Meeting.

The Board recommends you vote **FOR the Board Size Resolution as set out in Schedule A of this Circular.**

Election of Directors

Provided that the Board Size Resolution is adopted by the shareholders of the Corporation, the Board may consist of not less than eight (8) and not more than 15 directors. The Board has fixed the number of directors to be elected at the Meeting at eight (8). You will vote on electing eight (8) directors to our Board, each to hold office until the close of the next annual general meeting of shareholders or when a successor is elected, unless the director resigns or the seat otherwise becomes vacant.

The persons who will be presented for election at the Meeting as Transat's nominees (the "**Transat Nominees**") are Christiane Bergevin, Daniel Desjardins, Marie-Pierre Dhers, Michael R. DiLollo, Vincent Duhamel, Annick Guérard, Stéphane Lefebvre and Bruno Matheu.

The Corporation's majority voting policy and the CBCA provisions relating to the election of directors do not apply in the context of a contested election of the directors. The eight (8) nominees that receive the greater number of votes will be elected directors of the Corporation. Assuming the approval of the Board Size Resolution by the Corporation's shareholders, the number of director nominees at this year's Meeting exceeds the number of available board seats. Assuming the Board Size Resolution is approved by the Corporation's shareholders, the eight (8) nominees that receive the greater number of votes will be elected directors of the Corporation.

The Board recommends you vote **FOR each Transat Nominees and **WITHHOLD** on each of André Brosseau, Jean-Marc Léger and Pierre Karl Péladeau (the "Dissident Shareholder Nominees").**

For further information about each of Transat Nominees can be found at "Transat Nominees for Election to the Board".

If, prior to the Meeting, any of the Transat Nominees become unable or unwilling to serve, the persons designated in the **BLUE** Form of Proxy or **BLUE** VIF will have the right to use their discretion in voting for such other properly qualified nominees. The Dissident Shareholder Nominees have been included in the **BLUE** Form of Proxy and **BLUE** voting instructions form in compliance with the Corporation's advanced notice by-law. **The Board does not endorse any of the Dissident Shareholder Nominees, and the presence of the Dissident Shareholder Nominees in the BLUE Form of Proxy or BLUE VIF is NOT an approval of or a comment on the fitness, character, suitability or qualifications of the Dissident Shareholder Nominees.**

ESPP Amendment Resolution

The Board is seeking approval for the ESPP Amendment Resolution, to ratify the amended and restated ESPP. The ESPP 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 ESPP 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, March 2024 and March 2025.

The programs referred to as the Transaction Plan and Transcapital Plan (each as described at greater length in

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Schedule E of this Circular) are directly linked to the ESPP as regards the total number of Voting Shares that may be subscribed for or the total number of Voting Shares that may be issued to a single person or to insiders of the Corporation.

Last year, the Corporation increased the number of Voting Shares in its reserve based on the historical share price and the number of employees at that date, including the maximum number of Voting Shares issuable under the ESPP. The share price, as well as the number of employees participating in the ESPP, significantly reduced its share reserve. In order to ensure that the level of participation in the ESPP will be maintained for future years, the Corporation wishes to further increase its reserve.

On January 28, 2026, 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 of January 28, 2026, of 1,045,749 Voting Shares to be issued in the context of the ESPP. In order for the new reserve provided for in the ESPP to come into force, the adoption of the ESPP Amendment Resolution must be approved by a majority of the votes cast by the shareholders, in person or by proxy, at the Meeting.

Amendments made to the ESPP essentially provide for an additional reserve of shares that may be issued to employees over the next few years in the context of the ESPP. The full text of the amended ESPP is set forth in Schedule B of this Circular, and a summary of the material terms of the ESPP and the Transaction and Transcapital Plans that are attached to the ESPP is provided in Schedule E of this Circular.

Before deciding to approve the amendments to the ESPP, the Board took into consideration that, as of January 28, 2026, there were only 1,045,749 reserved Voting Shares that could be issued, which represented 2.57% of the total number of Transat's outstanding Voting Shares. Adding 1,000,000 additional reserved Voting Shares for future issuance under the ESPP, which represents an increase of 2.46% of the total number of outstanding Voting Shares, would bring the total number of these reserved shares to 2,045,749, namely 5.03% of the total number of outstanding Voting Shares as of January 28, 2026.

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

"WHEREAS, as of January 28, 2026, 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 ESPP.

BE IT RESOLVED THAT:

1. the Corporation be, and it is, hereby authorized to allocate an additional reserve of 1,000,000 issuable shares in addition to the 1,045,749 reserved shares remaining as at January 28, 2026, thus bringing the total of reserved shares to 2,045,749, and to amend the text of the ESPP accordingly;
2. 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."

The Board considers that the approval of the additional reserve of shares to be issued under the ESPP is aligned with the interests of the Corporation and its shareholders. 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.

The Board recommends you vote **FOR the ESPP Amendment Resolution.**

Appointment of the Auditor

The Board, on the recommendation of the Audit Committee, recommends that EY be appointed as external auditor of the Corporation, to hold office until the next meeting and that their remuneration be fixed by the Audit Committee. To be effective, the appointment of the auditor must obtain a majority of the votes cast by all of our shareholders present in person or represented by proxy at the Meeting.

Pre-approval Policy for External Auditor Services

The Audit Committee has adopted procedures for the pre-approval of engagement for services of its external auditor, which require pre-approval of all audit and non-audit services provided by the external auditor. The Audit Committee also recommends to the Board, and the Board approves, on an annual basis, the fees to be charged to the Corporation by the external auditor. For more details on the Corporation's pre-approval policy and procedures, please refer to the section entitled "Policy Respecting the Pre-Approval of Audit and Non-Audit Services" of the Corporation's Annual Information Form dated December 17, 2025, which is hereby incorporated by reference.

External Auditor Service Fee

EY is the external auditor that prepared the report relating to the audit of the Annual Financial Statements and notes thereto, presented under the International Financial Reporting Standards.

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For Fiscal 2025 and Fiscal 2024, the following fees were billed by EY:

	FISCAL 2025	FISCAL 2024
Audit fees ⁽¹⁾	\$1,411,000	\$1,441,000
Audit-related fees ⁽²⁾	\$296,000	\$288,000
Tax fees ⁽³⁾	\$149,000	\$184,000
All other fees ⁽⁴⁾	—	—
Total	\$1,856,000	\$1,913,000

- (1) Audit fees include fees for professional services rendered by the external auditors for the audit of the Corporation's 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 in connection with the interpretation of accounting and financial reporting standards.
- (2) Audit-related fees include fees for assurance and related services that are performed by the Corporation's external auditors. These services include accounting consultations in connection with acquisitions, special audits and due diligence.
- (3) 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.
- (4) This category of fees would normally include professional services rendered by the Corporation's external auditors, which are not reported under the captions "audit fees," "audit-related fees" and "tax fees." No such services were rendered to the Corporation for Fiscal 2025, and Fiscal 2024.

The Board recommends you vote **FOR the appointment of EY as the auditor of the Corporation and authorizing the Board to fix their compensation.**

External Auditor's Independence

In addition to the letter issued by the external auditor regarding their independence, the Corporation and the Audit Committee have considered whether the services performed by the external auditor were compatible with maintaining the auditor's 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 Auditor's Work

The Audit Committee annually reviews the qualifications, performance and independence of the external auditor 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 (7) years, of the lead audit partner, to their 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 auditor in order to

make an informed recommendation concerning the appointment of the audit firm that will act as the external auditor of the Corporation.

In evaluating the quality of the external auditor's work, the Audit Committee generally considers, among other factors: (i) the robustness of the annual audit plan and the composition of the audit team, (ii) the auditor's knowledge of the air transportation industry and their experience with complex accounting matters, (iii) the quality of quarterly reviews, annual audits, and assessments of internal controls, (iv) the clarity and effectiveness of communications with management, (v) the professionalism demonstrated throughout the audit process; and (vi) the reasonableness of audit fees and non-audit fees.

Approach to Executive Compensation

The section entitled "Compensation Discussion and Analysis" of this Circular provides a detailed explanation of the Corporation's usual executive compensation approach, which is premised on three (3) underlying principles, namely, the Corporation's performance, being competitive within the market and being aligned with the shareholders' best interests.

Upon recommendation of the HR and Governance Committee, the Board recommends that shareholders vote **FOR** the following non-binding advisory resolution, as set out in Schedule C of this Circular:

"BE IT RESOLVED THAT, on an advisory basis and without diminishing the role and responsibilities of the Board, 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 HR and Governance Committee will review and analyze the voting results. In 2025, this resolution received 8,219,216 votes for (96.82%) and 269,587 votes against (3.18%).

The Board recommends you vote **FOR the Corporation's approach to executive compensation.**

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Dissident Shareholder Proposals

On January 30, 2026, the Corporation received the following shareholder proposals from Financière Outremont:

- (i) to amend the articles of the Corporation to remove the minimum and maximum number of directors set out in the Articles and fix the number of directors at six (6);
- (ii) to elect André Brosseau as a director of the Corporation;
- (iii) to elect Jean-Marc Léger as a director of the Corporation; and
- (iv) to elect Pierre Karl Péladeau as a director of the Corporation.

As set out elsewhere in this Circular, and assuming the Board Size Resolution recommended by the Corporation is approved by shareholders at the Meeting, the Board unanimously recommends that you vote **AGAINST the Dissident Shareholder Proposal for the reasons set out on page 77 in Schedule D of this Circular and that that you vote **WITHHOLD** for each of the Dissident Shareholder Nominees.**

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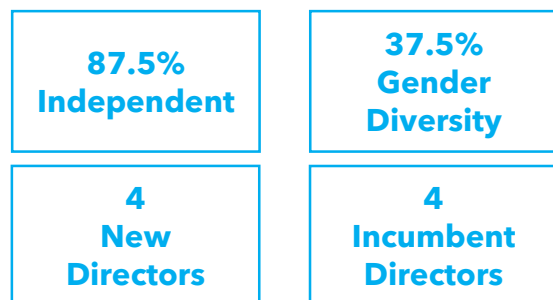
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TRANSAT NOMINEES FOR ELECTION TO THE BOARD

Proposed Transat Nominees

The following pages include a profile of each Transat Nominee which provides an overview of his or her experience, qualifications, record of attendance at Board and committee meetings, ownership of Transat securities, as well as their compliance with the minimum share ownership requirement applicable to directors. If elected, each Transat Nominee will hold office until the next annual meeting of shareholders. Information relating to Voting Shares and deferred share units ("DSUs"), beneficially owned by the Transat Nominees, or over which they exercise control or direction, is provided as at January 28, 2026.

Here are a few highlights regarding the Transat Nominees:



The Board's Human Resources and Governance Committee (the "**HR and Governance Committee**"), comprised entirely of independent directors, is accountable to oversee Board composition, director nominations, succession planning and governance practices, and makes recommendations to the Board in accordance with its mandate.

The Board's approach to Board composition, renewal and succession is guided by a long-standing governance process that includes an annual review by the HR and Governance Committee of Board size, experience, succession timing and independence.

Board Oversight, Succession and Renewal

Over the last several years, the Corporation has operated in an extraordinary environment marked by significant strategic disruption, including the termination of the Air Canada transaction, and industry-wide challenges through the global pandemic and its prolonged impact on the leisure travel sector.

During this period, the Board focused on safeguarding enterprise value, maintaining business continuity and supporting the Corporation's operational and financial reset. At the same time, the Board introduced several changes to its composition since 2022, as part of its ongoing commitment to renewal and effective governance. Given the complexity of the environment and the intensity of Board and committee workloads, the Board determined that it was

prudent to defer additional rotation and structural changes until greater operational and financial stability was achieved.

As operations resumed and critical financing was negotiated, the Board prioritized stability, continuity, and institutional knowledge while maintaining orderly governance and succession planning through the HR and Governance Committee's annual reviews of board size and composition. Throughout this phase, the Board's active oversight and strategic guidance supported the Corporation's multi-year transformation and disciplined execution of the Elevation Program, contributing to the meaningful financial and operational progress achieved over the past year.

As the Corporation enters the final stage of its current strategic plan and completes this intensive transformation cycle, it is now positioned for sustainable growth. In this context, the Board has determined that it is the appropriate time to transition to a smaller, more agile structure and implement the next evolution of its composition to support the Corporation's upcoming strategic phase, continued execution, and long-term priorities.

Accordingly, the Board is recommending a reduction in the number of directors from 11 to eight (8). This reflects the Board's ongoing commitment to maintaining an effective governance structure aligned with the Corporation's evolving needs, shareholder feedback, committee workload requirements, governance benchmarks and independence for the Corporation's next strategic phase.

The Board's responsibility is to ensure effective oversight for the long term, and the Transat Nominees reflects that obligation. The HR and Governance Committee considers a broad range of potential candidates as part of its ongoing succession planning. Any individual considered must meet the Board's independence, experience and availability standards and be assessed through the Committee's process. The Board has nominated eight (8) candidates for election. Of these, four (4) are new nominees who meet the required skills, experience and perspectives and take into consideration constructive discussions with major shareholders, and four (4) are incumbent directors standing for re-election to ensure continuity.

In connection with this evolution of Board size and composition, seven (7) incumbent directors advised the Corporation of their retirements and decision not to stand for re-election at the Meeting. The Board and the Corporation express their sincere appreciation for these directors' dedication, leadership and significant contributions, including their oversight of the Corporation through unprecedented industry disruption into recovery.

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The proposed Transat Nominees reflect the HR and Governance Committee's disciplined approach to Board composition, balancing continuity, renewal, institutional knowledge and new perspectives. In developing the proposed slate, a structured assessment was completed that included a review of the Corporation's future needs, anticipated committee and workload requirements, independence and conflict considerations, director tenure and succession planning, as well as interviews and reference checks where appropriate. This process was designed to ensure that the proposed Transat Nominees collectively provide the experience across aviation, operations, restructuring, capital markets, corporate oversight and judgment and capacity required to support effective oversight in the Corporation's next phase.

The Board remains committed to ongoing renewal within a governance framework that safeguards independence, proportionality and accountability, and to maintaining a composition that enables effective oversight of strategy, risk and performance for the long-term benefit of all shareholders. **Management and the Board recommend that shareholders vote FOR the Transat Nominees identified on the BLUE Form of Proxy and BLUE VIF, being Christiane Bergevin, Daniel Desjardins, Marie-Pierre Dhers, Michael R. DiLollo, Vincent Duhamel, Annick Guérard, Stéphane Lefebvre and Bruno Matheu.**

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Christiane Bergevin

Age: 63
Montreal, Quebec, Canada
Director since: 2026 Nominee
Languages: French, Spanish, English



Experience

Ms. Bergevin is the President of Bergevin Capital, advising domestic and international clients on growth strategy, public policy and transactions. For the past five years, she has served as Senior Advisor, in Canada, to Roland Berger, a global management consultancy, with activities in the aviation, energy, sustainability and logistics sectors. Previously, Ms. Bergevin held executive roles focused on strategic development investments and financing advisory in regulated industries including for Hydro One, Desjardins Group, Astris Finance and as the president of SNC-Lavalin Capital Inc. She advised on over \$15B in transactions worldwide, including in the aviation and airport sectors. She is a former member of the executive committee of the Montreal Board of Trade and served as Chair of the Board of the Canadian Chamber of Commerce. Since 2017, she serves on the Supervisory Board of RATP Dev (France), one of the world largest public transport operators worldwide, moving over 3 million passengers per day in 16 countries. Ms. Bergevin holds a Bachelor of Commerce from McGill University with distinction and completed the Advanced Management Program at the Wharton School. She holds the ICD.D designation from the Institute of Corporate Directors.

Skills, Qualifications and Core Competencies

Senior leadership and operations: 35 years in corporate and finance executive leadership and advisory roles for public issuers active in regulated industries. Extensive corporate development, financing, value creation, strategic business development expertise and comprehensive business and institutional relationship in Canada and abroad.

Risk management and governance: Experience in handling complex situations in a broad range of industries as a Board Director for multiple large and mid cap issuers over the years as well as recognized public sector entities with international activities. Member or chair of Audit & risk committees for La Caisse, BDC, Fiera Capital, Acier AGF, RATP Dev and Iamgold Corporation. Expertise in Risk Oversight Governance, Corporate responsibility and Sustainability.

Finance and Capital markets: Comprehensive deal-related expertise evidenced by global track record of transactions and depth of knowledge in public, private and institutional debt and equity instruments.

Independence

Yes

Securities Held or Controlled

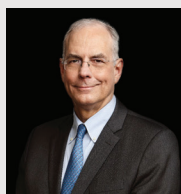
Shares:	—
DSUs: ⁽¹⁾	—
Value at Risk:	—
Minimum Ownership Requirement: ⁽²⁾	—

Other Non Exhaustive Board Experience

IAMGOLD Corporation (2023 – present)
Azimut Exploration Inc. (2022 – present)
RATP Dev (France) (Supervisory Board) (2017 – present)
Canadian Chamber of Commerce (2012 – 2019 (Chair in 2017))
Yamana Gold Inc. (2014 – 2023)
CareRx Corporation (2020 – 2022)

Daniel Desjardins

Age: 70
Montreal, Quebec, Canada
Director since: January 2022
Languages: French, English



Experience

Mr. Desjardins is an accomplished lawyer and executive with extensive experience in business law, compliance, and complex mergers and acquisitions. He held senior leadership roles at Bombardier Inc. for more than 20 years, including Senior Vice-President, General Counsel and Corporate Secretary. From 2018 to 2021, he served as Chair of the Board of Directors of Bombardier Transportation. Twice, Mr. Desjardins was named one of Canada's most influential lawyers and was presented with the lifetime achievement award at the 2013 Canadian General Counsel Awards. Mr. Desjardins holds a law degree from Université de Montréal and a Master of Laws degree from McGill University.

Skills, Qualifications and Core Competencies

Senior leadership and operations developed while leading a team of more than 150 legal professionals across the globe as a Senior Vice-President and General Counsel at Bombardier.

Finance developed while supporting a significant equity injection through a public offering for Bombardier, and managing billion-dollar mergers, acquisitions and contract renewals.

Government affairs, laws and regulations gained while serving as general counsel for Bombardier, including defending the company during a high-profile trade dispute before the International Trade Commission, where Boeing filed a complaint.

Risk management gained while serving as Chair of the Board of Directors of Bombardier Transportation.

2025 Voting Results

Votes For	8,344,568	98.30%
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Board of Directors and Committee Attendance⁽³⁾

Board	16 of 16	100%
Audit Committee	5 of 5	100%
Risk Management Committee	4 of 4	100%
Special Advisory Committee ⁽⁴⁾	46 of 47	98%

Independence

Yes

Securities Held or Controlled

Shares:	5,500
DSUs: ⁽¹⁾	70,802
Value at Risk:	\$223,426
Minimum Ownership Requirement: ⁽²⁾	Met (111.7%)

Other Board Experience

Velan Inc. (2024 – present)
Legal Leaders for Diversity Trust Fund (2014 – present)
Pointe-à-Callière Museum (2019 – present)
Noranda Income Fund (2022 - 2023)
Bombardier Transportation (2018 – 2021)

Marie-Pierre Dhers⁽⁵⁾

Age: 58
New York, United States
Director since: 2026 Nominee
Languages: French, English



Experience

Ms. Dhers is a global airline executive with senior leadership experience across the United States and Europe. She has served as a Board Director, Advisory Board Member, founder of a strategic advisory firm, and senior operating executive. She previously served as Senior Vice President of Operations at Air France-KLM, where she led one of Europe's largest short-haul and ground operations networks. In this role, she oversaw complex operational environments and led multi-airport transformation initiatives. Ms. Dhers is recognized for her strong track record in operational turnarounds, value creation, corporate finance, and business development. She has led large scale transformation programs across sectors and guided organizations through periods of strategic and operational change.

Skills, Qualifications and Core Competencies

Finance gained through advisory and executive leadership roles involving capital deployment, financial oversight, and strategic growth planning, including serving as Vice President, Corporate Finance at Air France.

Air transportation and tourism developed through senior executive roles in Europe and the United States, including leadership responsibility for one of Europe's largest short-haul and ground operations networks. **Government affairs, laws and regulations** gained in multinational environments, with a strong understanding of regulatory frameworks and the ability to guide organizations through large-scale transformation and growth.

Risk management developed during 20-year career across aviation, infrastructure, technology, and energy, enabling informed oversight of complex, capital intensive organizations.

Independence

Yes

Securities Held or Controlled

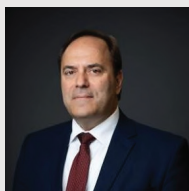
Shares:	—
DSUs: ⁽¹⁾	—
Value at Risk:	—
Minimum Ownership Requirement: ⁽²⁾	—

Other Board Experience

Solution-tek (2025 – present)
Independence Point Advisors (2022 – present)
TwingTec (2021 – 2025)
DG Fuels (2020 – 2023)
SkyWorks Holdings LLC (2014 – 2018)
Air France Partner Leasing (1995 – 2000)
Jet Trading and Leasing Company (1995 – 2000)

Michael R. DiLollo⁽⁶⁾

Age: 59
Montreal, Quebec, Canada
Director since: 2026 Nominee
Languages: French, English



Experience

Mr. DiLollo is an aviation executive who began his career as a pilot and flight engineer. He currently serves as Chairman of EINN Volant Aircraft Leasing Holding and as Managing Director, Capital Solutions at La Caisse de dépôt et placement du Québec. From 2014 to 2015 he served as Chief Executive Officer of Caribbean Airlines, overseeing a fleet of 21 aircrafts. Mr. DiLollo spent much of his career at Air Transat, including as President of Transat Tours Canada.

Skills, Qualifications and Core Competencies

Senior management and operations developed while serving as a senior executive at Transat and Caribbean Airlines Ltd.

Air transportation and tourism developed while leading airline and aviation operations across flight safety, engineering, maintenance, and customer service.

Finance gained while leading the negotiations and operationalisation of EVAL's \$2 billion investment into aircraft leasing.

Risk management developed as the chair of the safety committee while a corporate director for Nav Canada, Canada's air navigation service provider.

Independence

Yes

Securities Held or Controlled

Shares:	—
DSUs: ⁽¹⁾	—
Value at Risk:	—
Minimum Ownership Requirement: ⁽²⁾	—

Other Board Experience

Nav Canada (2013 – 2025)

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Vincent Duhamel

Age: 61
Montreal, Quebec, Canada
 Director since: 2026 Nominee
 Languages: French, English



Experience

Mr. Duhamel was Fiera Capital's Global President and Chief Operating Officer until 2020. Before joining Fiera Capital in 2017, Mr. Duhamel was Partner and CEO at Lombard Odier in Asia. From 1997 to 2011, he worked in Hong Kong, first as Chief Executive of State Street Global Advisors Asia, then as the Managing Director of Goldman Sachs Asset Management Asia. Mr. Duhamel is a graduate of the University of Ottawa with a Bachelor of Arts degree in Economics and Political Science and is a certified Chartered Financial Analyst (CFA) and a Securities Certificate holder from the Quebec Securities Commission.

Skills, Qualifications and Core Competencies

Senior management and operations developed over 30 years leading investment management organizations in Hong Kong, Tokyo, Singapore.

Finance demonstrated while overseeing the finance and investors relations at Fiera, managing large pension and sovereign funds in Asia.

Risk management developed while the Chair of Fiera's Strategic Development Committee, managing strategic acquisitions while overseeing the firm's development outside of North America.

Corporate responsibility gained as Chairman of the Board of Governors at the CFA Institute, the Stock Exchange of Hong Kong and the Securities and Futures Commission of Hong Kong.

Independence

Yes

Securities Held or Controlled

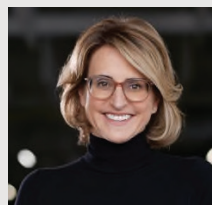
Shares:	—
DSUs: ⁽¹⁾	—
Value at Risk:	—
Minimum Ownership Requirement: ⁽²⁾	—

Other Board Experience

Idealist Capital (2022 – present)
 Thrust Capital Partners (2021 – present)
 Richardson Wealth (2021 – 2025)
 DIAGNOS Inc. (2020 – 2023)
 Fiera Capital (2017 – 2020)
 CFA Institute (2000 – 2008)

Annick Guérard

Age: 55
Montreal, Quebec, Canada
 Director since: May 2021
 Languages: French, English, Spanish



Experience

Ms. Guérard has more than 20 years of experience in the airline and tourism industry and has served as President and Chief Executive Officer of Transat A.T. Inc. and as a member of the Board of Directors since 2021. Since joining Transat in 2002, Ms. Guérard has held senior roles across strategy, operations, sales and marketing, revenue management, customer service, product development, and digital transformation, including serving as Chief Operating Officer from 2017 to 2021. Earlier in her career, Ms. Guérard worked as an engineering consultant in the transportation sector and as a senior consultant at Deloitte. She holds a bachelor's degree in civil engineering from Polytechnique Montréal and a MBA from HEC Montréal.

Skills, Qualifications and Core Competencies

Senior management and operations developed over 24 years at Transat, including leading brand consolidation, route expansion, and the management of operational, financial, and regulatory risks during the COVID-19 pandemic.

Air transportation and tourism developed while at Transat where she gained experience in the airline and tourism industry, including leisure travel and passenger transportation.

Human resources and compensation experience in overseeing talent management, executive compensation, and succession planning for senior leadership roles.

Risk management gained leading the development and execution of Transat's strategic plans, integrating environmental, social, and governance considerations into corporate objectives.

2025 Voting Results

Votes For	8,301,831	97.80%
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Board of Directors and Committee Attendance⁽³⁾

Board	16 of 16	100%
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Independence

No (executive officer)

Securities Held or Controlled

Shares:	117,069
DSUs: ⁽¹⁾	—
Value at Risk:	\$697,098
Minimum Ownership Requirement: ^{(2) (7)}	—

Other Board Experience

National Bank of Canada (2023 – present)
 Théâtre ESPACE GO (2019 – present)
 Pomerleau (2019 – 2023)

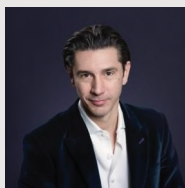
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Stéphane Lefebvre

Age: 58
Montreal, Quebec, Canada
Director since: April 2022
Languages: French, English



Experience

Mr. Lefebvre is President and Chief Executive Officer of Solotech Inc., a global provider of audiovisual technology solutions. He previously served as Chief Executive Officer of Cirque du Soleil Group from 2021 to 2025, following roles as Chief Operating Officer and Chief Financial Officer. Earlier in his career, Mr. Lefebvre spent twenty (20) years at CAE Inc., where he held senior finance leadership roles overseeing global finance and information technology. He began his career at PricewaterhouseCoopers and is a Chartered Professional Accountant. Mr. Lefebvre holds a Bachelor of Business Administration from HEC Montréal.

Skills, Qualifications and Core Competencies

Senior leadership and operations gained during more than twenty (20) years in financial leadership roles.

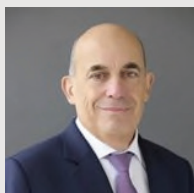
Finance obtained while practicing as a chartered professional accountant and leading core financial systems at CAE Inc.

Commercialization and marketing gained in his role as CEO of Cirque du Soleil Group, successfully guiding the internationally recognized entertainment brand post-pandemic.

Risk management developed while at CAE Inc. where he was responsible for the company's international development of flight training before becoming the CFO.

Bruno Matheu

Age: 62
Paris, France
Director since: March 2023
Languages: French, English, German



Experience

Mr. Matheu is an accomplished executive and director with a strong track record in airline transformation and global operations. In 2017, he founded BLM Consulting, providing strategic advisory services to the transportation and aviation sectors. Previously, he served as Chief Executive Officer Airline Equity Partners at Etihad Aviation Group from 2014 to 2017. Mr. Matheu held senior leadership roles at Air France-KLM. He is a graduate of École Centrale de Paris and has been awarded Chevalier de la Légion d'Honneur and Chevalier de l'Ordre National du Mérite.

Skills, Qualifications and Core Competencies

Senior management and operations gained as a senior leader at multiple international airlines and while advising clients as the founder of BLM consulting.

Air transportation and tourism gained during more than 20 year career at Air France-KLM.

Commercialization and marketing gained at Air France-KLM where he was responsible for marketing, revenue management and network strategy.

Human resources and compensation developed as an executive for airlines with large, unionized workforces, where labour strategies are central to operating performance.

2025 Voting Results

Votes For	8,339,620	98.24%
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Board of Directors and Committee Attendance⁽³⁾

Board	14 of 16	87.5%
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Independence

Yes

Securities Held or Controlled

Shares:	–
DSUs: ⁽¹⁾	53,828
Value at Risk:	\$146,776
Minimum Ownership Requirement: ⁽²⁾	In progress (73.4%)

Other Board Experience

C2 Montreal (2017 – present)

2025 Voting Results

Votes For	8,338,049	98.26%
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Board of Directors and Committee Attendance⁽³⁾

Board	13 of 16	81.25%
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Independence

Yes

Securities Held or Controlled

Shares:	–
DSUs: ⁽¹⁾	41,799
Value at Risk:	\$112,857
Minimum Ownership Requirement: ⁽²⁾	In progress (56.4%)

Other Board Experience

International Airlines Group (2024 – present)

- (1) The value of shares and DSUs held by a director is determined as the greater of (i) the acquisition cost or (ii) the closing price of the Voting Shares on the TSX on January 23, 2026 (\$2.70) multiplied by the number of Voting Shares and DSUs held on that date.
- (2) All directors, except Annick Guérard, are subject to the minimum share ownership requirement applicable to directors, as detailed in the section entitled "Shareholding Requirement for Independent Directors" of this Circular. For information regarding the minimum share ownership requirement that would normally be applicable to Ms. Guérard, please refer to the section entitled "Minimum Shareholding Requirement For NEOs" of this Circular. However, the HR and Governance Committee suspended the application of these guidelines for all executive officers due to the compensation restrictions under the LEEFF Loan until the Corporation is able to resume granting Options or other long-term share-based or equity-based awards.
- (3) Meeting attendance is calculated for the period from November 1, 2024, to October 31, 2025, corresponding to the Corporation's fiscal year.
- (4) On September 19, 2024, the Board formed a special advisory committee to temporarily support management in its debt restructuring efforts. The committee met 47 times during Fiscal 2025 and was dissolved on September 9, 2025.
- (5) Marie-Pierre Dhers is being proposed as Nominee Director in accordance with the Support and Voting Agreement entered into by the Corporation and Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ) on February 9, 2026. See the section titled "Support and Voting Agreements" for additional details.
- (6) Michael R. DiLollo is being proposed as Nominee Director in accordance with the Support and Voting Agreement entered into by the Corporation and La Caisse de dépôt et placement du Québec on February 9, 2026. See the section titled "Support and Voting Agreements" for additional details.
- (7) Executive compensation continues to be constrained by the federal LEEFF loan program, which caps our NEO's compensation at a certain amount and therefore makes grants of shares or equity-based awards out-of-reach. The HR and Governance Committee therefore suspended the application of the share ownership requirements guidelines for all executive officers.

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Support and Voting Agreements

The Corporation entered into a support and voting agreement with each of Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ) (the “**Fonds SVA**”) and La Caisse de dépôt et placement du Québec (the “**Caisse SVA**”) and together with the Fonds SVA, the “**SVAs**”), each effective February 9, 2026, which provide for, among other things, the inclusion of one (1) nominee of each of Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ) and La Caisse de dépôt et placement du Québec on the Board and the vote of all of the Voting Shares held by each of the Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ) and La Caisse de dépôt et placement du Québec in favour of the Transat Nominees. Complete copies of the SVAs have been filed and are accessible under the Corporation’s profile on SEDAR+ (www.sedarplus.ca).

Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ) has nominated Marie-Pierre Dhers as their nominee to the Board pursuant to the Fonds SVA. La Caisse de dépôt et placement du Québec has nominated Michael R. DiLollo as their nominee to the Board pursuant to the Caisse SVA.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of Transat, none of the proposed Transat Nominees has within the past ten (10) years, served as a director or executive officer of a company that, while the Transat Nominee was acting in that capacity, or within a year of that Transat Nominee ceasing to act in that capacity, became bankrupt, made a proposal under bankruptcy or insolvency legislation, was subject to or instituted proceedings, arrangement or compromise with creditors, or had a receiver, receiver-manager or trustee appointed to hold its assets, except as follows:

- Stéphane Lefebvre, former director of Cirque du Soleil, which 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, due to the impact of the COVID-19 pandemic. An acquisition by existing secured creditors was approved by the Quebec Superior Court on October 26, 2020, and the company emerged from CCAA and Chapter 15 protection on November 24, 2020; and
- Bruno Matheu, former director of Darwin Arline SA (June 2016 to June 2017), a Swiss corporation which filed a composition application with the bankruptcy judge in November 2017 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

On August 31, 2022, the CBCA was amended to give shareholders of public corporations the option to vote “for” or “against” director nominees at annual shareholders meetings. This replaced the previous “for” and “withhold” voting choices. In response, the Board updated its majority voting policy in December 2022 to align with the new CBCA requirements.

The Corporation’s majority voting policy aligns with the CBCA and 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.

The Meeting is a “contested election” since the number of nominees for election to the Board is greater than the number of available seats. As a result, neither the Corporation’s majority voting policy nor the CBCA majority voting requirements apply to this Meeting and, assuming the Board Size Resolution is approved by the Corporation’s shareholders, the eight (8) directors with the greatest number of “**FOR**” will be elected to the Board.

QUALIFICATIONS OF DIRECTORS

As part of the Board’s annual, structured approach to oversight and renewal, the HR and Governance Committee conducts a comprehensive review of the Board skills matrix to ensure continued alignment with the Corporation’s strategic priorities, evolving risk profile and the realities of the current business environment.

The Corporation operates in a highly complex, safety-critical and heavily regulated industry. Effective oversight therefore requires a Board composed of directors with deep and relevant expertise to address complex regulatory obligations, uphold the highest standards of safety governance and apply leading practices in airline governance. In this context, experience in transportation and tourism—particularly in areas such as safety oversight, fleet strategy, maintenance and reliability, route economics, network optimisation, revenue management, labour relations and collective bargaining—is critical as the Corporation continues to optimise fleet composition and redeploy capacity.

These requirements are further intensified by the Corporation’s ongoing recovery from an unprecedented, industry-wide disruption, which is being executed under a multi-year operational and financial plan. Given the Corporation’s current position and deleveraging trajectory, the Board also requires directors with demonstrated turnaround and restructuring experience, including expertise in liability management, balance sheet optimisation, cost transformation, liquidity planning and

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stakeholder management. This experience is essential to oversee the achievement of deleveraging milestones and ensure disciplined execution of the recovery plan.

Maintaining an appropriate combination of these skill sets, while preserving institutional knowledge and board stability, is essential to effectively manage the inherent complexity of the airline industry, support the Corporation's recovery and growth objectives, and mitigate the risk of value erosion arising from suboptimal execution.

The Board's review is designed to ensure that it maintains an optimal mix of expertise, experience and perspectives to guide the Corporation's long-term strategy and oversee its sustained commercial success. The skills matrix highlights competencies that are directly linked to the Corporation's strategic priorities, risk management framework and governance responsibilities, and is intended to ensure that

each director contributes relevant and complementary expertise.

To promote clarity, focus and transparency, directors are asked to identify no more than four (4) core qualifications that best reflect their strongest contributions to the Board. This disciplined approach supports a rigorous evaluation of director capabilities and reinforces the Corporation's commitment to appointing individuals whose skills align with its strategic objectives. The skills matrix is reviewed periodically to identify potential gaps in the collective capabilities required to support the Corporation's strategy and vision, taking into account anticipated retirements and succession planning. This assessment informs the HR and Governance Committee in defining the competencies, experience, qualifications, diversity attributes, language capabilities and personal characteristics sought in future director candidates.

	DEMOGRAPHICS AND PROFILE				CORE QUALIFICATIONS								
	INDEPENDENT	MEMBER SINCE	AGE GROUP	GENDER	SENIOR LEADERSHIP & OPERATIONS	AIR TRANSPORTATION & TOURISM	FINANCE	COMMERCIALIZATION AND MARKETING	TECHNOLOGY AND DIGITAL TRANSFORMATION	GOVERNMENT AFFAIRS, LAWS AND REGULATIONS	HUMAN RESOURCES AND COMPENSATION	RISK MANAGEMENT	CORPORATE RESPONSIBILITY
Christiane Bergevin	Y	–	56-65	F	✓		✓	✓				✓	
Daniel Desjardins	Y	2022	66+	M	✓		✓			✓		✓	
Marie-Pierre Dhers	Y	–	56-65	F	✓	✓	✓						✓
Michael R. DiLollo	Y	–	56-65	M	✓	✓	✓					✓	
Vincent Duhamel	Y	–	56-65	M	✓		✓				✓		✓
Annick Guérard	N	2021	45-55	F	✓	✓			✓			✓	
Stéphane Lefebvre	Y	2023	56-65	M	✓		✓				✓	✓	
Bruno Matheu	Y	2023	56-65	M	✓	✓		✓	✓				

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Definition of qualifications:

Senior leadership 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 development, positioning, and growth of consumer products, including brand management, customer strategy, pricing, and communications.

Technology and digital transformation

In-depth experience of the impact of technology, digital transformation, artificial intelligence (AI), data analytics, and cybersecurity.

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.

NOMINATING DIRECTOR CANDIDATES

Only persons nominated in accordance with the procedure set out in the Corporation's Advance Notice By-Law are eligible for election as directors of the Corporation. Such nomination process sets a deadline before a shareholder meeting by which shareholders must notify the Corporation of their intention to nominate directors and lists the information that a shareholder must include with such nomination's notice to be valid. The Board believes that this requirement establishes a transparent and fair process for all

shareholders to follow if they intend to nominate directors, and allows all shareholders, including those participating by proxy, to have sufficient time and information on all the nominees before they vote for the election of directors. It is also intended to facilitate an orderly and efficient meeting process. A copy of the Corporations' Advance Notice By-Law is available on the Corporation's website at www.transat.com/en-CA/corporate/governance.

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CORPORATE GOVERNANCE PRACTICES

The Board believes that effective and transparent corporate governance is fundamental to the long-term success of Transat. The Board is responsible for overseeing the Corporation's governance framework and is committed to maintaining high standards of corporate governance in accordance with applicable regulatory requirements and evolving best practices. Accordingly, the Corporation actively monitors developments in corporate governance and securities regulation and updates its governance practices as appropriate to ensure continued compliance and effectiveness.

The Corporation has adopted a corporate governance manual (the "**Corporate Governance Manual**") that sets out the Board's principles, policies and practices to support its independence and its effective oversight of management. The Corporate Governance Manual is reviewed by the Board and updated as required to reflect changes in securities and corporate law and developments in governance best practices. The most recent review was completed on March 12, 2025. Transat's corporate governance practices meet or exceed the requirements of *National Instrument 58-101 – Disclosure of Corporate Governance Practices* and *National Policy 58-201 – Corporate Governance Guidelines*, as adopted by the Canadian Securities Administrators.

Key Practices

Board and Management Diversity
(page 29)

Gender, age, ethnicity, and geographic background, along with experience and required skillsets, are considered when choosing qualified director candidates. We believe a diverse board is a business imperative and can best serve stakeholder interests and oversee our strategic direction to help us achieve strong long-term performance.

Director Independence
(page 30)

All directors, except the President and CEO, are independent, and only independent directors serve on standing board committees, which helps ensure they are strong independent advocates for the long-term interests of shareholders.

Independence of the Board Chair
(page 30)

The Board Chair provides Board leadership and is independent, which is important for the Board's ability to function independently of management and provide effective oversight.

Succession Planning
(page 32)

The Board periodically reviews its management succession plan that includes the President and CEO and other senior executive officers.

Board Assessment
(page 33)

A formal assessment process is undertaken every year to continuously improve the performance of the Board and committees.

Director Term Limits and Retirement
(page 33)

Directors may not be nominated for re-election after 12 years of service, to ensure Board renewal and maximize its effectiveness over the long term.

Serving on Other Boards
(page 34)

Directors may serve on only five (5) public corporation boards, including the Board (or only one board of a public corporation other than the Board, if the director is a full-time employee of the Corporation). All of our directors are within the limits aimed at ensuring adequate time for appropriate oversight.

Independent Directors and In Camera Sessions
(page 34)

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.

Shareholding Requirements for Independent Directors
(page 35)

Each independent director is expected to meet our minimum equity ownership requirement within five (5) years of joining the Board, aligning director interests with those of shareholders.

Orientation and Continuing Education
(page 35)

Directors participate in continuing education to keep their skills and knowledge current for effective oversight.

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ABOUT THE BOARD AND ITS COMMITTEES

Board Mandate

The Board is responsible for the stewardship of the Corporation. To carry out this role, the Board oversees the conduct, direction and results of the Corporation's business, with the goal of creating long-term value for shareholders and other stakeholders. In turn, management is mandated to conduct the day-to-day business and affairs of the Corporation and is responsible for implementing the strategies, goals and directors approved by the Board.

The duties and responsibilities of the Board are to supervise the management of the business and affairs of the Corporation and to act with a view towards the best interest of the Corporation. The Board's mandate includes: (i) approving the corporate strategy and monitoring its implementation; (ii) approving the appointment of the President and CEO; (iii) reviewing and, where appropriate, endorsing the President and CEO's recommendations regarding the appointment of executive officers; (iv) setting objectives for the President and CEO, reviewing with executive officers' goals, monitoring their performance, and implementing corrective measures as needed; (v) ensuring shareholders are informed of the Corporation's performance, as well as that of the Board and its committees; and (vi) approving and ensuring compliance with the Corporation's legal obligations.

The Board is also responsible for identifying the main risks related to the Corporation's operations and ensuring that appropriate systems and controls are in place to effectively manage these risks.

Board Structure and Board Size

The Board is composed of a majority of independent directors within the definition ascribed by the applicable Canadian regulations and laws.

The Board is led by a non-executive, independent chair, which is important for providing Board leadership and the Board's ability to function independently of management and provide effective oversight. The Board discharges its responsibilities directly and through its standing committees, currently consisting of the Audit Committee, the HR and Governance Committee and the Risk Management Committee.

The Board is currently composed of 11 directors, namely: Geneviève Brouillette, Lucie Chabot, Valerie Chort, Robert Coallier, Daniel Desjardins, Annick Guérard, Susan Kudzman, Stéphane Lefebvre, Bruno Matheu, Ian Rae and Julie Tremblay. If the Board Size Resolution passes, the

Board has fixed at eight (8) the number of directors to be elected at the Meeting, which is a size the Board considers more agile to support the Corporation's upcoming strategic phases, while remaining functional, effective and adequate considering the size of Transat and the volatile and highly complex and regulated industry in which it evolves.

In addition to all matters which fall under the CBCA and other applicable legislation, rules and regulations, and our articles and By-Laws, the Board also approves matters of policy and all proposed actions which are not in the ordinary course of operations, such as all material transactions.

The Board has adopted a written charter which sets out, among other things, its role and responsibilities. Such charter is embedded in the Corporate Governance Manual. The Board has also adopted a charter of director expectations (the "**Charter of Director Expectations**") for, which charter sets out the skills and personal and professional characteristics that the directors of the Corporation shall have. The Charter of Director Expectations can be found on our website at www.transat.com. To the extent the Board Size Resolution attached as Schedule A of this Circular is approved, our articles, as amended by such resolution, require the Board to have a minimum of eight (8) directors and a maximum of 15 directors (as determined by the Board from time to time).

The HR and Governance Committee is responsible for monitoring the size and composition of the Board. It reviews the size and composition of the Board and its standing committees regularly with the Board to promote continuity and efficient decision-making. In performing their responsibilities, the Board and its standing committees may engage external consultants for advice and assistance at Transat's expense.

Position Description

Transat has adopted written position descriptions for the Board Chair, which reflect the responsibilities established in Transat's By-Laws and its governance framework. They may be updated from time to time as determined appropriate by the Board.

Board Chair

The Board Chair provides leadership to the Board in discharging its responsibilities and plays a central role in Transat's governance. The Board Chair presides over meetings of the Board, ensures these meetings are conducted efficiently, fosters open and constructive dialogue among directors. When a director submits their

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resignation, it must be delivered to the Board Chair. At any time during the meeting, the Board Chair may, on their own initiative, suspend the meeting for a specified period; they may also adjourn it for a valid reason.

Committees

The Board's standing committees consist of the Audit Committee, the HR and Governance Committee and the Risk Management Committee. Exceptionally, the Board's Executive Committee meets on an *ad hoc* basis to discuss particular situations that might not otherwise be reviewed by regular committees of the Board. The Board may also form special committees comprised exclusively of independent directors to address specific matters. The roles and responsibilities of each of the Audit Committee, the HR and Governance Committee and the Risk Management Committee are set out in formal written charters which are available on the Corporation's website at www.transat.com. These charters are reviewed annually so that they reflect best practices as well as applicable regulatory requirements.

The Board and its standing committees set out an annual workplan. All Board and committee meetings must have a majority of directors present for meetings to proceed. The Board has an open committee format that encourages directors to attend all committee meetings, regardless of their membership, on a non-voting basis.

Audit Committee

The Audit Committee assists the Board in its oversight of the integrity of Transat's financial reporting and disclosure processes, the effectiveness of internal controls over financial reporting and disclosure controls and procedures, the qualifications, independence and performance of the external auditor, and compliance with applicable legal and regulatory requirements relating to financial reporting and accounting matters. In fulfilling its mandate, the Audit Committee supervises the preparation of Transat's annual and interim financial statements, reviews related MD&A and earnings press releases, and makes recommendations to the Board regarding their approval. It also oversees the resolution of any significant disagreements between management and the external auditor regarding financial reporting.

The Audit Committee reviews, at least quarterly and annually, as applicable, the Annual Financial Statements and unaudited interim financial statements, together with the external auditor's reports thereon, and assesses the quality of accounting policies, the reasonableness of critical estimates and judgements, and the clarity and completeness of disclosures. As part of this oversight, the Audit Committee obtains management and auditor attestations required under the applicable regulations and evaluates whether the financial statements present fairly, in all material respects, Transat's financial position and results in accordance with IFRS.

The Audit Committee is directly responsible for recommending to the Board the appointment, compensation, retention and, where appropriate, the termination of the external auditor, and for overseeing the external auditor's work. It reviews the auditor's annual audit plan, scope and approach; monitors auditor performance and independence (including obtaining written confirmations of independence annually); and pre-approves all audit services and permitted non-audit services, while prohibiting services that could compromise independence (such as certain valuation, internal audit outsourcing, management functions and legal services). The Audit Committee also reviews fee proposals and any changes in fees arising from modifications to audit scope or Transat's structure.

The Audit Committee supervises the internal audit function, including approval of the internal audit plan, review of significant findings and management's remediation of control deficiencies. It monitors the design and operating effectiveness of internal controls over financial reporting and disclosure controls and procedures, and it establishes and oversees procedures for (i) the receipt, retention and treatment of complaints regarding accounting, internal controls or auditing matters, and (ii) confidential, anonymous submissions by employees of concerns regarding questionable accounting or auditing matters. It also oversees Transat's external financial disclosure policy and related practices to promote consistent, accurate and timely public disclosure.

The Audit Committee oversees the financial dimension of enterprise risks, in collaboration with the Risk Management Committee, identifies, evaluates and monitors principal financial risks and approves strategies and measures to manage these risks. This includes oversight of exposures and hedging strategies relating to fuel, foreign exchange and interest rates, review of provisions and contingent liabilities, significant capital expenditures, financings and other material financial commitments. The Audit Committee periodically reviews reports from the CFO concerning liquidity, leverage, covenant compliance and other financial risk indicators.

The Audit Committee members are financially literate and independent, has unrestricted access to management, records, the external auditor and, where appropriate, the internal auditor. It may engage independent legal, accounting or other advisors at Transat's expense, and it maintains an annual work plan integrated into Transat's governance manual to ensure comprehensive coverage of its mandate.

The Audit Committee is currently composed of Lucie Chabot (chair), Robert Coallier, Daniel Desjardins and Susan Kudzman.

Assuming the Transat Nominees are elected to the Board, the directors will discuss the opportunity to combine the

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Audit Committee and the Risk Management Committee and appoint among them who will act as members or chair of such Audit and Risk Management Committee. We have a sufficient number of proposed Transat Nominees who possess the required independence, expertise and background to form a highly competent and skilled Audit Committee.

Each of these individuals is independent from the Corporation within the meaning of applicable laws. In addition, each of the current members of the Audit Committee is financially literate within the meaning of applicable laws. The members of the Audit Committee have no direct or indirect relationships with management, the Corporation or any of its subsidiaries which, in the opinion of the Board, may interfere with such members' independence.

The Board has adopted a written charter for the Audit Committee, which sets out the Audit Committee's key responsibilities. The Audit Committee charter can be found on the Corporation's website at www.transat.com and as set out in Schedule A of the Corporation's Annual Information Form.

HR and Governance Committee

The HR and Governance Committee assists the Board in two (2) complementary areas: (i) corporate governance including Board composition, renewal, effectiveness and policy oversight and (ii) human resources and executive compensation including CEO oversight, executive talent management and succession planning. The HR and Governance Committee is composed exclusively of independent directors and is mandated to maintain high standards of governance across Transat.

The HR and Governance Committee periodically reviews the mandates of the Board and its committees, the organization and frequency of meetings, the quality of materials provided to directors and the follow-up mechanisms for Board decisions. It develops and maintains selection criteria for Board nominees (experience, competencies, personal qualities), actively identifies and engages potential candidates, and recommends qualified nominees for election in order to sustain an optimal mix of skills, experience and diversity at the Board and committee levels, including recommendations on committee composition and chair appointments. It designs and oversees orientation and continuing education programs for directors, develops clear expectations of directors' responsibilities and time commitments, and administers the evaluation framework for the Board, committees and individual directors (including performance criteria and annual reviews). The HR and Governance Committee also oversees Transat's governance policies, including the Code of Ethics and conflict of interest procedures, and maintains the Diversity Policy and related objectives. It periodically reviews director share ownership guidelines and recommends compensation for directors and committee members to the Board.

The HR and Governance Committee establishes the executive compensation philosophy and framework, including base salary, short-term and long-term incentive programs, benefits and retirement arrangements, ensuring alignment with internal equity, external competitiveness and pay-for-performance. It recommends to the Board the recruitment and compensation of the President and CEO and the CEO's annual objectives; evaluates the CEO's performance; and recommends CEO compensation outcomes. In collaboration with the CEO, the HR and Governance Committee reviews objectives, performance and compensation recommendations for senior executives, approves eligibility and targets for incentive and retirement plans, and recommends to the Board any equity or security-based awards requiring approval. It also oversees executive succession planning, leadership development and the preparation and accuracy of compensation-related disclosure in the Circular. The HR and Governance Committee periodically evaluates the independence and performance of any external compensation advisors it retains. The HR and Governance Committee also monitors adherence to applicable laws, regulations and ethical standards within its remit and ensures that governance and compensation practices are periodically benchmarked as appropriate.

The HR and Governance Committee is currently composed of Julie Tremblay (chair), Geneviève Brouillette, Robert Coalier and Susan Kudzman.

Assuming the Transat Nominees are elected to the Board, the directors will appoint among them who will act as members or chair of the HR and Governance Committee. We have a sufficient number of proposed Transat Nominees who possess the required independence, expertise and background to form a highly competent and skilled HR and Governance Committee.

Each of these individuals is independent from the Corporation within the meaning of applicable laws. The HR and Governance Committee members have experience advising on executive compensation and overseeing governance, ethics and compensation matters.

The Board has adopted a written charter for the HR and Governance Committee, which sets out the HR and Governance Committee's key responsibilities. The HR and Governance Committee charter can be found on the Corporation's website at www.transat.com.

Risk Management Committee

The Risk Management Committee assists the Board in overseeing Transat's enterprise risk management framework and its approach to corporate responsibility and sustainable development. The Risk Management Committee's role is to ensure that significant risks are identified, assessed, prioritized and monitored, that appropriate risk owners are designated, and that strategies, policies and programs are in place to manage risks

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effectively, with sufficient independence, status and visibility for the risk management function.

Working with management, the Risk Management Committee ensures that each member of senior management identifies Transat's principal risks and implements systems and controls to manage them adequately. The Risk Management Committee periodically reviews with risk owners their findings, key risk indicators and remediation plans. It reviews Transat's risk presentation calendar, which encompasses, without limitation: (i) commercial risks; (ii) financial risks; (iii) aviation risks; (iv) human resources risks; (v) operational risks; (vi) information technology risks (including cybersecurity); (vii) legal risks; and (viii) strategic risks. The Risk Management Committee also reviews periodic examinations of the risk function to ensure continued effectiveness and independence.

The Risk Management Committee oversees the development and follow-through of policies, plans and programs relating to corporate responsibility, risk and sustainable development across Transat and its subsidiaries. This includes monitoring compliance with applicable laws and regulations (including the Canadian Competition Act compliance program), occupational health and safety of employees and customers, environmental stewardship and community relations, all with a view to striving for the highest applicable standards. The Risk Management Committee engages management on performance against regulatory requirements and general standards in these areas and tracks progress against Transat's corporate responsibility plan.

The Risk Management Committee is empowered to retain, from time to time, independent advisors it considers necessary to carry out its mandate. It reports to the Board on material developments and recommendations.

The Risk Management Committee is currently composed of Valérie Chort, Daniel Desjardins (chair), Susan Kudzman and Bruno Matheu.

Assuming the Transat Nominees are elected to the Board, the directors will discuss the opportunity to combine the Risk Management Committee and the Audit Committee and appoint among them who will act as members or chair of such Audit and Risk Management Committee. We have a sufficient number of proposed Transat Nominees who possess the required independence, expertise and background to form a highly competent and skilled Audit and Risk Management Committee.

Each of these individuals is independent from the Corporation within the meaning of applicable laws.

The Board has adopted a written charter for the Risk Management Committee, which sets out the Risk Management Committee's key responsibilities. The Risk Management Committee charter can be found on the Corporation's website at www.transat.com.

Executive Committee and Special Committee

The Executive Committee of the Corporation meets on an *ad hoc* basis to address timely or specific matters depending on the needs of the Corporation. The members of the Executive Committee are the CEO, the Board Chair, and the chairs of each of the Audit, HR and Governance Committee and Risk Management Committee. In 2025, the Executive Committee did not meet.

The Board may establish special committees to address specific matters independently and to provide advice to the Board and management. When such a committee is created, non-independent directors and management attend only by invitation. On September 19, 2024, the Board formed a special advisory committee to temporarily support management in its debt restructuring efforts. The committee met 47 times during Fiscal 2025 and was dissolved on September 9, 2025.

Diversity and Independence

Board and Management Diversity

The Board considers diversity to be an essential element of board effectiveness. A diverse board possesses a balance of skills, experience, and expertise and a diversity of perspectives that are relevant to Transat's business and strategic objectives. Moreover, in today's highly competitive talent market, diversity is a business imperative that helps Transat and its Board attract and retain the brightest and most talented individuals.

When identifying potential director candidates, the HR and Governance Committee considers the facts that the directors should have diversified backgrounds, experiences and aptitudes as well as the benefits of diversity and the needs of the Board. Directors are selected for their integrity and character, fair and independent judgment, breadth of experience, insight and knowledge, and strong business acumen. In support of this perspective, the Corporation adopted the Diversity Policy. The Diversity Policy was amended in December 2023 to define diversity as including indigenous community membership, persons with visible or invisible disabilities, visible minorities, gender identity or members of the 2SLGBTQIA+ communities, and ethnic or cultural identities. Additional factors considered as part of the HR and Governance committee's interpretation of diversity include age, professional experiences and other complementary factors. We seek out diverse candidates in all director and senior executive searches. The Board considers the optimal mix of skills and backgrounds to serve the interests of our stakeholders, support our diversity goals, and oversee Transat's strategic direction, and also takes into account broader societal and industry trends and issues.

The HR and Governance Committee reviews and monitors the implementation of the Diversity Policy. The Diversity Policy, as amended over the years, includes concrete objectives for achieving a minimum level of representation of women on the Board and among senior executives. To

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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. As of January 23, 2026, the foregoing objectives are met.

The table below sets out the diversity of the Board and among senior executives by the four (4) designated groups as defined by the *Employment Equity Act* (Canada) as of January 28, 2026:

	BOARD	SENIOR EXECUTIVES
Women	6 of 11 (54.5%)	4 of 8 (50%)
Visible Minorities	0 of 11 (0%)	1 of 8 (12.5%)
Aboriginal People	0 of 11 (0%)	0 of 11 (0%)
Persons with disabilities	0 of 11 (0%)	0 of 11 (0%)

Director Independence

Director independence helps ensure our directors act in Transat’s best interests.

Our Board must have a majority of independent directors in accordance with the independence standards approved by the Board and in accordance with best governance practices and applicable laws. All of this year’s nominated directors are independent, except for Annick Guérard as she is the President and CEO of Transat.

Director independence is determined by the Board based on the results of independence questionnaires completed by each director annually, as well as other factual circumstances reviewed on an ongoing basis.

Avoiding Conflict of Interest

All directors are committed to acting in Transat’s best interests.

In accordance with our Corporate Governance Manual and Charter of Expectations, if a director has a material interest in a transaction involving Transat, or otherwise identifies the existence of a potential conflict of interest, the director must declare the conflict, or potential conflict, at the beginning of the Board or committee meeting, and then recuse themselves from any discussions of the matter or vote on the matter.

In accordance with Corporate Governance Manual and Charter of Director Expectations, directors must disclose their interest in any potential or existing related party transactions and the HR and Governance Committee will decide to approve, disapprove, or require that certain actions be taken in relation to the related party transaction to ensure that the terms of the transaction are at arm’s length, any value paid in the transaction represents fair market value, and that the transaction is in Transat’s best interests.

Changes in a Director’s Occupation

When a director’s principal occupation or business association changes substantially from the position they held when joining the Board, in accordance with our Corporate Governance Manual, the HR and Governance Committee will review the impact of the change and will make a recommendation to the Board of any action to be taken, including requesting the director’s resignation.

Independence of the Board Chair

The non-executive Board Chair is responsible for ensuring that the Board discharges its responsibilities independently of management. The non-executive Board Chair 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 Board 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 HR and Governance Committee when setting the performance objectives of the Corporation’s officers.

Key Areas of Focus for the Board

Strategic Planning

The Board is actively engaged in our corporate strategy, overseeing the strategic planning process, and monitoring our progress in achieving our strategic objectives.

The Board holds a special meeting with management every year to review Transat’s annual and long-term strategic plans. This includes discussing and analyzing the main risks facing the business, overall industry trends and developments, and important strategic opportunities. It also sets aside time at each quarterly meeting to receive an update from management and to discuss the progress of Transat’s annual and long-term strategic plans.

The breadth and depth of skills and experience on the Board provide for constructive dialogue, healthy debate, added perspective, and an effective sounding board for management.

The Board approves the annual objectives for the President and CEO and measures success against these objectives.

Risk Oversight

Transat believes a business strategy should include sound risk management practices and the vision to see the opportunities within those risks. By understanding the most

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critical risks facing our business, including those related to Environmental, Social and Governance (ESG), we can proactively put in place systems to mitigate those risks while pursuing any opportunities they present, and foster a culture of risk and opportunity awareness across the Corporation.

The Board provides risk oversight as a whole and through its committees based on our risk governance framework, which sets out specific policies and processes for the continuous assessment of risks to our business. These include risks related to our operations, finances, compliance, cybersecurity, strategy, and the environment, including climate change as well as political and social risks.

Risk Management

Transat’s management team is responsible for the ongoing management and development of risk. The results of this process are communicated to the Risk Management

Committee, the Board and to the senior executive management team.

The following occurs under the Board’s guidance and oversight:

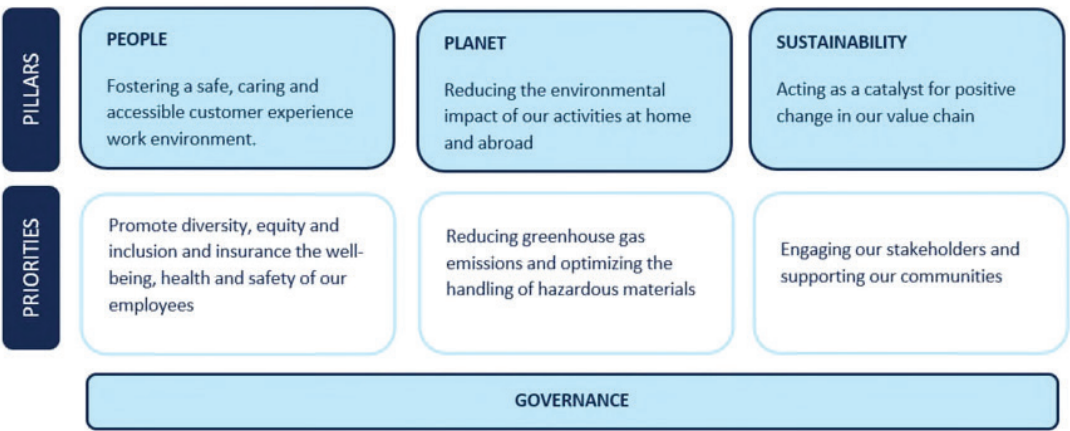
Management updates the Board via the Risk Management Committee on a quarterly basis on the key risks facing the business. An annual evaluation of those key risks is also performed and presented to the Board via the Risk Management Committee.

You can find more information about risk management in our 2025 Annual Report and our 2022 Corporate Responsibility Report (as supplemented by the 2023, 2024 and 2025 updates to such reports) and our website at www.transat.com.

Corporate Responsibility Framework

Transat is driven by a passion for bringing people together and is committed to contributing to the well-being of its stakeholders and value chain, which is why the Corporation is committed to fostering responsibility for the environmental and social impacts of its business activities. The Corporation strives to center sustainable development as an integral part of its decision-making process. The corporate responsibility framework is regularly discussed at the Board level, as well as within at each of the Corporation’s committees, which have oversight over the framework’s components applicable to each committee’s areas of responsibility.

In 2025, Transat continued to develop its frame of reference surrounding three (3) essential pillars of our corporate responsibility framework: people, planet and sustainable practices. We have continued to support the implementation of pragmatic initiatives contributing to both the corporate responsibility framework and our corporate objectives. During Fiscal 2025, our governance activities with respect to each of the three (3) pillars included the following:



1. PEOPLE

To remain vigilant, we continued to actively survey our customers with respect to the service experience offered by Transat. In 2025, we have achieved target satisfaction levels, which reflects the quality of service provided by our teams and our operational performance.

From a health and safety perspective, we adopted a three (3)-year prevention plan, reinforcing our culture of accident prevention through structural initiatives, increase mobilization and support from our operational teams.

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On accessibility for our services and platforms, the Corporation has published its second three (3)-year accessibility progress report for the years 2025-2026, in accordance with the *Accessible Canada Act*. The plan remains an evolving commitment and will continue to be deployed until June 2026, following which a new three (3)-year plan for 2026-2029 will be adopted.

Diversity initiatives are described in further detail in the section entitled “Diversity and Independence” of this Circular.

2. PLANET

Transat is dedicated to managing its impacts on the environment, primarily through a decarbonization strategy of its airline operations. Even in the face of challenges in the global supply of sustainable aviation fuels (SAF), the Corporation continues to pursue deployment of its decarbonization program and assess risks relating to climate change. In 2025, the Corporation’s efforts were focused on leveraging operational efficiencies to minimize aviation fuel use.

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 2022-2023 latest Climate-related Disclosure Report, published in June 2025, as supplemented by the 2025 Supplement, was once again prepared based on the recommendations of the Task Force on Climate-Related Financial Disclosures.

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

3. SUSTAINABILITY

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 latest report produced in compliance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* was published on January 30 2026.

Over the past few years, Transat has played a key role in supporting humanitarian, environmental, sustainable tourism and community initiatives through donations, sponsorships and other forms of support.

For more information on our strategy and corporate responsibility achievements, see our 2025 Annual Report, and our 2022-2023 Corporate Responsibility Report (as supplemented by the 2025 update) available on Transat’s website at www.transat.com.

Succession Planning

The HR and Governance Committee periodically (i) reviews the recruitment and selection criteria to ensure that diversity is considered for executive officer positions, and (ii) monitors the Corporation’s performance in terms of diversity and ensures that procedures are in place to favour diversity and inclusion. The HR and Governance Committee 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 HR and Governance Committee 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: (i) 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; (ii) the leadership capabilities currently required to deploy the strategic plan and implement the optimization plan; and (iii) 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

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evaluations, individual development plans and coaching by the President and CEO and by executive officers.

As a good governance practice, the Board also maintains a contingency plan in the event something suddenly unexpected happens to the President and CEO, or other NEOs. Similarly, the Board has a succession plan for the Board Chair as well as for each committee chair.

Board Assessment

The HR and Governance Committee 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 HR and Governance Committee. 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 directors to enhance their individual contribution to the Board and to committee work.

The HR and Governance Committee relies on the evaluation process and the competencies required by strategic planning to determine whether a director should withdraw from the Board.

The directors are evaluated on an annual basis, with the following table indicating what is involved in the evaluation process:

	BOARD	BOARD CHAIR	DIRECTOR	COMMITTEES	COMMITTEE CHAIRS	PRESIDENT AND CEO
Board Chair	✓		✓	✓	✓	✓
Each Director	✓	✓	✓	Committee members	Committee members	✓ ⁽¹⁾⁽²⁾
HR and Governance Committee Chair	✓	✓	✓	✓	✓	
HR and Governance Committee						✓ ⁽²⁾

- (1) Evaluation as director
- (2) Evaluation as President and CEO

In addition to providing valuable insights into areas where the Board can improve its effectiveness, the Corporation’s evaluation process fosters discussion on governance matters and continuing education initiatives.

Tenure and Board Renewal

Director Term Limits and Retirement

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. 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.

Recruiting New Directors

The HR and Governance Committee is responsible for recommending qualified individuals who have the talent, business experience, expertise, leadership and level of commitment required of directors.

When making its recommendations, the HR and Governance Committee considers the fact that the directors should have diversified backgrounds, experiences and aptitudes. The HR and Governance Committee 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 HR and Governance Committee may also retain the services of a specialized firm to help it achieve its diversity objectives. 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 HR and Governance Committee (i) assesses the composition and size of the Board and, in doing so, reviews the breadth and diversity of experience and competencies of the directors, (ii) identifies the competencies required by the Corporation following strategic planning, (iii) identifies the profile of potential nominees, (iv) recommends to the Board a list of nominees for election as directors, and (v) approaches competent nominees.

Engagement and Communications

Shareholder Engagement by Management

The Board encourages shareholders to attend the annual meetings because they are an important opportunity for shareholders to hear directly from management and to discuss performance, strategy, corporate governance, and other important matters. The Board Chair is also available to respond to shareholder questions.

The Corporation’s disclosure policy (the “**Disclosure Policy**”) sets guidelines regarding communications with stakeholders, including shareholders, employees, analysts,

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the media, institutional investors, governments and the public. The Corporation is in continuous dialogue with stakeholders and community members, providing transparent disclosure through the continuous dissemination and filing of news releases and other continuous disclosure documents as established through the Disclosure Policy, including updates on www.transat.com. Shareholders may communicate with the Corporation in this regard by email at investorrelations@transat.com or by mail at:

Investor Relations

Transat A.T. Inc., 300, Léo-Pariseau Street,
Suite 600,
Montreal, Quebec, H2X 4C2

The Board recognizes the importance of having constructive dialogue with shareholders and engages directly and regularly with shareholders. Shareholders may communicate with the Board at any time by contacting the Corporate Secretary by email at secretariat@transat.com or by mail at 300, Léo-Pariseau Street, Suite 600, Montreal, Quebec, H2X 4C2. Shareholders may also request a meeting with the Board Chair, the chair of a Board committee, or an individual director; such requests will be considered by the Board Chair in consultation with the chair of the HR and Governance Committee and the Corporate Secretary.

Shareholders are also invited to engage directly with the Board at the annual meeting, where they may ask questions to the Board Chair and other members of the Board, and exercise their voting rights, including electing directors for the coming year. Shareholders may also submit proposals for consideration at the next annual meeting, as outlined on page 66 of this Circular.

Expectations of Directors

Conduct

We expect each director to act honestly and in good faith and in the best interests of Transat.

We are committed to maintaining the highest ethical standards in all our operations and business practices. We understand that our conduct with fellow employees, customers, suppliers, and other stakeholders affects the integrity and credibility of Transat, as well as our success. That's why maintaining strong ethical business relationships and acting responsibly is important to us. Directors are required to comply with our Code of Ethics. See the section entitled "Code of Ethics" of this Circular for more information on our Code of Ethics.

Directors are also required to comply with our Charter of Director Expectations, 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. The Charter of Director Expectations for directors can be found on Transat's website at www.transat.com.

Serving on Other Boards

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 HR and Governance Committee's general policy is to examine each nominee for the position of director on a case-by-case basis, even if it may deviate from this policy. The HR and Governance Committee'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 (5) 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. Currently, no director sits on more than one board of a public corporation other than the Board.

Board Interlocks

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

Attendance

We expect our directors to attend all Board meetings, all of their committee meetings, and the annual shareholder meeting, and to make their best efforts to attend any special meetings.

We set Board and standing committee meeting dates at least two (2) years in advance to optimize director attendance.

2025 Attendance

For the 12-month period ended October 31, 2025, there were a total of four (4) regular Board meetings and twelve special Board meetings. The Audit Committee had five (5) regular meetings, the HR and Governance Committee had six (6) regular meetings, and the Risk Management had four (4) regular meetings. On September 19, 2024, the Board formed a special advisory committee to temporarily support management in its debt restructuring efforts which met 47 times during Fiscal 2025 and was dissolved on September 9, 2025. Details of 2025 attendance by regular meeting and special meeting for each Transat Nominee are set out in the director profiles beginning on page 18 of this Circular.

Independent Directors and In Camera Sessions

Directors, at their sole discretion, may hold in-camera sessions, in the absence of non-independent directors or NEOs 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

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meeting. Directors are encouraged to use the allocated agenda time for in-camera meetings to discuss sensitive or private topics. Exceptionally due to the renegotiation of critical financing and other extraordinary matters, for the 12-month period ended October 31, 2025, a total of 78 in-camera meetings of the Board and committees were held. An in-camera session was held at each meeting of the Board and the committees, without exception.

Each year, members of the HR and Governance Committee 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 HR and Governance Committee 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 directors. 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 directors.

Shareholding Requirements for Independent Directors

In order to align the interests of directors with those of shareholders, the HR and Governance Committee has adopted a minimum equity ownership requirement for independent directors. Under these guidelines, after having served five (5) years as a director, each independent director must hold a number of Class A Voting Shares, a number of Class B Voting Shares and/or DSUs representing at least five times (5.0x) the annual cash retainer to which they are entitled.

For the purposes of determining whether the minimum equity ownership requirement for directors 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 of October 31 of each year.

Orientation and Continuing Education

The members of the HR and Governance Committee 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 other executives of the Corporation and receive directly from each of them a presentation on the activities of their respective business units. Each new director is also invited to review the Corporate Governance Manual (which includes position descriptions of the Board Chair, the President and CEO, and the chair of each

committee), the Charter of Director Expectations for directors and the charter of each committee in order to fully grasp the role they are 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 their role and responsibilities. In January 2022, the HR and Governance Committee improved the integration process by allowing the new directors to participate in flash-trainings by videoconferencing with each executive officer totalling eight (8) 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 HR and Governance Committee chair to share their experience with the integration process, and are invited to provide the HR and Governance Committee chair with their evaluation of the continuing education program.

As part of its mandate, the HR and Governance Committee is also responsible for providing a continuous education program for directors. This education program focusses on three (3) 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 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.

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The following table presents some of the training activities for directors that took place in 2025:

CONTINUING EDUCATION FOR DIRECTORS IN 2025

TOPIC	PRESENTED BY	DIRECTORS ATTENDING
Legal updates	Fasken	All directors
Presentation on climate disclosure	Transat	Members of the Risk Management Committee and all directors via the report from the Board Chair and the minutes
Presentation on risks	Transat	Members of the Risk Management Committee and all directors via the report from the Board Chair and the minutes
Presentation on computer and cybersecurity risks	Transat	Members of the Risk Management Committee and all directors via the report from the Board Chair and the minutes
Cybersecurity training	Transat	All directors

Ethics

Code of Ethics

Our directors, executive officers 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 under Transat's profile on SEDAR+ at www.sedarplus.ca. The Code of Ethics 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 HR and Governance Committee, reviews the implementation of, and compliance with, the Code of Ethics throughout the Corporation and its subsidiaries. In this respect, the HR and Governance Committee receives from our Chief Legal and Government Relations Officer and Corporate Secretary and our Chief People, Sustainability and Communications Officer, 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 of Ethics 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 that constitutes a departure from the Charter of Director 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, together with its Charter of Director Expectations, best governance practices (set out in its Corporate Governance Manual) and 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.

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 states the principles with which Transat intends to comply whenever it procures goods and services, including responsible procurement and attention to diversity and inclusion considerations. Responsible procurement principles are further detailed in Transat's Responsible Procurement Policy.

Indebtedness of Directors and Executive Officers

None of our current or former directors, executive officers 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, executive officers, personnel or Transat Nominees. This policy also applies to our subsidiaries.

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DIRECTOR COMPENSATION

Philosophy and Approach

Our director compensation program is designed to attract and retain experienced and competent individuals to serve on the Board and its committees and align the interests of directors with the long-term interests of our shareholders. It aims at providing fair, reasonable and competitive compensation commensurate to the risks and responsibilities associated with their role as a director of Transat.

To assist in determining the appropriate compensation for members of the Board, the HR and Governance Committee reviews competitive practices from time to time with the assistance of independent compensation consultants as discussed in the section entitled “Executive Compensation Program – Compensation Review Process – External Consultant” of this Circular. Due to the COVID-19 pandemic and the restrictions under the LEEFF Loan, there has not been a complete review of the director compensation since the last benchmark conducted by PCI-Perrault Consulting Inc. (Gallagher group) in 2022. For further details, see “Pandemic and LEEFF Restrictions” below.

Any director who is also an employee of the Corporation or of any of its affiliates does not receive any compensation as a director. As such, this section excludes the compensation earned by Annick Guérard who is also the President and CEO of the Corporation. For information regarding the compensation of Ms. Guérard, please refer to the section entitled “Compensation Discussion and Analysis – Executive Compensation Framework – Compensation of the NEOs” of this Circular.

Structure of Compensation

The compensation of the directors is comprised of a base annual retainer payable in cash (the “**Cash-Based Component**”), attendance fees payable in cash (the “**Attendance Fees**”), and share-based awards in the form of DSUs (the “**Share-Based Component**”). The Cash-Based Component comprises a base fee of \$40,000, plus an additional fee which varies based on role(s) held by the directors on the Board (e.g. chairing the Board or a committee and/or being a committee member), while the Attendance Fees and Share-Based Component are fixed.

Directors can choose to receive all or a portion of their annual Cash-Based Component in DSUs to help them reach

their minimum share ownership requirement. Directors are reimbursed for reasonable travel and other out-of-pocket expenses incurred for attendance at Board and committee meetings. They also benefit from travel privileges under the Corporation’s Blue Pass Policy.

Pandemic and LEEFF Restrictions

In 2020, considering the pandemic and the unprecedented crisis that affected Transat, as well as the entire airline industry, and tourism in general, the independent directors of the Corporation serving at that time reduced their compensation and attendance fees by 20 % between April 1, 2020, and February 15, 2021. These reductions were imposed once again April 29, 2021, when the Corporation entered into the LEEFF Loan. Pursuant to the LEEFF Loan, director compensation cannot be granted by the Corporation in excess of the director compensation that was in effect on May 8, 2020 (representing director compensation and attendance fees in effect since August 2018, minus 20%).

DSU Plan

DSUs are notional units that mirror the value of Voting Shares. They are granted on the last day of each fiscal quarter pursuant to the Corporation’s Deferred Share Unit Plan adopted on March 19, 2003, with the number of DSUs calculated by dividing the dollar value awarded by the five (5)-day volume weighted average trading price of the Voting Shares on the TSX prior to the date of grant. DSUs are paid out in cash after a director retires from the Board, based on the closing price of the Voting Shares on the date immediately preceding redemption. Directors must redeem their DSUs no later than December 1st of the calendar year immediately following the year in which they cease to serve as a director (“**DSU Redemption Deadline**”), failing which the Corporation will automatically redeem the Director’s DSUs on the DSU Redemption Deadline.

DSUs earn dividend equivalents at the same rate as cash dividends paid on our Voting Shares.

Additional information on the DSU Plan is as set out in Schedule E of this Circular.

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Annual Retainer and Meeting Fees

The following table displays the annual retainers and attendance fees payable to non-executive directors (assuming there are no restrictions under the LEEFF Loan) as well as the annual retainers and attendance fees that the Corporation is entitled to pay given the restrictions under the LEEFF Loan (and as such, the annual retainers and attendance fees for the year ended October 31, 2025):

DIRECTOR POSITION	ANNUAL RETAINERS AND ATTENDANCE FEES (WITHOUT LEEFF RESTRICTIONS)			ANNUAL RETAINERS AND ATTENDANCE FEES (WITH LEEFF RESTRICTIONS)		
	CASH	DSUS	ATTENDANCE FEES (PER MEETING)	CASH	DSUS	ATTENDANCE FEES (PER MEETING)
BASE FEES						
Director	\$50,000	\$35,000 (\$8,750 per quarter)	\$1,500	\$40,000	\$28,000 (\$7,000 per quarter)	\$1,200
ADDITIONAL FEES						
Board Chair	\$87,500	–	\$1,500	\$70,000	–	\$1,200
Chair of the Audit Committee	\$20,000	–	\$1,500	\$16,000	–	\$1,200
Chairs of the HR and Governance Committee and Risk Management Committee	\$13,500	–	\$1,500	\$10,800	–	\$1,200
Committee members ⁽¹⁾	\$5,000	–	\$1,500	\$4,000	–	\$1,200

(1) On September 19, 2024, the Board formed a special advisory committee to temporarily assist the management in its debt restructuring efforts. That committee was dissolved on September 9, 2025. In addition to the annual compensation paid for Fiscal 2025, members of the special advisory committee received an additional monthly cash compensation of \$8,000, and \$12,000 for the committee chair.

Directors Total Compensation Table

The following table shows the total compensation earned by each individual who served as a non-executive director during Fiscal 2025. The compensation of Annick Guérard, who is a director, but also the Corporation's President and Chief Executive Officer, is discussed in the section entitled "Compensation Discussion and Analysis – Compensation of the NEOs – Summary Compensation Table".

DIRECTOR	CASH FEE EARNED (\$) ⁽¹⁾	SHARE-BASED AWARDS ⁽²⁾ (\$)	OPTION- BASED AWARDS (\$)	NON-EQUITY INCENTIVE PLAN COMPENSATION (\$)	PENSION VALUE (\$)	ALL OTHER COMPENSATION (\$)	TOTAL COMPENSATION (\$)
Geneviève Brouillette	142,676	30,750	–	–	–	1,025	174,451
Lucie Chabot	163,826	28,000	–	–	–	934	192,760
Valérie Chort	46,350	47,250	–	–	–	1,259	94,859
Robert Coallier	79,200	28,000	–	–	–	2,307	109,507
Daniel Desjardins	192,639	42,700	–	–	–	1,048	236,387
Susan Kudzman	241,826	28,000	–	–	–	2,551	272,377
Stéphane Lefebvre	46,800	38,000	–	–	–	1,793	86,593
Bruno Matheu	52,200	39,000	–	–	–	–	91,200
Ian Rae	26,800	58,000	–	–	–	–	84,800
Julie Tremblay	52,600	55,400	–	–	–	–	108,000

(1) Includes the Cash-Based Component of the annual retainer and the Attendance Fees earned by the directors for Fiscal 2025. For Ms. Chabot, Ms. Brouillette, Mr. Desjardins and Ms. Kudzman, these amounts also include attendance fees for meetings of the special advisory committee to temporarily assist the management in its debt restructuring efforts formed on September 19, 2024. The committee was dissolved on September 9, 2025.

(2) This column shows the value of the retainer earned by the directors for Fiscal 2025 and which was payable in DSUs. Mr. Desjardins, Mr. Matheu and Ms. Tremblay elected to receive respectively 25%, 25% and 50% of their Cash-Based Component in DSUs. Ms. Brouillette elected to receive 100% of her Cash-Based Component in cash for the first three quarters and 75% of her Cash-Based Component in cash for the last quarter. Ms. Chort elected to receive 50% of her Cash-Based Component in cash for the first three (3) quarters and 75% of her Cash-Based Component in cash for the last quarter. Mr. Lefebvre elected to receive 100% of his Cash-Based Component in cash for the first three (3) quarters and 0% of his Cash-Based Component in cash for the last quarter. Mr. Rae elected to receive 0% of his Cash-Based Component in cash for the first three (3) quarters

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and 100% of his Cash-Based Component in cash for the last quarter. Ms. Chabot, Mr. Coallier and Ms. Kudzman elected to receive 100% of their Cash-Based Component in cash.

Incentive Plan Awards Table

The following table shows, for each independent director, the market or payout value of vested DSUs (share-based awards) held as of October 31, 2025. None of the independent directors held options (option-based awards) as at such date.

NAME OF DIRECTOR	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 (\$) ⁽¹⁾
Geneviève Brouillette	–	–	72,972
Lucie Chabot	–	–	128,843
Valérie Chort	–	–	142,824
Robert Coallier	–	–	63,142
Daniel Desjardins	–	–	149,392
Susan Kudzman	–	–	200,773
Stéphane Lefebvre	–	–	113,577
Bruno Matheu	–	–	88,196
Ian Rae	–	–	205,261
Julie Tremblay	–	–	164,987

(1) Shows the aggregate value of DSUs held as of October 31, 2025, based on \$2.11, the closing price of the Voting Shares on the TSX on October 31, 2025, the last trading day of Fiscal 2025. All DSUs fully vest at the time of grant.

Incentive Plan Awards - Value Vested or Earned During The Year

The following table shows the value of DSUs (share-based awards) held as of October 31, 2025 by each individual who served as a non-executive director during the fiscal year then ended and which vested during the fiscal year. Directors do not hold and did not receive any option-based awards or non-equity incentives during Fiscal 2025. Pursuant to the terms of the Corporation's Stock Option Plan, directors are ineligible to receive Options.

NAME OF DIRECTOR	OPTIONS-BASED AWARDS - VALUE VESTED DURING THE YEAR (\$)	SHARE-BASED AWARDS - VALUE VESTED DURING THE YEAR (\$) ⁽¹⁾	NON-EQUITY INCENTIVE PLAN COMPENSATION - VALUE EARNED DURING THE YEAR (\$)
Geneviève Brouillette	–	30,748	–
Lucie Chabot	–	27,999	–
Valérie Chort	–	47,248	–
Robert Coallier	–	27,999	–
Daniel Desjardins	–	42,703	–
Susan Kudzman	–	27,999	–
Stéphane Lefebvre	–	37,999	–
Bruno Matheu	–	38,999	–
Ian Rae	–	57,999	–
Julie Tremblay	–	55,398	–

(1) The value of DSUs that have vested during the year is determined by multiplying the number of DSUs that have vested during Fiscal 2025 by the weighted average of the closing price of the Voting Shares over the five (5) trading days preceding the date on which such DSUs are credited each quarter. All DSUs fully vest at the time of grant.

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COMPENSATION DISCUSSION AND ANALYSIS

Letter from the Chair of the HR and Governance Committee

On behalf of the HR and Governance Committee, I am pleased to share a brief overview of Transat's executive compensation approach and key outcomes for Fiscal 2025.

Fiscal 2025 Overview - A Year of Strong Performance and Continued Progress

Fiscal 2025 marked an important year of progress for Transat. The Corporation delivered record-high Adjusted EBITDA¹ of \$271 million, up 33% year-over-year, and net income of \$241.9 million compared with a net loss of \$114.0 million in Fiscal 2024. In addition, Transat made meaningful progress in strengthening the balance sheet, reducing government debt by more than half. The Elevation Program, launched in 2024, continued to gain traction, supporting cost discipline, service improvements and remains on track to contribute \$100 million to Adjusted EBITDA¹¹ later this year. These results reflect focused execution and meaningful momentum across the business.

Executive Compensation Approach and Decisions

The Committee's role is to ensure that executive compensation supports Transat's long-term strategy and aligns pay with performance. Our approach emphasizes performance-based incentives tied to financial, operational and strategic results, balanced with prudent fixed compensation. That philosophy underpins our committee's compensation decisions throughout the year.

Executive compensation continues to be constrained by the federal LEEFF loan program, which caps our NEO's compensation at a certain amount and therefore makes grants of shares or equity-based awards out-of-reach. While the Federal Government approved an adjustment in 2024 to increase the President and CEO, Annick Guérard's, compensation cap (previously set at her 2019 level while serving as Chief Operating Officer) to reflect her role and comparable benchmark, overall compensation remains below market levels, and equity-based awards remain unavailable. In this context, and consistent with our commitment to financial discipline, no salary increases were granted to named executive officers for Fiscal 2025 or for fiscal 2026.

The Committee also reviewed our short- and long-term incentive programs, with the support of Willis Towers Watson, our independent external compensation advisor.

While Transat's 2025 STIP and LTIP overall design remains largely unchanged for 2026, the programs' objectives were updated to reflect Transat's strategic priorities, including customer satisfaction, Adjusted EBITDA¹ and long-term cash flow improvement.

Performance under our STIP plan reflected the strength of Transat's 2025 results, including record-high Adjusted EBITDA¹ and operational improvements, resulting in a payout at the maximum level for the NEOs. To ensure a balanced and responsible approach, the Board approved payment in two instalments over two fiscal years. By mutual agreement with the Board, the President and CEO relinquished half of her award, and due to LEEFF restrictions, will not receive any cash payment for the remaining portion. Other named executive officers will similarly receive only a portion of their bonuses in cash.

Long-term incentive plan payouts continued to reflect performance over multi-year periods and remained below target, as its objectives were not fully achieved.

Your opinion

The Committee remains committed to transparency and shareholder engagement. At our last annual meeting, nearly 97% of votes were cast in support of Transat's approach to executive compensation, reflecting strong shareholder confidence.

Overall, we believe executive compensation in Fiscal 2025 was managed responsibly, balanced appropriately within existing constraints, and aligned with performance. The meaningful progress achieved this year reflects the leadership of management and the unwavering dedication of employees across the organization as Transat continues its transformation.

We welcome your questions and look forward to engaging with you at the Meeting.



Julie Tremblay
Chair, HR and Governance Committee



¹Adjusted EBITDA is a non-IFRS financial measure and refers to operating income (loss) before depreciation, amortization and asset impairment expense, reversal of impairment of the investment in a joint venture, the effect of changes in discount rates used for accretion of the provision for return conditions, changes in market price of CORSIA Eligible Emissions Units (carbon credits), restructuring costs and other significant unusual items, and including premiums related to derivatives that matured during the period. The Corporation uses this measure to assess the operational performance of its activities before

the aforementioned items to ensure better comparability of financial results. Adjusted operating income is also used to calculate variable compensation for employees and senior executives. For more detailed information and for the reconciliations between the IFRS financial measures and the non-IFRS financial measures, please refer to Section 2 Non-IFRS financial measures of Transat's MD&A in its 2025 Annual Report, available on SEDAR at www.sedarplus.ca and on www.transat.com in the Investors section.

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EXECUTIVE COMPENSATION PROGRAM

Executive Compensation Approach

The Corporation's executive compensation program is based on a pay-for-performance philosophy. It is designed to competitively attract, retain and motivate top executive talent, while also incorporating effective risk management measures. This approach supports the Corporation's commitment to generating sustained value for shareholders. The compensation mix and rates are driven by the Corporation's long-term goals and short-term objectives aligned with the Corporation's strategic plan. The Corporation's executive compensation program comprise the following elements: (i) base salary, (ii) short-term incentives, (iii) long-term incentives, and (iv) other elements, such as the ESPP employer contributions (under the Transaction Plan and the Transcapital Plan, as applicable), pension benefits, group benefits and other perquisites and personal benefits.

Pandemic and LEEFF Restrictions

Executive compensation is constrained by the LEEFF loan program, which caps our NEOs' compensation at a certain amount and therefore makes grants of shares or equity-based awards out-of-reach, except for limited exceptions.

Pursuant to the LEEFF Loan, the NEO compensation (i) may not exceed the levels in effect in 2019, (ii) must remain consistent with the compensation practices then in effect, and (iii) may not exceed \$1,000,000 for NEOs appointed after 2019. On August 14, 2024, the LEEFF Loan was amended to allow total compensation for Ms. Guérard of up to \$1,000,000. This amendment, retroactive to November 1,

2023, also authorized compensatory adjustments for fiscal 2021, 2022 and 2023 to bridge the difference between her 2019 total compensation level and the \$1,000,000 cap, in recognition of her appointment as President and CEO on May 27, 2021. The aggregate adjustment of \$809,612 was paid in two (2) equal cash instalments during Fiscal 2024 and during Fiscal 2025.

As a result, no PSUs were granted in 2023, 2024 or 2025, and awards normally made under the Stock Option Plan and Performance Share Units ("PSU") Plan (the "PSU Plan") were replaced by LTIP cash bonuses payable three (3) years after grant, reflecting the LTIP target value and intended to motivate, retain and align participating employees with shareholders interests.

The Corporation continues to take measures to minimize the impact of these restrictions and remain competitive, including conducting regular salary surveys and reviewing its short-term incentive plan's ("STIP") and long-term incentive plan's ("LTIP") design to ensure that variable compensation remains aligned with financial and operational performance and long-term strategic priorities. Despite these efforts, our NEOs' compensation may remain below market levels for as long as the LEEFF Loan restrictions apply, and equity-based awards remain unavailable under the compensation programs.

Compensation Principles

The principles underlying Transat's executive compensation program, disregarding compensation restrictions under the LEEFF Loan, would be as follows:

PAY-FOR-PERFORMANCE	• Mix of variable and fixed pay to incentivize performance • Level of variable compensation is tied to the Corporation's overall performance • Annual incentive awards are tied to pre-existing objectives
BALANCE	• The portion of total compensation that is performance-based increases with the executive's level of responsibility and strategic scope of the role
LONG-TERM FOCUS	• Long-term stock-based compensation opportunities have a greater weight than short-term cash-based opportunities for our executive leaders
COMPETITIVE COMPENSATION	• Compensation components contain competitive base salary • Compensation is benchmarked against peers • Corporation engages outside advisors to better understand competitive landscape • HR and Governance Committee conducts regular reviews and surveys of compensation levels
ALIGNMENT WITH SHAREHOLDER INTERESTS	• Implementation of risk management inherent to the compensation design of the Corporation • Long-term incentives payable, subject to meeting criteria, three (3) years following the date of grant (PSUs, if applicable, or LTIP bonus award) and options generally vest over three (3) years and expire after seven (7) years following the date of grant, and therefore are linked to long-term value creation • NEOs are required to observe the Corporation's shareholding requirements within a five (5)-year period of their appointment
RESPONSIBILITY	• Financial and operational performance must not compromise our ethical, environmental and health and safety objectives, outlined in our Code of Ethics

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Risk Mitigation

As part of its mandate, the HR and Governance Committee carefully evaluates and addresses any elements of the executive compensation program that might encourage excessive inappropriate risk-taking, or that could negatively impact the Corporation. With the support of independent consultants, when necessary, the HR and Governance Committee regularly reviews and assesses the compensation programs to ensure they align with sound risk management principles. The HR and Governance Committee has determined that the Corporation's compensation programs and practices do not promote undue or excessive risk-taking that could negatively impact shareholders. To further reduce risk, the Corporation has implemented several protection measures and structured executive compensation to strike the right balance between short- and long-term goals, as well as between fixed based salary and short- and long-term incentive-based pay.

Protection Mechanisms

VARIABLE COMPENSATION CLAWBACK

The employment agreements of the Corporation's executive officers contain a clawback clause which allows the Corporation to seek repayment of incentive compensation received by the executive officer, in the following situations:

- if it is shown that the factual or financial data on which the incentive compensation was granted were based on information that was, at its source, falsified or incorrect due to the executive officer's intentional misconduct or direct or contributory negligence; or
- in the event of an accounting restatement of any interim or annual consolidated financial statements of the Corporation (other than accounting restatements resulting from a change in financial reporting requirements),

in either case, the executive officer received an incentive compensation that would have been lower had the financial statements been properly reported; or
- if the executive officer is convicted of fraud, theft, or any other intentional and serious misconduct.

In the event of a financial statements error or restatement ("Restatement") or misconduct, as described above, recoupment may target all incentive compensation paid, awarded or earned by the executive officer during the three (3) years that immediately precede the date on which the Corporation determined a Restatement is required, a misconduct has occurred or a judgment is rendered regarding a such misconduct. Recoupment under the clawback clause may be effected through deduction from any amounts or grants due or to be paid to the executive officer, cancellation or forfeiture of the

any rights or benefit available to the executive officer, as well as requiring direct reimbursement from the executive officer.

MINIMUM SHAREHOLDING REQUIREMENT FOR NEOS

The shareholding guidelines adopted by the Corporation provide that executive officers must hold, no later than at the end of the five (5)-year period following their appointment, a number of Voting Shares or, if applicable, DSUs, with a value corresponding to a specific multiple of their annual base salary. In light of the continuing compensation restrictions imposed by the LEEFF loan program, the HR and Governance Committee will uphold the suspension of the minimum shareholding guidelines applicable to executive officers.

If it were in effect, the minimum shareholding requirement, as a multiple of base annual salary for the NEOs, would be as follows:

POSITION	MINIMUM SHAREHOLDING MULTIPLE
President and CEO	3.0x Annual Base Salary
CFO	
Chief Operating Officer	1.5x Annual Base Salary
Chief Airline Operations Officer	
Other NEOs	1.0x Annual Base Salary

If it were in effect, the minimum shareholding requirement would be applied on a tiered basis, pursuant to which an NEO would need to hold, for each year of service in the position, a proportional percentage of the applicable shareholding requirement until the full requirement is attained.

YEARS OF SERVICE	PERCENTAGE OF MINIMUM SHAREHOLDING MULTIPLE
1	20%
2	40%
3	60%
4	80%
5	100%

In the event that an executive officer is promoted, a new three (3) year period commencing on the date of promotion, would apply for the executive officer to reach the higher applicable minimum shareholding multiple.

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The value of Voting Shares used for the purposes of determining compliance with the minimum shareholding requirement for an Executive Officer is set at the higher amount between the cost of acquiring the shares for the Executive Office or the market value of the shares held on October 31 of each year. Should it be in effect, Voting Shares issued under the Transaction Plan, restricted or unrestricted, would be taken into account for the purposes of determining compliance with the minimum shareholding requirement. For more information about the Transaction Plan, please refer to Schedule E of this Circular. If a NEO has not reached the proportional percentage of the minimum shareholding requirement for each year of service, 100% of the Voting Shares that vest under the Stock Option Plan or become unrestricted under the Transaction Plan and 50% of any vested Voting Shares under PSUs would be withheld until the applicable proportional minimum shareholding requirement has been met. For more information about the Stock Option Plan, please refer to Schedule E of this Circular.

If an executive officer deliberately acts in a manner that results in non-compliance with the minimum shareholding requirement, the retention of Voting Shares with a value equal to the total net profit realized from the exercise of Options or vested PSUs is required. Any future grants under the long-term incentive plans will be reduced or eliminated.

ANTI-HEDGING POLICY

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, if applicable, Options, DSUs, PSUs, or other securities of the Corporation. 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 the Corporation's equity securities.

BALANCED PROGRAM

The HR and Governance Committee believes that the Corporation's executive officers compensation programs provide a balanced structure, based on the following: (i) the executive compensation programs appropriately balance fixed and variable pay, as well as short- and long- term incentives, (ii) the short-term incentive program includes both a minimum threshold, which must be met for any payout to occur, and a maximum cap on the amount that can be awarded, and (iii) until equity-based awards remain unavailable, the long-term incentive program provides for a cash bonus equal to the LTIP target compensation value normally granted by the Corporation, and payable after three (3) years following the date of grant provided certain pre-determined performance criteria are met ("**LTIP Cash**

Bonus"). The LTIP Cash Bonus replaces the grant of stock options under the Stock Option Plan ("**Options**") and the grant of PSUs part of the Corporation's executive officers compensation programs prior to being subject to the LEEFF loan program restrictions. Under certain limited exceptions, the Corporation may grant Options to NEOs such as, for example, to compensate for the loss of compensation with a previous employer, as an incentive to recruit talent.

Should the Corporation be in a position to resume granting PSUs and Options, the compensation program would include the grant of PSUs and Options: (i) PSUs would typically vest after three (3) years, with the final payout depending on performance targets achieved (such structure (a) ensures that PSUs awards are closely tied to Transat's share performance, strengthening the long-term alignment between executive compensation and shareholders interests and (b) focuses executive rewards on performance outcomes that are within their influence, rather than relying solely on the Corporation's share price). Similarly, the LTIP Cash Bonus, payable after three (3) years, incentivises the NEOs to contribute to value creation; and (ii) Options would typically have a seven (7)-year term and vest over a three (3)-year period, motivating executive officers to focus on creating longer-term shareholder value by enhancing share performance.

Compensation Review Process

Board Oversight

On an annual basis, the Board oversees the compensation recommendations proposed by the HR and Governance Committee with respect to NEO compensation. The HR and Governance Committee conducts an annual review (and, as required, ad-hoc reviews) of the Corporation's compensation practices to ensure alignment with both the market and the Corporation's current business strategy, and taking into consideration the LEEFF Loan restrictions. The HR and Governance Committee then proposes the annual design and targets for the STIP and LTIP, CEO salary, and performance objectives for ratification by the Board. The Board maintains the discretion to modify or adjust the Corporation's compensation strategy, or the application of any portion of the compensation strategy, to address any unforeseen circumstances that may arise.

External Consultant

The HR and Governance Committee and the Corporation periodically solicit the advice of external consultants to provide independent third-party advice on executive compensation, the Corporation's compensation practices, and the risks associated with the Corporation's programs. The HR and Governance Committee initially retained the services of WTW, an independent compensation advisor, in Fiscal 2024 to review the design of the STIP and LTIP programs. In Fiscal 2025, WTW supported management and the HR and Governance Committee with various projects,

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including completing a risk analysis of our compensation program, the redesign of the STIP and LTIP programs and metrics, reviewing market compensation practices with respect to a special situation, review the compensation narrative in the Fiscal 2024 proxy circular, as well as related presentations to the HR and Governance Committee and the Board. WTW did not identify any compensation programs or policies offered to Transat's senior management that could encourage excessive risk taking.

During Fiscal 2024, WTW advised on the structure of the executive officer's compensation program, with an emphasis on optimizing the compensation practices within the restrictions imposed by the LEEFF Loan discussed in "Pandemic and LEEFF Restrictions" above. The following

table shows the total fees paid to WTW for services rendered in 2024 and 2025.

SERVICES PROVIDED BY WTW			2025 (\$)	2024 (\$)
Executive Compensation -	Related	fees	274,850	41,012
Other fees ⁽¹⁾			99,148	38,774
Total			373,998	79,786

(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.

Comparator Group

As part of its review of the Corporation's compensation practices, the HR and Governance Committee reviews a comparator group in light of the Corporation's revenue size, business activities and geographic location. The comparator group was last revised in December of 2017 and due to the restrictions under the LEEFF Loan, has not been updated given its limited application in the circumstances. However, the HR and Governance Committee reviews salary surveys and routinely considers the practices of public issuers within the comparator group as part of its general annual assessment of the compensation program.

The comparator group was established based on the following guidelines:

- Revenue size between 0.25 to 4.0 times Transat's revenues;
- Similar sector: consumer discretionary, air transportation, other transportation, distribution or retail; and
- Head office located in Quebec.

The Corporation's comparator group is composed of the following 16 companies: The original comparator group included four (4) additional companies. As these companies are no longer public companies, they were removed from the group. The total direct compensation for both our President and CEO and Chief Financial Officer is positioned below the 25th percentile of the comparator group.

COMPANY	COMPARABLE SIZE	SECTOR OF ACTIVITY			HEAD OFFICE IN QUEBEC
		CONSUMER DISCRETIONARY	AIR TRANSPORTATION	DISTRIBUTION AND RETAIL	
Air Canada Inc.			✓		✓
AutoCanada Inc.	✓	✓		✓	
BMTC Group Inc.		✓		✓	✓
BRP Inc.	✓	✓			✓
Cascades Inc.	✓				✓
Chorus Aviation Inc.	✓		✓		
Cineplex Inc.	✓	✓			
Cogeco Communications Inc.	✓	✓			✓
Corus Entertainment Inc.	✓	✓			
Dollarama Inc.	✓			✓	✓
Metro Inc.				✓	✓
Québecor Inc.	✓	✓			✓
Richelieu Hardware Ltd.	✓	✓		✓	✓
TC Transcontinental Inc.	✓				✓
TFI International Inc.	✓				✓
The North West Company Inc.	✓			✓	

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The following table sets forth selected Transat financial data compared with the median results of the comparison group:

	REVENUES (\$M)	EBITDA (\$M)	MARKET CAPITAL (\$M)	EMPLOYEES
Transat – as of October 31, 2025	3,399	267	85	4,800
Transat – as of October 31, 2024	3,284	206	69	5,400
Comparison group ⁽¹⁾	3,850	450	2,149	8,800

(1) Data was collected in 2025.

Executive Compensation Description

Overview

The following table summarizes the components of the global executive compensation policy of the Corporation, some of which are temporarily not used (such as PSUs or Options) due to the LEEFF Loan restrictions. The Corporation employs a variety of compensation components each addressing a distinct component of the Corporation's overall compensation strategy, with the aim of cohesively fostering long-term incentives balanced with short-term and fixed compensation.

	USUAL COMPENSATION COMPONENTS	OBJECTIVES	CRITERIA
FIXED	Base Salary	- Recognize the level of responsibility, competencies and contribution to the Corporation's results - Attract, retain and motivate	Level of the position, competencies, individual contribution and reference market
	Benefits (group insurance)	Cover the executive and their family adequately (illness, dental, disability, death)	According to the competitive market data; some protections directly related to salary
	Perquisites	Facilitate access to certain services to favour prioritization of the Corporation's business	Level of the position
	Retirement plans: - Defined Contribution Plan (DC) - Executives defined benefit pension plan (DB)	- Encourage long-term commitment of the executive by contributing to retirement income - Ensure a certain financial security at retirement - Attract and retain	Level of the position
	Short-term incentive opportunity STIP	Achieve and exceed annual corporate financial and operational goals	Be in office at the time of the STIP payment Adjusted EBITDA Customer satisfaction
VARIABLE	LTIP bonus	- Achieve and sustain exceptional performance - Promote retention through vesting conditions (3 years) - Create value and increase share price - Encourage share ownership	Objective tied to cash flow
	PSUs	- Achieve the Corporation's medium-term financial goals - Promote retention through vesting conditions (3 years) - Encourage share ownership	Transat ANI Total shareholder return
	Options	- Create value and increase share price - Promote retention through vesting conditions (3 years)	Transat share price
	Mid-to long-term incentive opportunity Permanent stock ownership incentive plan (Transaction Plan)	Support the achievement of shareholding guidelines	Individual level of investment

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Base Salary

Base salary is determined based on the level of responsibility, experience, skillset and contribution associated with each executive role. Positions are assigned to specific salary grades that reflect these factors, and salary decisions are benchmarked against base salary comparable executive officers positions within the comparator group. Minimum and maximum salary ranges are set for each grade, and individual base salaries are determined within these ranges according to their specific competencies and experience. The HR and Governance Committee reviews executive base salaries on annually during the first quarter of each fiscal year.

While Executive compensation continues to be constrained by the LEEFF loan program, which caps our NEO's compensation at a certain amount, and consistent with our commitment to financial discipline, no salary increases were granted to named executive officers for Fiscal 2025.

Employee Benefits Program

The Corporation offers a group insurance plan with comprehensive coverage including life insurance, medical and dental insurance, accidental death and dismemberment insurance and disability insurance. Optional benefits are also offered at the expense of eligible executive officers, such as additional life insurance for the member and their dependants, optional critical illness insurance, and optional accident insurance for the executive officers and their dependants. This plan is designed to provide adequate protection to all employees, including executive officers and their families in the event of death, disability or illness. The design of the group insurance plans intended to offer financial security, flexibility of choice, simplicity and cost control.

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.

Retirement Plans

DEFINED BENEFIT PLAN

NEOs are eligible to participate in a defined benefit pension plan with individual pension agreements entitling them to receive a monthly retirement pension

representing 1.5% of the average final base salary over five (5) years per year of credited service, starting at age 65. The final average salary over five (5) years corresponds to the average of the five (5) credited years of service during which the participant's base salary was the highest. Eligible officers who began participating in the plan prior to 2015 have a staggered pension determination scale ranging from 1.5% to 2.0%.

DEFINED CONTRIBUTION PLAN

To qualify for the Defined Contribution Plan, NEOs must first participate in the Transat retirement plan for non-unionized employees, which includes an employee contribution paid to the Registered Retirement Savings Plan and an employer contribution paid to the Deferred Profit-Sharing Plan. For senior executive positions, each contribution is equal to 2%, up to the maximum contributions permitted by the *Income Tax Act* (Canada).

Please refer to the section entitled "Pension Plan Benefits" of this Circular for more details on the retirement plan provisions.

Short-Term Incentives

Executive officers are eligible for annual short-term incentives in the form of cash bonuses based on predetermined financial and operational criteria and targets, as approved by the Board upon the recommendation of the HR and Governance Committee.

FISCAL 2025 STIP

The major changes made to the 2025 STIP are directly aligned with the success of the Elevation Program. This program remains a central element of Transat's priorities, aiming to accelerate the execution of the strategic plan and achieve a target improvement in adjusted annual EBITDA, in a context market by market volatility in the airline industry and its impact on profitability.

The 2025 STIP rewards performance by prioritizing a financial metric and includes a financial trigger to ensure responsible financial management and respect Transat's ability to pay. Targets for financial and operational objectives are recommended by the HR and Governance Committee and approved by the Board on an annual basis. At the end of the fiscal year, the HR and Governance Committee reviews the actual results against performance criteria and targets.

The following table presents the STIP's structure as well as the performance criteria used for 2025. The retention bonus has been eliminated to align with market practices.

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COMPONENT	OPERATIONAL	FINANCIAL
Description	This component is based on the achievement of an operational objective	This component is based on the achievement of a financial objective
Performance criteria for Fiscal 2025	Customer satisfaction (CSAT)	Adjusted EBITDA

The calculation of the STIP entitlements of the NEOs, based on the STIP target structure, is:

$$\boxed{\text{BASE SALARY}} \times \boxed{\text{TARGET BONUS}} \times \boxed{\text{EBITDA FACTOR}} \times \boxed{\text{CSAT FACTOR}}$$

The EBITDA Factor and the CSAT Factor are determined based on the level of performance of adjusted EBITDA and CSAT against a threshold, a target, and a maximum set for each criterion.

For each NEO, the maximum possible STIP payout is limited to 200% of the STIP target. The following table presents STIP entitlements on achievement of the minimum, target and maximum STIP achievement ranges, expressed as a percentage of the base salary, for each NEO:

	MINIMUM	TARGET	MAXIMUM
% OF THE BONUS	0%	100%	200%
Annick Guérard	0%	100%	200%
Jean-François Pruneau	0%	50%	100%
Marc Lumpé	0%	50%	100%
Julie Lamontagne	0%	37.5%	75%
Bamba Sissoko	0%	37.5%	75%

The Corporation does not disclose the specific threshold, target and maximum for each performance objective, as these contain confidential financial and strategic information. The HR and Governance Committee and Board consider these objectives to be appropriate, challenging, and appropriately adjusted for participants in the 2025 STIPs.

STIP PAID IN FISCAL 2025

Based on the Corporation's performance for Fiscal 2025, the targets set by the HR and Governance Committee and the Board for the financial component of the STIP were exceeded, resulting in a payout at the maximum level for the NEOs, namely 200% achievement of the EBITDA Factor. Customer satisfaction levels attained 87%, resulting in a 133% achievement of the CSAT Factor and reaching between the target and maximum set for this operational criterion. As a result, each NEO achieved the maximum STIP entitlement of 200%, which shall be paid (except for the President and CEO) in two (2) instalments over the course of fiscal year 2026 and fiscal year 2027, in the interest of sound

financial governance. By mutual agreement between the Board of Directors and Ms. Guérard, Ms. Guérard relinquished 50% of her 2025 STIP amount, representing the portion of her bonus exceeding target amount, and therefore will not receive any cash payment for such relinquished portion.

Long-Term Incentive Plan

The 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. A target compensation value serves to position the total compensation at a competitive level with reference to the comparator group when target results are achieved, with a potential to exceed compensation objectives if the NEOs deliver exceptional results.

USUAL PLANS	OBJECTIVES
PSUs	- Create and increase share value - Encourage share ownership - Motivate achievement of the Corporation's long-term financial goals - Promote retention through vesting conditions
Options	- Create value and increase share price - Promote retention through vesting conditions

Detailed summaries of the Corporation's LTIP, PSU Plan and Stock Option Plan can be found in Schedule E of this Circular.

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Long-Term Incentives

The following table sets forth, for each NEO, the target value of each component of the long-term incentive program in effect during Fiscal 2025. The value of the bonus represents the LTIP target value normally granted.

NAME	ANNUAL LONG-TERM INCENTIVES ⁽¹⁾	
	PSU GRANTS	OPTION GRANTS
	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
Annick Guérard	85.0%	75.0%
Jean-François Pruneau	45.0%	37.5%
Marc Lumpé	45.0%	37.5%
Julie Lamontagne	35.0%	30.0%
Bamba Sissoko	35.0%	30.0%

(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 Option grants and PSU awards is determined according to the weighted average trading price of Voting Shares on the TSX for the 5 trading days preceding the date of grant or award. The award value is determined using the purchase price of the Voting Shares on the secondary market.

Option Grant Process

If Options grant were within our reach, the number of Options granted would be established according to the position and base salary of each member and the exercise price. The number of Options that would be granted to each executive officer in question would be equal to a percentage of the base salary divided by the weighted average trading price of the Corporation's Voting Shares on the TSX for the five (5) trading days preceding the date of grant.

Options may be granted in exceptional cases, such as new hires or specific succession-planning needs for eligible positions. Each year, the proposed list of Option grant recipients is reviewed by the HR and Governance Committee, which then submits its recommendation to the Board for final approval.

LTIP Awards

The long-term incentive awarded in 2022 in the form of an LTIP cash bonus ("**2022 LTIP Bonus**"), payable three (3) years following the date of grant, subject to meeting pre-established criteria was paid in Fiscal 2025. The value of this bonus represents the LTIP target compensation value normally granted. For senior executives, this bonus was dependent on financial measures, namely, adjusted net income (ANI) and net debt as at the end of the fiscal year, and strategic measures related to digitization, environment and diversity, equity and inclusion.

In the case of Ms. Guérard, due to the compensation restrictions under the LEEFF Loan, Ms. Guérard received a cash payment for only a portion (\$38,914) of the total amount (\$198,120) due for the 2022 LTIP Bonus in January 2025.

The 2025 LTIP bonus was awarded in January 2025. As detailed in the section entitled "Pandemic and LEEFF Restrictions" of this Circular, the Corporation does not currently issue equity-based securities under its LTIP. Instead, it provides a cash-based bonus that mirrors the value and vesting schedule of Options and PSUs over a three (3) year period.

For executive officers, the bonus amount varies based on the assigned target value and the level of achievement of the Adjusted operating cash flow for the performance period from November 1, 2024, to October 31, 2027. The payout may range from 0% to 200% of the target value.

The Corporation does not disclose the threshold, target and maximum for the performance objective, as these contain confidential strategic information related to the success of the Elevation Program.

Objectives related to corporate responsibility were removed from the 2025 LTIP bonus design to reflect market practices, ensure alignment with Transat's current priorities and promote consistent management behaviours by emphasizing on its financial performance. The target values attributed are equal to the target compensation value of the grants that normally would have been made.

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The following table presents the Fiscal 2025 targets and amounts awarded as LTIP bonus 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 - 2025 LTIP BONUS
Annick Guérard	85%	\$754,826	75%	\$245,762	\$1,000,588
Jean-François Pruneau	45%	\$225,000	37.5%	\$69,188	\$294,188
Marc Lumpé	45%	\$217,971	37.5%	\$67,026	\$284,997
Julie Lamontagne	35%	\$128,599	30%	\$40,674	\$169,273
Bamba Sissoko	35%	\$125,701	30%	\$39,757	\$165,458

- (1) The LTIP cash bonus was awarded to the NEOs in 2025. The amount awarded was determined using the parameters in effect on the normal PSU grant date, January 10, 2025, and is payable three (3) 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 2025. The amount awarded was determined using the parameters in effect on the normal Option grant date, January 10, 2025, and is payable three (3) years after that date. The base salaries, position levels, share price and Black-Scholes value on that date were taken into account. The value of the LTIP bonuses awarded on January 10, 2025 take into account the following assumptions:

2025

Exercise price	\$1.98
Risk-free rate	2.92%
Dividends	—
Volatility (60 months)	42.50%
Expected lifetime	4 years
Fair value per Option	\$0.73

ABOUT THE 2026 LTIP

The 2026 LTIP bonus was awarded in January 2026. The structure and performance criterion have been reviewed in 2025. The 2026 performance criterion has been aligned with specific Corporation's financial objectives.

The target value awarded may vary between 0% and 200% at the time of payment based on the level of the Adjusted operating cash flow for the performance period from November 1, 2025, to October 31, 2028. The bonuses payable as a result of these awards are subject to a maximum.

ABOUT THE TRANSACTION PLAN

In order to support the achievement of shareholding guidelines, the Corporation implemented the Transaction Plan which allow each executive officer participating in the ESPP to benefit from an additional contribution from the Corporation in an amount equal to such executive officer's contribution (for the NEOs, up to 10% of their base salary). The Corporation's contribution is made by the purchase of Voting Shares on the TSX. Detailed summaries of the ESPP and the Transaction Plan can be found in Schedule E of this Circular.

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COMPENSATION OF THE NEOS

The following briefly presents the Corporation's NEOs and the key compensation components of their target total direct compensation for Fiscal 2025.

ANNICK GUÉRARD⁽²⁾

PRESIDENT AND CHIEF EXECUTIVE OFFICER



Annick Guérard was appointed President and CEO of the Corporation on May 27, 2021, and before that, she was Chief Operating Officer overseeing most of the Corporation's operations, including the operations of the Air Transat airline. She brings more than 20 years of experience in the airline and tourism industry, combined with strong leadership, strategic vision and proven ability to drive transformation instrumental in the Corporation's development and success. Ms. Guérard holds a bachelor's degree in Civil Engineering from Polytechnique Montreal, an MBA from HEC Montreal, and the ICD.D designation. Since May 2023, Ms. Guérard has served on the board of directors of National Bank of Canada.

Languages mastered: French, English and Spanish

2025 COMPENSATION ⁽¹⁾		
COMPONENTS	FIXED	AT-RISK
Salary	32%	—
Short-Term Incentives	—	32%
Long-Term Incentives	—	36%
Total Direct Compensation	32%	68%

JEAN-FRANÇOIS PRUNEAU⁽³⁾

CHIEF FINANCIAL OFFICER



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

2025 COMPENSATION ⁽¹⁾		
COMPONENTS	FIXED	AT-RISK
Salary	48%	—
Short-Term Incentives	—	24%
Long-Term Incentives	—	28%
Total Direct Compensation	48%	52%

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MARC LUMPÉ⁽⁴⁾
CHIEF AIRLINE OPERATIONS OFFICER



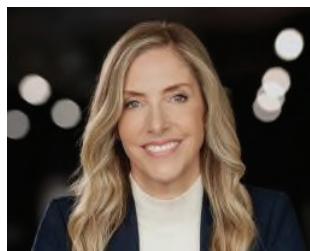
Marc- Lumpé joined Transat as Chief Airline Operations Officer on June 1, 2022. As such, he is responsible for all of the Corporation's airline operations. Mr. Lumpé tends to the fleet's optimization, operational performance as well as compliance with safety, quality and security regulations. He also 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

**2025
COMPENSATION⁽¹⁾**

COMPONENTS	FIXED	AT-RISK
Salary	48%	—
Short-Term Incentives	—	24%
Long-Term Incentives	—	28%
Total Direct Compensation	48%	52%

JULIE LAMONTAGNE⁽⁵⁾
**CHIEF PEOPLE, SUSTAINABILITY AND
COMMUNICATIONS OFFICER**



Julie Lamontagne joined Transat in 2023. She is responsible for developing and deploying initiatives in corporate culture, labour relations and talent attraction, retention, and mobilization. She also oversees corporate responsibility programs as well as internal and external communications.

Languages mastered: French and English

**2025
COMPENSATION⁽¹⁾**

COMPONENTS	FIXED	AT-RISK
Salary	55%	—
Short-Term Incentives	—	20%
Long-Term Incentives	—	25%
Total Direct Compensation	55%	45%

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BAMBA SISSOKO⁽⁶⁾
CHIEF INFORMATION OFFICER



Bamba Sissoko joined Transat in 2006 and has held various positions, including Senior Director of Enterprise Architecture in 2009, before being appointed Vice President of Information Systems in August 2016. He was appointed Chief Information Officer in 2023 and is responsible for Transat's digital strategy and the Corporation's major technology projects.

Languages mastered: French and English

2025 COMPENSATION⁽¹⁾		
COMPONENTS	FIXED	AT-RISK
Salary	55%	—
Short-Term Incentives	—	20%
Long-Term Incentives	—	25%
Total Direct Compensation	55%	45%

- (1) The target total direct compensation represents the sum of: the base salary, target STIP, and target LTIP cash bonus, and excludes the value of the pension plan, other compensation (which includes perquisites) and the target value of shares awarded under the Transaction Plan.
- (2) Due to the compensation restrictions under the LEEFF Loan, Ms. Guérard continued to receive a salary of \$553,574 payable in her capacity as COO prior to her appointment as CEO until October 31, 2023, and began earning the revised amount on November 1, 2023. Her salary remained unchanged in 2025 and 2026. For Fiscal 2025, the STIP resulted in a payout of \$1,782,891 for Ms. Guérard. However, by mutual agreement with the Board, Ms. Guérard relinquished 50% of this amount (\$891,445) and, due to the compensation restrictions under the LEEFF Loan, she will not receive any cash payment for the remaining portion (\$891,446). For the same reasons, Ms. Guérard received only \$38,914 of the \$198,120 payable in Fiscal 2025 with respect to the 2022 LTIP Bonus. In August of 2024, following CEEFC's approval of an amendment relating to Ms. Guérard's compensation (as further described in the subsection entitled "Pandemic and LEEFF Restrictions" of this Circular), the LEEFF Loan was amended to correct for Ms. Guérard's reduced compensation for fiscal years 2021, 2022 and 2023. In Fiscal 2025, she received the second of two (2) cash payments of \$404,806 (the first cash payment having been made in Fiscal 2024). No Options or PSUs were granted to Ms. Guérard in Fiscal 2025. Instead, an LTIP cash bonus payable in 2028, subject to the achievement of a financial objective, was awarded in replacement of these grants.
- (3) Mr. Pruneau's 2024 base salary (\$500,000) remained unchanged in 2025 and 2026. Mr. Pruneau will only be able to receive a total of \$302,904 of the total amount of \$501,923 owed to him as cash payment for the STIP for Fiscal 2025, due to the conditions imposed by the LEEFF Loan. As explained in the subsection "STIP paid in Fiscal 2025", \$250,962 will be paid in February 2026; the balance of \$51,942 will be paid no later than the end of February 2027. No Options or PSUs were granted to Mr. Pruneau in 2025. Instead, an LTIP cash bonus payable in 2028, subject to the achievement of a financial objective, was awarded in replacement of these grants.
- (4) Mr. Lumpé's 2024 base salary (\$484,380) remained unchanged in 2025 and 2026. Mr. Lumpé will only be able to receive a total of \$282,632 of the total amount of \$486,243 owed to him as cash payment for the STIP for Fiscal 2025, due to the compensation restrictions under the LEEFF Loan. As explained in the subsection "STIP paid in Fiscal 2025", \$243,122 was paid in February 2026; the balance of \$39,510 will be paid no later than the end of February 2027. Mr. Lumpé received \$93,648 for the 2022 LTIP Bonus. No Options were awarded or PSUs granted in 2025. Instead, an LTIP cash bonus payable in 2028, subject to the achievement of a financial objective, was awarded in replacement of these grants.
- (5) Ms. Lamontagne's 2024 base salary (\$367,425) remained unchanged in 2025 and 2026. Ms. Lamontagne earned \$276,629 under the 2025 STIP. As explained in the subsection "STIP paid in Fiscal 2025", \$138,314 will be paid in February 2026; the balance will be paid no later than the end of February 2027. No Options or PSUs were granted to Ms. Lamontagne in 2025. Instead, an LTIP cash bonus payable in 2028, subject to the achievement of a financial objective, was awarded.
- (6) Mr. Sissoko's 2024 base salary (\$359,145) remained unchanged in 2025 and 2026. Mr. Sissoko earned \$270,395 under the 2025 STIP. As explained in the subsection "STIP paid in Fiscal 2025", \$135,197 will be paid in February 2026; the balance will be paid no later than the end of February 2027. Mr. Sissoko received \$38,093 as a cash payment for the 2022 LTIP Bonus. No Options or PSUs were granted to Mr. Sissoko in 2025. Instead, an LTIP cash bonus payable in 2028, subject to the achievement of a financial objective, was awarded.

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Summary Compensation Table

The following table sets forth the information regarding the total compensation of the last three (3) fiscal years of the NEOs.

NAME AND PRINCIPAL POSITION	FY	SALARY (\$)	SHARE- BASED AWARDS ⁽¹⁾	OPTION- BASED AWARDS ⁽²⁾ (\$)	INCENTIVE PLAN COMPENSATION		PENSION VALUE ⁽⁵⁾ (\$)	ALL OTHER COMPENSATION ⁽⁴⁾ (\$)	TOTAL COMPENSATION (\$)
					SHORT TERM ⁽³⁾ (\$)	LONG TERM ⁽⁴⁾ (\$)			
Annick Guérard ⁽⁷⁾ President and CEO	2025	891,446	—	—	—	38,914	1,427,926	476,122	2,834,408
	2024	889,894	—	—	—	59,309	1,604,557	475,998	3,029,758
	2023	555,703	—	—	—	—	1,277,748	77,479	1,910,931
Jean-François Pruneau ⁽⁸⁾ CFO	2025	501,923	—	—	302,904	—	196,805	195,173	1,196,805
	2024	409,615	—	181,974	26,625	—	42,925	42,634	703,773
	2023	—	—	—	—	—	—	—	—
Marc Lumpé Chief Airline Operations Officer	2025	486,243	—	—	282,632	93,648	169,338	92,386	1,124,247
	2024	485,397	—	—	31,551	—	45,806	92,221	654,975
	2023	466,754	—	—	335,517	—	51,288	88,683	942,242
Julie Lamontagne ⁽⁹⁾ Chief People, Sustainability and Communications Officer	2025	368,838	—	—	276,629	—	48,527	96,884	790,878
	2024	368,197	—	—	23,933	—	37,686	96,820	526,636
	2023	228,019	—	88,598	117,420	—	22,705	27,581	484,323
Bamba Sissoko Chief Information Officer	2025	360,526	—	—	270,395	38,093	48,779	72,106	789,899
	2024	359,899	—	—	23,393	66,251	40,434	71,977	561,954
	2023	318,681	—	—	145,935	73,185	28,338	61,953	628,092

(1) No PSUs were granted in 2023, 2024 and 2025 due to the compensation restrictions under the LEEFF Loan. These grants were replaced with award of a LTIP cash bonus.

(2) As an incentive for Mr. Pruneau and Ms. Lamontagne to join the Corporation as CFO and Chief People, Sustainability and Communications 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 (3) years, at a rate of 1/3 on each anniversary date and will expire on January 9, 2031. Ms. Lamontagne received a grant of 50,000 Options on March 13, 2023. These Options will become fully vested on the third anniversary of their grant date and will expire on March 12, 2030. These grants take into account the following assumptions:

	2024	2023
Exercise price	\$3.90	\$3.39
Risk-free rate	3.32%	3.65%
Dividends	—	—
Volatility (60 months)	56.60%	65.20%
Expected lifetime	4 years	4 years
Fair value per Option	\$1.82	\$1.77

(3) The NEOs are eligible to participate in the STIP. Mr. Pruneau and Ms. Lamontagne received prorated STIP payouts for 2024 and 2023, respectively, corresponding to the portions of the year they worked. Ms. Guérard did not receive any cash payment of the \$57,843 owed to her in 2024 and of the \$399,456 owed to her in 2023 due to the compensation restrictions under the LEEFF Loan. For Fiscal 2025, the STIP resulted in a payout of \$1,782,891 for Ms. Guérard. However, by mutual agreement with the Board Ms. Guérard relinquished 50% of this amount (\$891,445), representing the portion of her bonus exceeding the target and due to the compensation restrictions under the LEEFF Loan, she will not receive any cash payment for the remaining portion (\$891,446). For the same reasons, Mr. Pruneau will only receive a total of \$302,904 of the \$501,923 owed to him and Mr. Lumpé will only receive a total of \$282,632 of the \$486,243 due to him under the 2025 STIP. As explained in the subsection "STIP paid in Fiscal Year 2025", the payments will be made in two (2) instalments, the first one in February 2026 and the second one no later than the end of February 2027.

(4) Represents payment of LTIP cash bonus actually paid to the NEOs. Ms. Guérard only received \$38,914 in cash of the amount of \$198,120 owed to her with respect to her 2022 LTIP cash bonus due to the compensation restrictions imposed under the LEEFF Loan. For the same reasons, Ms. Guérard only received \$59,309 of the \$296,891 owed to her with respect to her 2021 LTIP and was unable to receive her \$489,523 cash bonus with respect to her 2020 LTIP. Mr. Pruneau and Ms. Lamontagne were not employed by Transat when LTIP cash bonuses were awarded in 2020, 2021 and 2022. Similarly, Mr. Lumpé was not employed by Transat when LTIP bonuses were granted in 2020 and 2021. Consequently, they were not eligible to receive these bonuses. For Fiscal 2025, the target LTIP cash bonus amounts awarded to each NEO (and payable three (3) years thereafter) can be found in the table under the section "LTIP Awards" in this Circular above.

(5) 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 (2) 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, 2023, 2024 and 2025, respectively, in accordance with generally accepted accounting principles.

(6) This amount includes Transat's contribution in accordance with the Transaction Plan. This contribution equals a maximum of 10% of the officer's base salary. It also includes Transat's contribution to the Transcapital Plan prior to Mr. Sissoko's promotion to his current role on March 6, 2023. For 2023, the amount includes the value of the perquisites paid under the perquisites program (allowances): Ms. Guérard: \$50,013; Ms. Lamontagne: \$22,802; Mr. Lumpé: \$42,008 and Mr. Sissoko: \$31,868 and the Corporation's contribution to Mr. Sissoko's DPSP prior to his participation in his current pension agreement: \$4,456. For 2024, the amount includes the value of the perquisites paid under the perquisites program (allowances): Ms. Guérard: \$71,192; Mr. Pruneau: \$36,865; Ms. Lamontagne: \$36,820; Mr. Lumpé: \$43,686 and Mr. Sissoko: \$35,990. It also includes the first instalment of \$60,000 from a total signing bonus of \$120,000 paid to Ms. Lamontagne. Ms. Guérard received cash payments of \$404,806 during 2024 and \$404,806 during 2025 following approval, by the CEEFC, of an amendment related to her compensation, as described in the subsection entitled "Pandemic and LEEFF Restrictions" of this Circular. For 2025, the amount also

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includes the value of the perquisites paid under the perquisites program (allowances): Ms. Guérard: \$71,316; Mr. Pruneau: \$45,173; Ms. Lamontagne: \$36,884; Mr. Lumpé: \$43,762 and Mr. Sissoko: \$36,053. It also includes the second instalment of \$60,000 from a total signing bonus of \$120,000 paid to Ms. Lamontagne, and a \$150,000 bonus paid to Mr. Pruneau to reward his efforts related to debt refinancing.

- (7) Ms. Guérard's compensation takes into account an amendment approved by CEEFC in August 2024, as described in subsection titled "Pandemic and LEEFF Restrictions" of this Circular.
- (8) Mr. Pruneau joined the Corporation on January 9, 2024. Accordingly, the compensation shown for 2024 is prorated for the period he was employed in the Corporation.
- (9) Ms. Lamontagne joined the Corporation on March 13, 2023. Accordingly, the compensation shown for 2023 is prorated for the period she was employed in the Corporation.

Incentive Plan Awards Held and Vested

Incentive Plan Awards - Outstanding Awards Held

The following table sets forth, for each NEO, the number and value of option-based and share-based awards outstanding as of October 31, 2025.

NAME OF THE OFFICER	OPTION-BASED AWARDS				SHARE-BASED AWARDS ⁽²⁾			
	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS (#)	OPTION EXERCISE PRICE (\$)	OPTION EXPIRATION DATE	VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS ⁽¹⁾		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) (\$)
				VESTED (\$)	NOT VESTED (\$)			
Annick Guérard	—	—	—	—	—	—	—	—
Jean-François Pruneau	100,000	3.90	January 9, 2031	—	—	—	—	—
Marc Lumpé	150,000	4.18	June 12, 2029	—	—	—	—	—
Julie Lamontagne	50,000	3.39	March 12, 2030	—	—	—	—	—
Bamba Sissoko	—	—	—	—	—	—	—	—

- (1) The value shown represents the amount, if any, by which the closing price of the Voting Shares on the TSX on October 31, 2025 (\$2.11), the last trading day of Fiscal 2025, exceeded the Option's exercise price. The actual value realized will depend on the in-the-money value of the Options at the time they are exercised, if any.
- (2) Due to the compensation restrictions under the LEEFF Loan, no NEOs held PSUs as of October 31, 2025. Please refer to the "Executive Compensation Description" section.

Incentive Plan Awards - Value Vested or Earned During the Year

The following table sets forth, for each NEO, 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 (\$)	SHARE-BASED AWARDS: VALUE VESTED DURING THE FISCAL YEAR (\$)	NON-EQUITY INCENTIVE PLANS: VALUE EARNED DURING THE FISCAL YEAR ⁽¹⁾ (\$)
Annick Guérard	—	—	38,914
Jean-François Pruneau	—	—	302,904
Marc Lumpé	—	—	376,280
Julie Lamontagne	—	—	276,629
Bamba Sissoko	—	—	308,487

- (1) This column shows the amount of annual bonuses awarded to the NEOs for Fiscal 2025, and the amounts payable in Fiscal 2025 pursuant to the LTIP. For Fiscal 2025, the STIP resulted in a payout of \$1,782,891 for Ms. Guérard. However, by mutual agreement with the Board, Ms. Guérard relinquished 50% of this amount (\$891,445), representing the portion of her bonus exceeding the target and due to the compensation restrictions under the LEEFF Loan, she will not receive any cash payment for the remaining portion (\$891,446). Mr. Pruneau is entitled to an annual bonus of \$501,923 for Fiscal 2025 in accordance with the STIP program. However, due to the compensation restrictions under the LEEFF Loan, Mr. Pruneau will only receive \$302,904 out of such amount. Mr. Lumpé is entitled to an annual bonus of \$486,243 for Fiscal 2025 in accordance with the STIP program. However, due to the compensation restrictions under the LEEFF Loan, Mr. Lumpé will only receive \$282,632 out of such amount. Ms. Lamontagne is entitled to an annual bonus

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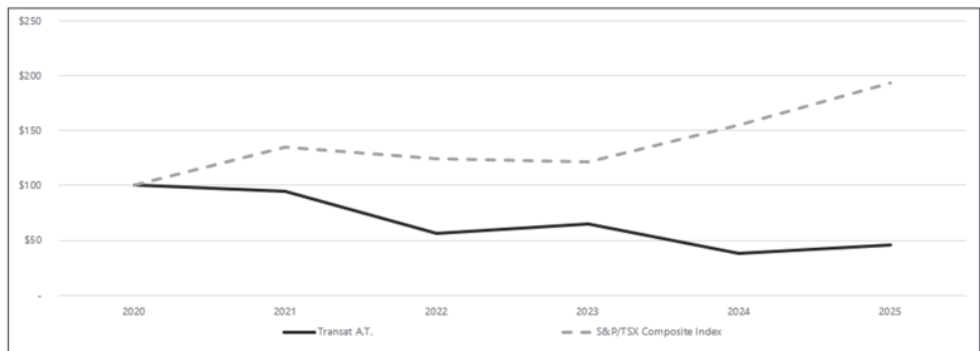
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of \$276,629 for Fiscal 2025 in accordance with the STIP program. Mr. Sissoko is entitled to an annual bonus of \$270,395 for Fiscal 2025 in accordance with the STIP program. Payments of the annual bonuses for Fiscal 2025 will be made in two (2) instalments, the first one in February 2026 and the second one no later than the end of February 2027. For Fiscal 2025, the LTIP resulted in a payout of \$198,120 to Ms. Guérard (with respect to her 2022 LTIP award). However, due to the compensation restrictions under the LEEFF Loan, Ms. Guérard only received an amount of \$38,914 of the amount of \$198,120 owed to her. Mr. Lumpé received a payout of \$93,648 (with respect to his 2022 LTIP award) and Mr. Sissoko received a payout of \$38,093 (with respect to his 2022 LTIP award). Mr. Pruneau and Ms. Lamontagne were not employed by Transat when LTIP bonuses were awarded in 2022 and therefore did not receive any payout in Fiscal 2025 in connection with the LTIP.

Performance Graph

The following performance graph indicates the cumulative total return over five (5) years, assuming a \$100 investment made on October 31, 2020, in Voting Shares of the Corporation (assuming reinvestment of the dividends) and in the S&P/TSX Composite Total Return Index.



FISCAL YEARS	2020	2021	2022	2023	2024	2025
Transat A.T. Inc.	100	94	56	65	38	45
S&P/TSX Composite Index	100	135	125	121	155	194

For the period between October 31, 2020, and October 31, 2021, the cumulative shareholder return on an investment in the Voting Shares shows a slight decrease while the cumulative shareholder return on an investment in the S&P/TSX Composite Index shows an increase. For the period between October 31, 2021, and October 31, 2022, the cumulative shareholder return on an investment in the Voting Shares followed a modest correlation with an investment on the S&P/TSX Composite Index. For the period between October 31, 2022 and October 31, 2023, the cumulative shareholder return on an investment in the Voting Shares shows an increase while the cumulative shareholder return on an investment in the S&P/TSX Composite Index shows a decrease. For the period between October 31, 2023, and October 31, 2024, the cumulative shareholder return on an investment in the Voting Shares shows a decrease while the cumulative shareholder return on an investment in the S&P/TSX Composite Index shows an increase. For the period between October 31, 2024 and October 31, 2025, both the cumulative shareholder return on an investment in the Voting Shares and the cumulative shareholder return on an investment in the S&P/TSX Composite Index shows an increase.

The cumulative shareholder return on an investment in the Voting Shares between October 31, 2020, and October 31, 2025, shows a decrease, largely due, in management’s view, to the unprecedented challenges faced by the Corporation and the aviation industry due to the COVID-19 pandemic and more generally to the overall high capital market volatility and economic uncertainty.

Trends in Compensation

The following graph indicates the trend of the total variable compensation awarded to the NEOs over the 5-year period ended October 31, 2025. It compares the sum of the total variable compensation awarded to the NEOs (STIP bonuses paid, PSU awards, Option grants and value attributed to the LTIP cash bonus and value of matching Voting Shares awarded under the Transaction Plan) with the cumulative total return over five (5) years, assuming a \$100 investment made on October 31, 2020, in Transat’s Voting Shares.

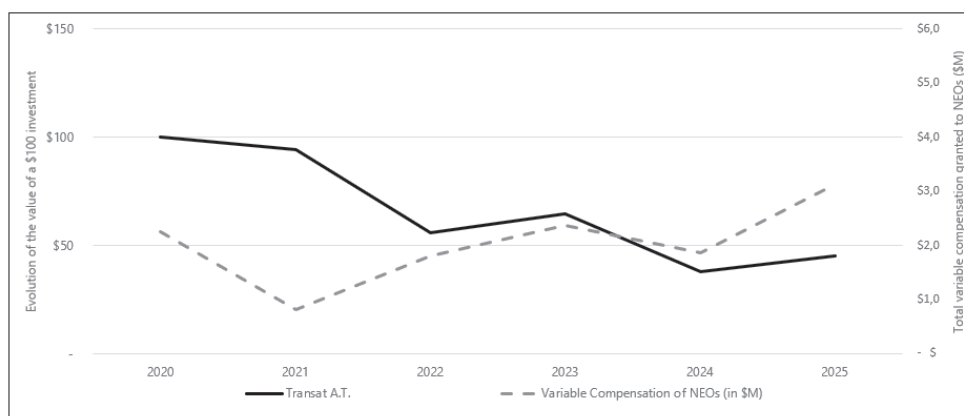
The Corporation’s LTIP were designed to align Executive Officers’ compensation with the Corporation’s Voting Shares value. Due to compensation restrictions imposed under the LEEFF Loan and the trading blackout period that was in effect in fiscal 2019 due to the Arrangement, no Options

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(except in limited circumstances as permissible under the LEEFF Loan) and no PSUs have been granted by the Corporation under its long term incentive plans since 2018. To continue maintaining long-term alignment, equity-based compensation (in the form of Options and PSUs) has been replaced by “LTIP bonuses” payable in cash three (3) years after their award based on achievement of objectives related to financial performance and strategic priorities. Notwithstanding, NEO’s compensation remains aligned with

the Corporation’s strategic and operational priorities, including financial results.



FISCAL YEARS ⁽¹⁾	2020	2021	2022	2023	2024	2025
Transat A.T. Inc.	100	94	56	65	38	45
Variable compensation of NEOs (in \$M) ⁽²⁾	2.255	0.822	1.813	2.375	1.857	3.132

- (1) For the 2020 to 2025 fiscal years, no PSUs or Options were granted under the Corporation’s usual LTIP programs; as these grants were replaced by an LTIP bonus payable in cash after three (3) years, the value of such incentives is included in the compensation shown in the above graph (target value at the time of award). Also included is the value of the options granted to Messrs. Pruneau and Lumpé, 100,000 Options and 150,000 Options, respectively, upon hiring. The value of the 50,000 Options granted to Ms. Lamontagne is excluded from the graph above, as she was not a NEO in 2023, the year the award was granted.
- (2) Ms. Guérard’s 2024 annual long-term incentive opportunity does not reflect retroactive changes to her compensation as of November 1, 2023 since no change was made to her 2024 LTIP award; her 2025 LTIP award reflects the changes.

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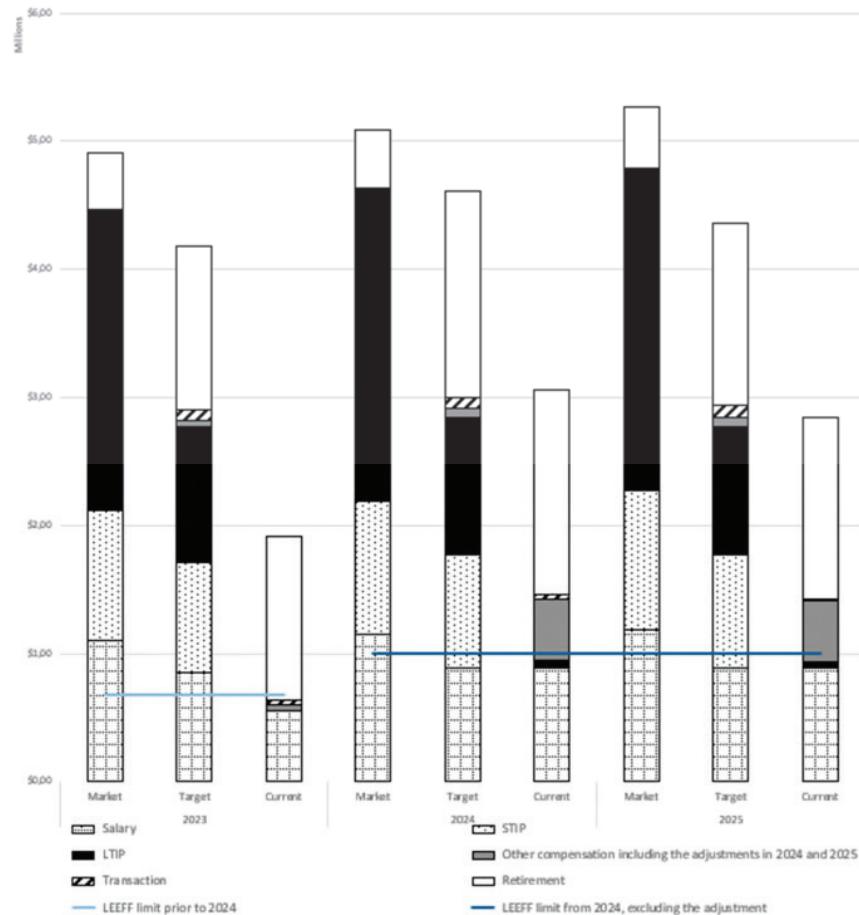
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Market, Target and Current Compensation for the President and CEO

The graph below illustrates the following findings:

- The target compensation that Ms. Guérard would have been entitled to receive in the last three (3) 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 compensation restrictions under the LEEFF Loan (horizontal lines of the graph), the current cash compensation that Ms. Guérard has been able to receive 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 under the LEEFF Loan.

Ms. Guérard's current total compensation takes into account the compensation restrictions under the LEEFF Loan and whether or not the performance criteria impacting her compensation has been met; it is higher in 2024 and 2025 due to the amendment approved by the CEEFC in August 2024, as described in this subsection, but remains well below market compensation.

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Long Term Incentives

Securities Authorized for Issuance

The following table indicates, as of October 31, 2025, the number of Voting Shares available for future issuance under the Stock Option Plan as set out in Schedule E of this Circular.

PLAN CATEGORY	NUMBER OF SECURITIES TO BE ISSUED UPON EXERCISE OF OUTSTANDING OPTIONS, WARRANTS OR RIGHTS AS OF OCTOBER 31, 2025 (A)	WEIGHTED AVERAGE EXERCISE PRICE OF OUTSTANDING OPTIONS, WARRANTS AND RIGHTS AS OF OCTOBER 31, 2025 (B)	NUMBER OF SECURITIES REMAINING AVAILABLE FOR FUTURE ISSUANCE UNDER EQUITY COMPENSATION PLANS (EXCLUDING SECURITIES REFLECTED IN COLUMN (A)) AS OF OCTOBER 31, 2025 (C)
Equity compensation plans approved by securityholders	300,000	3.96 \$	1,587,355
Equity compensation plans not approved by securityholders	–	–	–
Total	300,000	3.96 \$	1,587,355

ESPP

The maximum number of issuable shares under the ESPP is 1,909,644 Voting Shares. Of this number, 1,287,639 securities were available for future issue at October 31, 2025 (3.19% of issued shares). During Fiscal 2025, we issued a total of 1,114,050 Voting Shares under the ESPP.

Status of Outstanding Options

	TOTAL AS OF OCTOBER 31, 2025	TOTAL AS OF OCTOBER 31, 2024	TOTAL AS OF OCTOBER 31, 2023
Total number of Options granted during fiscal year, including Options granted to NEOs ⁽¹⁾ (A)	–	100,000 100,000	50,000 0
Number of securities outstanding as of October 31 (B)	40,380,241	39,266,191	38,489,358
Burn rate: Options granted during the fiscal year as a % of the outstanding Voting Shares (A / B)	0%	0.25%	0.13%
Total number of outstanding Options (C)	300,000	369,702	425,904
Outstanding Options as a % of the total outstanding Voting Shares (C / B)	0.74 %	0.94%	1.11%
Balance available for future grants ⁽²⁾ (D)	1,587,355	1,517,653	1,461,451
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)	4.67 %	4.81%	4.90%

- (1) An executive officer 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, 69,702 Options were returned in the reserve of Options available in 2025.

Performance Share Units

Please refer to Schedule E of this Circular for a description of the PSU Plan.

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Options

Please refer to Schedule E of this Circular for a description of the Stock Option Plan.

Pension Plan Benefits

Retirement plans constitute an integral part of the overall compensation of executive officers. In considering the value of the retirement benefits provided to the executive officers, the HR and Governance Committee 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 their 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 five (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 (i) their “final average salary over five (5) years” also includes the target bonus under the STIP, and (ii) 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 retirement plan for non-unionized employees, which is the actuarial equivalent value of the amount accrued by the participant on the date of their 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 or her 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 (2) 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 based on her regular credited service, which is to say, 1.6532%. The agreements provided 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, and another transfer of 1.73 year of credited service was approved in April 2025, which concluded the merge of the two (2) agreements.

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 of October 31, 2025, 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, 2024, to October 31, 2025, including the annual cost attributable to compensatory items for Fiscal 2025. 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 Fiscal 2025, in accordance with generally accepted accounting principles.

Mr. Pruneau and Mr. Lumpé’s pension agreements were amended in January 2026 to provide additional annual lifetime retirement allowances of \$13,848.96 and \$16,054.80 respectively, starting at age 65.

Ms. Guérard’s new pension agreement was amended in January 2026 for the redemption of prior service, that is to say, 1.721 year of service rendered prior to December 3,

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2012 (namely, prior to the date on which she became eligible to participate in the pension plan for senior executives) for a total of 5.993 years redeemed in addition to credited service. Ms. Guérard has been with Transat since 2002. The value of the eligible 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. This amendment came into effect in January 2026, and are reflected in the table below.

Pension Plan Benefits Table

NAME OF THE OFFICER	NUMBER OF YEARS CREDITED SERVICE ⁽¹⁾	ANNUAL BENEFITS PAYABLE ⁽²⁾		ACCRUED BENEFIT OBLIGATION AS OF NOVEMBER 1, 2024 ⁽³⁾ (\$)	CHANGE IN THE ACCRUED BENEFIT OBLIGATION DURING THE FISCAL YEAR		ACCRUED BENEFIT OBLIGATION AS OF OCTOBER 31, 2025 ⁽³⁾ (\$)
		AS OF OCTOBER 31, 2025 (\$)	AT AGE 65 (\$)		COMPENSATORY CHANGE ⁽⁴⁾ (\$)	NON-COMPENSATORY CHANGE ⁽⁵⁾ (\$)	
Annick Guérard ⁽⁶⁾	12.91	567,514	1,323,505	5,836,876	1,412,559	309,844	7,559,279
Jean-François Pruneau	1.81	23,888	119,765	52,465	186,805	5,565	244,835
Marc Lumpé	3.42	34,254	209,167	129,497	159,650	8,696	297,843
Julie Lamontagne	2.63	14,370	129,116	70,512	41,179	5,400	117,091
Bamba Sissoko	2.65	14,146	70,681	72,596	41,596	5,535	119,727

- (1) Number of years of service credited in a position eligible for the pension plan for executive officers on or prior to October 31, 2025, following termination of employment or retirement in 2025.
- (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, 2024, or October 31, 2025, 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 Fiscal 2025 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 (2) pension agreements as of October 31, 2024, and the value of the combined agreement as of October 31, 2025.

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 (i) 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), (ii) the loss of majority by the directors in office, and (iii) 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, as defined in section "Benefits Provided by the Individual Agreements in Case of Termination of Employment" section, 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 executive officer-defined benefit pension agreements would be drawn down.

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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 2% of base salary 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, 2024, and October 31, 2025, including the Corporation's contributions for Fiscal 2025.

NAME OF OFFICER	ACCUMULATED VALUE AS OF NOVEMBER 1, 2024 (\$)	COMPENSATORY AMOUNT ⁽¹⁾ (\$)	ACCUMULATED VALUE AS OF OCTOBER 31, 2025 (\$)
Annick Guérard ⁽²⁾	588,056	15,367	686,067
Jean-François Pruneau	6,042	10,000	27,812
Marc Lumpé	41,008	9,688	72,140
Julie Lamontagne	17,573	7,348	34,800
Bamba Sissoko ⁽²⁾	419,107	7,183	477,846

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

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

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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 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:

NAME AND TITLE	PAYMENT IN THE EVENT OF AN INVOLUNTARY TERMINATION, TERMINATION WITHOUT CAUSE OR CHANGE OF CONTROL
Annick Guérard President and CEO	24 months of base salary and STIP target for 12 months
Jean-François Pruneau CFO	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 (2) most recently completed fiscal years
Marc Lumpé Chief Airline Operations Officer	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 (2) most recently completed fiscal years
Julie Lamontagne Chief People, Sustainability and Communications Officer	18 months of base salary and the average annual bonus paid as an annual bonus during the shortest period between the term of her employment or the two (2) most recently completed fiscal years
Bamba Sisoko Chief Information Officer	18 months of base salary and the average annual bonus paid as an annual bonus during the shortest period between the term of his employment or the two (2) 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 or if the executive officer resigns for "valid reasons," as described in the agreements. Resignation for "valid reasons" includes, in particular, a material and adverse change of functions affecting the position; a significant reduction of compensation; and more generally, any constructive dismissal. With respect to Ms. Guérard and Ms. Lamontagne, these provisions only apply in the 12 months following a Change of Control.

The notion of Change of Control when relating to the individual employment agreements of the NEOs is defined as: (i) acquisition or holding of more than 50% of the voting rights by a person acting alone or in concert with other persons; (ii) loss of the majority by the directors in office; and (iii) sale of 50% of the assets or of a majority of the securities of Air Transat and TTC.

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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	ESPP / TRANSACTION PLAN	RETIREMENT PLAN	EMPLOYEE AND OTHER BENEFITS
Involuntary departure (termination WITHOUT cause)	6 months to exercise vested Options. Unvested Options at the termination date are cancelled.	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 that date.	PSUs vest based on the % of performance achievement for the last completed vesting cycle, prorated for the number of months worked within each award's cycle.	All the shares subscribed by the member and 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.	Group insurance (basic life insurance, medical and dental care insurance for the employee and their 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) 6 months after the termination of employment.
Involuntary departure (termination WITH cause)	The Options granted will become null and void as of the date of termination of employment.	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 that date.	No payment.	All the shares subscribed by the member and the vested shares become unrestricted. The unvested 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.

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TRIGGER	OPTIONS	DSUS	PSUS	ESPP / TRANSACTION PLAN	RETIREMENT PLAN	EMPLOYEE AND OTHER BENEFITS
Resignation	3 months to exercise vested Options. Unvested Options at the termination date are cancelled.	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 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	6 months to exercise vested Options. Unvested Options at the retirement date are cancelled.	The amount paid is calculated by multiplying the number of DSUs in the executive officer's account on the date of retirement by the value of the Corporation's shares on that date.	PSUs vest based on the % of performance achievement for the last completed vesting cycle, prorated for the number of months worked within each award's cycle.	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.	The amount paid is calculated by multiplying the number of DSUs in the executive officer's account on the date of the Change of Control by the value of the Corporation's shares on that date.	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 contract).

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On January 13, 2016, and December 13, 2017, the Corporation amended the plans to change 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:

GRANT DATE	APPLICABLE PLANS	CHANGE OF CONTROL DEFINITION / STATUS
Grants and awards before January 13, 2016	Stock Option Plan ESPP / Transaction Plan Defined Benefit Pension Plan ⁽¹⁾ DSU Plan for Executive officers ⁽²⁾ DSU Plan for Independent Directors ⁽³⁾	An unsolicited event or series of events (excluding those described below) resulting in: (i) acquisition or holding of 20% or more of voting rights; (ii) non-re-election of a majority of the directors; (iii) sale of 50% of assets or a majority of securities of Air Transat or TTC; or (iv) loss of 10% or more of assets or voting rights following an event such as nationalization or the imposition of a confiscatory tax or assessment.
Grants and awards on or after January 13, 2016	Stock Option Plan ESPP / Transaction Plan Defined Benefit Pension Plan ⁽¹⁾ DSU Plan for executive officers ⁽²⁾ DSU Plan for Independent Directors ⁽³⁾	An event or series of events resulting in: (i) acquisition or holding of more than 50% of voting rights by a person acting alone or acting in concert; (ii) loss of Board majority by directors then in office; or (iii) sale of 50% of assets or a majority of securities of Air Transat and TTC ⁽⁴⁾ .
PSU Plan	PSU Plan	The last outstanding PSUs, granted in 2017 and 2018, expired in June 2021 following the lifting of the blackout period. No PSUs remain outstanding.

(1) 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 a different trigger.

(2) The DSU Plan for executive officers has not been amended. No grant was made under the plan since 2008.

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

(4) 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 relevant compensation plans and applicable individual agreements, if the event had occurred on October 31, 2025.

NAME		TERMINATION ALLOWANCE ⁽¹⁾ (\$)	OPTIONS ⁽²⁾⁽³⁾ (\$)	PSU ⁽²⁾⁽⁴⁾ (\$)	ESPP / TRANSACTION PLAN ⁽²⁾ (\$)	LTIP BONUSES ⁽⁵⁾ (\$)	RETIREMENT PLAN ⁽⁶⁾ (\$)
Annick Guérard	ID	2,664,090	—	—	—	—	—
	CofC		—	—	3,990	—	—
Jean-François Pruneau	ID	1,528,548	—	—	—	—	—
	CofC		—	—	2,427	—	—
Marc Lumpé	ID	1,486,554	—	—	—	—	—
	CofC		—	—	75,199	—	—
Julie Lamontagne	ID	701,418	—	—	—	—	—
	CofC		—	—	955	—	—
Bamba Sissoko	ID	685,612	—	—	—	19,059	—
	CofC		—	—	54,337	—	—

(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.

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- (3) Mr. Pruneau and Ms. Lamontagne held Options that were unvested as of October 31, 2025, and whose exercise price exceeded the \$2.11, the closing price of the Voting Shares on the TSX on that date. Consequently, no value could be realized in the event of a Change of Control occurring on October 31, 2025.
- (4) As of October 31, 2025, no NEOs held PSUs.
- (5) The 2023, 2024 and 2025 LTIP bonuses were awarded in cash given the blackout period in effect as well as compensation restrictions imposed under the LEEFF Loan. The bonuses are payable three (3) years after being awarded and are payable based on the extent to which certain performance criteria are met. In the event of Mr. Sissoko's involuntary departure, a portion of the 2023 LTIP bonus is payable on a pro-rata basis for the time worked between the attribution date and the vesting date. For all other NEOs and subsequent years (2024 and 2025), no LTIP bonus will be paid in the event of an involuntary departure. No LTIP bonus (2023, 2024 and 2025) will be paid in the event of a Change of Control.
- (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.

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 executive officers 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.

Deadline To Submit Shareholder Proposals

Proposals relating to any matter that the persons entitled to vote at the 2027 shareholder meeting wish to submit at that meeting must be received by the Corporation between October 11, 2026, and December 10, 2026.

Additional Information

More information on Transat is available under Transat's profile on SEDAR+ at www.sedarplus.ca or Transat's website at <http://www.transat.com/en-CA/corporate>. 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.

Availability of Documents

Transat is a reporting issuer in all provinces of Canada and is required to file various documents, including its financial

statements. Financial information for its most recently completed financial year is provided in the Corporation's comparative financial statements and Management's Discussion and Analysis. Copies of these documents and additional information relating to the Corporation are available on the Corporation's website at www.transat.com/en-CA/corporate, under the Corporation's profile on SEDAR+ at www.sedarplus.ca, or may be obtained from the Corporation on request by email at investorrelations@transat.com or by mail to the attention of the corporate secretary of the Corporation at 300, Léo-Pariseau Street, Suite 600, Montreal, Quebec, H2X 4C2.

Relationship with Shareholders

Shareholders may formulate requests for information, observations or suggestions verbally or send them by email to secretariat@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, Montreal, Quebec, H2X 4C2.

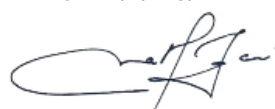
Communication with the Board

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 Board Chair including the Board committee chairs.

Approval of the Management Proxy Circular

The Board has approved the content of the Circular and its mailing to the shareholders.

Montreal, Quebec, February 9, 2026
BY ORDER OF THE BOARD OF DIRECTORS
TRANSAT A.T. INC.



Nathalie Forcier

Chief Legal and Government Relations Officer and Corporate Secretary

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GLOSSARY

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

Annual Financial Statements:

Consolidated financial statements of the Corporation for the fiscal year ended October 31, 2025, and the external auditor's report thereon

Annual Information Form:

Annual information form of the Corporation dated as of December 17, 2025

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.

Board Size Resolution:

Special resolution approving the amendment of the articles of incorporation of the Corporation to set the size of the Board to a minimum of eight (8) and a maximum of 15 directors

Board Chair:

Chair of the Board

Canadian:

means (i) a Canadian citizen or a Permanent Resident, (ii) a government in Canada or an agent or mandatory of

such a government, or (iii) a corporation or entity that is incorporated or formed under the laws of Canada or a province, that is controlled in fact by Canadians and of which at least 51% of the voting interests are owned and controlled by Canadians and where (i) no more than 25% of the voting interests are owned directly or indirectly by any single Non-Canadian, either individually or in affiliation with another person, and (iv) no more than 25% of the voting interests are owned directly or indirectly by one (1) or more Non-Canadian Holders Authorized to Provide Air Service, either individually or in affiliation with another person.

CBCA:

Canada Business Corporations Act

CEEFC:

Canada Enterprise Emergency Funding Corporation

CEO:

Chief Executive Officer

CFO:

Chief Financial Officer

Change of Control:

An event whereby (i) any person becomes the beneficial owner, directly or indirectly, of 50% or more of either the issued and outstanding shares or the combined voting power of the Corporation's then outstanding voting securities entitled to vote generally other than in connection with an internal reorganization; (ii) any person acquires, directly or indirectly, securities of the Corporation to which is attached the right to elect the majority of the directors of the Corporation other than in connection with an internal reorganization; or (iii)

the Corporation undergoes a liquidation or dissolution or sells all or substantially all of its assets other than in connection with an internal reorganization

CTA:

Canada Transportation Act, S.C. 1996, c. 10

Diversity Policy:

Policy on diversity within the Board and among senior executives adopted in 2015

DPSP:

Deferred Profit-Sharing Plan

EBITDA:

Earnings before interest, taxes, depreciation and amortization

Elevation Program:

Comprehensive plan designed to accelerate the achievement of results of strategic initiatives and maximize their potential to foster sustainable long-term growth

ESPP:

The share purchase plan for the benefit of all employees or executives of the Corporation adopted in January 1989, as amended and restated effective March 20, 2025

ESPP Amendment Resolution:

Special resolution approving the amendment and restatement of the ESPP

EY:

Ernst & Young LLP

Fiscal 2024:

Fiscal year ended October 31, 2024

Fiscal 2025:

Fiscal year ended October 31, 2025

Gallagher:

Gallagher Quebec Compensation Inc.

¹ This 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.

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(formerly PCI Compensation Consulting Inc.)

IFRS:

International Financial Reporting Standards

LEEFF:

Large Employer Emergency Financing Facility

LEEFF Loan:

Arrangement with the Government of Canada through the LEEFF program

LTIP:

Long-Term Incentive Plan

NEOs (Named Executive Officers):

Means the CEO, the CFO and each of the three (3) most highly compensated executive officers of the Corporation, including any of its subsidiaries, other than the CEO and the CFO at the end of the Corporation's last completed financial year as well as an individual who would have been an NEO but for the fact that the individual was neither an executive officer of the Corporation or its subsidiaries, nor acting in a similar capacity, at the end of that

financial year, being Annick Guérard, Jean-François Pruneau, Marc Lumpé, Julie Lamontagne and Bamba Sissoko

Ownership Restriction:

Class B Voting Shares are always owned or controlled by Canadians and Class A Variable Voting Shares by non-Canadians

President and CEO:

President and Chief Executive Officer

Record Date:

January 28, 2026

Risk Management Committee:

Risk Management and Corporate Responsibility Committee

RRSP:

Registered retirement savings plan

STIP:

Short-Term Incentive Plan

Transaction Plan:

The "Transaction" permanent stock ownership incentive plan for senior managers renewed on December 13, 2022 and as amended on June 7,

2023, implemented by the Corporation as a supplement to the ESPP

Transcapital Plan:

The "Transcapital" stock ownership and capital accumulation incentive plan for non-unionized employees effective January 13, 2016, as amended December 13, 2017, implemented by the Corporation as a supplement to the ESPP

TSR:

Total shareholder return

TSX:

Toronto Stock Exchange

TTC:

Transat Tours Canada Inc.

Voting Shares:

Class A Variable Voting Shares and Class B Voting Shares

WTW:

Willis Towers Watson

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SCHEDULE A - BOARD SIZE RESOLUTION

"BE IT RESOLVED AS A SPECIAL RESOLUTION:

1. **THAT** the minimum and maximum number of directors of the Corporation provided for in the articles of the Corporation is hereby changed from nine (9) to 15 to eight (8) to 15; and
2. **THAT** the directors of the Corporation are hereafter empowered to determine by resolution from time to time the number of directors of the Corporation within the minimum and maximum numbers provided for in the articles of the Corporation.

The Board unanimously recommends that shareholders vote **FOR this Board Size Resolution.**

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 Board Size Resolution.**

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SCHEDULE B - ESPP AMENDMENT RESOLUTION

"BE IT RESOLVED THAT:

1. The Corporation be, and it is, hereby authorized to allocate an additional reserve of 1,000,000 issuable shares in addition to the 1,045,749 reserved shares remaining as of January 28, 2026, thus bringing the total of reserved shares to 2,045,749, and to amend the text of the ESPP accordingly; and
2. 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."

The Board unanimously recommends that shareholders vote **FOR this ESPP Amendment Resolution.**

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 ESPP Amendment Resolution.**

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SHARE PURCHASE PLAN (SPP)
FOR THE BENEFIT OF ALL EMPLOYEES OR EXECUTIVES OF
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 Governance 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, which 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 Members, 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 which 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 January 28, 2026, the Share Purchase Plan which 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.

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The maximum number of Shares issuable under this Share Purchase Plan, including the related plans, in particular Transcapital and Transaction, is 2,045,749, 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 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 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 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 Plans, 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 to 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.

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- 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 which 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

- 5.2 The principle is to incite 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 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

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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.

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.

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

7.1 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 90 days from his Termination date, the Trustee shall send him a share certificate at the address shown in its books.

7.2 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 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.

7.3 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.

7.4 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.

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8. 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 Québec, 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% 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% 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 which 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 from time to time.

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SCHEDULE C - APPROACH TO EXECUTIVE COMPENSATION

The section entitled “**Executive Officer Compensation, Discussion and Analysis**” of this Circular 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 HR and Governance 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 HR and Governance Committee will review and analyze the results of the vote. In 2025, this resolution received 8,219,216 votes in favour (96.82%) and 269,587 votes against (3.18%).”

The Board unanimously recommends that shareholders vote **FOR its approach to executive compensation.**

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.**

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SCHEDULE D - SHAREHOLDER PROPOSALS

The following four (4) shareholder proposals were submitted by Financière Outremont, 612 Rue St-Jacques, 15th floor, Montreal, Québec, H3C 1C8, a holder of Voting Shares. On the date its proposals were filed and based on publicly available information, Financière Outremont held 3,832,900 Class B Voting Shares, representing approximately 9.4% of all issued and outstanding Voting Shares as of the Record Date.

After careful consideration of each of Financière Outremont Shareholder Proposals and attempted constructive engagement with Financière Outremont, the Board unanimously opposes, and recommends that shareholders vote **AGAINST** or **WITHHOLD** each of these Financière Outremont Shareholder Proposals for the respective reasons set out below. All proposals and supporting statements have been printed as submitted by Financière Outremont.

PROPOSAL 1: STREAMLINED BOARD OF DIRECTORS

Resolutions of the Holders of Class A Variable Voting Shares and Class B Voting Shares of Transat A.T. Inc. ("**Transat**" or the "**Company**").

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The articles of incorporation (as amended) (the "**Articles**") of the Company be amended to delete the minimum and maximum number of directors set out in the Articles and fix the number of directors at six; and
2. Any officer or director of the Company be, and such officer or director of the Company hereby is, authorized, instructed and empowered, acting for, in the name of and on behalf of the Company, to execute and deliver or cause to be executed and delivered all such documents and instruments, including without limitation, to execute and deliver articles of amendment of the Company, in duplicate, to the Director appointed under the *Canada Business Corporations Act*, and to do or to cause to be done all such other acts and things as in the opinion of such director or officer of the Company may be necessary or desirable in order to fulfill the intent of this resolution.

SUPPORTING STATEMENT

Financière Outremont Inc. ("**Financière Outremont**"), an investment company held by Mr. Pierre Karl Péladeau, is the second largest shareholder in Transat with an investment representing approximately a 9.49% economic and voting interest.

Transat's Board is disproportionately large relative to the Company's size when benchmarked against other publicly listed Canadian companies – it currently has 11 directors, and its Articles provide for a minimum of nine directors. By contrast, the average for TSX-listed companies of Transat's

size is only six directors. A bloated board such as Transat's results in inefficient bureaucracy and unjustifiable costs. There is no discernible requirement for unique skills or experience that would justify such an outsized board.

Financière Outremont's significant and long-standing investment in the Company is rooted in the firm belief that, under the right Board leadership, Transat has the potential and opportunity to restore its financial resilience, significantly improve shareholder return while maintaining its strong brand and leadership position amongst the leisure airline carriers for Quebec and Canadian consumers. Reducing the size of the Transat board is the first step in this process.

Financière Outremont believes that an optimized Board can be built around six highly qualified and appropriately experienced members. To do so, an amendment to the Company's Articles, which currently impose a minimum of nine directors, is required. This streamlined board will be much more constructive and efficient than the current Board and will reduce the costs associated with director compensation, and this change is part of Financière Outremont's broader proposal for governance enhancements at Transat. Financière Outremont expects to prepare its own information circular that will be sent to shareholders and filed under the Company's profile on SEDAR+ in the coming days.

The Board of Directors unanimously recommends that shareholders vote **AGAINST this proposal.**

The Board recommends voting against this Dissident Shareholder Proposal because: a fixed Board size of six (6) directors is unduly small and would prevent the diversity of skills and experiences needed to steward a complex, regulated business such as Transat; the proposal is overly prescriptive and restrictive and would eliminate any flexibility in varying the Board size in the face of evolving needs and usurp the exercise of directors' fiduciary duties in determining the optimal Board (and committee) size and composition to effectively oversee the business of Transat; the issues are already being effectively and appropriately dealt with through Transat's Board Size Resolution to amend the articles to vary the Board size to a minimum of eight (8) and a maximum of 15 directors and to reduce the size of the Board to eight (8) members; the demands would run counter to industry standard practices and the practices of the Company's peers which typically provide for a minimum and maximum number of directors in the articles; and the proposal is designed to secure for Financière Outremont de facto control of the Board and the Company, without offering any plan, control premium, strategy of capital contribution, all of which expose shareholders and your investments to significant risks.

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Fixing the number of directors at six (6) would reduce the Board's needed flexibility to respond to ever-changing circumstances and could have unintended adverse consequences for Board and committee effectiveness. It reduces governance flexibility and would impair the Board's responsibilities for succession planning and negatively impact effective committee composition. To meet established corporate governance practices, public company boards must have the breadth of directors possessing the requisite skills, independence, experiences and availability necessary to constitute and maintain audit, compensation and governance committees with independent directors and a fixed smaller board would compromise doing so, especially if a director becomes unavailable, independence or financial literacy requirements change, or regulatory or expertise needs increase. Therefore, limiting the Board size to a small six members unnecessarily constrains the Board's ability to respond to evolving business, governance, and succession needs. A fixed number can also accelerate turnover or block needed additions and weakening continuity at critical times.

By fixing the Board size to an inflexible number, even modest board adjustments would require the Company to bring before shareholders a resolution to amend the articles any time an upward or downward change in the number of directors may be appropriate or required. The proposal therefore impairs the Board to act effectively and unnecessarily causes delays and costs should the need to vary the Board size change. A shareholder-approved range in board size framework, instead, allows the Board to add skills when needed without incurring the costs and delays associated with calling and holding a shareholders meeting every time to vote on an amendment to amend the articles.

In addition, by purporting to embed a fixed Board size in the Company's articles, the proposal would put Transat's Board offside its constituting documents any time a member of the Board unexpectedly resigned, retired or, pursuant to the Company's Majority Voting Policy, was required to tender their resignation, all circumstances largely outside of the Board's control. In addition, mandating that the Company at all times have six (6) directors could also create a perverse outcome leading to entrenchment or less rigorous annual assessments of directors, for fear of the loss of any one director resulting in the Company being offside its articles.

Providing for a minimum and maximum number of directors in the articles also reflects standard practice among Transat's sixteen (16) peers. Transat's peer group has an average board size of nine (9) directors. Transat's peer board sizes and generally fall within a range of eight (8) to twelve (12) directors, with only three (3) peers having ranges that fall between the range of five (5) to seven (7). Larger or more complex issuers, especially regulated ones, tend to operate at the upper end of this range, including Air Canada (12), Cogeco (11) and Metro (11). In almost all cases, these peer boards have a minimum and maximum board size limit instead of being constrained to a fixed board size.

Maintaining flexibility in board size is also consistent with prevailing governance practice and better supports effective board and committee functioning over time.

PROPOSAL 2 : ELECTION OF ANDRÉ BROUSSEAU

Resolutions of the Holders of Class A Variable Voting Shares and Class B Voting Shares of Transat A.T. Inc. ("**Transat**" or the "**Company**").

BE IT RESOLVED THAT:

1. André Brousseau be elected as a director of the Company to hold office until the close of the next annual meeting of shareholders of the Company or until his successor is elected or appointed.

SUPPORTING STATEMENT

Financière Outremont Inc. ("**Financière Outremont**"), an investment company held by Mr. Pierre Karl Péladeau, is the second largest shareholder in Transat with an investment representing approximately a 9.49% economic and voting interest.

Financière Outremont's significant and long-standing investment in the Company is rooted in the firm belief that, under the right Board leadership, Transat has the potential and opportunity to restore its financial resilience, significantly improve shareholder return while maintaining its strong brand and leadership position amongst the leisure airline carriers for Quebec and Canadian consumers.

Financière Outremont believes that an optimized Board can be built around six highly qualified and appropriately experienced members, including the three (3) newly appointed highly qualified and appropriately experienced independent directors of whom Mr. Brousseau is one. He brings much needed restructuring and turnaround, commercialization, capital markets and capital raising experience. Mr. Brousseau has extensive airline industry relationships and has a proven track record of creating shareholder value. André has led Québecor and Vidéotron through restructurings, significant acquisitions, and major refinancings, all while creating 10,000+ jobs in Canada and 5,500+ jobs in Québec, investing billions of dollars into the Canadian economy, and reducing service prices for Canadians, all the while creating significant shareholder value. Most recently, Québecor was named to The Globe and Mail's "Megastars of 2025" as a top 20 stock in Canada ranked by value and momentum. Over the last 20 years, Québecor's stock price has increased 693% - a stark contrast to Transat's 86% share price decline over the same period.

This streamlined and reconstituted board will be much more constructive and efficient than the current Board, and this change is part of Financière Outremont's broader proposal for governance enhancements at Transat. Financière Outremont expects to prepare its own information circular that will be sent to shareholders and filed under the Company's profile on SEDAR+ in the coming days.

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The Board of Directors unanimously recommends that shareholders vote **WITHHOLD on this Dissident Shareholder Proposal.**

The Board recommends voting **WITHHOLD** on this Dissident Shareholder Proposal because:

The proposed election of Mr. Brosseau must be considered in the context of Financière Outremont's coordinated slate and related proposals to reduce the size of the Board to six (6) members and elect three (3) nominees, one of whom would serve as Chair of the Board. Taken together, these proposals are structured to confer a blocking position and effective control over Board decisions to a shareholder group holding approximately 9.4% of the issued and outstanding Voting Shares. The Board believes that granting such disproportionate influence without a corresponding economic commitment, capital contribution, or control premium is inconsistent with accepted governance principles and would materially impair the balance, independence, and effectiveness of the Board at a critical stage of Transat's recovery.

The Board further believes that Mr. Brosseau's experience do not align with Transat's most pressing governance and execution priorities. Transat operates in a highly regulated, capital-intensive commercial airline environment and is executing a complex operational recovery and balance sheet normalization plan. Effective Board oversight at this stage requires deep expertise in airline operations, regulatory and safety oversight, fleet and network economics, labour relations, liquidity management, and restructuring execution. While Mr. Brosseau has capital markets and investment experience, the Board has concluded that his background does not materially enhance the Board's collective competencies in these areas or strengthen oversight of the Company's current strategic plan.

The Board also considered Financière Outremont's stated intention that Mr. Brosseau assume the role of Chair of the Board. The Chair of a public airline must be demonstrably independent in substance and capable of acting as a neutral steward of all shareholders' interests. Mr. Brosseau has longstanding professional and business relationships within the Financière Outremont and Québecor ecosystem, including senior executive and board roles in entities controlled or influenced by Mr. Péladeau. In the Board's view, these relationships raise reasonable concerns regarding independence, objectivity, and the ability to exercise judgment free from influence.

The proposal is not supported by a detailed or credible plan commensurate with the level of influence being sought. Financière Outremont has not provided shareholders with a defined operating plan, financing strategy, capital contribution commitment, or execution roadmap explaining how its nominees, including Mr. Brosseau, would improve Transat's performance or reduce execution risk. Where a shareholder seeks effective control or a blocking position,

the Board believes that a robust, transparent and actionable plan is essential. Its absence materially increases downside risk for shareholders.

Finally, the proposal would expose shareholders to significant downside risk without offering any corresponding benefit. Shareholders are being asked to cede effective governance control without receiving a control premium, without assurances of new equity capital, and without protections against increased leverage, strategic disruption, or value erosion. The Board believes this asymmetry is not in the best interests of shareholders as a whole.

For these reasons, the Board believes that the election of Mr. Brosseau is not in the best interests of Transat or its shareholders. The proposal forms part of a broader effort to secure effective control of the Board without proportional ownership, demonstrated independence, a credible execution plan, or capital commitment, and would expose the Company and its shareholders to unnecessary governance, execution, and value risk.

PROPOSAL 3 : ELECTION OF JEAN-MARC LÉGER

Resolutions of the Holders of Class A Variable Voting Shares and Class B Voting Shares of Transat A.T. Inc. ("**Transat**" or the "**Company**").

BE IT RESOLVED THAT:

1. Jean-Marc Léger be elected as a director of the Company to hold office until the close of the next annual meeting of shareholders of the Company or until his successor is elected or appointed.

SUPPORTING STATEMENT

Financière Outremont Inc. ("**Financière Outremont**"), an investment company held by Mr. Pierre Karl Péladeau, is the second largest shareholder in Transat with an investment representing approximately a 9.49% economic and voting interest.

Financière Outremont's significant and long-standing investment in the Company is rooted in the firm belief that, under the right Board leadership, Transat has the potential and opportunity to restore its financial resilience, significantly improve shareholder return while maintaining its strong brand and leadership position amongst the leisure airline carriers for Quebec and Canadian consumers.

Financière Outremont believes that an optimized Board can be built around six highly qualified and appropriately experienced members, including the three (3) newly appointed highly qualified and appropriately experienced independent directors of whom Mr. Léger is one. He is a market research, marketing and consumer behaviour expert with insights well aligned with a consumer experience industry of operating an airline. He has much needed experience in technology and digital transformation that will be key to Transat's modernization and its ongoing ability to track, anticipate and prepare for customer behaviour trends.

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This streamlined board will be much more constructive and efficient than the current Board, and this change is part of Financière Outremont's broader proposal for governance enhancements at Transat. Financière Outremont expects to prepare its own information circular that will be sent to shareholders and filed under the Company's profile on SEDAR+ in the coming days.

The Board of Directors unanimously recommends that shareholders vote **WITHHOLD on this Dissident Shareholder Proposal.**

The Board recommends voting **WITHHOLD** on this Dissident Shareholder Proposal because:

The proposed election of Mr. Léger must be considered in the context of Financière Outremont's coordinated slate and related proposals to reduce the size of the Board to six (6) members and elect three (3) nominees, one of whom would serve as Chair of the Board. When considered together, these proposals are structured to confer a blocking position and effective control over Board decisions to a shareholder group holding approximately 9.4% of the issued and outstanding Voting Shares. The Board believes that granting such disproportionate influence without a corresponding economic commitment, capital contribution, or control premium is inconsistent with accepted governance principles and would materially impair the balance, independence, and effectiveness of the Board at a critical stage of Transat's recovery.

The Board further believes that Mr. Léger's experience does not align with Transat's most pressing governance and execution priorities. Transat operates in a highly regulated, capital-intensive commercial airline environment and is executing a complex operational recovery and balance sheet normalization plan. Effective Board oversight at this stage requires deep expertise in airline operations, regulatory and safety oversight, fleet and network economics, labour relations, liquidity management, and restructuring execution. While Mr. Léger has market research and communications experience, the Board has concluded that his background does not materially enhance the Board's collective competencies in these areas or strengthen oversight of the Company's current strategic plan.

Electing Mr. Léger as part of a package intended to reduce the Board to six (6) and concentrate influence would disrupt continuity and is inconsistent with governance best practices emphasizing proportional representation, independence and stability. Mr. Léger does not meet the Board's independence expectations in substance. While Mr. Léger may technically qualify as "independent" under applicable regulation, the Board has concluded that he does not meet independence expectations in substance, given his long-standing personal, professional, and financial relationships with Mr. Péladeau and the Péladeau family ecosystem, including:

- Long-standing personal ties between the Léger and Péladeau families;
- Ongoing commercial relationships between Léger-branded businesses and Québecor-affiliated entities;
- Mr. Léger's historic service on boards within the Québecor/Vidéotron group;
- The presence of Pierre Karl Péladeau's immediate family members on the board of Léger-affiliated entities.

The Board believes these relationships raise reasonable concerns regarding independence, objectivity, and the ability to exercise judgment free from influence in matters involving Financière Outremont or its affiliates.

The proposal is not supported by a detailed or credible plan commensurate with the level of influence being sought. Financière Outremont has not provided shareholders with a defined operating plan, financing strategy, capital contribution commitment, or execution roadmap explaining how its nominees, including Mr. Léger, would improve Transat's performance or reduce execution risk. Where a shareholder seeks effective control or a blocking position, the Board believes that a robust, transparent, and actionable plan is essential. Its absence materially increases downside risk for shareholders.

Finally, this Dissident Shareholder Proposal would expose shareholders to significant downside risk without offering any corresponding benefit. Shareholders are being asked to cede effective governance control without receiving a control premium, without assurances of new equity capital, and without protections against increased leverage, strategic disruption, or value erosion. The Board believes this asymmetry is not in the best interests of shareholders as a whole.

For these reasons, the Board believes that the election of Jean-Marc Léger is not in the best interests of Transat or its shareholders. This Dissident Shareholder Proposal forms part of a broader effort to secure effective control of the Board without proportional ownership, demonstrated independence, a credible execution plan, or capital commitment, and would expose the Company and its shareholders to unnecessary governance, execution, and value risk.

PROPOSAL 4: ELECTION OF PIERRE KARL PÉLADEAU

Resolutions of the Holders of Class A Variable Voting Shares and Class B Voting Shares of Transat A.T. Inc. ("**Transat**" or the "**Company**").

BE IT RESOLVED THAT:

1. Pierre Karl Péladeau be elected as a director of the Company to hold office until the close of the next annual

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meeting of shareholders of the Company or until his successor is elected or appointed.

SUPPORTING STATEMENT

Financière Outremont Inc. ("**Financière Outremont**"), an investment company held by Mr. Pierre Karl Péladeau, is the second largest shareholder in Transat with an investment representing approximately a 9.49% economic and voting interest.

Financière Outremont's significant and long-standing investment in the Company is rooted in the firm belief that, under the right Board leadership, Transat has the potential and opportunity to restore its financial resilience, significantly improve shareholder return while maintaining its strong brand and leadership position amongst the leisure airline carriers for Quebec and Canadian consumers.

Financière Outremont believes that an optimized Board can be built around six highly qualified and appropriately experienced members, including three (3) newly appointed highly qualified and appropriately experienced independent directors of whom Mr. Péladeau is one. He has a long and successful career in both public company leadership and also in public office. Mr. Péladeau is a government relations and regulatory expert who will be critical to a productive and proactive relationship with Transat's largest creditor, regulator and possible largest shareholder. Given Transat's government-related financing with the CEEFC, a respected counterpart like Mr. Péladeau is needed to build and maintain the relationship. His significant investment in Transat makes him the most motivated prospective Board member in Transat's recent history. No other director would be more motivated to see Transat succeed and create value, not only for shareholders but also for Quebec and Canada by creating jobs and rescuing a highly recognized brand and transforming it into a competitive and respected, Quebec headquartered airline.

This streamlined board will be much more constructive and efficient than the current Board, and this change is part of Financière Outremont's broader proposal for governance enhancements at Transat. Financière Outremont expects to prepare its own information circular that will be sent to shareholders and filed under the Company's profile on SEDAR+ in the coming days.

The Board of Directors unanimously recommends that shareholders vote **WITHHOLD on this Dissident Shareholder Proposal.**

The Board recommends voting **WITHHOLD** on this Dissident Shareholder Proposal because:

The proposed election of Mr. Péladeau must be considered in the context of Financière Outremont's coordinated slate and related proposals to reduce the size of the Board to six (6) members and elect three (3) nominees, one of whom would serve as Chair of the Board. When considered together, these proposals are structured to confer a blocking position and effective control over Board decisions to a shareholder group holding approximately 9.4% of the issued and outstanding

Voting Shares. The Board believes that granting such disproportionate influence without a corresponding economic commitment, capital contribution, or control premium is inconsistent with accepted governance principles and would materially impair the balance, independence, and effectiveness of the Board at a critical stage of Transat's recovery.

The Board further believes that Mr. Péladeau's experience does not align with Transat's most pressing governance and execution priorities. Transat operates in a highly regulated, capital-intensive commercial airline environment and is executing a complex operational recovery and balance sheet normalization plan. Effective Board oversight at this stage requires deep expertise in airline operations, regulatory and safety oversight, fleet and network economics, labour relations, liquidity management, and restructuring execution. While Mr. Péladeau has experience with investments in private aviation assets, these are not comparable to the governance and operational complexity of a large, regulated airline and the Board has concluded that his background does not materially enhance the Board's collective competencies in these areas or strengthen oversight of the Company's current strategic plan.

Over the past 18 months, Financière Outremont has made multiple proposals to acquire or restructure Transat; outcomes that would have eliminated or materially impaired shareholder equity. These proposals were rejected following rigorous Board and advisor review due to execution risk, financing uncertainty, and adverse outcomes for shareholders. The Board believes this history is relevant when assessing the risks associated with granting Mr. Péladeau direct governance control.

The proposal is not supported by a detailed, credible plan commensurate with the level of control being sought. While Mr. Péladeau has advocated for a strategic review and further balance sheet action, shareholders have not been provided with a clear operating plan, financing sources, capital contribution commitments, execution sequencing, or a plan for risk mitigation. Where a shareholder seeks effective control or a blocking position, the Board believes that a robust, transparent, and actionable plan is essential. Its absence materially increases downside risk for shareholders.

Finally, the proposal would expose shareholders to significant downside risk without offering any corresponding benefit. Shareholders are being asked to cede effective governance control without receiving a control premium, without assurances of new equity capital, and without protections against increased leverage, strategic disruption, or value erosion. The Board believes this asymmetry is not in the best interests of shareholders as a whole.

For these reasons, the Board believes that the election of Pierre Karl Péladeau is not in the best interests of Transat or its shareholders. The proposal forms part of a broader effort to secure effective control of the Board without proportional ownership, demonstrated independence, a credible execution plan, or capital commitment, and would expose the Company and its shareholders to unnecessary governance, execution, and value risk.

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SCHEDULE E - STOCK OPTION PLAN, PSU PLAN, DSU PLAN, ESPP, TRANSACTION PLAN AND TRANSCAPITAL PLAN DESCRIPTION

Long-Term Incentive Plans¹

Stock Option Plan

The following summary describes the material terms of the Stock Option Plan (as defined below). This summary is, however, not a complete description of all the provisions of the Stock Option Plan and is qualified in its entirety by reference to the Stock Option Plan.

In January 2016, the Corporation adopted a stock option plan (as amended from time to time, the **"Stock Option Plan"**) replacing the prior stock option plans approved in 2009 and 1995. Under the Stock Option Plan, the Corporation may grant options (**"Options"**) to purchase Voting Shares to officers and employees of the Corporation.

The Stock Option Plan is administered by the Board, which shall also be responsible for its interpretation. In accordance with the Stock Option Plan, the Board has delegated its authority to administer the Stock Option Plan to the HR and Governance Committee.

Under the Stock Option Plan, the total number of Voting Shares reserved and available for grant and issuance pursuant to Options is limited to 1,122,337 Shares, representing approximately 2.78% of the 40,380,241 issued and outstanding Voting Shares as of October 31, 2025.

Voting Shares in respect of which Options are granted but not exercised prior to the termination or expiration of such Options are available for Options to be granted thereafter, unless the sum of the outstanding Options and Options available for future grants represents more than 5% of the total issued and outstanding Voting Shares (in which case such Options will be cancelled).

The Stock Option Plan provides that the aggregate number of Voting Shares which (i) may be issued to insiders, at any time, and (ii) are issued to these insiders, within any one-year period, under the Stock Option Plan and all of the other share-based compensation plans of the Corporation, shall not exceed 10% of the issued and outstanding Voting Shares. The Stock Option Plan further provides that the aggregate number of Voting Shares issued to any person (including insiders and their associates) under the Stock Option Plan and all of the other share-based compensation plans of the Corporation within any one-year period shall not exceed 5% of the issued and outstanding Voting Shares. The number of Options that can be granted within any one-year period under the Stock Option Plan shall not exceed 2% of the issued and outstanding Voting Shares.

Options granted under the Stock Option Plan may not be assigned or transferred except by will or applicable laws of succession.

Under the Stock Option Plan, the HR and Governance Committee may, without shareholder's approval, make certain amendments of the following nature to the Stock Option Plan: (i) minor or technical amendments to any provision of the Stock Option Plan, (ii) correction to any provision of the Stock Option 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 to the Stock Option Plan require shareholder approval: (i) any increase to the number of Voting Shares issuable under the Stock Option Plan, (ii) the reduction of the exercise price of Options (other than for standard anti-dilution purposes), (iii) the extension of the term of Options, (iv) any amendment that would permit Options to be transferred or assigned other than by will or pursuant to applicable laws of succession, (v) the extension of the blackout expiration term, (vi) any amendment that would permit the granting of Options in favor of directors who are not employed, directly or indirectly, by the Corporation, and (vii) any amendment to the amendment provisions of the Stock Option Plan, provided, in each case, that, in accordance with the rules of the TSX, Voting Shares held directly or indirectly by insiders benefiting from certain amendments shall be excluded when obtaining such shareholder approval.

For each grant of Options under the Stock Option Plan, the HR and Governance Committee shall (i) designate the participants who may receive Options under the Stock Option Plan, (ii) fix the number of Options to be granted to each participant, (iii) determine the price per Voting Share to be payable upon the exercise of each such Option, which shall be equal to the weighted average trading price of the Voting Shares on the TSX for the five (5) trading days preceding the grant of the Options, and (iv) determine the relevant vesting provisions and the term of the Option which shall not exceed seven (7) years, the whole subject to the terms and conditions of the Stock Option Plan.

All unexercised Options shall be cancelled at the expiry of such Options. If the expiration date falls on or within ten (10) days following the expiration of a blackout period, it is automatically extended to the tenth (10th) business day after the expiration of such blackout period.

¹ Due to compensation restrictions imposed under the LEEFF Loan and the trading blackout period that was in effect in fiscal 2019 due to the Arrangement, no Options (except in limited circumstances as permissible

under the LEEFF Loan) and no PSUs have been granted by the Corporation under its long term incentive plans since 2018.

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If a participant's employment is terminated for cause, Options terminate on the effective date of the termination or the date specified in the notice of termination. If a participant's employment is terminated other than for cause, by reason of death, reason of permanent disability or upon retirement, such participant's Options may be exercised if they have vested at the time of termination or cessation of employment. Such Options are exercisable for a period of six (6) months after the termination date or prior to the expiration of the original term of such Options, whichever occurs earlier. If a participant's employment is terminated due to such participant's resignation, such participant's Options may be exercised if they have vested at the time of resignation. Such Options are exercisable for a period of three (3) months after the resignation or prior to the expiration of the original term of such Options, whichever occurs earlier.

The Stock Option Plan also provides that in the event of a Change of Control (as defined in the Stock Option Plan), any Option granted but not vested may be exercised, and the Board shall be entitled to force the exercise of any Option granted, whether vested or not, according to the terms and conditions prescribed by the Board.

The Stock Option Plan may be terminated by the HR and Governance Committee in its sole and absolute discretion. In such case, no additional Options may be granted under the Stock Option Plan and all outstanding Options shall remain in force and subject to the provisions of the Stock Option Plan.

Performance Share Units Plan

The following summary describes the material terms of the PSU Plan (as defined below). This summary is, however, not a complete description of all the provisions of the PSU Plan and is qualified in its entirety by reference to the PSU Plan.

On January 1, 2015, the Board approved the creation and issuance of PSUs in accordance with a newly adopted PSU Plan. Under the PSU Plan, the Corporation may grant PSUs to executives and officers of the Corporation. The PSU Plan was designed to provide eligible participants with the opportunity to participate in the long-term success of the Corporation, to promote a greater alignment of their interests with those of shareholders, to reward eligible participants for their performance and to provide a means through which the Corporation may attract, motivate and retain key personnel.

Once vested, PSUs issued under the PSU Plan can, at the option of the Corporation, be paid in cash (such cash amount to be determined by multiplying the number of vested PSUs by the closing price of a Voting Share on the last trading day prior to the vesting date of such PSUs) or Voting Shares purchased on the secondary market.

The PSU Plan is administered by the HR and Governance Committee, which shall also be responsible for its interpretation.

PSUs granted under the PSU Plan may not be assigned or transferred except by will or applicable laws of succession.

Under the PSU Plan, the Board may amend the PSU Plan in its sole and absolute discretion, provided that the amendment does not reduce the number of PSUs already credited to a participant's individual registry before such amendment.

For each grant of PSUs under the PSU Plan, the HR and Governance Committee shall (i) designate the participants who may receive PSUs under the PSU Plan, (ii) determine the grant date and number of PSUs to be credited to each participant, (iii) determine the vesting schedule of the granted PSUs, and (iv) determine the performance targets to achieve for the PSUs to vest. Following the grant of PSUs, the Corporation, unless otherwise determined by the HR and Governance Committee, will arrange for the purchase on the secondary market of a sufficient number of Voting Shares to cover a sufficient number of Shares that may be delivered to participants.

Unless otherwise determined by the HR and Governance Committee, PSUs expire at the expected vesting date if specified vesting objectives have not been met by a participant and such participant shall have no right with respect to these PSUs.

If a participant's employment is terminated during a vesting period due to such participant's resignation or for cause, the vesting of such participant's PSUs shall cease and all PSUs granted to such participant shall be cancelled on the employment termination date, without any payment. If a participant's employment is terminated during a vesting period other than for cause, by reason of death, reason of disability or upon retirement, such participant's PSUs shall vest on a pro rata basis, calculated using the number of full months of service completed during the vesting period. The resulting pro-rated PSUs will vest based on the performance factor from the most recently completed vesting cycle, and any remaining unvested PSUs will be cancelled. In the event of a leave of absence for any reason during a vesting period, if the employment relationship is maintained, PSUs held by the participant subject to such leave of absence shall be a pro-rata and only the vesting of the resulting pro-rated PSUs shall continue.

The PSU Plan also provides that in the event of a Change of Control (as defined in the PSU Plan), all PSUs held by a participant shall become fully vested on the date of such Change of Control.

The PSU Plan may be terminated by the Board in its sole and absolute discretion. In such case, no additional PSUs may be granted under the PSU Plan and all outstanding PSUs shall remain in force and subject to the provisions of the PSU Plan.

Deferred Share Units Plan

The following summary describes the material terms of the DSU Plan (as defined below). This summary is, however, not

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a complete description of all the provisions of the DSU Plan and is qualified in its entirety by reference to the DSU Plan.

On March 19, 2003, the Corporation approved the creation and issuance of DSUs in accordance with a deferred share unit plan of the Corporation (as amended from time to time, the “**DSU Plan**”). Under the DSU Plan, the Corporation may grant DSUs to independent directors. The DSU Plan was designed to enhance the Corporation’s ability to attract and retain talented individuals to serve as independent directors on the Board, to promote alignment of interest between independent directors and shareholders and to assist independent directors in fulfilling the ownership requirement for directors.

The DSU Plan is administered by the Board, which shall also be responsible for its interpretation. In accordance with the DSU Plan, the Board has delegated its authority to administer the DSU Plan to the HR and Governance Committee.

DSUs granted under the DSU Plan may not be assigned or transferred except by will or applicable laws of succession.

In accordance with the DSU Plan, independent directors can choose to have 0%, 25%, 50%, 75% or 100% of their annual and additional cash retainers paid in DSUs. DSUs issued under the DSU Plan vest fully as of the grant date. The number of DSUs to be issued is determined by dividing the chosen portion of the annual and additional cash retainers an independent director opts to receive in DSUs by the weighted average of the closing price of the Voting Shares on the TSX over the 5 trading days preceding the date on which such DSUs are credited to such independent director’s account (being the last day of each quarter, namely January 31, April 30, July 31 and October 31). The DSU Plan additionally provides additional DSUs may be issued to independent directors at the HR and Governance Committee’s discretion.

In accordance with the terms of the DSU Plan, a dividend equivalent is to be computed in the form of additional DSUs calculated as of each dividend payment date in respect of which normal cash dividends are paid on the Voting Shares and vesting on each such date, unless otherwise determined. The settlement of such additional DSUs will occur in accordance with the same terms as the underlying DSUs.

Following the end of service of an independent director, such independent director may, by sending a notice to the Corporation (a “**Redemption Notice**”), request that all or part of the DSUs credited to such independent director’s account be redeemed in cash. An independent director may send to the Corporation up to six (6) Redemption Notices. Upon receipt of a Redemption Notice, the Corporation shall redeem in cash such number of DSUs as indicated in the Redemption Notice. The redemption amount payable by the Corporation shall be equal to the product obtained by multiplying the number of DSUs to be redeemed by the closing price of the Voting Shares on the date immediately

preceding the date on which the Corporation receives a Redemption Notice. If no Redemption Notice is received by the Corporation at the latest on December 1st of the calendar year immediately following the calendar year during which the end of service of an independent director occurred, or if all the Redemption Notices received by the Corporation as of such date from such independent director do not cover all of the DSUs credited to such independent director’s account, such independent director shall be deemed to have sent a Redemption Notice to the Corporation as of such date for all of the DSUs credited to such independent director’s account that have not yet been redeemed. Fully paid DSUs shall be cancelled.

Under the DSU Plan, the Board may amend the DSU Plan in its sole and absolute discretion, provided that the amendment does not retroactively impact the independent directors’ rights under the DSU Plan.

The DSU Plan may be terminated by the Board in its sole and absolute discretion. In such case, no additional DSUs may be granted under the DSU Plan and all outstanding DSUs shall remain in force and subject to the provisions of the DSU Plan.

ESPP

The following summary describes the material terms of the ESPP adopted by the Corporation in January 1989 (as amended and restated effective March 20, 2025). This summary is not a complete description of all the provisions of the ESPP and is qualified in its entirety by reference to the ESPP (the full text of which is set out in Schedule B). The Transaction Plan (as detailed below) and the Transcapital Plan (as detailed below) are subsets of the ESPP and are therefore directly tied to the ESPP.

The ESPP is designed to encourage all eligible employees of the Corporation to become shareholders of the Corporation and to stimulate their interest in increasing the price of the Voting Shares. Enrollment in the ESPP is optional and at the discretion of eligible employees of the Corporation. Participation in the ESPP may be terminated by a participant at all times.

The ESPP (including the Transaction Plan and the Transcapital Plan) is administered by the Board, which shall also be responsible for its interpretation. In accordance with the ESPP, the Board has delegated its authority to administer the ESPP to the HR and Governance Committee. The Corporation has appointed Morgan Stanley to act as administrator and trustee of the ESPP (including the Transaction Plan and the Transcapital Plan) for the benefit and on behalf of the participants.

The ESPP enables participants to subscribe, on a monthly basis and by means of payroll deductions, of up to 10% of their annual base salary, for Voting Shares issued from the Corporation’s treasury at the then-current market price (such subscribed Shares, the “**Subscribed Shares**”), namely the weighted average of the closing price of the Voting Shares on the TSX over the five (5) trading days preceding the

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subscription of the Subscribed Shares, less a 10% discount. Unless in specific circumstances (such as a termination of employment), no participant may sell Subscribed Shares prior to July 1 of the year following that in which such Subscribed Shares were subscribed, on which date the Subscribed Shares shall become unrestricted.

The maximum number of Voting Shares reserved for issuance under the ESPP (including the Transaction Plan and the Transcapital Plan) is, as at January 28, 2026, 1,045,749 Voting Shares (as will be increased by 1,000,000 Voting Shares should the proposed resolution in connection with the amendments to the ESPP be approved by the shareholders at the Meeting). The maximum number of Voting Shares issuable to a single person under the ESPP (including the Transaction Plan and the Transcapital Plan) and any other share purchase plan or stock option plan of the Corporation shall not represent more than 5% of the issued and outstanding Voting Shares. The number of Voting Shares issuable to insiders under the ESPP (including the Transaction Plan and the Transcapital Plan) and any other related share purchase plan of the Corporation shall at all times be less than the majority of the Voting Shares issuable under the ESPP. The number of Voting Shares issuable to insiders, at any time, under the ESPP (including the Transaction Plan and the Transcapital Plan) and all other share-based compensation plans of the Corporation shall not exceed 10% of the issued and outstanding Voting Shares, and the number of Voting Shares issued to insiders, within any one-year period, under the ESPP (including the Transaction Plan and the Transcapital Plan) and all other share-based compensation plans of the Corporation shall not exceed 10% of the issued and outstanding Voting Shares. During the fiscal year ended October 31, 2025, the Corporation issued a total of 1,114,050 Voting Shares under the ESPP. As of October 31, 2025, the maximum number of shares available for future issuance under the ESPP is 1,287,639 Voting Shares (i.e., 3.19% of the issued shares).

Under the ESPP, the Board may, without shareholder approval, make certain amendments to the ESPP (such as minor or technical amendments to any provision of the ESPP, corrections to provisions of the ESPP containing an ambiguity, defect, error or omission, changes to the provisions governing the release of Shares, an addition to or amendment of provisions pertaining to any form of financial assistance provided to participants by the Corporation with a view to facilitating the purchase of Shares under the ESPP). However, the following amendments to the ESPP require shareholder approval (i) increase the maximum number of Voting Shares issuable under the ESPP, (ii) increase the discount percentage or (iii) amend the Corporation's contribution under the ESPP (including the Transaction Plan and the Transcapital Plan).

The rights and privileges granted to participants under the ESPP (including the Transaction Plan and the Transcapital Plan) are non-transferrable.

In the event of the employment termination, retirement, death or permanent disability of a participant under the ESPP, or in the event of a Change of Control (as defined in the ESPP), all Subscribed Shares of such participant (or all participants in the case of a Change of Control), whether they had become unrestricted or not, shall automatically become unrestricted.

Transaction Plan

The Corporation implemented the Transaction Plan as a subset to the ESPP. The Transaction Plan is available to executive officers of the Corporation. The objectives of the Transaction Plan are, in addition to the general objectives of the ESPP, to promote retention of executive officers and to encourage executive officers to meet or exceed the shareholding guidelines adopted by the Corporation.

The Transaction Plan allows each executive officer participating in the ESPP to benefit from an additional contribution from the Corporation in an amount equal to such executive officer's contribution. The Corporation's contribution is made by the purchase of Voting Shares (the "**Allocated Shares**") on the secondary market at the closing price of the Voting Shares on the TSX on the date the Allocated Shares are purchased (the "**Market Price**"). An executive officer participating in the Transaction Plan shall subscribe to a number of Subscribed Shares for an aggregate subscription price equal to anywhere from 0% to 5% or anywhere from 0% to 10% (based on position level) of such executive officer's base salary.

Subscribed Shares and Allocated Shares will initially be placed in escrow and remain restricted, and Allocated Shares will also remain unvested. Subscribed Shares will become unrestricted (and therefore released from escrow) on January 1 of the third year following the calendar year in which they were subscribed. Allocated Shares shall vest (and therefore be released from escrow) as follows: (i) one third (1/3) of the number of Allocated Shares shall vest on the January 10 immediately following the end of the calendar year during which they were allocated, (ii) one third (1/3) of the number of Allocated Shares shall vest on the second of January 10 immediately following the end of the calendar year during which they were allocated, and (iii) one third (1/3) of the number of Allocated Shares shall vest on the third of January 10 immediately following the end of the calendar year during which they were allocated.

In the event of employment termination or resignation of a participating executive officer, all Allocated Shares allocated to such participating executive officer that have not yet vested shall be automatically lost and all of such participating executive officer's Subscribed Shares shall become automatically unrestricted (and therefore released from escrow). In the event of retirement, death or total or permanent disability of a participating executive officer, all Allocated Shares allocated to such participating executive officer shall automatically vest (and therefore released from escrow) and all of such participating executive officer's Subscribed Shares shall become automatically unrestricted.

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(and therefore released from escrow). In the event of a Change of Control (as defined in the Transaction Plan), all Allocated Shares shall automatically vest (and therefore released from escrow) and all Subscribed Shares shall become automatically unrestricted (and therefore released from escrow).

Transcapital Plan

The Corporation implemented the Transcapital Plan as a subset to the ESPP. The Transcapital Plan is available to eligible employees under the ESPP who (i) are non-unionized, (ii) hold a position with a salary level of seven (7) to 19 according to the classification system established by the Corporation, (iii) do not participate in the Transaction Plan, and (iv) have completed six (6) months of continuous service with the Corporation (the **"Transcapital Eligible Participants"**).

The Transcapital Plan allows each Transcapital Eligible Participant participating in the ESPP to benefit from an additional contribution from the Corporation. As for the Transaction Plan, the Corporation's contribution under the Transcapital Plan is made by the purchase of Allocated Shares on the secondary market at the Market Price. The Corporation's contribution shall be in an amount equal to 30% or 60% of the Transcapital Eligible Participants (based on position level), up to a maximum of 5% of the base salary. For clarity and in accordance with the ESPP, Transcapital Eligible Participants participating in the Transcapital Plan can subscribe to Subscribed Shares up to a total of 10% of their annual base salary, without, however, receiving a contribution from the Corporation under the Transcapital Plan for any Subscribed Shares subscribed for in excess of 5% of their base salary.

Subscribed Shares and Allocated Shares shall initially be escrowed, restricted and, in the case of Allocated Shares, unvested. Subscribed Shares shall become unrestricted (and therefore released from escrow) on the July 1st following the calendar year during which they were subscribed. Allocated Shares shall vest (and therefore be released from escrow) on the July 1st following the calendar year during which they were allocated.

In the event of employment termination or resignation of a participating Transcapital Eligible Participant, all Allocated Shares allocated to such participating Transcapital Eligible Participant that have not yet vested shall be automatically lost and all of such participating Transcapital Eligible Participant's Subscribed Shares shall become automatically unrestricted (and therefore released from escrow). In the event of retirement, death or disability of a participating Transcapital Eligible Participant, all Allocated Shares allocated to such participating Transcapital Eligible Participant shall automatically vest (and therefore released from escrow) and all of such participating Transcapital Eligible Participant's Subscribed Shares shall become automatically unrestricted (and therefore released from escrow). In the event of a Change of Control (as defined in the Transcapital Plan), all Allocated Shares shall automatically vest and all Subscribed Shares shall become automatically unrestricted (and therefore released from escrow).

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Questions?

For voting assistance or if you have questions relating to the annual and special meeting of the shareholders of Transat, please contact our proxy solicitation agent:

LAUREL HILL ADVISORY GROUP



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