



**Independent limited assurance report on selected
subject matter areas presented within the Cogeco Inc.'s
Fiscal 2021 Greenhouse Gas Emissions Report**

Prepared in accordance with:

International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements ('ISAE 3410')

The contents of this report are strictly confidential, and its use is restricted. Unauthorized use of this report, in whole or in part, is strictly forbidden.

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Independent practitioner’s limited assurance report on the Cogeco Inc. Fiscal 2021 Selected KPIs

Fiscal 2021 Greenhouse Gas Emissions Report

To the Board of Directors and Management of Cogeco Inc.

We have undertaken a limited assurance engagement of the following selected key performance indicators (the “subject matter”), presented in the accompanying Cogeco Inc.’s Fiscal 2021 Greenhouse Gas Emissions Report.

Scope and subject matter

Our limited assurance engagement was performed on the following indicators for the reporting period from September 1, 2019 to August 31, 2020 and September 1, 2020 to August 31, 2021:

Selected Key Performance Indicators	Unit	2020 value (Restated)	2021 value
Scope 1 emissions from fleet fuel consumption	Tonnes CO ₂ e	8 933	8 096
Scope 1 emissions from Natural Gas consumption	Tonnes CO ₂ e	N/A	829
Scope 2 emissions from electricity (location based)	Tonnes CO ₂ e	15 613	15 037
Scope 2 emissions from electricity (market based)	Tonnes CO ₂ e	12 841	11 759
Energy from fleet fuel consumption	Mwh	36 810	33 386
Energy from Natural Gas consumption	Mwh	N/A	4 524
Energy from electricity consumption	Mwh	133 129	133 536

We were not engaged to report on trends, variances and any other additional information not specifically mentioned in the table above.

The organizational boundaries and the applicable criteria for the determination of these metrics have been disclosed in Cogeco Inc’s Fiscal 2021 Greenhouse Gas Emissions Report included in Section II.



Management's responsibility

Management is responsible for preparation of the subject matter following the methodology outlined in Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition), the GHG Protocol Scope 2 Guidance, and internally developed criteria applied as explained in the Cogeco Inc.'s Fiscal 2021 Greenhouse Gas Emissions Report, included in Schedule 1 attached. Management is also responsible for selecting the applicable criteria used. Management is also responsible for such internal control as management determines necessary to enable the preparation of the subject matter that is free from material misstatement, whether due to fraud or error.

Inherent Uncertainty

Non-financial data is subject to more inherent limitations than financial data, given both the nature and the methods used for determining, calculating, sampling or estimating such data. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgments.

Greenhouse Gas quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our responsibility

Our responsibility is to express limited assurance conclusion on the subject matter based on the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standards on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements ("ISAE 3410"), issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the subject matter is free from material misstatement.

A limited assurance engagement involves performing procedures (primarily consisting of making inquiries of management and other within the entity, as appropriate, and applying analytical procedures) and evaluating the evidence obtained. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of our report. The procedures are selected based on our professional judgment, which includes identifying areas where the risks of material misstatement, whether due to fraud or error, in preparing the subject matter in accordance with the applicable criteria are likely to arise.

The extent of our procedures included but was not limited to inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records. Given the circumstances of the engagement, in performing the procedures listed above we:

- Through inquiries, obtained an understanding of Cogeco's control environment and information systems relevant to GHG emissions quantification and reporting;
- Evaluated whether Cogeco's methods for developing estimates are appropriate and had been consistently applied. However, our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate Cogeco's estimates;



- Reconciled the data back to underlying records for a limited sample of items for the selected subject matter;
- Reviewed the selected subject matter disclosure to ensure consistency with the evidence obtained.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement and, consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our independence and quality control

We have complied with the relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Canadian Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements* and, accordingly, maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Cogeco Inc.'s selected key performance indicators during the year ended 2020 and 2021 are not prepared, in all material respects, in accordance with the applicable criteria.

Purpose of statement and restriction on distribution and use of our report

The subject matter has been prepared in accordance with the applicable criteria for the Board of Directors and Management of Cogeco Inc. to assist Management in reporting on the Company's performance and activities. As a result, the subject matter may not be suitable for another purpose. Our report is intended solely for the use of Cogeco Inc. We neither assume nor accept any responsibility or liability to any third party in respect of this report.

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A handwritten signature in black ink that reads "PricewaterhouseCoopers LLP".

Partnership of Chartered Professional Accountants

Montréal (Québec)
February 11th, 2022

¹ CPA auditor, CA, public accountancy permit No. A113424

SCHEDULE 1: Cogeco Inc. Fiscal 2021 Greenhouse Gas Emissions Report

Cogeco Inc. Fiscal 2021 Greenhouse Gas Emissions Report

Introduction

This Cogeco Inc. (hereafter 'Cogeco') fiscal 2021 Greenhouse Gas (GHG) emissions report was prepared following the methodology outlined in the Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard (Revised Edition) and the GHG Protocol Scope 2 Guidance, and is supporting management to report Cogeco's GHG emissions to the CDP and other corporate disclosures.

Using a Financial control approach, Cogeco Inc. has determined its GHG emissions and energy consumption for the fiscal year ended August 31, 2021 as outlined in the following table:

Scope	GHG sources	Fiscal 2020*		Fiscal 2021	
		GHG (tCO2e)	Energy (MWh)	GHG (tCO2e)	Energy (MWh)
1	Fleet fuel consumption	8 933	36 810	8 096	33 386
1	Canadian natural gas consumption	NA	NA	829	4 524
2	Electricity (market based)	12 841	133 129	11 759	133 536
2	Electricity (location based)	15 613	133 129	15 037	133 536

*Please note the fiscal 2020 energy consumption and emissions from the use of electricity were restated to reflect updated data for Ontario.

Methodology and Assumptions

Fleet Fuel Scope 1 emissions

These emissions were calculated based on the actual volumes of fuel consumed by Cogeco's vehicle fleet as follows:

- In both Canada and the U.S., each vehicle in Cogeco's fleet is assigned a credit card to be used for fueling the vehicle. Each time a driver puts fuel in his/her vehicle, he/she uses the card tied to that vehicle.
- For both Canada and the U.S., credit card information including fueling transaction date, volume of fuel, type of fuel and cost of fuel is transferred electronically to the ARI Insights system from which Cogeco employees can run queries and pull reports to summarize fuel consumption data within a specified time frame.
- Volumes of fuel consumed (liters in Canada and gallons in the U.S.) in fiscal 2021 by fuel type (regular gasoline, diesel and ethanol blend) were extracted from the fuel data in ARI.
- Emissions were calculated by multiplying these fuel volumes by the appropriate fuel type mobile combustion emission factor. Canadian fuel emission factors were taken from the Environment

Canada National Inventory Report (National Inventory Report 1990- 2019: Greenhouse Gas Sources and Sinks in Canada, Part 2). U.S. fuel emission factors were taken from the Environmental Protection Agency (EPA) GHG emission factors hub (April 2021).

- The total emissions, in tonnes of CO₂ equivalent, were then calculated by multiplying the masses of each gas (N₂O, CH₄ and CO₂) by its global warming potential (GWP) and summing them. GWPs used are from the IPCC Fourth Assessment Report, 2007, consistent with what is used in national GHG inventories reported by both Canada and the U.S. (GWP of CO₂ = 1, GWP of CH₄ = 25 and GWP of N₂O = 298).

Fleet fuel energy consumption

The energy consumption in MWh related to fuel consumed by Cogeco's vehicle fleet was calculated as follows:

- As described above, volumes of fuel consumed (liters in Canada and gallons in the U.S.) in fiscal 2021 by fuel type (regular gasoline, diesel and ethanol blend) were extracted from the fuel data in ARI.
- Fuel liters were then converted to MWh following the methodology outlined in the CDP Technical Note: Conversion of fuel data to MWh. First, liters of fuel were converted to kg using the typical values for density by type of fuel provided in Table 2. Next, kilograms of fuel were converted to TJ of energy using the Higher Heating Values by type of fuel in Table 1. Finally, TJ were converted to MWh using the standard conversion factor of 277.78 MWh per TJ.

Canadian natural gas Scope 1 emissions

These emissions were calculated based on the actual volumes of natural gas consumed in Cogeco's Canadian facilities (Ontario and Quebec) as follows:

- Natural gas consumption data was collected directly from the utility companies in Quebec and Ontario.
- Emissions were calculated by multiplying the volumes of natural gas consumed by province by the corresponding provincial emission factor for the combustion of natural gas. The emission factors were sourced from the Environment Canada National Inventory Report (National Inventory Report 1990- 2019: Greenhouse Gas Sources and Sinks in Canada, Part 2).

Canadian natural gas energy consumption

The energy consumption in MWh related to fuel consumed by Cogeco's Canadian natural gas consumption was calculated as follows:

- As described above, volumes of natural consumed (m³) in fiscal 2021 were obtained from the utility companies.
- Natural gas m³ were then converted to MWh following the methodology outlined in the CDP Technical Note: Conversion of fuel data to MWh. First, m³ of natural gas were converted to kg using the typical values for density by type of fuel provided in Table 2. Next, kilograms of natural gas were converted to TJ of energy using the Higher Heating Values by type of fuel in Table 1. Finally, TJ were converted to MWh using the standard conversion factor of 277.78 MWh per TJ.

Electricity energy consumption

Scope 2 emissions and electricity consumption for Cogeco power supplies and facilities were calculated as follows:

United States electricity consumption

- Electricity consumption data was collected from utility companies on Cogeco's behalf by a third party (Saras Partners).
- If a full year (12 months) of data was not available from the utility company, estimates were calculated as follows: (1) The number of days for the months with electricity consumption data was totaled (these days were obtained from the electricity invoice data). (2) The total kwh for these days was also totaled. (3) From these totals, an average kwh consumption per day was calculated. (4) This average was multiplied by 365 days to obtain an estimate of consumption for the year.

Canadian electricity consumption

Quebec

- Cogeco's main electricity provider in Quebec is Hydro Québec (approximately 95% of the assured electricity consumption)
- Electricity consumption for metered accounts was obtained directly from the Hydro Québec website via a feature that allows customers to download invoice data, including billing dates and consumption kwh, based on contract number.
- Because invoice timing may include consumption outside of the fiscal year, consumption data was adjusted to reflect the fiscal year based on the billing dates (i.e. a factor is calculated by dividing the number of days within the fiscal year by the number of days in the invoice period and then applied to the total consumption).
- Electricity consumption for unmetered accounts (power supplies) was calculated using the contracted energy consumption agreed upon with Hydro Québec based on the type of equipment attached to the power supply.
- Electricity consumption from utilities other than Hydro Québec (approximately 5% of the assured electricity consumption - Ville d'Alma, Ville de Magog, Hydro Sherbrooke, Ville de Baie Comeau, and Coop d'électricité St Jean) was obtained by contacting the utility companies directly for the information.

Ontario

- Electricity consumption data for facilities (including offices, studios, headends, etc.) in Ontario was collected on Cogeco's behalf by a third party (ECNG) directly from the utility companies.
- ECNG provides Cogeco with a file on an annual basis, summarizing monthly kwh consumption in Ontario by utility company and account.
- Electricity consumption for Cornwall was collected separately from the utility company by Cogeco (not included in ECNG's consumption data).
- Estimates based on the average annual consumption for the type of facility were used for 2 locations not included in the ECNG file and for which consumption data could not be obtained directly from the utility company.
- Power supply electricity consumption was calculated using data provided by the Network Operations group. In some cases, where consumption data was not available in the file provided, the average annual power consumption per power supply by town was used.

Scope 2 location-based emissions

- To calculate location-based Scope 2 emissions, energy consumption numbers were summarized by province and state and then converted to estimated CO₂e emissions using average emission factors for the province or state. Canadian average emission factors were sourced from the National Inventory Report - (1990-2019 - part 3, Annex 13). U.S. emission factors were sourced from the eGrid2019 edition, state annual CO₂ equivalent total output emission rate (kg/MWh).

Scope 2 market-based emissions

- To calculate market-based Scope 2 emissions, renewable MWh purchased in the U.S. were allocated to Cogeco's energy consumption in the U.S. based on each state's share of total non-renewable energy consumption.
- The energy consumption numbers were summarized by province and state and then converted to estimated CO₂e emissions using the following hierarchy for emission factors: (1) supplier-specific emission factors were applied where available (2) where no supplier-specific emission factors were available, average emission factors for the province or state were applied. Canadian average emission factors were sourced from the National Inventory Report - (1990-2019 - part 3, Annex 13). U.S. emission factors were sourced from the eGrid2019 edition, state annual CO₂ equivalent total output emission rate (kg/MWh).
- Renewable energy certificates and Green utility tariffs: In fiscal 2021, Cogeco invested in renewable energy through the purchase of Renewable Energy Certificates and the switch to Green Utility Tariffs in Virginia and Maine. Total renewable MWh purchased in fiscal 2021 were 11,624 MWh. These certificates were used to calculate market-based Scope 2 emissions as per the methodology outlined in the GHG Protocol Scope 2 Guidance, assuming an emission factor of 0 (as per information provided by the suppliers of the Renewable Energy Certificates).

Exclusions

This GHG report covers 97% of our scope 1 and scope 2 (market-based) emissions. Exclusions from the Fiscal 2021 Greenhouse Gas Emissions Report are as follows:

- Fleet fuel and electricity consumption related to the acquisition of DERYtelecom which was completed partway through fiscal 2021 on December 14, 2020. Per our GHG restatement policy, DERYtelecom will be integrated into our GHG inventory following the availability of one full fiscal year of fuel and electricity consumption data.
- Emissions from natural gas consumption in the U.S., as well as emissions from other fuels used in our facilities, estimated at approximately 3% of our total scope 1 and 2 emissions.
- In the case of U.S. electricity consumption, the following exclusions were made:
 - There were some smaller sites (facilities) where no data could be obtained from the utility companies. These were also excluded, but the electricity consumption at these sites would not materially impact the final GHG emissions totals.
- Electricity consumption for Cogeco Media was excluded from the Fiscal 2021 Greenhouse Gas Emissions Report. This consumption represents approximately 0.01% of Cogeco's total Scope 1 and 2 (market-based) emissions.

References

Canada's National Inventory Report

<https://www.canada.ca/en/environment-climate-change/services/climate-change/greenhouse-gas-emissions/inventory.html>

U.S. EPA GHG emission factors hub

<https://www.epa.gov/climateleadership/ghg-emission-factors-hub>



U.S. EPA egrid 2019 data

<https://www.epa.gov/energy/emissions-generation-resource-integrated-database-egrid>

CDP Technical Note: conversion of fuel data to Mwh

<https://b8f65cb373b1b7b15feb->

c70d8ead6ced550b4d987d7c03fcdd1d.ssl.cf3.rackcdn.com/cms/guidance_docs/pdfs/000/000/477/original/CDP-Conversion-of-fuel-data-to-MWh.pdf?1479755175