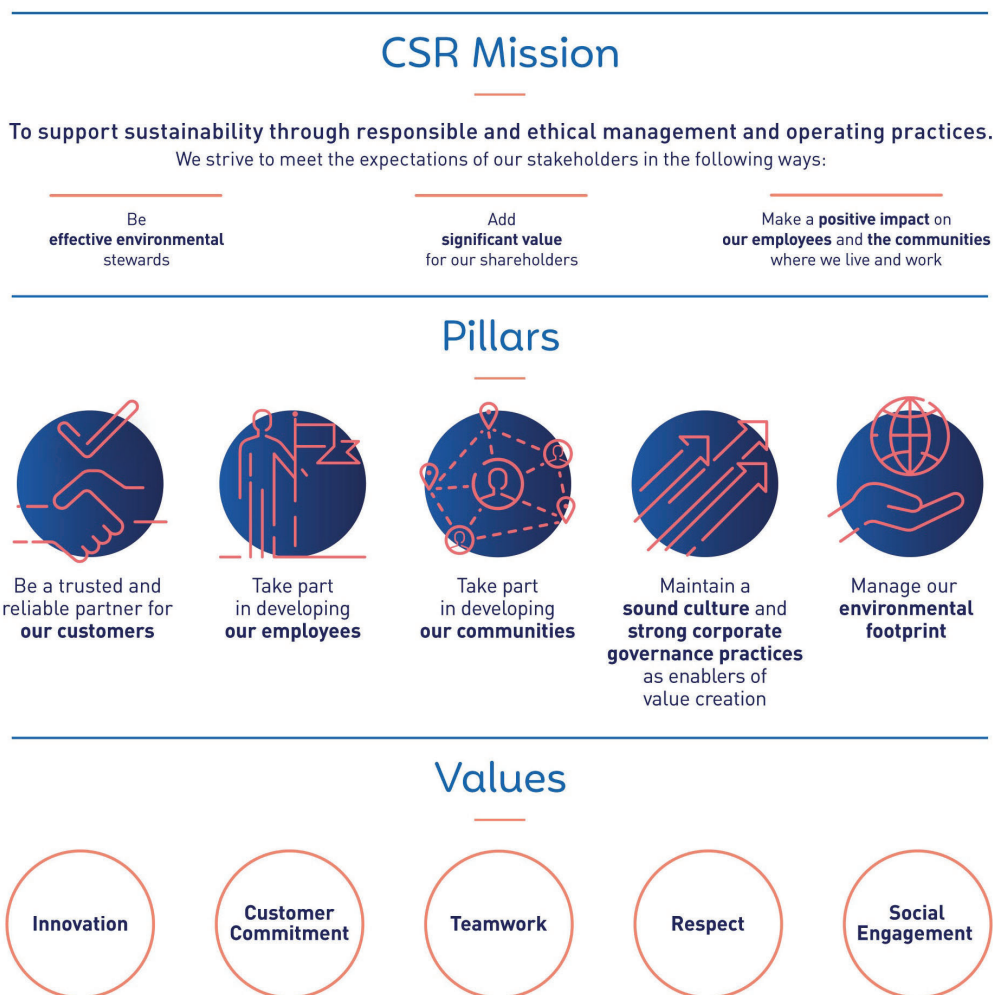


12. CORPORATE SOCIAL RESPONSIBILITY PROGRAM

12.1 OVERVIEW

The Corporation has designed a corporate social responsibility ("CSR") program aimed at operating responsibly and sustainably and being a good corporate citizen. Concretely, this means we seek to integrate practices which improve the environmental and social impacts of our operations while ensuring the Corporation's continued growth. The CSR program integrates our corporate social responsibility objectives articulated around five pillars:



12.2 CSR GOVERNANCE

The CSR function is under the purview of the CSR Steering Committee that reports twice per year to the Corporate Governance Committee of the Board of Directors. The CSR Steering Committee, which is composed of executives from all business units, is responsible for reviewing the CSR Policy, identifying top risks, setting objectives and ambitions and monitoring CSR performance.

The CSR function is held at a corporate level and is headed by the Vice President, Enterprise Strategy and Social Responsibility who is responsible for the roll-out of corporate strategies and initiatives to promote the CSR principles and ultimately support the conduct of business in a socially responsible and ethical manner. Executives hold the business units accountable for implementing the initiatives and strategies defined by the CSR Steering Committee, including their business unit specific CSR action plans. The CSR team facilitates the integration of all business units' CSR initiatives.

The Corporation's CSR Policy, Code of Ethics and Supplier Code of Conduct together form the framework of our CSR Program.

12.3 SUSTAINABLE DEVELOPMENT GOALS

In our continued effort to drive long term corporate sustainability and contribute to a better and more sustainable future for all, Cogeco has started to review the alignment of our CSR strategy with the United Nations' ("UN") Sustainable Development Goals ("SDGs"). The SDGs are a universal call to action to end poverty, protect the planet and improve the lives and prospects of everyone, everywhere. The 17 Goals were adopted by all UN Member States in 2015, as part of the 2030 Agenda for Sustainable Development which set out a 15-year plan to achieve the Goals⁽¹⁾. 2020 marked the 5th anniversary of the adoption of the SDGs. The 17 SDGs articulate the world's most pressing environmental, social and economic issues and are outlined as follows:

THE GLOBAL GOALS For Sustainable Development



Our CSR goals serve as a means to do our part to make progress towards achieving the SDG targets most relevant to our business.

12.4 FISCAL 2020 HIGHLIGHTS

To support the achievement of our CSR goals, we have developed key performance indicators for environmental, social and governance ("ESG") objectives. During fiscal 2020, key initiatives of the CSR Program were rolled-out to our business units, namely Atlantic Broadband, Cogeco Connexion and Cogeco Media. Below are some examples of the CSR initiatives that were deployed in fiscal 2020 and how they currently align with the SDGs.

ENVIRONMENTAL HIGHLIGHTS

Our environmental initiatives and targets support progress towards SDG 13: Climate action; SDG 7: Clean energy; SDG 12: Responsible consumption and production; and SDG 8: Economic growth with improved resource efficiency.



(1) <https://www.un.org/sustainabledevelopment/development-agenda/>

ACCOMPLISHMENTS

- 34% reduction of our Greenhouse Gas ("GHG") emissions on a per revenue basis compared to fiscal year 2014, surpassing our initially set commitment of 10%. Having surpassed our target one year early, we are in the process of setting a new, longer term, more aggressive emissions reduction target in line with climate science;
- We continued to measure and track our GHG emissions from all of the Corporation's business units and we implemented various energy efficiency measures as part of our energy management strategy. Measures put in place include the installation of centrally controlled thermostats with updated temperature control settings, heating, ventilation and air conditioning ("HVAC") replacements, new airflow containment design, LED lighting retrofits, and DC plants rectifier upgrades;
- We began implementation of our strategy to reduce emissions from the consumption of electricity by investing in renewable energy, purchasing over 8,100 MWh of clean energy through Renewable Energy Certificates;
- We tackled reduction of emissions from our vehicle fleet on multiple fronts. We replaced 130 vehicles (representing approximately 10% of the Corporation's fleet) with more energy efficient ones. In addition, to support our longer term vehicle fleet electrification strategy, we implemented a policy that includes replacing any smaller vehicles at the end of their life with hybrid or electric vehicles. In fiscal 2020, we purchased 23 hybrid vehicles, and invested in two hybrid systems for our service vans to test the feasibility of their use in reducing fuel consumption and emissions. Also, in September 2019, Cogeco Media was one of only 30 companies selected to test a fleet of electric cars as part of the Innovative Vehicle Institute Rechargeable Fleet Project;
- Cogeco Connexion voluntarily purchased carbon offsets to cover some of its GHG emissions from fiscal 2020 (200 tons of CO₂e). The offsets purchased are Gold Standard and will fund the Siam Solar Energy project in Thailand, as well as sensitive natural habitat restoration projects in Québec;
- We published our eighth CDP (formerly "Carbon Disclosure Project") report;
- We diverted more than 295,000 kilos of electronic waste from landfill during fiscal year 2020, and had an e-waste management strategy in place for 100% of Customer Premise Equipment (CPE) and office equipment at our facilities;
- Approximately 20% of the Corporation's facilities underwent environmental assessments. No significant adverse impact on the environment was identified as a result of that exercise;
- We continued our implementation of the Canadian Energy Efficiency Voluntary Agreement ("CEEVA"). This agreement, developed by Canadian telecommunications companies together with Natural Resources Canada, intends to limit the energy consumption of set-top boxes provided to our customers. With this agreement in place, it is expected that the total annual energy consumption in Canada, with the telecommunications companies' contribution, including Cogeco Connexion, will be reduced and annual carbon dioxide emissions will be cut by over 100,000 tons. This is equivalent to the emissions of over 44,000 sub-compact new vehicles driving 15,000 km/year. By the end of fiscal 2020, 86% of set-top boxes purchased in Canada by Cogeco Connexion complied with the CEEVA standards. In addition, though not a signatory of the corresponding U.S. Voluntary Agreement (USVA), 55% of set-top boxes purchased in the U.S. by Atlantic Broadband complied with the USVA standards;
- During the process of moving the Montréal head office to a new building, four Eco centres and a 5,000 square foot temporary sorting center were put in place to collect, sort and package surplus office supplies and equipment. The efforts resulted in the donation of more than three truckloads of material to organisations such as Habitat for Humanity, Regroupement Partage, Computers for Success and Renaissance. The majority of old office furniture was resold and refurbished. In total, more than 95% of all surplus material was diverted from waste disposal sites.

SOCIAL HIGHLIGHTS

Our social initiatives support progress towards SDG 3: good health and well-being; SDG 5: gender equality; SDG 8: Decent Work; and SDG 11: Sustainable cities and communities.



ACCOMPLISHMENTS

- We donated over \$12.6 million in cash and in-kind donations during fiscal year 2020, representing 2.4% of Cogeco's pre-tax profit. We also offered air time for fundraising purposes to several organizations in our communities and territories. Our principal focus areas are culture, education and entrepreneurship, health and well-being, environment, connectivity, diversity and inclusion;
- Our workplace-related incident rate remained below industry averages in the jurisdictions where we operate;
- 37% of managerial level positions in fiscal 2020 were held by women, surpassing our goal of reaching 35% by 2021;
- We improved our global workforce engagement score by 12% during fiscal 2020 vs 2019;
- Participating employees of Cogeco Connexion volunteered 2,335 hours during the first year of the employee community involvement program launched in fiscal 2019;
- We partnered with Computers for Success Canada to donate used technology in order to support the program's intent to deliver improved access to technology for Canadians at risk of digital exclusion. During fiscal 2020, we donated more than 200 units to Computers for Success Canada.

GOVERNANCE HIGHLIGHTS

Our high corporate governance standards and initiatives support progress towards SDG 5: gender equality; SDG 8: Decent work and economic growth; and SDG 16: Peace, Justice and strong institutions.



ACCOMPLISHMENTS

- We remained in the top tier of family-controlled dual-class companies listed on a Canadian stock exchange according to the Globe and Mail's Board Games;

95% of new and current employees are trained on the Corporation's Code of Ethics;

- Overall, considering both Cogeco Communications and Cogeco, 53% of our Board of Directors members are women;
- We achieved our goal to have 100% of our top suppliers acknowledge the Corporation's Supplier Code of Conduct or meet our CSR standards through their own code of conduct;
- As part of the purchasing process, we continued to include CSR criteria in the Request for Proposal process. In fiscal 2020, during the selection of suppliers for furniture for the new Montréal head office, increased weight was given to sustainability criteria such as the product life cycle, location of manufacturing, material composition and disposal management.

For more information on our initiatives and our performance, please refer to the latest CSR Report, which was published in February 2020. It should be noted that the Corporation will also provide annual updates relative to its CSR program and related commitments directly on the Corporation's website at corpo.cogeco.com.

RECOGNITIONS

The Corporation's CSR program and related initiatives were recognized during fiscal 2020 as follows:

- For the third consecutive year, Cogeco Communications was named to Corporate Knights' Best 50 Corporate Citizens in Canada;
- Cogeco Communications is ranked among the World's 100 Most Sustainable Corporations by Corporate Knights;
- Cogeco Communications received the ISS Quality Score environmental badge, which recognizes our environmental disclosure practices;
- Cogeco Communications continues to be part of the *Jantzi Social Index*, consisting of 50 Canadian companies that passed a set of broadly based environmental, social and governance rating criteria;
- Cogeco is part of Forbes' prestigious Canada's Best Employers for 2020;
- Cogeco received the Caring Company Certification from Imagine Canada. This certification recognizes outstanding leadership in community investment and social responsibility in Canada;
- Cogeco was recognized as one of the companies at the forefront of having women in leadership positions, making the first annual Globe and Mail Women Lead Here listing in 2020.

12.5 DRIVING CSR THROUGH DIGITAL TRANSFORMATION

April 2020 marked the 50th anniversary of Earth Day, a unified response to an environment in crisis. Cogeco took this opportunity to highlight to employees how digital transformation can connect people, the planet and technology to drive social and environmental benefits. According to the "SMARTer 2030 ICT Solutions for 21st Century Challenges" by GeSI and Accenture report, the use of information and communications technologies ("ICT") could result in the avoidance of emissions representing almost 10 times those generated by the ICT sector. ICT, including products from the telecommunications industry, can enable a 20% reduction in global carbon emissions by 2030, holding emissions at 2015 levels. Cogeco is helping to dematerialize the economy by virtualizing services replacing higher-emission products or services with lower-emission ones.

Some key initiatives undertaken in fiscal 2020 to leverage digital solutions in achieving CSR goals included:

- Providing access to affordable Internet services to almost 3,000 low income families through Atlantic Broadband's Internet Assist program and Cogeco Connexion's participation in Canada's Connecting Families program;
- Using telematics devices that monitor driver behavior as well as other metrics related to vehicle performance to help drive fuel efficiency and reduce GHG emissions from our fleet. In fiscal 2020, the continued deployment of these devices resulted in over 90% of our fleet being connected;
- Providing customers with digital tools to allow self-installation and self-swap of Cogeco's products. These self-install capabilities bypass the need for appointments and technician visits, and are more convenient for customers. They also reduce the fuel consumption and GHG emissions from our fleet. In fiscal 2020, self-installs and self-swaps resulted in a reduction of over 225,000 truck rolls and approximately 2,400 tonnes of GHG emissions avoided;
- Continuing our migration to paperless billing, resulting in over 56% of customers receiving electronic bills at the end of fiscal year 2020.