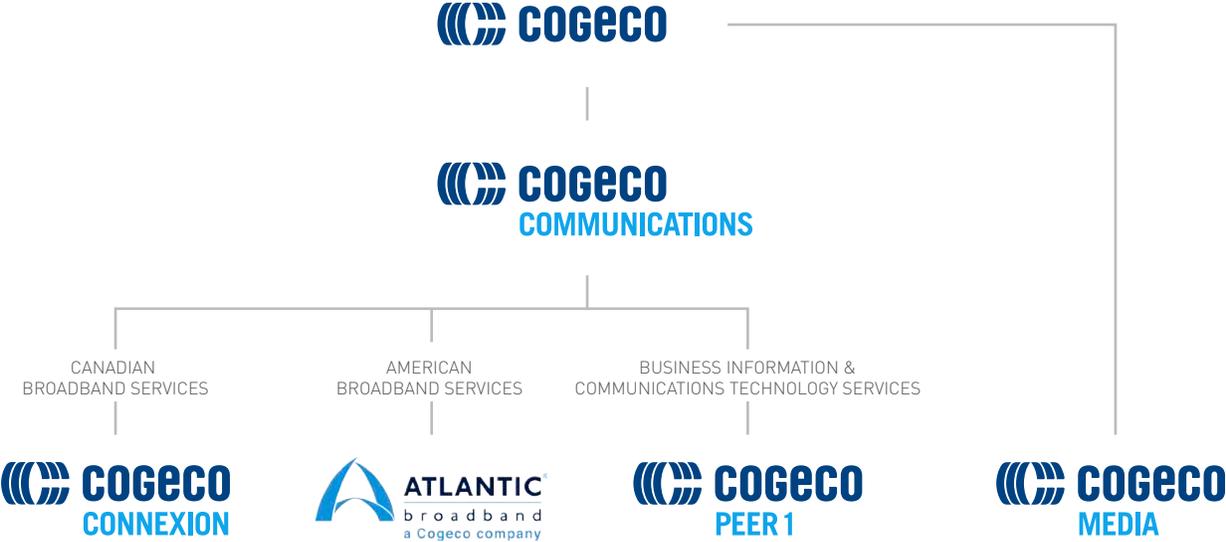


STATEMENT AGAINST SLAVERY, FORCED LABOUR AND HUMAN TRAFFICKING



BACKGROUND INFORMATION ON COGECO INC.



Cogeco Inc. is a diversified holding corporation which operates in the communications and media sectors. Through its Cogeco Communications Inc. subsidiary, Cogeco provides its residential and business customers with Internet, video and telephony services through its two-way broadband fibre networks. Cogeco Communications Inc. operates in Canada under the Cogeco Connexion name in Québec and Ontario, and in the United States under the Atlantic Broadband name in 11 states along the East Coast, from Maine to Florida. Through Cogeco Peer 1, Cogeco Communications Inc. provides its business customers with a suite of information technology services (colocation, network connectivity, hosting, cloud and managed services), through its 16 data centres, extensive FastFiber Network® and more than 50 points of presence in North America and Europe. Through its subsidiary Cogeco Media, Cogeco owns and operates 13 radio stations across most of Québec with complementary radio formats serving a wide range of audiences as well as Cogeco News, its news agency. Cogeco’s subordinate voting shares are listed on the Toronto Stock Exchange (TSX: CGO). The subordinate voting shares of Cogeco Communications Inc. are also listed on the Toronto Stock Exchange (TSX: CCA).

COGECO'S SUPPLY CHAIN

The Corporation, parent-company of Cogeco Peer 1, which has facilities located in the U.K., acknowledges the important role that suppliers play in its corporate social responsibility efforts, especially with regards to the environmental and social impacts of their activities. Cogeco has implemented a **Corporate Social Responsibility (CSR)** Policy which is designed to support the conduct of all its operations in a productive and sustainable manner. This Statement intends to focus specifically on the issues of Slavery, Forced Labour and Human Trafficking, in order to comply with the *UK Modern Slavery Act (2015)*. **Cogeco and Cogeco Peer 1 both have a Procurement Policy which refers to the Corporate Social Responsibility Policy. It states that if all parameters of the acquisition of goods and services are equivalent, it will favor suppliers that operate in accordance with environmental, social and ethical best practices.**

The Corporation wishes to engage in business with suppliers that demonstrate a strong commitment to sustainability and ethical behaviour. Given the globalized and complex dimension of its supply chain, there are various associated social, environmental and ethical risks that need to be addressed, especially with suppliers located in developing and emerging economies. **Our main supplier categories are network equipment, information technology equipment (including modems and set-top boxes), construction services and professional services.** Our suppliers do not change on a seasonal basis.



Cogeco demonstrates strong commitment to sustainability and ethical behaviour.

Cogeco's **Code of Ethics**, is applicable to all persons who form part of the Corporation and who contribute to its operations, image and reputation as well as to all consultants and sub-contractors. **Personal respect (which includes regards for fundamental rights) is the first principle of the Code of Ethics.**

Since October 2015, the Corporation has developed its **Supplier Code of Conduct**, which has been progressively implemented since fiscal 2016. **The Code defines our expectations for suppliers and encourages them to go beyond legal compliance drawing upon internationally recognized standards. We are making good progress towards the objective of having the Supplier Code of Conduct acknowledged by our top suppliers by 2018.**

Our *Supplier Code of Conduct* draws from the *Responsible Business Alliance (RBA) Code of Conduct (previously known as Electronic Industry Citizenship Coalition)* – although we are not members of the RBA. In line with the United Nations Guiding Principles on Business and Human Rights, **the expectations and principles in this Code are derived from key international human rights standards** including the International Labour Organization Declaration on Fundamental Principles and Rights at Work, and the United Nations Universal Declaration of Human Rights. The Code covers Cogeco's stance on aspects such as **Humane Treatment, Non-Discrimination, Forced or Compulsory Labour, Child Labour, Equal Remuneration, Reasonable Working Hours, etc.**



Cogeco's Supplier Code of Conduct upholds Human Rights for all people.

With regards to Forced and Compulsory Labour, the Supplier Code of Conduct clearly stipulates that:

"It is prohibited to hold an employee in servitude, slavery and to take part in human trafficking. There shall be no unreasonable restrictions on workers' freedom of movement in their work environment in addition to unreasonable restrictions on entering or exiting company-provided facilities. Workers should be provided with an employment agreement and documents in their mother tongue, including a description of terms and conditions of employment, and they should be allowed to keep their identification papers and work permit. Employees should have the liberty to voluntarily begin and end their employment freely and should not be bound by a debt to the employer or to a third party."

With regards to Child Labour, our Code clearly stipulates that:

"Suppliers are forbidden to use child labour in any stage of manufacturing. The term "child" is defined as someone who would be under the age of 15, or under the age of compulsory education, or under the minimum legal age of employment, whichever is higher. Furthermore, no hazardous work should be performed by employees under 18 years of age."

DUE DILIGENCE / PERFORMANCE MONITORING

At Cogeco Connexion, our largest business unit representing about 60% of our workforce and revenues, suppliers' social standards are evaluated through a checklist that we ask them to complete during Request for Proposal (RFP) processes. Responses to the CSR checklist questions are evaluated based on their relevance and account for a total between 5 to 10% of the total points associated to RFPs.

Cogeco reserves the right to review or assess Supplier's adherence to the Code. Suppliers are to promptly respond to requests for information from Cogeco regarding matters covered by this Code. These may include surveys, questionnaires, requests for supporting documentation and other measures intended to increase visibility into our supply chain.

As communicated in our Supplier Code of Conduct, as well as in our Code of Ethics, anyone who witnesses a situation of non-compliance to the Supplier Code of Conduct can report said situation by contacting our Ethics Line managed by an independent third-party partner (ClearView). **All reports are confidential and anonymous** and are sent to our Internal Audit team which investigates accordingly. **People who report in good faith are protected from dismissal or any other form of retaliation.** To date, we have never received a report regarding a situation of non-adherence to the Supplier Code of Conduct involving one of Cogeco's suppliers.

The Corporate Social Responsibility team keeps the Corporate Governance Committee of the Board of Directors apprised of the implementation of the Supplier Code of Conduct. The Supplier Code of Conduct is reviewed on a periodic basis, not exceeding every five years, in order to ensure it remains current and relevant and integrates new and evolving issues pertaining to our supply chain.

ACCOUNTABILITY

The Code of Ethics is approved by the Board of Directors and the Supplier Code of Conduct is approved by the Corporate Governance Committee of Cogeco Inc. The Corporate Social Responsibility Team has the responsibility for implementing and monitoring compliance with the Supplier Code of Conduct.

PROGRESS MADE IN THE LAST REPORTING YEAR

In the last year, Procurement teams were provided training on the Supplier Code of Conduct. **The Procurement teams have also focused on meeting Cogeco's objective to have its top suppliers acknowledge the Code of Conduct by the end of fiscal 2018.**

Across the organization, as of December 2017, a total of **41 suppliers** have acknowledged the Code of Conduct, representing **53%** of our top suppliers.

OUR CSR COMMITMENT

We will implement our Supplier Code of Conduct with our top suppliers by 2018. We will assess adherence to the Code each year using a sampling approach.

GOING FORWARD

The Corporation will continue to concentrate its efforts on communicating the Supplier Code of Conduct to its top suppliers to achieve the 2018 objective. It will also seek to develop and implement measures to assess and identify the risk of forced labour and human trafficking in its supply chain. **The Corporation will seek ways to further improve its processes over time and keep track of the trends and dynamics of this evolving issue.**

LOUIS AUDET

President and CEO

Cogeco Inc. and Cogeco Communications Inc.

Links to corporate documents :

- [Code of Ethics](#)
- [Supplier Code of Conduct](#)
- [Corporate Social Responsibility Policy](#)
- [Corporate Social Responsibility Report](#)