We have the world in common

COGECO

A world of
your **very own**

Table of contents

CSR at Cogeco

Message to our stakeholders

Over the last two years, Cogeco has experienced significant change and transformation across the organisation. A new President & Chief Executive Officer, the divestment of Cogeco Peer 1 and the expansion of our Atlantic Broadband and Cogeco Media operations, through acquisitions, are some of the key highlights of our ongoing transformation.

The one element that has not changed is our longstanding commitment to our Corporate Social Responsibility ("CSR") Program. We continue to invest in and strengthen our CSR program, ensuring the company operates responsibly and sustainably, while being a good corporate citizen. This is fundamentally part of our culture and DNA. Also, our CSR program is considered an important component of our enterprise growth strategy.

Our CSR program is driven by a set of commitments that are aligned to our CSR pillars covering environmental, social and governance (ESG) objectives. We monitor our performance from an ESG perspective based on key performance indicators that are reviewed on a regular basis to ensure continued relevance. During fiscal 2019, key initiatives of our CSR Program were rolled-out to all our business units, namely Atlantic Broadband, Cogeco Connexion and Cogeco Media.

We achieved remarkable progress, during fiscal 2018 and 2019, with peer acknowledgement and the granting of various awards. We were particularly proud to be named among the World's 100 Most Sustainable Corporations by Corporate Knights in January 2020. This international recognition is a testimonial to the success of our ongoing efforts to include high ESG standards into our daily business decisions. Cogeco will continue to lead by example and always consider what is best for all its stakeholders, including its communities and society.

Improving Cogeco's CSR Governance

Some of the significant changes from a CSR Governance perspective are as follows:

> We reviewed our CSR policy and our CSR commitments in 2019 to ensure proper alignment to our core values and our enterprise strategic priorities.
> We integrated sustainability pay link - health and safety, employee engagement and customer service - into Cogeco's executive variable compensation plan.
> We created the Vice Presidency of Enterprise Strategy and Social Responsibility. This is a major milestone which will further support the embedding of CSR within our strategy and daily functions.

Creating Value for our Stakeholders

Our mission at Cogeco is simple. We aim to create value for our stakeholders by connecting people, businesses and institutions to the digital world, through our advanced broadband networks and services and also our radio stations that reach 5.4 million listeners.

We serve over 1,200 North American communities, invest more than $430 million annually in our markets, provide more than 4,500 stable and well-paid jobs as well as top quality customer service, fast Internet connections and top quality radio programming content. We strive to maintain strong relationships with our communities and we are dedicated to the social, cultural and economic growth of these communities. Through our social outreach in 2019, we supported over 700 community non-profit organizations with over $13 million in cash, in-kind donations and sponsorships, including air time for fundraising needs.

Cogeco also strives to have a more global impact on society. As a result, in August 2019, we agreed to be part of the Business for Inclusive Growth coalition. In total, 34 leading multinationals agreed to join forces to tackle inequality and promote diversity in their workplaces and supply chains. Cogeco is one of two Canadian organizations that joined this coalition.

Through a partnership with Computers for Success, Cogeco also supports social efforts for digital inclusion, and through The Connecting Families initiative of the Government of Canada, we offer affordable Internet to Québec and Ontario's low-income families.

Environmental Impact

We also achieved good progress on the environmental front as follows:

> We continued to focus on reducing our GHG emissions by deploying energy efficiency projects across our facilities and vehicle fleet.
> In fiscal 2019, we diverted 163,095 kilos of electronic waste from landfills which underlies our commitment to prioritizing electronic waste management.
> We continued our efforts in encouraging customers to use e-bills, and have significantly increased the percentage of customers receiving e-bills.

Conclusion

This CSR report covers our key CSR topics following the conduct of a stakeholder engagement exercise. We have expanded on important facts and information regarding our customers, including how we approach them and how we are able to deliver a superior experience. We have also expanded on data privacy, data security and business continuity.

And of course, as a shining example of our commitment to reduce paper consumption, this report comes in a new online format that is more flexible and dynamic for readers.
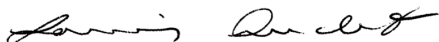
Enjoy the read. Enjoy the discovery. We look forward to your feedback.

Philippe Jetté
President and CEO
Cogeco Inc. and Cogeco Communications Inc.

Louis Audet
Executive Chairman of the Board
Cogeco Inc. and Cogeco Communications Inc.

Profile

Cogeco Inc. is a diversified holding corporation which operates in the communications and media sectors. Its Cogeco Communications Inc. subsidiary provides residential and business customers with Internet, video and telephony services through its two-way broadband fibre networks, operating in Québec and Ontario, Canada, under the Cogeco Connexion name, and in the United States under the Atlantic Broadband brand. Its Cogeco Media subsidiary owns and operates 23 radio stations with complementary radio formats and extensive coverage serving a wide range of audiences mainly across the province of Québec, as well as Cogeco News, a 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).
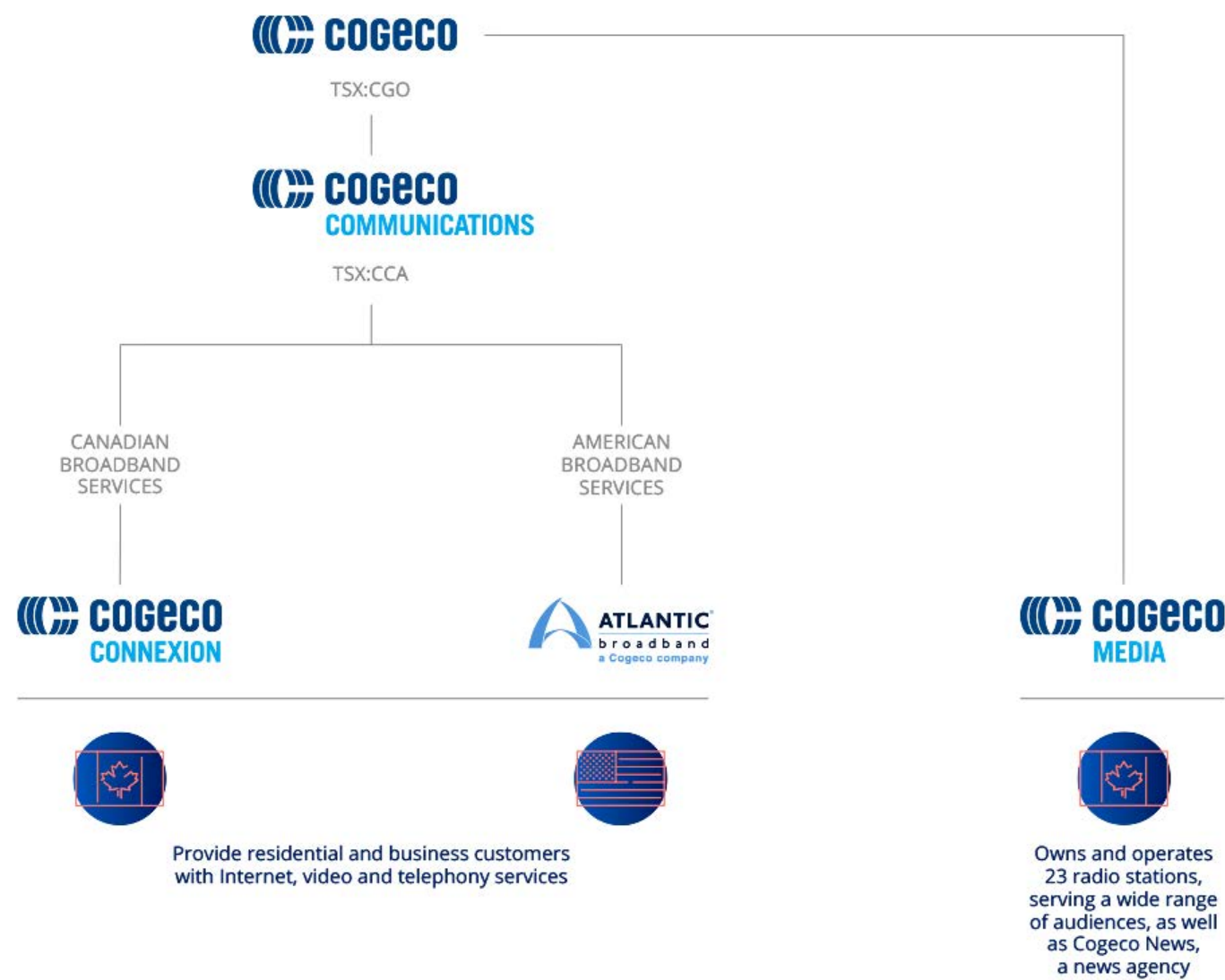
2019 fiscal information

EMPLOYEES
4,700+

REVENUES
$2.4 billion

REVENUES
95%
from the Canadian and American broadband services segment

ASSETS
$7.1 billion

PRIMARY SERVICE UNITS
2,711,812

INTERNET
1,234,380
subscribers

VIDEO
962,138
subscribers

TELEPHONY SERVICES
515,294
subscribers

Information at August 31, 2019

Our operations

Cogeco operates in the provinces of Québec and Ontario in Canada and in 11 U.S. states along the East Coast, from Maine to Florida.

CANADA

ON

QC

ME

NH

NY

CT

PA

MD

DE

WV

VA

SC

FL

UNITED STATES OF AMERICA

((): COGECO

HEADQUARTERS

REVENUES
57.6% from Canada
42.4% from the U.S.

EMPLOYEES
3,150 in Canada
1,587 in the U.S.
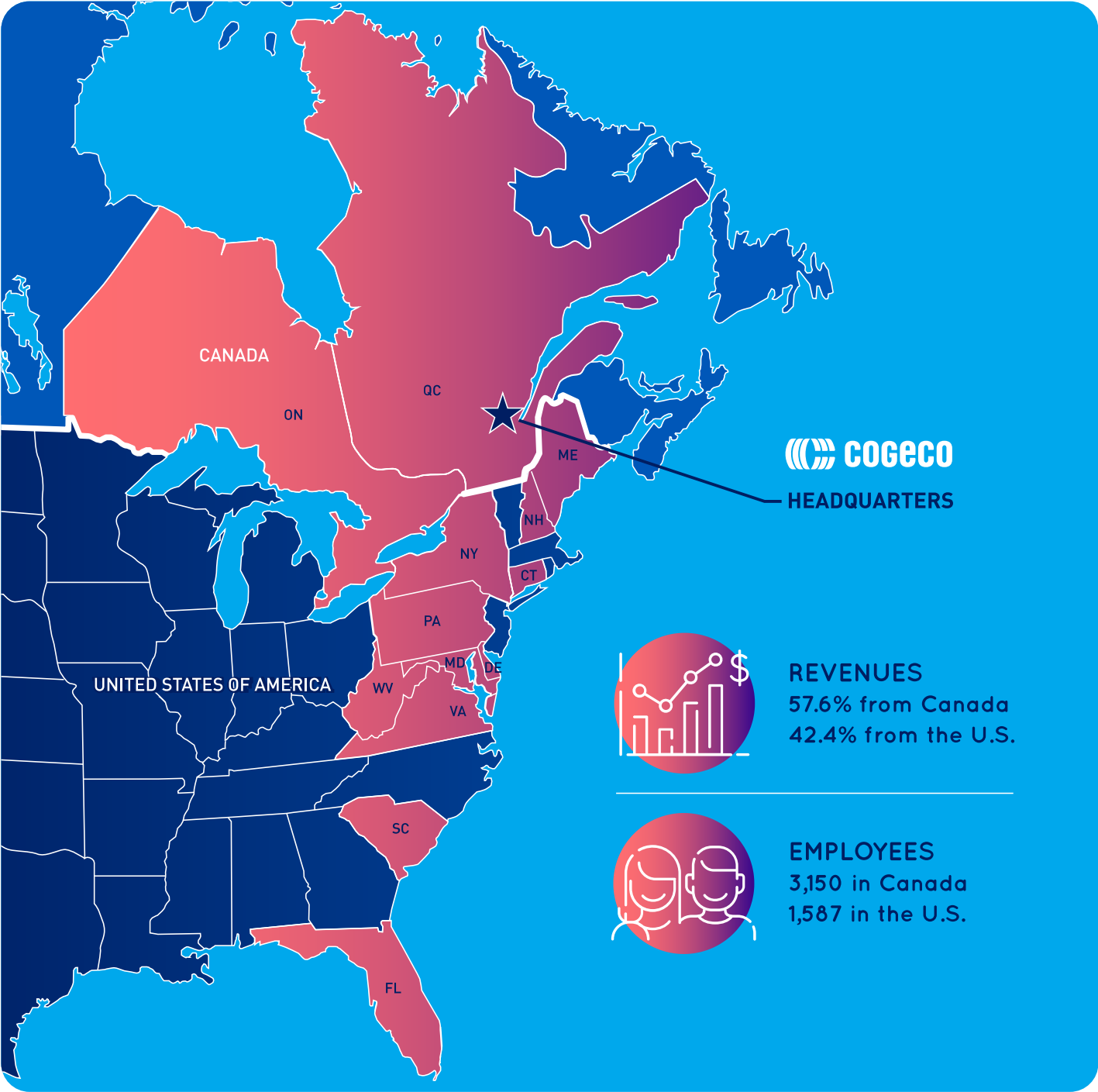
Significant Changes

Some significant strategic changes occurred at Cogeco during fiscal 2018 and 2019 that have further positioned the company for future success and growth.

Leadership Succession

On September 1, 2018, Louis Audet retired as President and Chief Executive Officer of Cogeco Inc. and Cogeco Communications Inc., a position he held for the past 25 years. Mr. Audet became Executive Chair of the Boards of Directors for both companies and Philippe Jetté was appointed President and CEO. As a result of the various positions he held previously at Cogeco, Mr. Jetté has extensive knowledge of the company's operations and he has played a significant role in defining Cogeco's growth strategy. During his first year of leadership, Mr. Jetté has led Cogeco with passion, vision and care.

Louis Audet   **Philippe Jetté**

Divestment of Cogeco Peer 1

With the sale of Cogeco Peer 1, we enabled the organization to refocus its efforts and resources on its core broadband businesses in Canada and in the U.S. Cogeco Communications used a significant portion of the net proceeds from this sale to repay amounts outstanding under the Corporation's revolving term facility and another portion to repurchase subordinate voting shares under a normal course issuer bid. Going forward, the Corporation will exclusively focus on the Canadian and U.S. broadband segments and it will have greater flexibility to pursue organic investment and acquisition opportunities.

Expansion of Atlantic Broadband

Atlantic Broadband completed three important acquisitions in fiscal 2018 and 2019 that will bring significant value to our customers.

> The acquisition of MetroCast allowed Atantic Broadband to expand its operations across 11 states on the East Coast of the United States, thus enabling future growth opportunities.

> The acquisition of the South Florida fibre network previously owned by FiberLight, LLC., allows Atlantic Broadband to bring significantly faster, more reliable and scalable fibre for businesses and carriers. This deal more than doubled the company's existing fibre footprint in the South Florida region, while expanding by 30% its capacity to serve data centre customers in the same geographic area.

> The acquisition of the cable system serving Springfield, West Virginia, allowed Atlantic Broadband to offer a host of new services, including high-speed Internet, digital telephony, and expanded video options for both residential and business customers in these service areas.

Expansion of Cogeco Media

Cogeco Media acquired 10 radio stations from RNC Média Inc. The stations are located in Sanguenay-Lac-Saint-Jean, Abitibi-Témiscamingue and Lachute, Québec, as well as Hawkesbury, Ontario. With this transaction, Cogeco Media has expanded its network of radio stations to 22 across the province of Québec and one in Ontario.

Alma, Québec   Chibougamau, Québec   Roberval, Québec   Dolbeau, Québec

Sanguenay, Québec

La Sarre, Val-d'or and Rouyn-Noranda, Québec

La Sarre, Val-d'or, Lachute and Rouyn-Noranda, Québec and Hawkesbury, Ontario

Fiscal 2018 and 2019 Highlights

Cogeco Communications is one of Corporate Knight's 100 most sustainable companies in the world.

We have donated more than 1% of our pre-tax profit.

More than 95% of our employees are trained on our Code of Ethics.

Our broadband network was available more than 99,9% of the time.
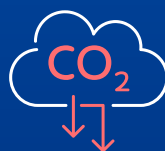
We reduced our GHG emissions on a per revenue basis by 24% since 2014

49% of our customers receive electronic bills.

Our frequency of workplace-related incidents was below industry average in the jurisdictions where we operate.

We remained in the top tier of family-controlled dual-class companies listed on a Canadian stock exchange.

36% of managerial positions and above were occupied by women.

Our Commitments

In fiscal 2018 and 2019, Cogeco seized the opportunity to not only update its Corporate Social Responsibility (CSR) policy and supporting CSR pillars, but also defined a new set of commitments that reflect our CSR priorities.

Commitment	Status	Progress
Be a trusted and reliable partner for our customers		
Each business unit to improve its Net Promoter Score (NPS)* as compared to the previous fiscal year.	Off target	An action plan is being deployed to improve our NPS score, which was affected by the introduction of a new customer service system.
Zero founded privacy complaints from the Office of the Privacy Commissioner of Canada, the Federal Trade Commission or the Federal Communicatons Commision of the U.S.	Achieved	No founded privacy complaints in fiscal 2018 or 2019.
No security incidents resulting in the loss, theft or unauthorized access of customer data.	Achieved	No security incidents in fiscal 2018 or 2019 related to customer data.
To have our broadband network available 99.9% of the time.	Achieved	Both in fiscal 2018 and 2019, our broadband network was available more than 99.9% of the time.
Take part in developing our employees		
Improve our global workforce engagement score.	Off target	Cogeco's global employee engagement score did not improve compared to fiscal 2017 (last period when the survey was conducted). Action plans are being deployed to improve our employee engagement score.
Improve participation rate in the global workforce engagement survey.	Achieved	The participation rate improved by 9% compared to fiscal 2017 (last period when the survey was conducted).
Maintain a frequency of workplace-related incidents below industry averages in the jurisdictions where we operate.	Achieved	From fiscal 2018 to 2019, Cogeco significantly reduced its frequency of workplace-related incidents.
Ensure at least 35% of women at a managerial level and above by 2021.	Achieved	At the end of fiscal 2019, 36% of positions at the managerial level and above were occupied by women.
Take part in developing our communities		
Donate at least 1% of pre-tax profits.	Achieved	In fiscal 2018 and 2019, Cogeco donated more than 1% of its pre-tax profit, taking into consideration cash and in-kind donations.
Maintain a sound culture and strong corporate governance practices as enablers of value creation		
Remain in the top tier of family-controlled dual-class companies listed on a Canadian stock exchange.	Achieved	Currently in the top tier of Canadian family-controlled dual-class companies according to The Globe and Mail's Board Games corporate governance rankings.
Ensure 95% of employees are traied on the Code of Ethics.	Achieved	At the end of fiscal 2019, more than 95% of our employees were trained on Cogeco's Code of Ethics.
By fiscal 2020, all of Cogeco's contracts with top suppliers must acknowledge Cogeco's Supplier Code of Conduct or Cogeco must have approved the supplier's CSR standards.	In progress	At the end of fiscal 2019, 80% of the contracts with top suppliers included the acknowledgement of the Supplier Code of Conduct or Cogeco had accepted their CSR standards.
Monitor the social and environmental performance of 100% of our top suppliers by fiscal 2020.	In progress	A technological tool has been selected to successfully start monitoring our top suppliers in fiscal 2020.
Systematically investigate all fraud reports submitted through the Cogeco Ethics Line.	Achieved	In fiscal 2018 and 2019, all fraud reports submitted through the Cogeco Ethics Line were investigated.

Commitment	Status	Progress
Manage our environmental footprint		
Reduce GHG emissions by 10% by 2020 on a per revenue basis as compared to fiscal 2014 emissions.	Achieved	We surpassed this target, having achieved a 24% GHG emissions intensity reduction. Cogeco will define a new, more aggressive, target for the coming years.
Perform a more comprehensive calculation of our Scope 3 (indirect emissions) by fiscal 2021.	In progress	We have identified relevant and measurable elements that can be included in our Scope 3 calculations.
As signatories, comply with the Canadian Energy Efficiency Voluntary Agreement (CEEVA) for set-top boxes. Also, comply with the standards of the United States Set-Top Box Energy Efficiency Voluntary Agreement (STB VA) by 2022.	Off target	During 2017**, 100% of set-up boxes purchased in Canada complied with CEEVA standards. However, in 2018, an unforeseen situation impeded us from complying with CEEVA standards and we achieved a 66.22% level of compliance. An action plan is now in place to enable compliance in future years. In the U.S., although we are not signatories of the STB VA, 63% of our purchased set-top boxes complied with the standards set by the agreement in 2018.
Ensure that 40% of customers receive electronic bills by the end of fiscal 2019.	Achieved	In fiscal 2019, 49% of Cogeco's customers received electronic bills.
Ensure that 100% of applicable facilities have an e-waste management strategy in place by the end of fiscal 2020.	In progress	All business units have a plan in place to achieve this target by fiscal 2020.

*The Net Promoter Score (NPS) measures the willingness of customers to recommend a company's products or services to others.
**Voluntary agreement compliance is measured on a calendar basis by a third party. The last available report corresponds to 2018 compliance.

Awards and Recognition

During fiscal 2018 and 2019, Cogeco's advancements on the environmental, social and governance (ESG) fronts have been recognized by multiple organizations.

Cogeco Communications was ranked among **Corporate Knights' 2020 Global 100 Most Sustainable Corporations in the World**. The Company holds the 88th spot in this ranking, which is a badge of honor for sustainability excellence.

In 2019, for a second consecutive year, Cogeco Communications was named to the list of **Corporate Knights' Best 50 Corporate Citizens in Canada**. The Company holds the 33rd spot in this highly regarded ranking, placing it among Canadian companies that are setting the standard for sustainability leadership.

Cogeco is ranked by **Corporate Knights as one of the 200 cleanest companies in the world.** The company holds the 155th spot.

Cogeco Communications continues to be **part of the Jantzi Social Index by Sustainalytics,** consisting of 50 Canadian companies that passed a set of broadly based environmental, social and governance rating criteria.

Cogeco Communications received the **ISS Quality-Score environmental badge,** which recognizes our environmental disclosure practices.

Cogeco is part of **Forbes' prestigious Canada's Best Employers for 2020.** This nomination highlights Canadian companies that are the most likely to be recommended by their employees, and are the best perceived employers in their respective industries.

Louis Audet, Executive Chair of the Boards of Cogeco Inc. and Cogeco Communications Inc. was named a **2018 Global Citizens Laureate by the United Nations Association in Canada**. This recognition acknowledges Mr. Audet's dedication to continuously giving back through his active involvement with charitable, educational and community organizations, and through his leadership.

Ken Smithard, President of Cogeco Connexion in fiscal 2018 and 2019, was named to **Canada's Clean50 for 2020, as the leader in the Technology, Telecom & Media category, and also to Canada's Clean16 award by Delta Management**. The 2020 Clean16 is a group of women and men who have made a measurable difference in advancing sustainability and clean capitalism in Canada.

Cogeco Connexion was named to the **2018 and 2019 Waste Diversion Champions list by Refficient – Excellence level** for having diverted over 100,000 pounds (45,360 kg) of waste.

Cogeco Connexion was ranked in 2019, for a third consecutive year, among **Montréal's Top 45 Employers by Mediacorp Canada.** This ranking showcases employers in the Greater Montréal area who have distinguished themselves through the excellence of their human resources practices and the quality of their work environment.

External initiatives

Cogeco is involved in various regulatory proceedings before the Canadian Radio-television and Telecommunications Commission (CRTC) and the U.S. Federal Communications Commission (FCC) and is an active participant in CRTC working groups. We participate in consulting forums with Innovation, Science and Economic Development Canada (ISED), the Office of the Privacy Commissioner of Canada, the Commission d'accès à l'information du Québec, among others, and make representations before parliamentary committees and Canadian federal agencies such as the Competition Bureau. All employees who engage in lobbying activities are duly registered where necessary. For more information on some of our public policy positions, please consult our Annual Report and Annual Information Form.

As a member of various industry associations, we are indirect participants in lobbying activities they undertake on behalf of members. We are also members, participants or subscribers to many other associations, initiatives and legal proceedings relevant to our role as a business enterprise and corporate citizen. Our involvement covers the following spheres: sustainability, social, economic and industry, cultural and governance. Cogeco is an active contributor in the communities where it operates, and is a member of many chambers of commerce in Canada and in the U.S.

In fiscal 2019, Cogeco agreed to be part of the Business for Inclusive Growth coalition. In total, 34 leading multinationals agreed to join forces to tackle inequality and promote diversity in their workplaces and supply chains. Cogeco is one of two Canadian organizations that joined this coalition.

Cogeco's key CSR topics

Key CSR topics for Cogeco

Every two years, Cogeco conducts an assessment to identify key corporate social responsibility (CSR) topics as well as environmental, social and governance risks and opportunities for the organization. We conducted our fourth stakeholder engagement exercise in fiscal 2018. Not only did we perform a comprehensive literature review, but we also engaged with different stakeholder groups to identify the Corporation's CSR priorities. The results have shaped our new CSR policy, pillars and commitments. All key CSR topics will be covered throughout this report.

STAKEHOLDER GROUPS THAT WERE ENGAGED

- Employees
- Executives
- Investors
- Customers
- Website visitors
- Community TV volunteers
- Suppliers

Key CSR topics for Cogeco and their main impacts

Each of these key CSR topics are linked to specific risks and opportunities for Cogeco.

	Reputation	Revenue growth	Cost control	Customer satisfaction and retention	Employee satisfaction, productivity and retention	Business continuity	Regulatory compliance
Energy management	●		●			●	
Talent attraction, development and retention	●	●	●	●	●	●	
Employee health, safety and well-being	●	●	●		●		●
Diversity	●	●		●	●		●
Customer experience	●	●		●		●	
Data privacy	●	●	●	●	●	●	●
Data security	●	●	●	●	●	●	●
Business continuity	●		●	●		●	●
Product quality and innovation	●	●	●	●	●	●	
Corruption prevention and competitive behaviour	●		●		●	●	●
Governance	●		●	●	●	●	●
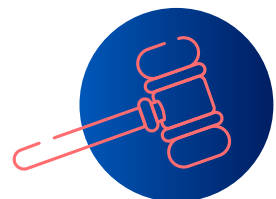
Governance and integrity

COGECO

A world of
your **very own**

Governance at Cogeco
High corporate governance standards

Maintaining high corporate governance standards and seeking opportunities to incorporate best governance practices are a priority for Cogeco.

Remain in the top tier of family-controlled dual-class companies listed on a Canadian stock exchange.

ACHIEVEMENTS

Currently in the top tier of Canadian family-controlled dual-class companies according to The Globe and Mail's Board Games corporate governance rankings.

Management approach

The Board of Directors develops, through the Corporate Governance Committee, the Corporation's approach to corporate governance issues and ensures that appropriate structures and procedures are in place so that the Board can function independently from Management.

The Corporate Governance committee reviews the corporate governance practices of the Corporation in the context of its global business and affairs and examines the adequacy and effectiveness of the Board's corporate governance practices in light of changing regulatory requirements. It also makes suggestions for any improvements.

The Cogeco Corporate Secretary's office stays attuned to the latest developments in governance matters through information sessions, training and conferences, and updates the Committee when required. It reviews each year with the Corporate Governance Committee the results of the Board and Mail annual Board Games. It also discusses each year with the Board the analysis prepared by proxy advisory firms on the Corporations' proxy circulars.

Cogeco has a solid corporate governance framework supported by different policies referred to in the Information Circular published on SEDAR.

Who manages the topic?

Board level
Corporate Governance Committee of the Board of Directors.

Frequency of review
The Corporate Governance Committee meets three times per year.

Management level
Cogeco Corporate Secretary's office.

Related policies and documents

Code of Ethics	>
Diversity Policy	>
Majority Voting Policy	>
Shareholder Engagement Policy	>
Clawback Policy	>

About the Board

The Boards of Directors of Cogeco Inc. and Cogeco Communications Inc., which are elected by the Corporations' shareholders, supervise the management of the business and affairs of the Corporations. In exercising their role, the Boards are mindful of preserving and enhancing the Corporations with due regard to the interests of its shareholders generally and other stakeholders. This is accomplished through the quality of our Board members, corporate governance principles and guidelines, and our record of compliance with all applicable securities laws and regulations governing public corporations in Canada.
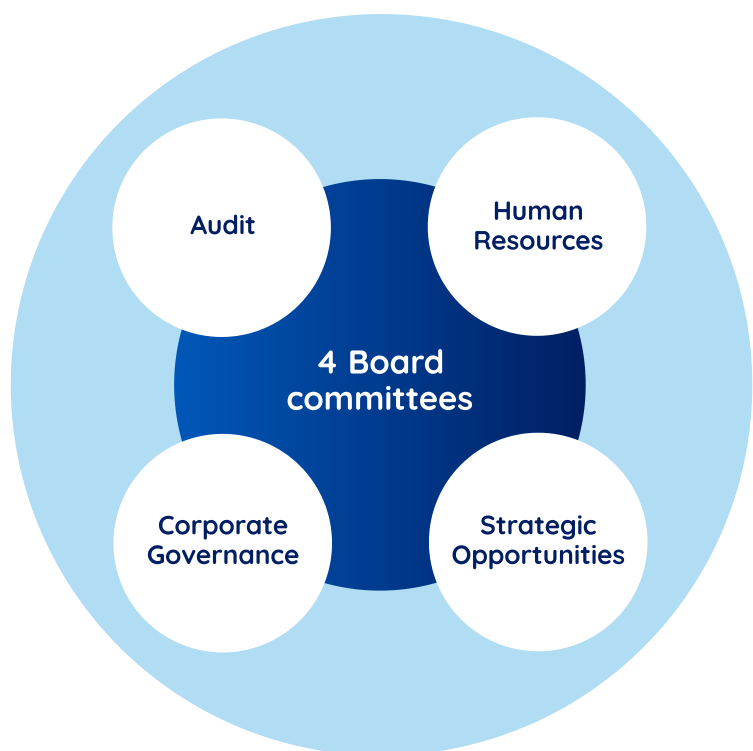
Cogeco Inc. and Cogeco Communications Inc. Boards of Directors

14 Board members, Cogeco Inc. and Cogeco Communications Inc., taken together

BOARD COMPOSITION

- Board of Cogeco Communications Inc. is composed of 10 directors of whom 80% are independent.
- Board of Cogeco Inc. is composed of 8 directors of whom 75% are independent.
- Two executive members on the Boards of each corporation.
- Executive Chair, Louis Audet*.
- President and CEO of Cogeco Inc. and Cogeco Communications Inc., Philippe Jetté.
- 50% of Board members of Cogeco Inc. and Cogeco Communications Inc., taken together, are women.
- 57% of Board members of Cogeco Inc. and Cogeco Communications Inc., taken together, will be, upon their election or re-election, members of designated groups.

- Members of designated groups
- Executive members
- Other Board members

4 Board committees

Audit

Human Resources

Corporate Governance

Strategic Opportunities

BOARD COMMITTEES

- All committees are composed of independent members, except for the Strategic Opportunities Committee, where Philippe Jetté sits.

Information updated in November 2019
*The Executive Chair has a direct executive management role in relation to major business transactions and strategies, working in concert, as appropriate, with the President and CEO.

For additional information on the Board's structure and composition go to: Cogeco Inc. and Cogeco Communications Inc.

Cogeco constantly seeks opportunities to integrate the best governance practices. As an example, in fiscal 2019, the use of a consent agenda was introduced at Board meetings with the objective of allocating more time for discussions on strategy.

Board diversity

The appointments on the Board are based on merit, taking into account, however, the important role members of designated groups with appropriate and relevant skills and experience can play in contributing to different viewpoints and perspectives on the Board. The level of representation of women on the Board is specifically considered by ensuring that a sufficient number of women are included in the slate of candidates for Board consideration.
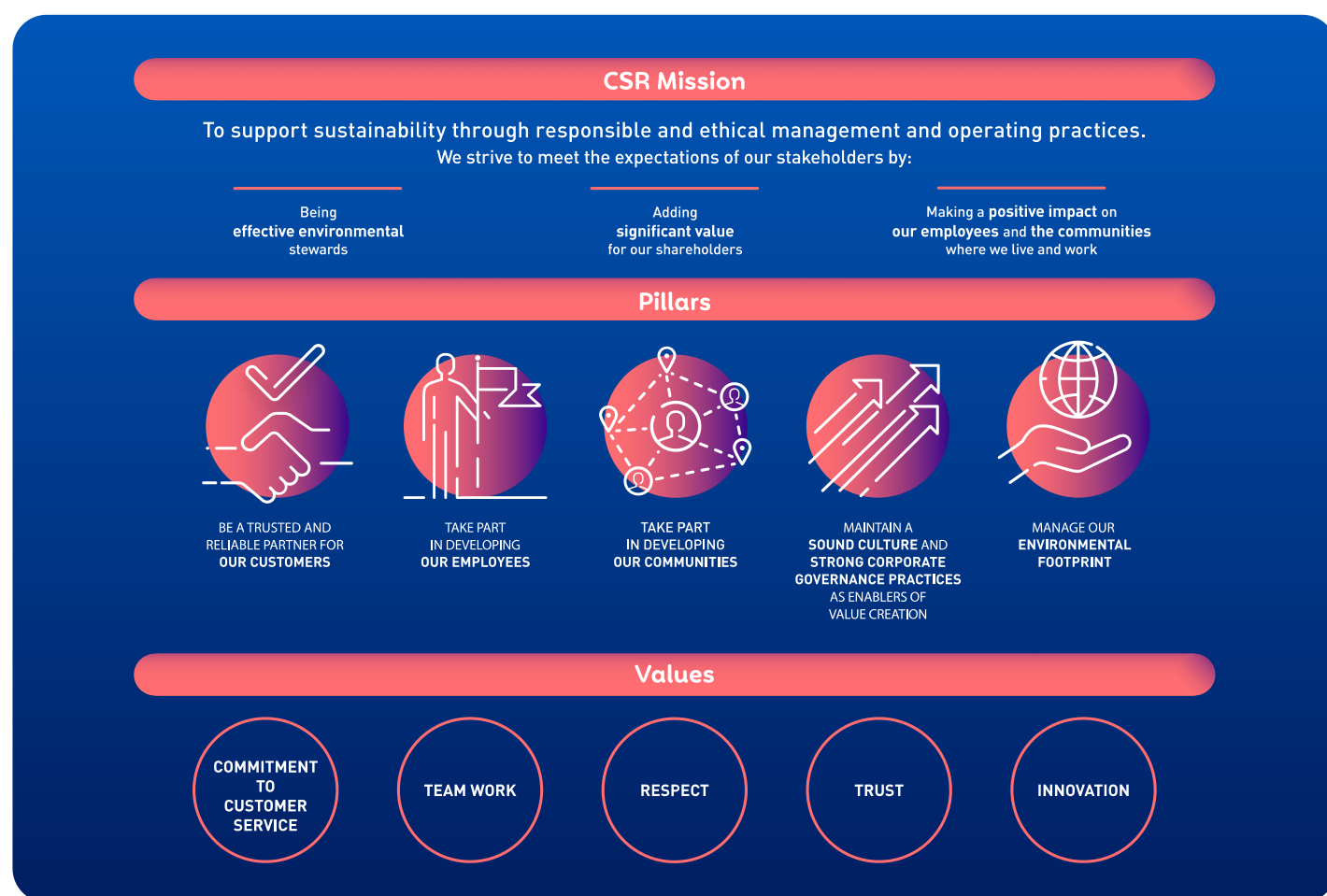
Board education

As part of the continuing-education requirements of Board members, the Corporate Secretary's office provides training opportunities through the Corporation's membership on the board of the Institute of Corporate Directors (ICD), site visits and information sessions conducted prior to some Board meetings.
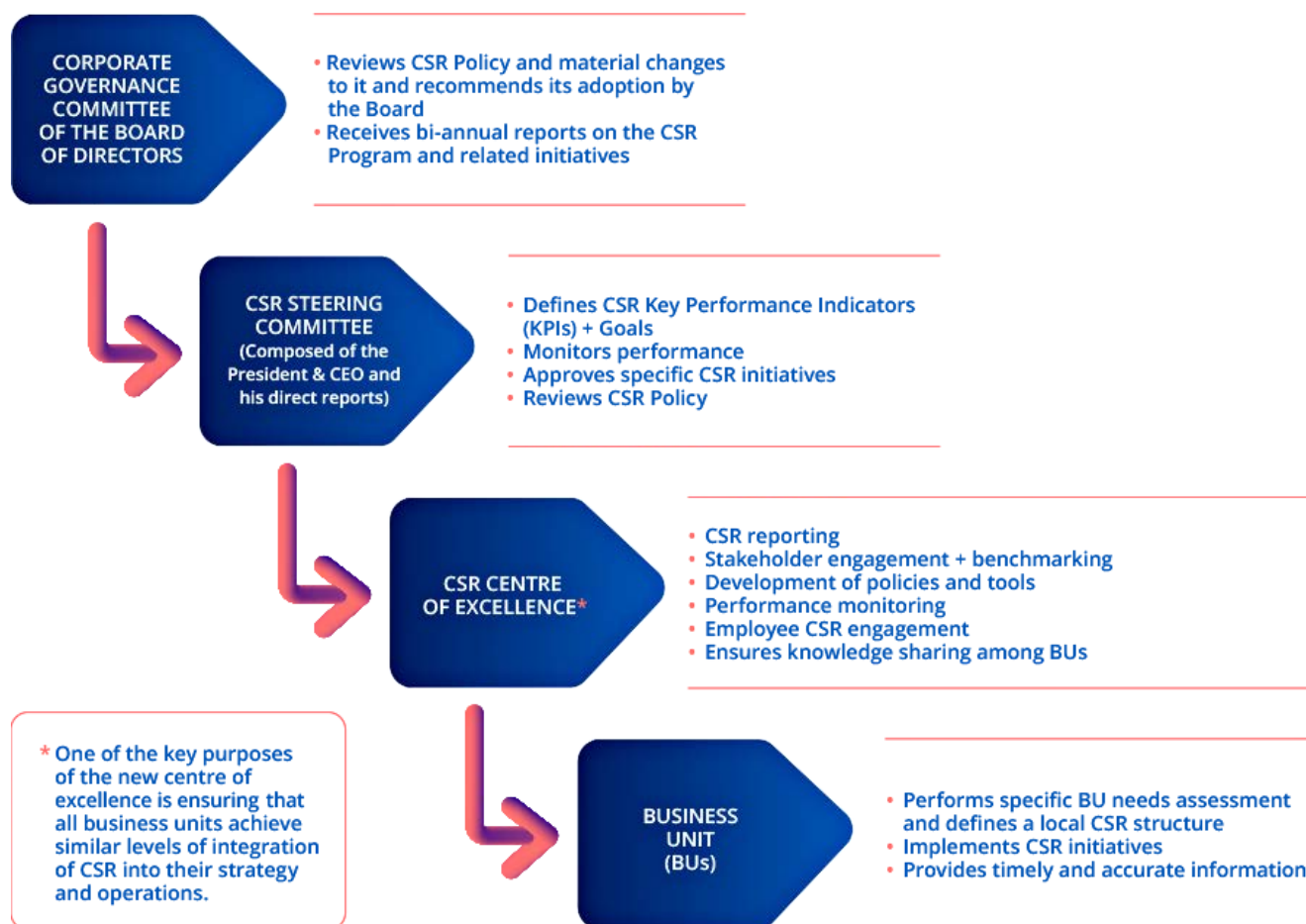
Board performance evaluation

The Board conducts, through the Executive Chair and the Corporate Governance Committee, an annual review of the effectiveness of the Board and its committees. The Executive Chair meets with each Director individually to discuss the evaluation of his or her contribution and that of other Directors and other aspects of the functioning of the Board. The Executive Board Chair reports back to the Corporate Governance Committee and provides feedback on the results of these individual assessments and their impact, if any, on the Board composition for the following year.

CSR governance

CSR Mission

To support sustainability through responsible and ethical management and operating practices.
We strive to meet the expectations of our stakeholders by:

| Being **effective environmental** stewards | Adding **significant value** for our shareholders | Making a **positive impact** on **our employees** and **the communities** where we live and work |

Pillars

BE A TRUSTED AND RELIABLE PARTNER FOR **OUR CUSTOMERS**

TAKE PART IN DEVELOPING **OUR EMPLOYEES**

TAKE PART IN DEVELOPING **OUR COMMUNITIES**

MAINTAIN A **SOUND CULTURE** AND **STRONG CORPORATE GOVERNANCE PRACTICES** AS ENABLERS OF VALUE CREATION

MANAGE OUR **ENVIRONMENTAL FOOTPRINT**

Values

COMMITMENT TO CUSTOMER SERVICE

TEAM WORK

RESPECT

TRUST

INNOVATION

The Corporate Social Responsibility (CSR) function at Cogeco is under the purview of the CSR Steering Committee that reports twice per year to the Corporate Governance Committees of the Boards of Directors. The CSR function is held at a corporate level and is headed by the recently appointed Vice President, Enterprise Strategy and Social Responsibility. This position reports into the Chief Strategy and Technology Officer of Cogeco. The Vice President, Enterprise Strategy and Social Responsibility is responsible for the roll-out of corporate strategies and initiatives to continuously promote the CSR mission and related pillars and ultimately support the conduct of business in a socially responsible and ethical manner. **The creation of this vice presidency is an important step that was taken in fiscal 2019 that will enable the Corporation to continue enhancing its sustainability vision and ensuring that CSR is embedded in the corporate strategy.**
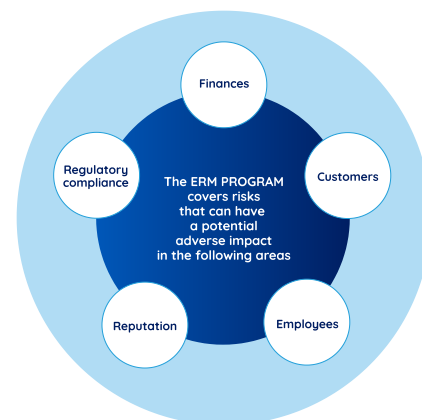
CSR governance structure

CORPORATE GOVERNANCE COMMITTEE OF THE BOARD OF DIRECTORS

- Reviews CSR Policy and material changes to it and recommends its adoption by the Board
- Receives bi-annual reports on the CSR Program and related initiatives

CSR STEERING COMMITTEE (Composed of the President & CEO and his direct reports)

- Defines CSR Key Performance Indicators (KPIs) + Goals
- Monitors performance
- Approves specific CSR initiatives
- Reviews CSR Policy

CSR CENTRE OF EXCELLENCE*

- CSR reporting
- Stakeholder engagement + benchmarking
- Development of policies and tools
- Performance monitoring
- Employee CSR engagement
- Ensures knowledge sharing among BUs

*One of the key purposes of the new centre of excellence is ensuring that all business units achieve similar levels of integration of CSR into their strategy and operations.

BUSINESS UNIT (BUs)

- Performs specific BU needs assessment and defines a local CSR structure
- Implements CSR initiatives
- Provides timely and accurate information

The recently updated CSR Policy and Code of Ethics, as well as the Supplier Code of Conduct together form the framework of our CSR Program.

Concerns from stakeholders are collected during the stakeholder engagement process and through the CSR department. Critical concerns are generally discussed at CSR Steering Committee meetings or, extraordinarily, directly with executives, depending on the significance of the concern.

Identifying and managing CSR impacts through our ERM program

Cogeco's Enterprise-wide Risk Management (ERM) program is supported by a governance structure headed by a Corporate Strategy and Risk Committee composed of our President and CEO and his direct reports. The ERM program entails a systematic annual identification and evaluation of risks — including CSR-specific risks — within the context of Cogeco's global business and affairs. Principal business risks and appropriate mitigation measures to manage these risks are presented to the Board and fully considered in the annual strategic planning process. The Audit Committee oversees on a quarterly basis the ERM activities and the operational and financial risks associated with the significant programs and projects of the Corporation.

The ERM PROGRAM covers risks that can have a potential adverse impact in the following areas:
- Finances
- Customers
- Employees
- Reputation
- Regulatory compliance

Ethical and competitive behaviour

As an organization, Cogeco is committed to maintaining high standards of ethical behaviour in its professional and business dealings. We are very proud of the bond of trust we have created, over the years, with our customers, suppliers, investors, employees, colleagues and the communities we serve, by constantly striving to treat them fairly, honestly and with integrity.

95% of employees trained on Cogeco's Code of Ethics.

ACHIEVEMENTS At the end of fiscal 2019, more than 95% of our employees were trained on the Code of Ethics.

Systematically investigate all fraud reports submitted through the Cogeco Ethics Line.

ACHIEVEMENTS In fiscal 2018 and 2019, all fraud reports submitted through the Cogeco Ethics Line were thoroughly investigated.

Management approach

The Ethics Program is under the purview of the Vice President, Internal Audit. An Ethics Steering Committee, composed of members of the Executive Management team, is in place to oversee all ethics-related matters, including reviewing any changes to the Cogeco Code of Ethics, the monitoring of Code of Ethics training completion and the review of Ethics Line reports received during the quarter.

Who manages the topic?

Board level
Audit Committee.

Management level
Steering Committee composed of Senior Vice Presidents, Corporate Affairs, Chief Legal Officer and Secretary, Chief Human Resources Officer, Chief Financial Officer and Vice President, Internal Audit.

Direct responsible
Vice President, Internal Audit.

Frequency of review
Quarterly meetings held by the Ethics Steering Committee.

Related policies and documents

Code of Ethics >

Supplier Code of Conduct >

Policy on a Harassment, Discrimination and Violence-Free Workplace >

Gifts and Entertainment Policy >

Drugs and Alcohol Policy >

Conflict of Interest Declaration Form >

Our Code of Ethics is the core foundation that sets out the principles that should guide the behaviour of all individuals who form part of the Cogeco family or who contribute to its operation, image and reputation. It is supported by Cogeco's core values and is to be used as a reference in terms of how to properly conduct ourselves and foster an ethical atmosphere in the workplace. **It is a roadmap to assist individuals in making decisions that meet the highest standards of integrity, professionalism and ethical behaviour.**

The Code of Ethics is revised on an annual basis by the Vice President, Internal Audit. Changes made to the Code arise from benchmarking activities with other organizations, take into consideration material topics that are identified as part of the materiality assessment conducted by the CSR team as well as from emerging concerns raised through the Ethics Line and/or emerging trends. The proposed changes to the Code are reviewed and approved initially by the Ethics Steering Committee and subsequently by the Corporate Governance Committee of the Board, which recommends its approval by the Board of Directors.

Ensuring ethical behaviour

Ethics training and awareness initiatives

Training and raising awareness are integral elements of our Ethics Program. Not only have we made a commitment to ensure employees are trained on ethics, but we also use different mechanisms to increase employee understanding of the topic.

> The Code of Ethics is to be signed by all employees at the time of hiring and on an annual basis hereafter.
> Mandatory ethics training for employees at onboarding and every two years thereafter, delivered through a web-based management learning system that allows for the monitoring and tracking of training completion by all employees.
> Corporate intranet with relevant information on ethics related topics.
> Biennial ethics newsletters distributed to all employees.
> Ad hoc live training sessions on specific ethics-related topics.

With a view to proactively managing the topic of ethics at Cogeco, an Ethics Risk Assessment was conducted in fiscal 2019 by the Internal Audit Group, which allowed Cogeco to identify the most important ethics-related risks for the organization given its current culture, operations, policies and procedures. The risks identified were subsequently assessed in an objective and structured manner so as to effectively prioritize and manage related action plans accordingly.

Ethics projects implemented in fiscal 2018 and 2019

Various reviews are undertaken on an annual basis by the Internal Audit Group with a view to assessing compliance with ethics-related policies and processes and also as a means to proactively manage the ethics/fraud-related risks (e.g. expense reimbursement reviews, fraud risk assessments, etc.).

Mechanisms to seek advice and/or submit concerns about ethics-related topics

In fiscal 2010, Cogeco implemented an anonymous and confidential Ethics Line that allows employees and other individuals to report any perceived or actual instances of Code of Ethics violations. The Ethics line is an integral part of Cogeco's Code of Ethics and the web-based ethics training also incorporates all necessary information on the Cogeco Ethics Line. Employees are also encouraged to use this tool to seek advice about ethical and lawful behaviour. All reports submitted through the Ethics Line are reviewed by the Vice President, Internal Audit.

Cogeco's Ethics Line

- Available to all EMPLOYEES and other STAKEHOLDERS
- Managed by an INDEPENDENT organization
- Operates 24/7
- BILINGUAL service (English and French)
- Accessible ONLINE and by PHONE
- For reports submitted in good faith, INDIVIDUALS ARE PROTECTED against dismissal or retaliation of any kind.
- Statistics on reports received are REVIEWED each quarter by the Ethics Steering Committee and the Audit Committee of the Board of Directors. These statistics are also reviewed on a bi-annual basis by the Corporate Governance Committee of the Board of Directors.

A formal Conflict of Interest (COI) declaration process is also in place at Cogeco, which requires all employees to report any potential COI (actual or apparent) to the Vice President, Internal Audit, who will review all COI declaration forms jointly with Human Resources and determine if any action is required to mitigate or eliminate a COI. All confirmed COIs are also reviewed by the Ethics Steering Committee. Furthermore, data related to the number of COI forms received and analyzed are reported to the Corporate Governance Committee of the Board of Directors.

Reports submitted to the Cogeco Ethics line

	Fiscal 2018	Fiscal 2019
Number of reports	44	73
% of reports where corrective action* was taken	61%	51%

*Corrective action may include employment termination, suspension of employment, disciplinary letter in employee file, resignations, changes in policies and procedures, etc. None of the reports with corrective action involved the integrity of Cogeco's financial reporting.

Compliance and competitive behaviour

A commitment to high standards and compliance

High ethical standards and respect for laws and regulations are part of our culture and commitment to integrity. Our corporate values, policies and practices have been guiding the way we conduct our business since well before CSR achieved prominence. We regularly review our existing programs, policies and procedures to ensure their continued relevance and we implement new ones as emerging issues and risks arise.

We operate in a highly regulated environment and strive to be compliant in every facet of our business and in all jurisdictions where we operate. We are subject to legislation that covers many areas ranging from customer privacy to advertising and labour practices. Each business unit is responsible for ensuring that the required processes and practices are in place to enable compliance with legal obligations and commitments. Furthermore, the Internal Audit Group also performs reviews aimed at ensuring compliance by the different business units of Cogeco.

> In fiscal 2018 and 2019, no legal actions were undertaken against the Corporation for non-compliance with social or environmental laws, anti-competitive behaviour, anti-trust or anti-monopoly practices

Through compliance we strive to provide a safe, fair and professional working environment. Our commitment to compliance provides customers and vendors with confidence in their dealings with us, fosters positive relationships with various regulators, reduces our exposure to potential fines and litigation and fosters higher employee retention. Should situations of non-compliance arise, we take appropriate corrective actions as quickly as possible.

Cogeco is a strong supporter of net neutrality. Cogeco does not engage in website blocking, throttling, paid prioritization, zero rating or any other Internet traffic management practices, unless compelled to do so by court order.

Sustainable procurement

Cogeco's supply chain

As a service provider, Cogeco has to buy various products and services. In fiscal 2019, Cogeco had more than 7,000 direct and active suppliers, including all of its business units. Cogeco's main spending categories are Network Equipment and Services, Information Technology Products and Services, Customer Premise Equipment (including modems and set-top boxes) and Construction and Professional Services. Our suppliers do not change on a seasonal basis.

Supply Chain Management

MATERIAL PLANNING — PROCUREMENT & INTEGRATION — WAREHOUSE & FULFILLMENT — DISTRIBUTION — REPAIRS & RETURNS
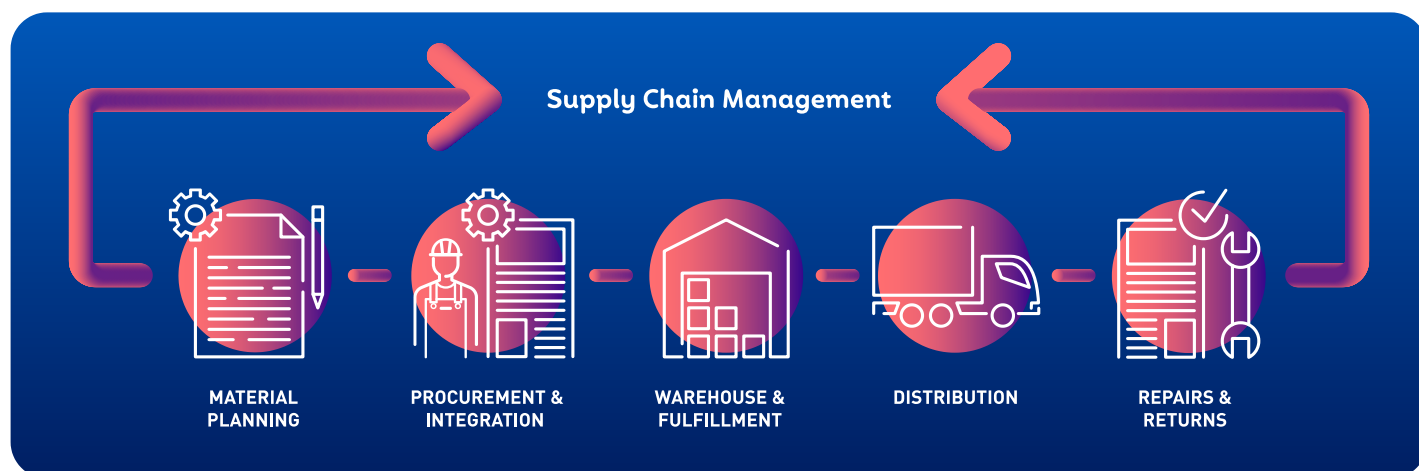
A new Group Procurement function and Group Procurement Policy

In fiscal 2018, Cogeco brought its procurement function under a shared services model. In early fiscal 2019, as part of this transition, Cogeco also introduced a new Group Procurement Policy. This new policy brings together common procurement processes across the entire organization. CSR and Ethics sections have been integrated into the policy, strengthening our emphasis on human rights, promotion of diversity and local sourcing.

We have also incorporated CSR criteria as part of the selection process of main suppliers. In fiscal 2019, all business units started integrating social and environmental criteria into our Request for Proposal (RFP) processes. **Not only did we increase the weight of the CSR criteria in the overall supplier score, but we also integrated new environmental and social elements.**

Integrating sustainable procurement practices

Given the globalized and complex dimension of our 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. The Corporation has developed policies and mechanisms to engage in business with suppliers that demonstrate a strong commitment to sustainability and ethical behaviour.

Supplier Code of Conduct and supplier selection process

We address our suppliers' sustainability practices through our Supplier Code of Conduct.

By 2020, all of Cogeco's contracts with top suppliers must acknowledge Cogeco's Supplier Code of Conduct or Cogeco must have approved the supplier's CSR standards.

IN PROGRESS

At the end of fiscal 2019, 80% of the contracts with our top suppliers included the acknowledgement of the Supplier Code of Conduct or Cogeco had accepted their CSR standards.

In order to promote supplier engagement with our sustainability efforts, we have developed a Supplier Code of Conduct that we have started implementing with our main suppliers. Our Supplier Code of Conduct defines our expectations for suppliers and encourages them to go beyond legal compliance, in order to advance social and environmental responsibility as well as business ethics.

In fiscal 2018, the criteria for defining top CSR suppliers were revised to include those suppliers who represent higher environmental and social risks for Cogeco.

As part of our supplier selection process, we carried out an environmental, social and governance (ESG) verification for modems in fiscal 2018 and an on-site ESG audit for IPTV set-top boxes in fiscal 2019.

In fiscal 2020, the Global Procurement team, together with the CSR team will start implementing a Local Procurement Plan to develop more proactive measures to promote even more local purchasing. This will include relevant indicators to monitor our performance.

Our Supplier Code of Conduct is in line with International standards

> United Nations Guiding Principles on Business and Human Rights
> International Labour Organization Declaration on Fundamental Principles and Rights at Work
> United Nations Universal Declaration of Human Rights

Principles of Cogeco's Supplier Code of Conduct

> Respect for human rights
> Favourable working conditions
> Valuing occupational health and safety
> Respect for the environment
> Ethical and responsible conduct
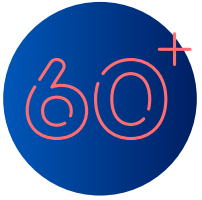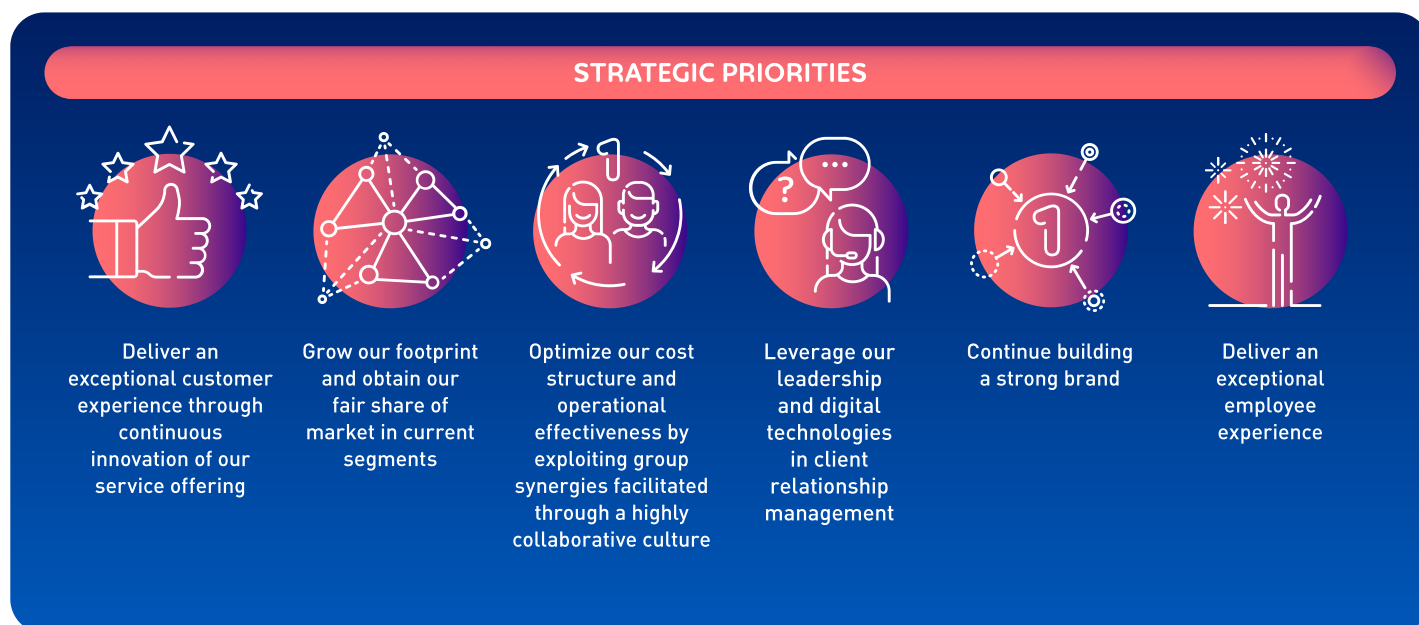
More than 60 years of value creation

Enabling value creation through a strategic vision

Our strategic vision and priorities are designed to bring value to different stakeholders, including customers, employees, communities and shareholders.

Our vision is to deliver value to our shareholders by

1. creating an exceptional customer experience
2. augmenting our geographic reach in Canada and the United States
3. expanding into new market segments
4. mobilizing highly engaged teams

The Corporation has defined six key strategic priorities that embody the roadmap to achieving our mission and vision. These strategic priorities are as follows.

STRATEGIC PRIORITIES

| Deliver an exceptional customer experience through continuous innovation of our service offering | Grow our footprint and obtain our fair share of market in current segments | Optimize our cost structure and operational effectiveness by exploiting group synergies facilitated through a highly collaborative culture | Leverage our leadership and digital technologies in client relationship management | Continue building a strong brand | Deliver an exceptional employee experience |

As reflected in our enterprise strategic priorities, customers are at the heart of our operations. Delivering an exceptional customer experience is the result of a value creation chain at Cogeco.

> Our products and services improve the lives of our customers.

> We offer a safe and motivating work environment for employees to develop high-quality products and services.

> We negotiate fair conditions with our suppliers in order to meet our targets and to respond to customers positively.

> We integrate practices to improve the environmental and social impacts of our operations. This strengthens the social and economic life of communities, which represent our customers and our employees.

> We pay taxes responsibly, enabling regulators to execute their responsibilities.

> All these result in profitability for the company, which is reflected in economic value for shareholders and resources for the company to continue developing products and services and generating more value.

In fiscal 2020, customer experience will remain a priority for all business units. We will further drive our digital transformation to continue improving not only our customer experience, but also our employee experience, by offering a more agile and engaging work environment. Our commitment to our local communities will be demonstrated through corporate social responsibility (CSR) initiatives designed to engage team members and the wider community in activities that will support sustainability, respect for the environment and social responsibility.

Direct and indirect economic impacts

We continuously seek to innovate our processes, operations, services and products while efficiently managing capital utilization to secure future growth. We practice prudent financial management with a history of de-leveraging following acquisitions. Fiscal 2018 and 2019 were characterized by strong financial performance with attractive adjusted EBITDA margins, strong free cash flows and dividend growth.

Between 50% and 75% of senior executives' compensation is variable and at risk, based on long-term creation of economic value. In addition, beginning in fiscal 2019, a portion of the executives' variable compensation is also linked to the Corporaton's health and safety, employee engagement and customer satisfaction results, thus demonstrating a commitment to ESG components.

Positive economic impact of the Information and Communications Technology (ICT) sector

> According to the "SMARTer 2030 ICT Solutions for 21st Century Challenges" by GeSI and Accenture report, ICT will connect 2.5 billion additional people to the "knowledge economy" by 2030, giving 1.6 billion more people access to healthcare and half a billion more people access to e-learning tools.

> Direct link between technology adoption and socioeconomic growth.

> Promotes employment creation.

> ICT positively impacts labour productivity, innovation capacity and business competitiveness, among other benefits.

> ICT is linked to improvement of quality of life.

Contributing to the development of many rural areas and smaller centres where we operate is key for Cogeco. Our affordable, high-quality broadband services improve the connectivity of businesses and facilitate their growth. In addition, we often enable the digital inclusion of underserved communities. The diagram below highlights Cogeco's direct and indirect economic impacts.

FISCAL 2019 REVENUES: $2.4 billion
EBITDA*: $1.1 billion

DIRECT ECONOMIC VALUE DISTRIBUTED
(VALUES FOR FISCAL 2019 IN MILLIONS)

Operating costs: **$1,312**

Employee wages and benefits for our more than 4700 employees: **$422.9**

Dividends: **$27.8**

Community investment: **$13.1**

Payments to governments: **$88.6**

Payments to providers of capital: **$168.7**

Support for:

The production of Canadian content through the Canada Media Fund: **$6.5**

New Canadian drama through the Independent Production Fund: **$1.6**

Autonomous community television in Québec: **$0.1**

INDIRECT ECONOMIC VALUE
(VALUES FOR FISCAL 2019 IN MILLIONS)

Economic and social development of communities through affordable broadband services to underserved markets.

Our network investment in fiscal 2018 and 2019: **$523**

Breaking the digital divide of vulnerable and isolated communities. CCX is committed to improving internet access in remote and rural regions in Canada.

Network support and expansion that enable business productivity and growth.

Community cohesion through community TV channels.

Community TV investment during fiscal 2018 and 2019: **$2.2**

* Earnings Before Interest, Taxes, Depreciation and Amortization
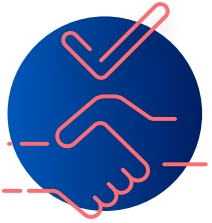
Putting our customers at the heart of our activities

Delivering an exceptional customer experience

One of Cogeco's strategic priorities is to deliver an exceptional customer experience through continuous innovation of our service offering. We strive to be a trusted provider that not only offers fast and reliable networks, but also maintains respectful and transparent relationships with its customers. By providing a superior service to its customers Cogeco nurtures their loyalty and drives its revenues, growth and reputational capital.

Customer experience is overseen by the Board of Directors and managed by each business unit according to customer needs and expectations.

Who manages the topic?

Board level
This topic is reviewed by the Board of Directors.

Frequency of review
Quarterly

Management level

> Customer experience is a direct responsibility of the President of the Business Unit and his leadership team.

Related policies and documents

Privacy Policy	>
CSR Policy	>
Code of Ethics	>
3 year Strategic Plan which is updated annually	>

We firmly believe that customer service with a local touch represents a key differentiator and enabler for Cogeco. Every Canadian and American customer is served by a Canadian or American employee. We have implemented various programs and actions aimed at constantly improving our customer service. The strategies deployed to achieve this objective include: increasing synergies between business units, pursuing our efforts on the digitization program and the establishment of new shared-services teams. **It should be further noted that, beginning in fiscal 2019, we made the customer experience a key criterion from a compensation perspective by linking a portion of executives' variable pay to the company's customer satisfaction results.**

Each Business Unit to improve its Net Promoter Score (NPS) compared to the previous fiscal year.

PROGRESS

We did not meet our target and an action plan is being deployed to improve our NPS score, which was affected by the introduction of a new customer service system.

Each business unit has a plan in place to continuously enhance its customer experience. Plans cover different spheres, as reflected in the customer journey diagram below. We are putting customers back at the heart of the value chain and enhancing harmonization so that they have a seamless experience through all our channels. All actions are supported by a company-wide digital transformation program that impacts customers positively, by offering digital experiences, data-driven processes and continuous innovation automation.
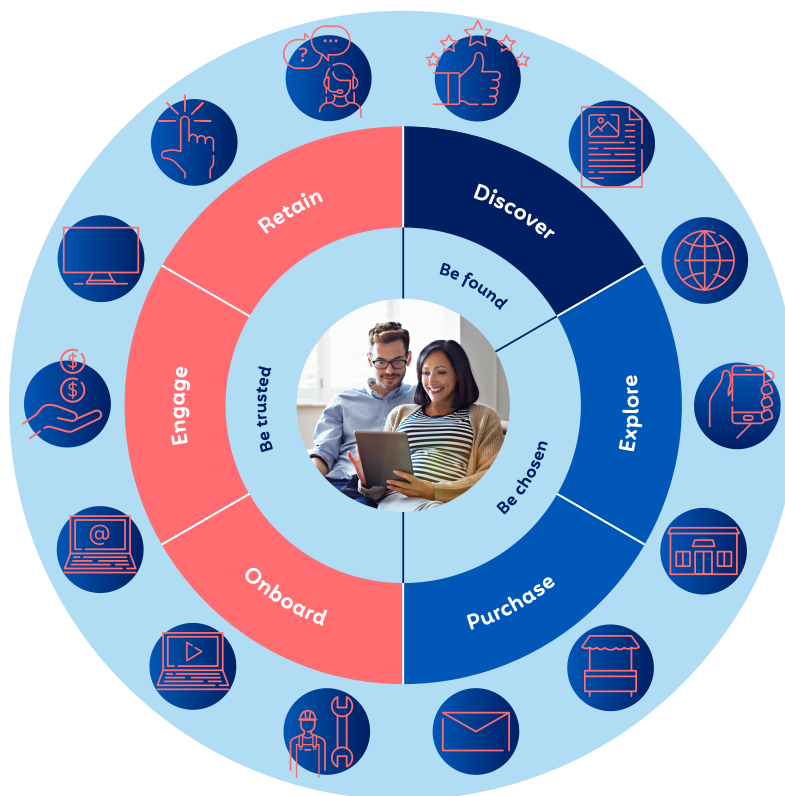
The digitization of our customer journey means putting the consumer first, gaining agility, speed and efficiency. We have various projects in place to modernize all customer journey touchpoints, from research to relationships with Cogeco. We want to ensure that we offer the right product to the right consumer, at the right time and in the right context, as well as best-in-class contact centre technologies. Consumer satisfaction is also measured in real time at every touchpoint of the consumer journey (store, online, contact centre agents, etc.), so the organization can focus on what matters. For Cogeco, this will also reduce costs and contribute to capturing new revenue sources and market opportunities.

Focusing on what really matters to our customers:

> Exceptional service
> Innovative and reliable services
> A local company playing an active part in the community
> A company that customers can trust
> Superior post-sale experiences
> Getting the best value all the time
> Digital experience, data driven processes and continuous innovation automation

Fiscal 2018 and 2019 projects

Various customer projects were launched in fiscal 2018 and 2019, mainly to empower our customers with online tools.

Management of service choices

Atlantic Broadband deployed a My Services Online Customer Portal to provide customers with a single access point to manage their account, including the outages/storms dashboard, online modem support and reset tool, and email and phone manager. It also launched a platform that will better enable our field technicians to meet customer scheduling demands. Similarly, Cogeco Connexion has added new self-serve features to MyAccount, including for viewing and managing appointments and adding/removing channels. New features will be added in fiscal 2020.

Electronic billing

A big focus in fiscal 2019 was the migration to paperless billing. By the end of fiscal 2019, almost half of our residential customer base received electronic bills. We have also put some emphasis on sending legal documents by email. Cogeco Connexion is planning to increase the percentage of emailed legal documents from 60% at the end of fiscal 2019 to 70% at the end of fiscal 2020.

Self-installation tools

To support new consumer behaviour, while reducing the operating cost, we have introduced new relevant self-serve capabilities online, including a self-installation option for our phone product, the ability to view and reschedule appointments and modify TV channels. This is more convenient for customers, as no appointment or technical visit is required. This also reduces the need for technician visits and therefore has a positive impact on our fuel consumption and GHG emissions.

Product quality and innovation

We continuously adapt and evolve our service offerings in order to respond to the increasingly digitized world in which we operate. It is essential that we anticipate and respond in a timely manner to changing market conditions and customer expectations and behaviour, in order to satisfy current customers and attract new ones. **Our focus is on the quality of the customer experience with our products and services, as well as the quality of the customer care and technical support interactions that support our services. We also promote technological innovation by focusing on new and emerging technologies and on market trends.**

Who manages the topic?

Board level
Product and innovation plans are reviewed by the Board of Directors during the Strategic Retreat Session.

Frequency of review
Annually

Management level

> Steering committees review product and innovation plans. These are also periodically discussed with the President and CEO of Cogeco.

> Chief Technology and Strategy Officer of Cogeco oversees product roadmap through Centre of Excellence.

> Product quality and innovation are discussed by the Cogeco Technology Council and the Cogeco Capital Committee.

> The Vice President, Wireless Solutions and Innovation as well as the Vice President, Transformation and Innovation play an important role in product quality and innovation.

> Each business unit has a vice presidency in charge of the topic: Vice President of Product & Programming at Atlantic Broadband and Vice President Network, Operations and Technological Delivery at Cogeco Connexion.

Related policies and documents

Product roadmaps and plans*	>

*which are developed by the product teams in coordination with different teams including Engineering, Architecture and Operations.

We assess customer needs and preferences through periodic surveys in order to measure their satisfaction and to proactively inform product development and product innovations. We continuously monitor the activity of other providers in our markets to ensure that our products and services remain competitive and well-positioned for business growth.

The product teams have implemented a process of vigorous testing before products are deployed to market, including in-house testing and introducing new technologies first to employees and pre-identified friendly customers. In addition, extensive training is provided to all team members before products are deployed to market. Once products are deployed, various tools provide the company with insights into customer usage patterns to ensure that services are working as intended and to determine market potential for future enhancements.

Product quality and innovation measurement indicators

> Signal strength and quality at customers' premises

> Outage alerts

> Product usage data

> Service Level Agreements (SLAs) with key business accounts as a formal commitment to reliability

> Quality and responsiveness of customer care and technical support

> Focus groups

Unique service offering

Flexibility

We provide a range of service options designed to meet varied needs and budgets, including entry level and smaller-service video packages, premium options, and high-speed Internet with multiple speed tiers. These services are often offered to customers in attractively-priced bundles for additional savings. In Québec and Ontario, we exceed the CRTC requirements allowing our customers to only pay for the channels they want to watch.

Security

In order to make the Internet a safer environment, we provide our residential customers with a free Internet security service, including parental control and other features, with most of our Internet packages. For example, with Cogeco Connexion's Internet security services, customers can enjoy unlimited licenses with Cogeco Security GO on their tablets, smartphones and computers for an additional monthly fee. Similarly, our physical and digital set-top boxes include parental control features, giving video users the capability of locking out programming by rating and channel. Various modem and gateway products also provide parental control features. As part of broadcasting licenses, we adhere to all applicable industry codes, regulations and programming standards.

Accessibility

All recent set-top boxes enable the display of closed captioning for hearing impaired persons, and the activation of described video for the visually impaired. In fiscal 2019, new accessibility features were enabled on all TiVo DVRs, Minis, and certain SmartBoxes, including a screen reader that voices the TiVo menu choices displayed on the TV screen, closed captioning and a video description track.

To read about our Connecting Families program, which offers affordable Internet for low-income families, go to the Community Relations section of this report.

Product and service innovation

Cogeco has introduced a series of product innovations designed to further enhance the customer experience while providing a competitive advantage in our markets.

IPTV

With the objective of reinforcing Cogeco's path towards business transformation, this project provides a lower-cost alternative while providing a more powerful customer experience. Customers are able to self-install their equipment and reduce the need for repairs due in part to cloud-based recording. In addition, the IP set-top box is energy efficient and compliant with the Canadian and United States set-top box energy efficiency voluntary agreements.

Read more about Cogeco's participation in voluntary agreements in the Environmental section.

High-Speed Data (HSD) Wi-Fi

This project positions Cogeco as a key competitive player in Internet offerings with speeds of up to 1 Gbps. HSD Wi-Fi brings the best Wi-Fi experience as well as reduced support costs. This project also involves plant upgrades that will increase Cogeco's Internet capacity and decrease network congestion at the same time. Atlantic Broadband expanded the availability of gigabit-speed Internet to more than 90% of its footprint, while Cogeco Connexion has achieved approximately 60% with plans to further increase this percentage in fiscal 2020.

Business continuity

Having a resilient infrastructure that ensures the delivery of high-performance video, Internet and phone services to both residential and business customers represents a top priority for Cogeco. As a telecommunications provider, our infrastructure is also fundamental to the delivery of emergency communication systems; hence we are committed to providing reliable and uninterrupted service and have set an aggressive target for broadband ntework reliability accordingly.

To have our broadband network available 99.9% of the time.
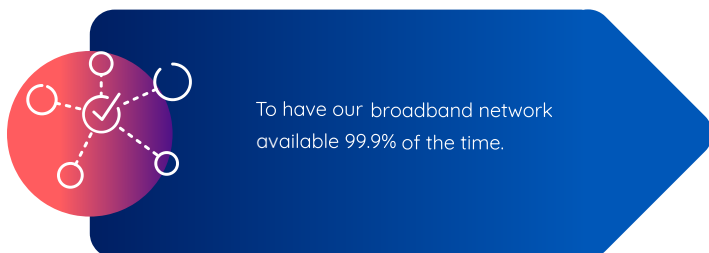
ACHIEVEMENTS

In fiscal 2018 and 2019 our broadband services were available 99.9% of the time or more.

Cogeco continuously invests in network infrastructure enhancements, as well as the consolidation of headends (signal control centres), to ensure high levels of network performance and reliability and to prepare the network for the delivery of new advanced products and services.

We have a robust governance structure in place in order to effectively manage business continuity-related risks.

Who manages the topic?

Board level
The Audit Committee of the Board of Directors reviews business continuity as part of its oversight over Enterprise Risk Management (ERM).

Frequency of review
Quarterly

Management level
> Depending on the business unit, this topic is under the responsibility of the Vice President, Network, Operations and Technology Delivery or the Vice President, Engineering, vice presidents and general managers for the different regions or the Senior Director, Technical Operations.

> Implementation of the policies and plans is a shared responsibility.

Related policies and documents

Business Continuity Plans	>
Crisis Management Plans	>
Disaster Recovery Plans	>
Disaster Recovery Program Framework	>

Our business units manage business continuity-related risks through a Business Continuity Planning Program as well as through a Disaster Recovery Policy and related procedures. **The Business Continuity Plan documents the steps and activities required to respond, resume, recover and return to normal when faced with a disruptive event impacting our people, our premises/facilities, and/or our systems**. These documents are reviewed and improved periodically to incorporate the lessons learned from major and minor events.

In Canada and the United States, we have backups or replacement sites in order to be able to respond to emergencies. We increase preparedness by having practice exercises at certain sites. The frequency of these practice exercises is different for each region.

We strive to minimize the number and impacts of outages. When they occur, we ensure we resolve them as promptly as possible and we take appropriate measures to prevent reoccurrence. It is, however, important to clarify that some outages, such as utility outages, are out of our control. We have change management and incident-management processes in place. Once incidents are resolved, we identify the root causes and implement improvements.

Fiscal 2018 and 2019 projects

Multiple projects were undertaken by our business units to support an effective business continuity posture. These involve initiatives related to improving the reliability of our infrastructure, network redesign, incident preparation and management and disaster recovery testing exercises.

Data privacy

As part of our operations, we collect personal information and our customers entrust us with their data. By integrating the highest data-privacy standards, we strive to be a provider of choice, trusted by our customers, employees and other stakeholders. We have mechanisms in place to ensure that information is kept confidential and secure, and used only for the purposes for which it was collected.

Zero founded privacy complaints from the Office of the Privacy Commissioner of Canada, the Federal Trade Commission or the Federal Communications Commission of the U.S.

ACHIEVEMENTS   We had no founded privacy complaints in fiscal 2018 or 2019.

Management approach

All our business units have adopted policies pertaining to the protection of personal information, which are specific to their products, services and/or jurisdictions. These privacy policies are intended to establish responsible and transparent practices for the management of personal information, as well as to satisfy legal requirements in the relevant jurisdictions where Cogeco operates. We review and update our privacy policies, procedures, practices and documents as required, in order to remain current with applicable laws and regulations.

Who manages the topic?

Board level
The Governance Committee of the Board of Directors follows this topic closely.

Frequency of review
The Governance Committee meets at least twice per year.

Management level
Under the overview of the Senior Vice President, Corporate Affairs, Chief Legal Officer and Secretary, we have appointed Privacy Officers in each of our business units to support full compliance with privacy laws and regulations, to monitor governance and to respond appropriately to our customers' questions, requests and concerns.

Related policies and documents

Corporate Privacy Commitment, applicable to all corporate entities   >

Privacy Policy, Cogeco Connexion   >

Privacy Policy, Atlantic Broadband   >

Privacy Policy, Cogeco Media   >

We deploy industry-standard safeguards to protect customer and employee data. Moreover, we strive to increase awareness on this topic among our customers and employees through various means and engage them on the issue of data protection.

> To increase our customers' awareness on this topic, we publish our privacy policies on our various websites, and we also include messages on the invoices issued by some business units.
> Our teams are trained on the different privacy policies and guidelines. In the U.S., we also conduct Customer Proprietary Network Information (CPNI) training and file an annual certification of compliance with the Federal Communications Commission.
> We organize privacy-related events, such as the annual Data Privacy Day, an international effort centered on respecting privacy, safeguarding data and enabling trust.

Information lifecycle

Cogeco's information collection, usage, disclosure and retention practices have been developed in accordance with applicable laws and regulations in the jurisdictions where we operate. In Canada, we are covered primarily by the Personal Information Protection and Electronic Documents Act (PIPEDA) as well as other applicable privacy laws and standards. In the United States, we must comply with different federal, state and municipal laws and standards. The chart below illustrates common practices for business units. However, in some cases, such as practices for obtaining individuals' consent to collect, use and disclose personal information and for using the information for secondary purposes, business units have adapted their practices to align with specific legal requirements.

Collection

> We collect basic customer information on a voluntary basis. This information is described in each of our privacy policies.

> Unless required or authorized by law, Cogeco will not collect or use personal information for any other or new purpose without obtaining further consent.

> We have opt-in /opt-out features for promotional communication.

> We do not knowingly collect personally identifiable information about children under 18.

Type of information that we collect

> Name, address, phone number and email address, among others;

> Account and payment information for Cogeco Connexion and Atlantic Broadband;

> Information related to the use of our services;

> Personal information about subscribers from third parties, such as credit agencies, with or without individuals' consent depending on applicable legislation.

Usage

> Our policies specify the purposes and use for which Cogeco collects personal information from its subscribers.

How we use our customers' information

> To provide and bill for services to broadband customers;

> To communicate with our customers;

> To understand customers' interests and expectations, and enhance and improve our offerings;

> To inform customers about other products or services that may interest them;

> Cogeco Media may use personal information to manage contests or promotions.

Disclosure

> Cogeco will not sell, rent or trade its subscribers' personal information to any third party. However, we may share our subscribers' personal information when authorized by law.*

> Except as described in each policy, we do not share data without consent. We may share our subscribers' personal information when authorized or required by law. Under exceptional circumstances, when permitted by law, personal information may be collected, used or disclosed without consent. Those circumstances include: protection of our customers, employees or property, emergency situations, enforcing our rights under our terms of service and policies, court or elsewhere, and as otherwise permitted by law.*

Parties with whom we can share the information, subject to the terms of our privacy policies

> Cogeco group of companies to meet customer purposes;

> Vendors and partners that help us with business purposes, such as offering, marketing and advertising campaigns, providing, billing for, and maintaining and repairing our network, products and services;

> Law enforcement agencies and other parties as required by law; and to protect against fraud, abuse or harm or to safeguard our interests.

Retention & destruction

> Personal information is retained only as long as necessary for the fulfilment of the purposes for which it was collected and for which consent was received, unless otherwise required by law.*

> The time of retention depends on the type of information.

> Each business unit has developed retention guidelines and destruction procedures.

Personal information is retained only as long as necessary for the fulfilment of the purposes for which it was collected and for which consent was received, unless otherwise required by law.*
The time of retention depends on the type of information.
Each business unit has developed retention guidelines and destruction procedures.

*Applicable in Canada, in accordance with PIPEDA legislation.

Law-enforcement requests for customer information

Cogeco may be compelled to disclose personal information in response to a law, regulation, court order, subpoena, demand, search warrant, government investigation or other legally valid request or enquiry. Each business unit has written procedures on how to review and handle such law-enforcement requests. We seek to protect our customers' interests by ensuring that data is disclosed in accordance with applicable laws. This does not apply to Cogeco Media because of the type of information it collects. For more information on Cogeco's procedures to manage law-enforcement requests, see:
Atlantic Broadband's Law Enforcement Handbook
Sharing of Personal Information section of Cogeco Connexion's Privacy Policy

Data security

Cyber security threats and breaches in the public and private sectors have grown in frequency and complexity over recent years. This is why ensuring the security of the Cogeco ecosystem, including our customers' data, represents a top priority for our organization. Cogeco aims to proactively manage its cyber security risks while also capitalizing on the opportunities associated with better managing these risks, such as:

> Better understanding and visibility for technology management

> Alignment with regulatory and customer requirements

> Increased business resilience

> Improved customer and partner trust

> Increased brand value

No security incidents resulting in the loss, theft or unauthorized access of customer data.
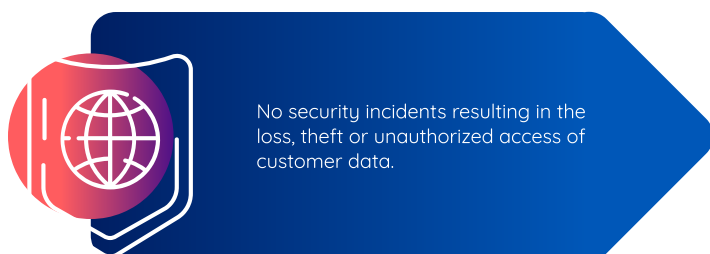
ACHIEVEMENTS

No security incidents in fiscal 2018 or 2019 related to customer data.

Management approach

Our approach to cyber security is based on obtaining an understanding of our business units' specific objectives and managing the risks which may prevent those objectives from being achieved. Thus, we invest in our people, technologies, processes and facilities to mitigate identified cyber security risks. **The cyber security program considers the talent and experience of our engineers and cyber security personnel, combined with the acquisition of technologies to help us cope with rapidly changing cyber threats and guarantee the highest standard of protection in cyber security.**

Who manages the topic?

Board level
The Board of Directors oversees security topics. Most relevant issues are escalated to the Board of Directors by the Senior Vice President and Chief Technology and Strategy Officer.

Frequency of review
The Cyber Security Governance Committee meets once per month and the Cyber Security Management Committee meets bi-weekly.

Management level

> The Cyber Security Governance Committee is composed of selected Corporate and business unit vice presidents. Strategy level subjects are discussed.

> The Cyber Security Management Committee is composed of directors and senior directors in operations. Tactical and operational topics are discussed.

> The Corporate Cyber Security Department is led by the Senior Director, Information Security, who reports to the Vice President, Information Technology.

Related policies and documents

Cyber Security Policy   >
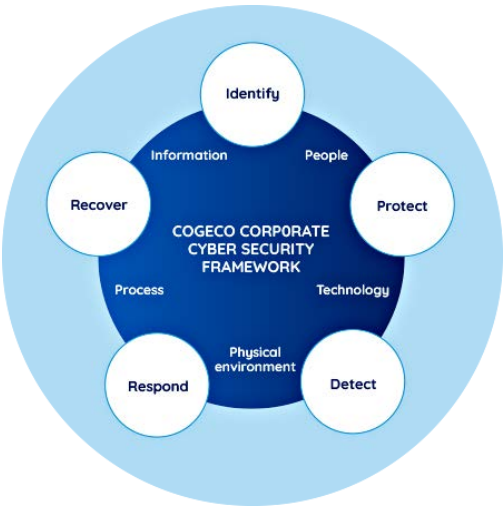
Cyber Security Program   >

Our cyber security strategy aims to balance proactive safeguards while preparing for worst case scenarios and is aligned with the five concurrent and continuous function areas of identify, protect, detect, respond and recover, upon which, the Cogeco Corporate Cyber Security Framework is built. We manage the cyber security practice within this governance framework, which is based on industry best practices such as the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF), Information Technology Infrastructure Library (ITIL) and Factor Analysis of Information Risk (FAIR).

Since cyber security is the responsibility of everyone at Cogeco, all our employees receive comprehensive training in cyber security and privacy during the onboarding process. They also receive periodic updates as needed during the year.

The cyber resilience of our services is also an integral part of our vision for cyber security. It materializes in the early stages of designing our systems and continues throughout the entire life cycle (i.e. security by design).

The choices of technologies as well as the design of each of our systems are also essential to our approach to security. Our goal is to maintain optimal security for our users and services on a continuous basis, regardless of the level of threat. Therefore, our most critical systems and related cyber security processes are tested and audited on a regular basis. Action plans are developed and implemented to address any deficiencies identified during these audits.
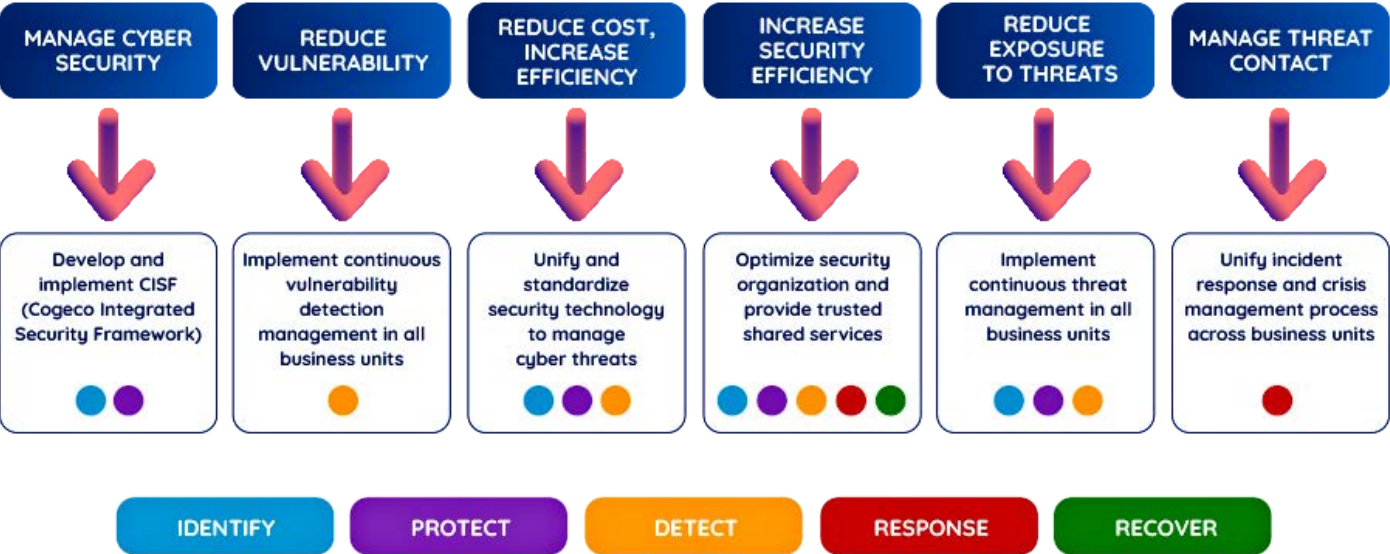

In fiscal 2019, we developed and are in the process of implementing the various stages of a Corporate Cyber Security Program to improve security core functions maturity, to enable Cogeco to manage risks efficiently taking into consideration the continuous evolution of cyber threats.

Corporate Cyber Security Program

Cyber Threat Management is the primary objective of the Corporate Cyber Security Program which is composed of 6 Projects

Cyber Threat Management

MANAGE CYBER SECURITY	REDUCE VULNERABILITY	REDUCE COST, INCREASE EFFICIENCY	INCREASE SECURITY EFFICIENCY	REDUCE EXPOSURE TO THREATS	MANAGE THREAT CONTACT
Develop and implement CISF (Cogeco Integrated Security Framework)	Implement continuous vulnerability detection management in all business units	Unify and standardize security technology to manage cyber threats	Optimize security organization and provide trusted shared services	Implement continuous threat management in all business units	Unify incident response and crisis management process across business units

IDENTIFY   PROTECT   DETECT   RESPONSE   RECOVER

Cyber Security risk management standards

We are currently defining our Cyber Security Risk Management Practice based on the NIST CSF and the FAIR models, where risk is defined as the probable frequency and magnitude of a future loss. At Cogeco, the vulnerability management process is intended to identify weaknesses and evolving threats by performing scans and tests on the organization's assets. We conduct network-based scans, host-based scans, wireless scans, application scans and database scans on a regular basis.

Third-party security evaluation

As part of our value chain, we also ensure that our service providers are secure. To do so, we have the following third-party evaluation practices:

> Completion of a Cogeco Security Questionnaire through which we evaluate the security maturity of the third party.

> Review and analysis of reports from an external provider that rates the security maturity of any organization.

> Review and analysis of SOC 2 assessment Type 1-2 reports, which enable us to evaluate third parties as assessed by an independent organization.

> Request for and review of third parties' ISO security-related certificates.
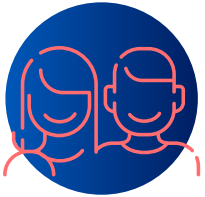
Our employees are our priority

Our workforce

Our workforce

4,737 employees

38% women

62% men

15% under 30 years old

58% are between 30 and 50 years old

27% over 50 years old

67% in Canada

33% in the U.S.

87% full-time employees

81% full-time employees in Canada

99% full-time employees in the U.S.

94% permanent employees

91% of women held permanent positions

96% of men held permanent positions

11% voluntary turnover rate

0 work-related fatalities

22% covered by collective bargaining agreements

Information at August 31, 2019

Our workforce is a key driver of our success

> Attracting and retaining a competent and diverse workforce will enable Cogeco to keep pace with the continuous technological change that the ICT industry is facing.

> Our employees are the key to maintaining and improving our customer experience, which is one of our competitive strengths and a strategic priority.

> Retaining our talent not only contributes to cost control, but is critical for our business continuity.

> Our employees represent one of our main connections to our communities in the markets that we serve.

> Our employees are fundamental to the success of our acquisitions and the preservation of a positive and strong corporate culture.

> Our employees implement our strategy and are therefore revenue and growth drivers.

Management approach

One of Cogeco's strategic priorities is to deliver an exceptional employee experience. With this objective in mind, we are implementing multiple initiatives to improve the daily work experience of our employees.

Human Resources practices and performance are overseen by the Human Resources Committee of the Board of Directors. As part of our enhanced collaboration model, Cogeco recently created an integrated Human Resources function, led by the Senior Vice President and Chief Human Resources Officer. This team includes an employee experience team as well as a compensation and human resources systems team.

Who manages the topic?

Board level
The Human Resources Committee of the Board of Directors oversees employee-related topics including compensation, pension plan funding and status, labour relations, human resources performance, including health and safety, employee engagement, diversity and succession planning.

Frequency of review
The Human Resources Committee meets at least three times per year.

Management level
Senior Vice President and Chief Human Resources Officer, who provides leadership in harmonizing human resources practices across the organization. There is human resources personnel at each business unit.

Related policies and documents

Code of Ethics >

Policy on the Use of Alcohol, Drugs and Medication >

Policy on a Harassment, Discrimination and Violence-Free Workplace >

Hiring Policy - Canada >

Health and Safety Policy >

Employment Equity and Diversity Policy >

CSR Policy >

Our Human Resources policies and practices are intended to support the highest standards of labour/management relations. We have policies, procedures and guidelines in place to ensure compliance with relevant laws and regulations in the different jurisdictions where we operate. They include, among others, the following.

> Labour standards regulations
> Occupational health and safety regulations
> Human rights acts
> Charters of rights and freedoms
> Employment equity regulations

The employee **dimension** encompasses multiple key CSR topics for Cogeco, i.e., talent attraction, development and retention, diversity and inclusion, as well as health, safety and well-being. Topic-specific strategies and initiatives will be covered in the following sections.

Talent attraction, development and retention

We strive to provide a stimulating, progressive and diverse work environment built on the values of collaboration and respect. We offer a safe workplace and competitive wages and benefits, while providing continuous learning, professional development and internal advancement opportunities. The recently created centralized talent and employee experience team is responsible for the implementation of an engaged, integrated and harmonized employee experience throughout the organization.

Employee engagement

Cogeco actively seeks to measure employee engagement. A company-wide employee engagement survey is conducted regularly to address this objective. The last survey was conducted in fiscal 2019 and it addressed subjects such as career development, learning and skills development, recognition and salary, performance appraisal, work processes, teamwork, physical environment, ethics, leadership and human resources practices. This survey provides us with valuable information in terms of understanding how our employees feel about us as an employer and identifying where we need to focus our efforts to improve the overall employee experience. **It is important to note that, beginning in fiscal 2019, a portion of our executives' variable compensation is linked to the Corporation's employee engagement results. All teams at Cogeco are tasked with proactively contributing to engagement and motivation.**

Improve our global workforce engagement score.

PROGRESS

Cogeco's employee engagement score did not improve compared to fiscal 2017 (last period when the survey was conducted). Action plans are being deployed to improve our employee engagement.

Improve participation rate in the global workforce engagement survey.

ACHIEVEMENTS

The participation rate improved by 9% compared to fiscal 2017.

In order to drive continuous improvement, Cogeco has developed a global action plan to create purposeful employee experiences, foster a culture of engagement, enhance organizational agility and increase trust in an aligned leadership. This will be achieved through the following three areas of focus.

Enabling Infrastructure

> Systems, tools & ideas

Culture

> Brand
> Empowerment & Influence
> Collaboration

Employee Experience

> Learning & Development
> Career Opportunities

Employee retention

We have made it a priority to invest in development programs and our workplace in order to attract and retain our talent across all our business units. We monitor our turnover rate and strive to maintain it at a healthy level. The turnover rate in fiscal 2018 was 14% and it increased to 17% in fiscal 2019. The transformation of our workforce and our commitment to become more agile and flexible resulted in the need to streamline our structure. A voluntary departure program was thus offered to employees that included: competitive severance packages, outplacement services for career counselling, and an extension of benefits coverage with both employee and family assistance coverage.

Competitive working conditions

Working environment

In order to adjust to evolving market trends and improve upon the overall employee experience of its workforce, Cogeco implemented certain policies and initiatives during fiscal 2018 and 2019. Some of the initiatives that were implemented, which varied by business unit, include the following.

> **Cogeco Connexion was named one of Montréal's Top Employers for 2018 by Mediacorp**

> Introduction of flexible working arrangements such as teleworking, and flexible schedules.
> Update of the absence policy to offer some personal days in accordance with the revised Canada Labour Code.
> Implementation of user-friendly digital tools to communicate with our employees and to enhance collaboration, for example Google Suite and enhanced intranet platforms.
> Compensation strategies were revised for certain groups as part of an ongoing process.

Compensation and benefits

We offer comprehensive compensation packages to attract and retain high-calibre employees. **Our compensation packages include competitive salaries, group benefits and reward programs, including bonuses, commissions and an annual incentive program driven by a performance-review process based on the achievement of goals and contribution to corporate results**. Benefits vary from business unit to business unit, but in general, permanent employees are entitled to specific benefits such as life insurance, health and dental care and long and short-term disability programs. Also, all our employees are entitled to participate in a stock purchase plan that attracts an employer match.

An enterprise wide human capital management (HCM) platform is being implemented in fiscal 2020 to support the delivery of an enhanced employee experience.
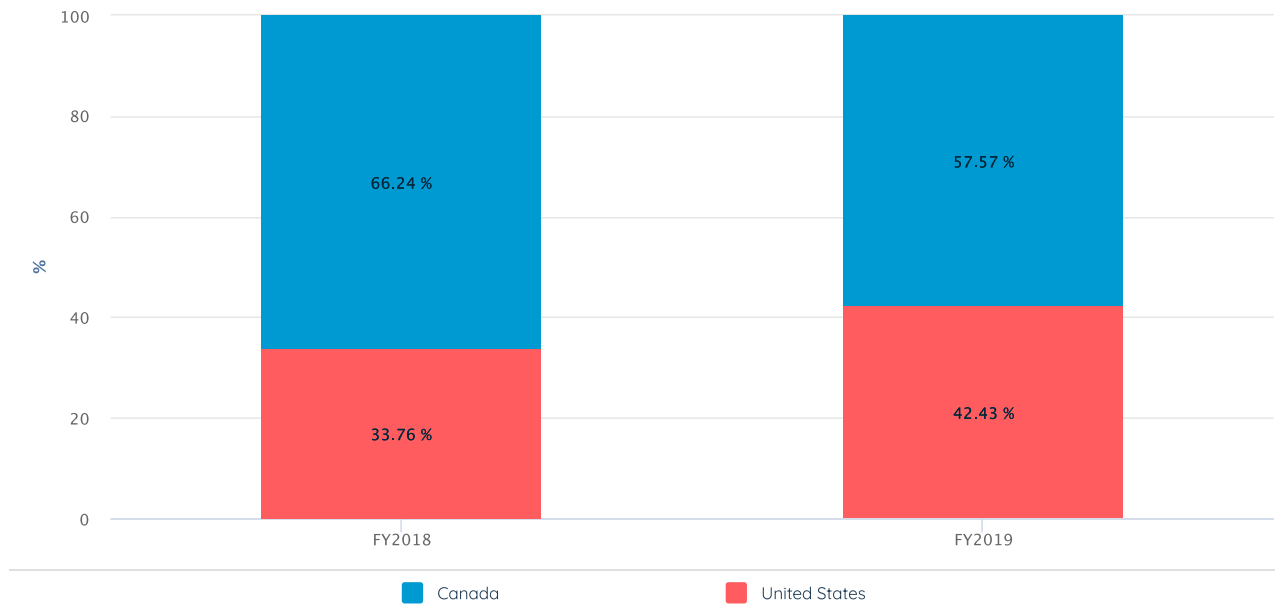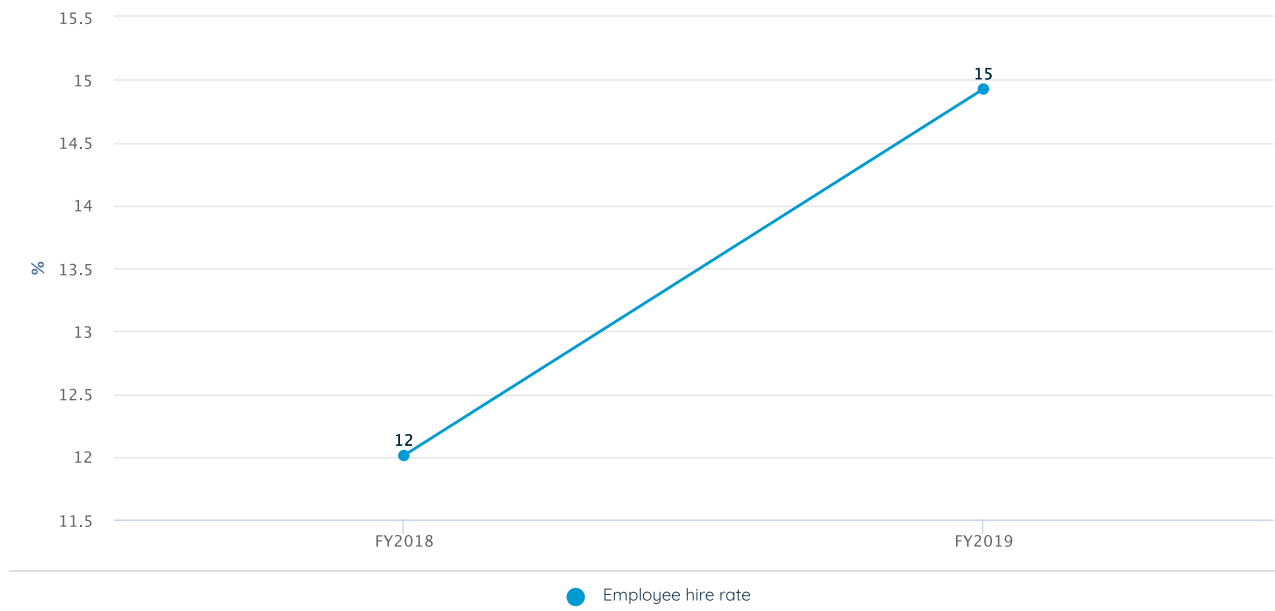
Employee hire rate by gender
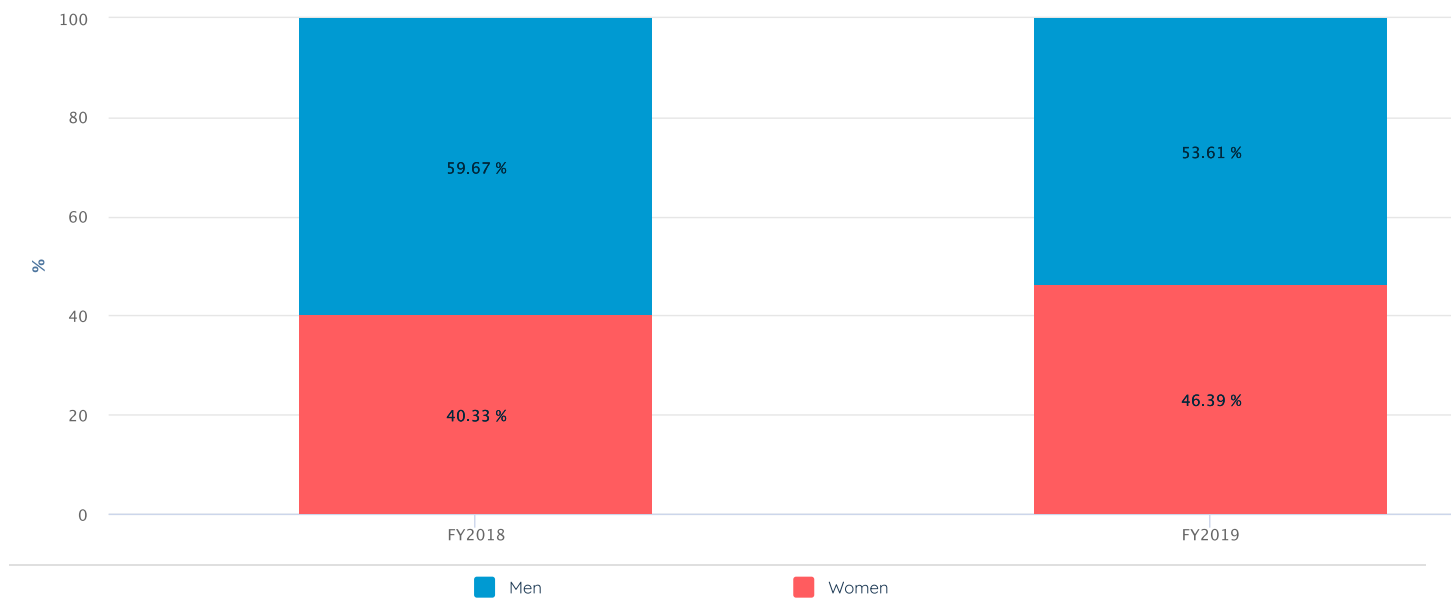
Employee hire rate: The hire rate is the total number of employees hired over the total number of employees. The hire rates by group represent the percentage of employees over total employees hired in a specific period of time.
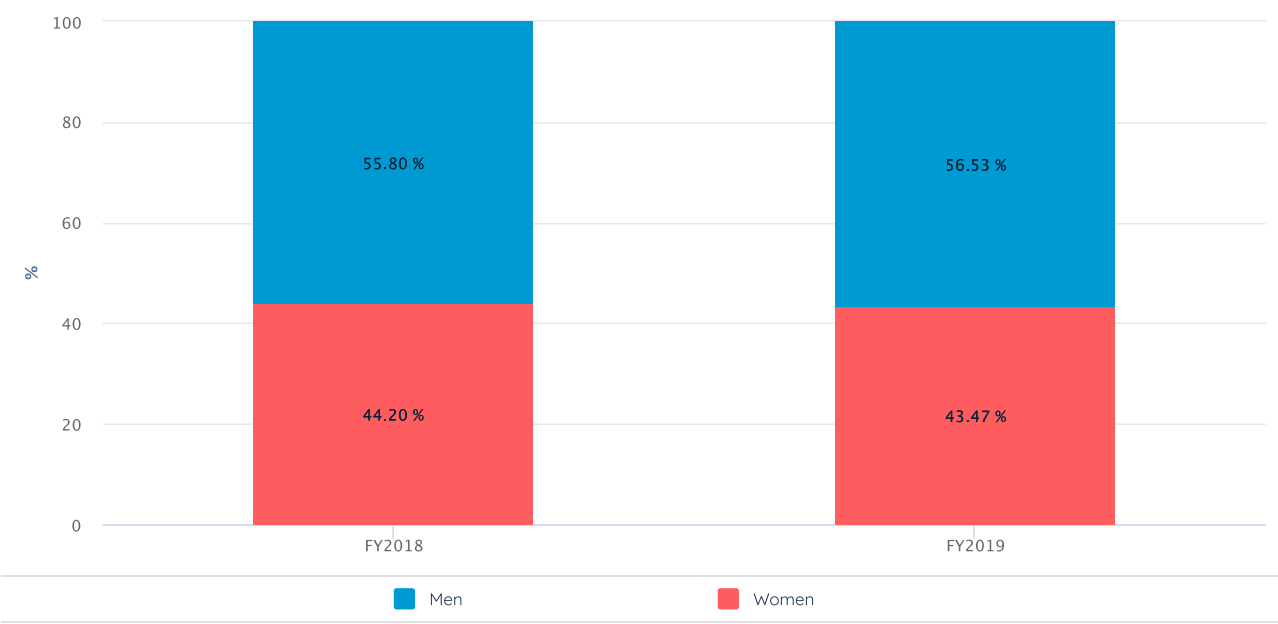
Employee hire rate by age
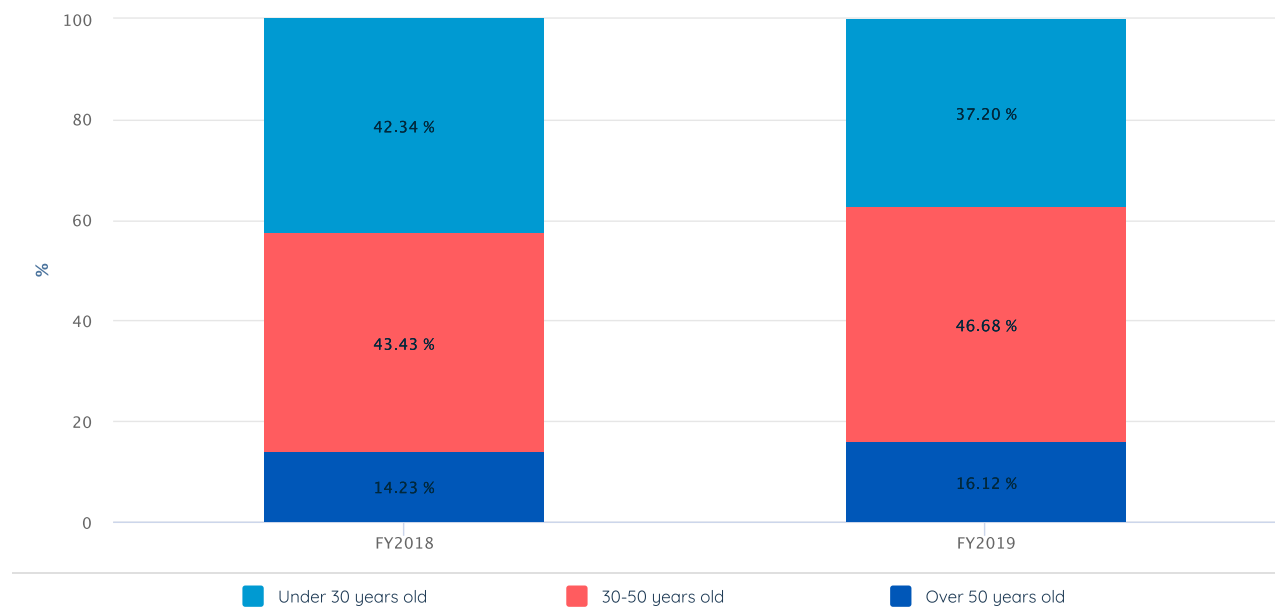
Employee hire rate: The hire rate is the total number of employees hired over the total number of employees. The hire rates by group represent the percentage of employees over total employees hired in a specific period of time.
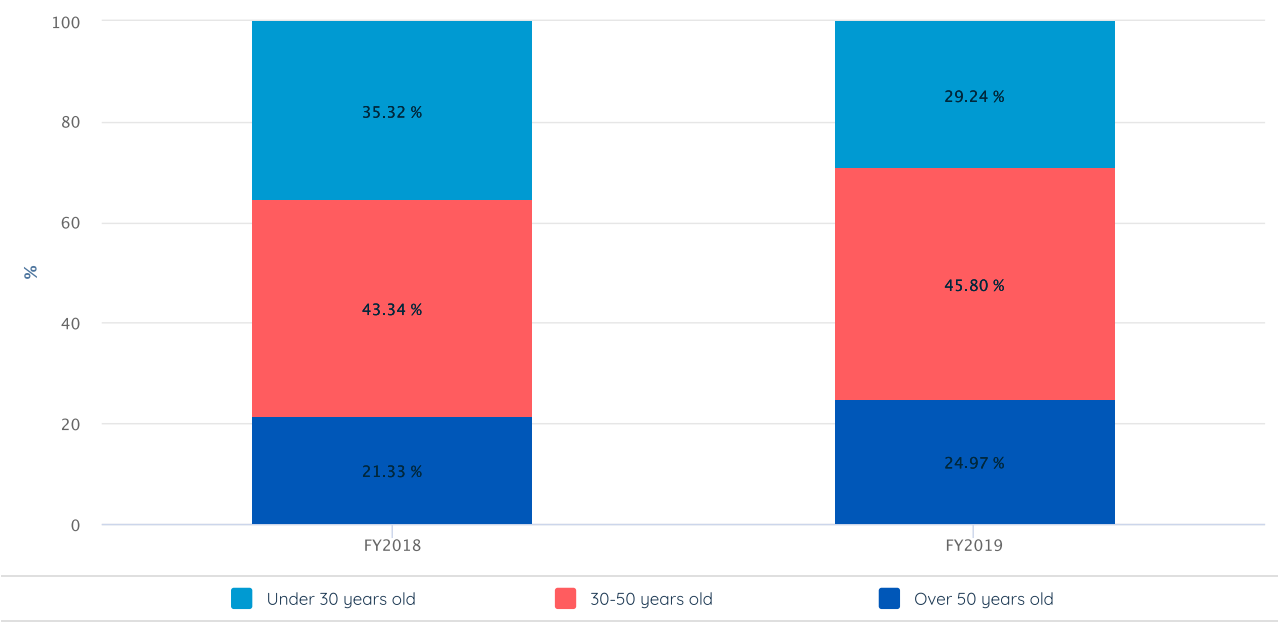
Employee hire rate by region

Employee hire rate: The hire rate is the total number of employees hired over the total number of employees. The hire rates by group represent the percentage of employees over total employees hired in a specific period of time.

Employee hiring rate

Employee hire rate: The hire rate is the total number of employees hired over the total number of employees. The hire rates by group represent the percentage of employees over total employees hired in a specific period of time.
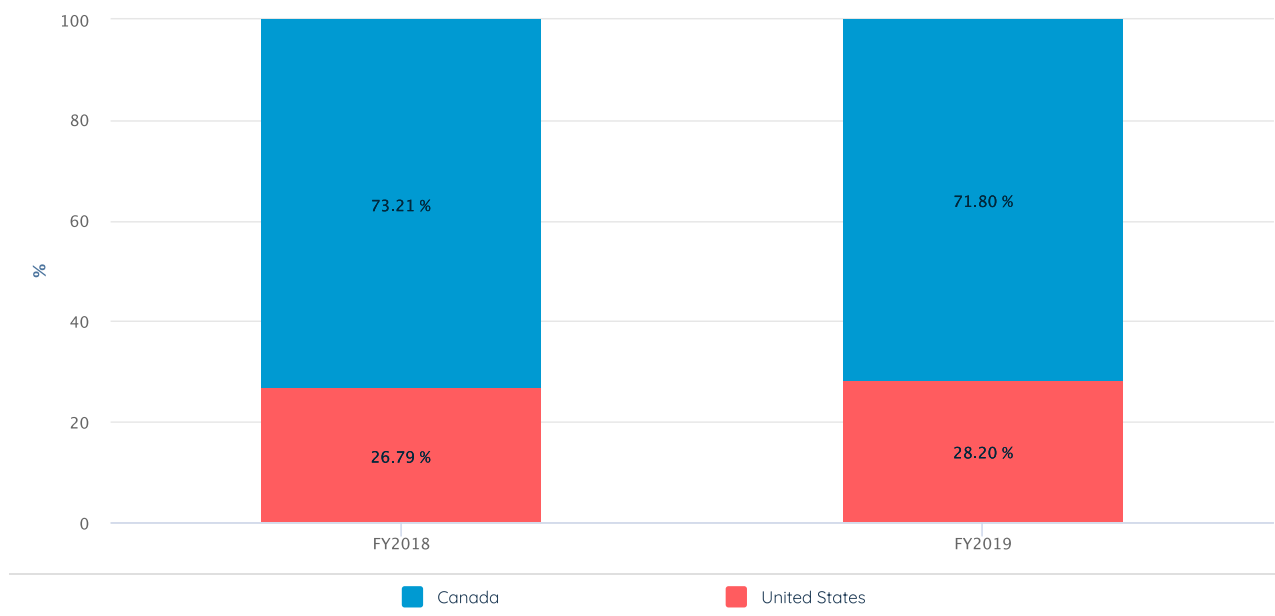
Turnover rate by gender

	FY2018	FY2019
Men	55.80 %	56.53 %
Women	44.20 %	43.47 %

Legend: ■ Men ■ Women

Turnover rate by age

	FY2018	FY2019
Under 30 years old	35.32 %	29.24 %
30-50 years old	43.34 %	45.80 %
Over 50 years old	21.33 %	24.97 %

Legend: ■ Under 30 years old ■ 30-50 years old ■ Over 50 years old

Turnover rate by region

	FY2018	FY2019
Canada	73.21 %	71.80 %
United States	26.79 %	28.20 %

Legend: Canada, United States

Voluntary and involuntary turnover

	FY2018	FY2019
Voluntary turnover rate	9	11
Involuntary turnover rate	5	6

Legend: Voluntary turnover rate, Involuntary turnover rate
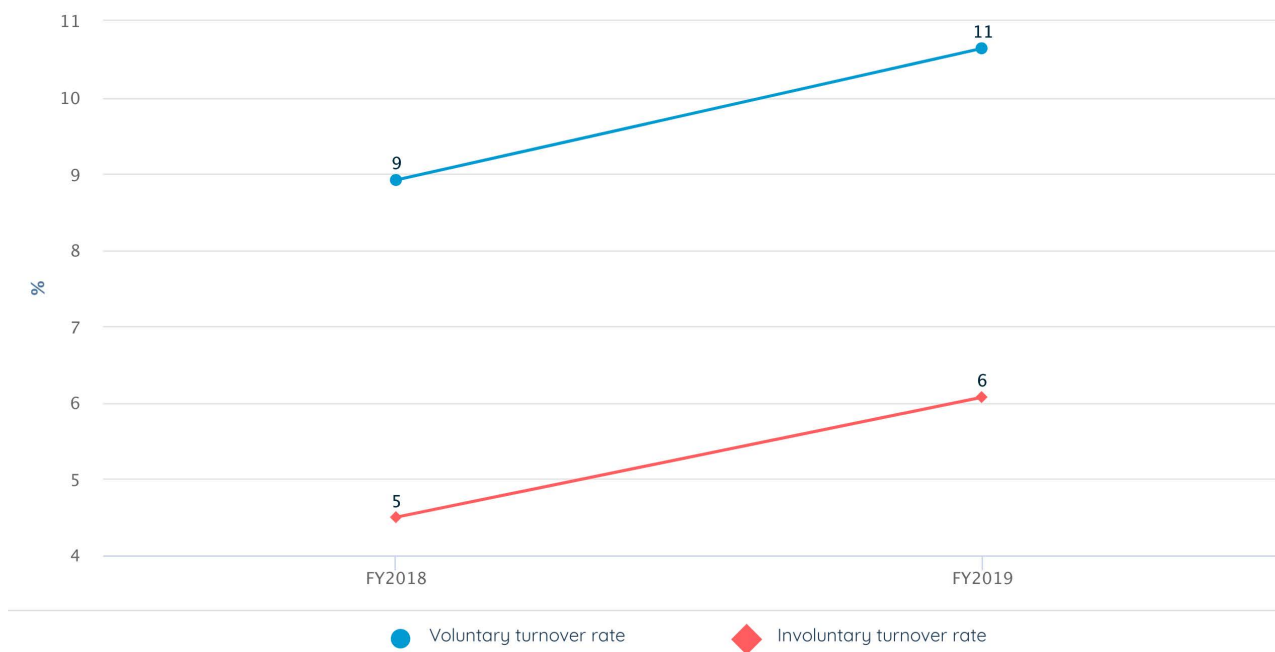
Employee development

Professional development is a key cornerstone of our employee experience and various opportunities exist for such development at Cogeco. Training and education ensure ongoing professional development for enhanced performance, knowledge and skills in current roles while preparing for future roles. Managers are important enablers of the employee experience and that is why we are focusing on increasing and enhancing management capabilities. Managers are also responsible for the training needs of their employees and related budgets. **During fiscal 2018 and 2019, a new job classification structure was developed for all of our business units. Our efforts in this area will continue in fiscal 2020 with the development of a competency model and career path plan. This will provide employees with increased visibility on potential career pathing opportunities.**

Cogeco Connexion invests at least 1% of its annual payroll in training

Individual training program

> Employees define performance objectives with their supervisors and mutually agree on required training programs.
> Training is fully paid by Cogeco and takes place during working hours.
> Training programs are offered according to each employee's position.

Continuing education financial assistance

> These are employee development initiatives through courses followed outside working hours that help them develop skills and knowledge for their current or future positions. Eligible programs are those that lead to a diploma or certificate at an accredited educational institution.

Internal training for managers

> Internal training initiatives include the Cogeco Leader Program for managers at all levels. Its curriculum and design supports our leadership competencies, values, business priorities and vision.

The table below reflects some of the training programs that we have deployed to enhance the competencies of our employees.

Program and audience	Description
Cogeco McGill Leadership Development Program	Seven days of training spread over four modules aimed at developing leadership attributes and proficiency in strategy, finance, leadership and human resources management.
Cogeco Business Solutions University for Business Solutions employees at Cogeco Connexion	Digital onboarding and continuous-learning experience. It contributes to our employees' success by enabling them to have high-quality conversations with our customers about our solutions. The curriculum, which covers our product portfolio, tools, processes, and professional development, is constantly growing to incorporate our latest innovations.
Language courses	In-classroom English and French courses.

Diversity and inclusion

Diverse and inclusive environments enable innovation and provide for a better understanding of challenging situations as well as more effective decision-making. Diverse groups also facilitate learning and team collaboration. Improved financial performance is further correlated with diverse and inclusive work environments. At Cogeco, our objective is to treat all employees fairly and without discrimination and to ensure that our hiring practices and advancement-related decisions are based entirely on people's abilities, skills and potential.

One of Cogeco's core values is respect, and the first principle of our Code of Ethics is Personal Respect. Cogeco is an equal-opportunity employer and believes every employee is entitled to fair treatment, courtesy and respect. We respect all individuals, whatever their origin, physical characteristics, sexual orientation, beliefs, opinions or social condition (or any other characteristic protected by applicable federal, state, provincial and local laws), and we do not tolerate any form of discrimination. In fiscal 2019, we launched a new Harassment, Discrimination and Violence-Free Workplace Policy and we had training sessions for individuals on the topic. This policy applies to all business units of Cogeco.
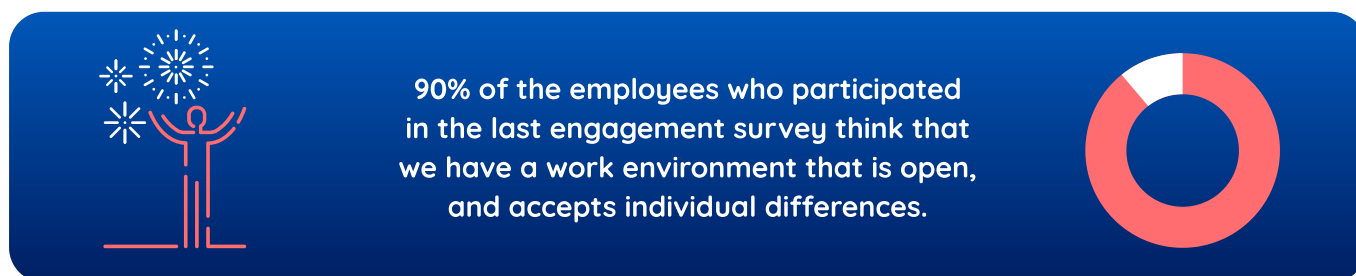
Ensure at least 35% of women in a managerial level and above by fiscal 2021.

ACHIEVEMENTS At the end of fiscal 2019, 36% of our managers were women.

Cogeco's Canadian business units develop a triennial Employment Equity and Diversity Plan with strategies and measures that enable us to achieve our short and long-term goals for representation in the designated groups i.e. women, aboriginal people, persons with disabilities and members of visible minorities. As an example, Cogeco Connexion's triennial plan includes initiatives related to governance, recruitment, training and awareness, communications and accommodation measures.

Cogeco is a model of leadership in terms of gender diversity, with half of our Board members being women. Furthermore, 38% of our workforce is currently composed of women and 36% of our managers are female. We have a self-identification process in place to measure the number of employees in different groups in our workforce.

Cogeco Connexion won the Employment Equity Achievement Award from the Government of Canada in 2018.

90% of the employees who participated in the last engagement survey think that we have a work environment that is open, and accepts individual differences.

An important initiative from a diversity perspective is the Cogeco Women's Network (CWN), whose mission is to promote and support women's advancement by providing opportunities for professional development and networking, supporting external visibility and social involvement and enabling gender diversity as a whole. This initiative has been launched at Cogeco Connexion and within the corporate team, and we intend to extend the deployment to all business units in the coming years. In fiscal 2019, the CWN launched a pilot mentoring program to further support women in achieving their professional and personal development goals. The pilot program was successful and will be pursued in fiscal 2020. We also implemented initiatives focusing on the professional progression of women through our association with "Women in Communications and Technology" in Canada and "Women in Cable Telecommunications" in the U.S.

Our business units have multiple initiatives in place to promote diversity and inclusion of different groups. The following are some of the most relevant.

|	
RECRUITMENT	> Selected job fairs, postings and partnerships with organizations that target designated groups: women, immigrants, First Nations and veterans. > Adaptation of some internal rules for hiring and promotion, putting more emphasis on experience versus diplomas. > Recruitment is a function of the candidates' skills, expertise and capacity to practice their profession in an ethical, respectful and inclusive manner toward all societal groups. > Mentoring programs to raise awareness of the important role of the population over 50 in business success and combating potential discrimination in the hiring process. > Cogeco Connexion has a new career site which includes a diversity section. Visit here.
POLICIES AND AWARENESS-RAISING	> All business units are covered by a Harassment, Discrimination and Violence-Free Workplace policy. > Mandatory online Diversity Awareness Training course for all new managers. > Deployment of psychological and sexual harassment training to all human resources employees. > Some business units have an Employment Equity Committee to oversee this topic. > New employees are individually met to explain the importance of self-identification. > Cogeco Women's Network. > Celebration of International Women's Day at some of our premises.
ADAPTATION AND ACCESSIBILITY	> Flexible work arrangements such as teleworking, paid and unpaid vacation, adaptable schedules and work time reduction so that employees can better reconcile personal and professional responsibilities. > Employees who require workstation upgrades due to a particular disability or condition are eligible for accommodation by the company.
WORK WITH DIVERSE COMMUNITIES	> Atlantic Broadband works actively with governmental and non-profit organizations to provide on-the-job training and job opportunities to people with disabilities, low-income students and people over 50 years old. > Partnerships and financial aid to organizations that support designated groups such as low-income students, LGBTQ+, women in the cable and telecommunications industry and people with disabilities.
CAREER PATH AND PERFORMANCE MONITORING	> Our core competencies have been updated to include diversity & inclusion components. > The definition of the "teamwork and collaboration" skill has been modified to include the ability to adapt to individual differences. > In response to specific needs of designated groups, one of our business units developed a workshop that provides the necessary coaching and tools to all employees to define their individual development plan, based on their expected career path.

% men and women in management

Women: 36.17 %

Men: 63.83 %
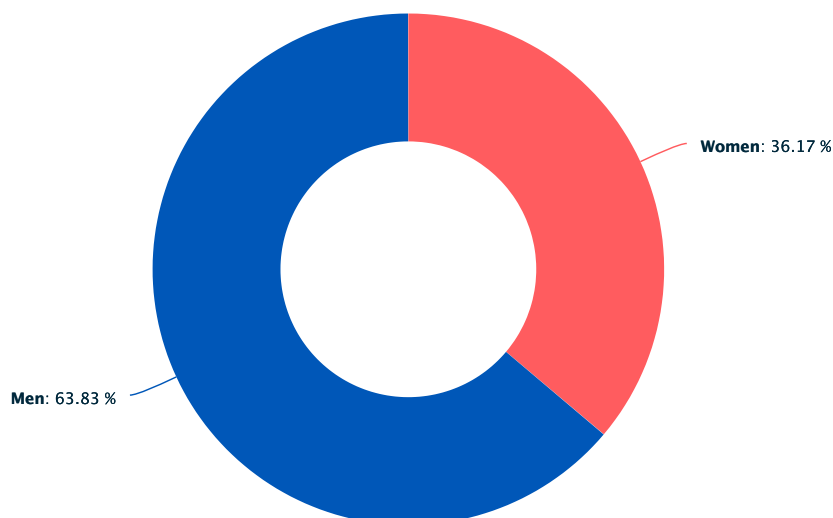
Employee health, safety and well-being

Health, safety and well-being overview

Cogeco is committed to providing a safe and healthy workplace for all employees, volunteers and business partners. The centralized talent and employee experience team encompasses a specialized function devoted to managing workplace health, safety and well-being. We favour a collaborative and preventative approach to health and safety (H&S), and as such we strongly encourage people to report hazards, which we then strive to mitigate or eliminate. **Beginning in fiscal 2019, a portion of our executives' variable compensation is linked to the Corporation's health and safety results. All teams at Cogeco are accountable for the results and proactively contributing to ensuring a safe and healthy workplace.**

Maintain a frequency of workplace-related incidents below industry averages in the jurisdictions where we operate.
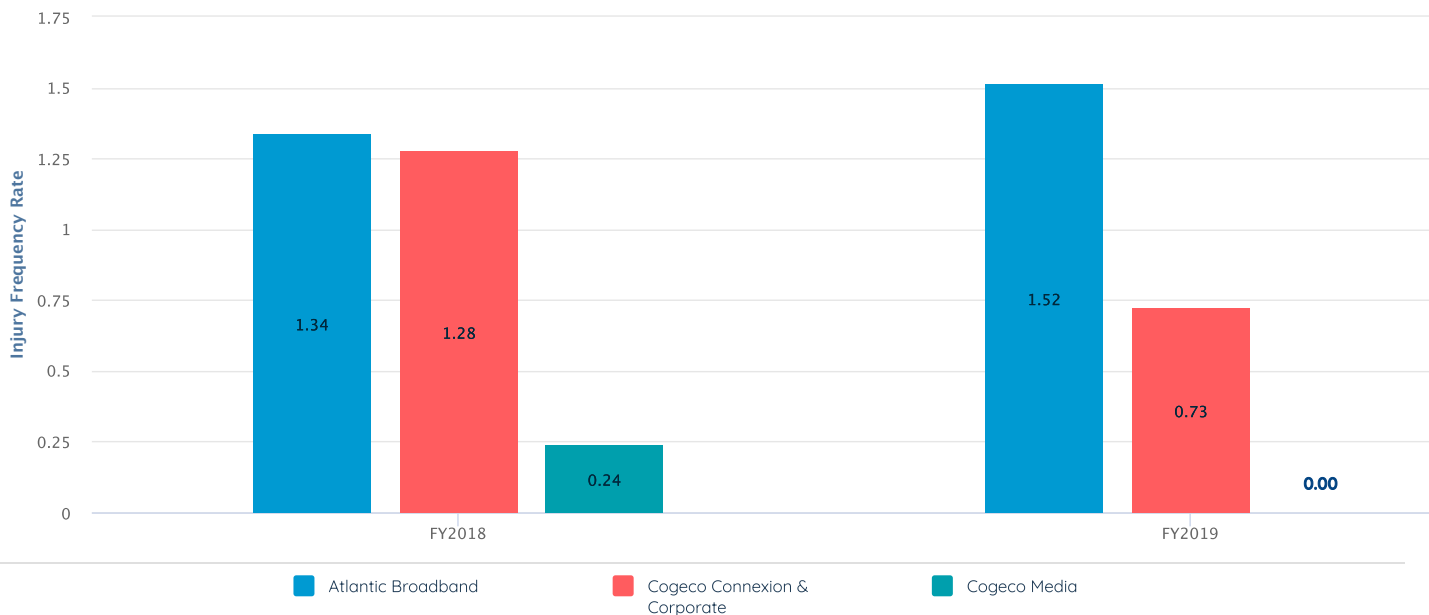
ACHIEVEMENTS

From fiscal 2018 to 2019, Cogeco significantly reduced its overall frequency of workplace-related incidents.

Our business units have health and safety policies, which outline management's commitment to H&S and remind all employees that everyone must take responsibility for, and work together to achieve, a healthy and safe workplace. Policies and procedures are reviewed periodically to ensure that they meet legal requirements and that they are in line with industry best practices. Applicable training is provided based on each employee's tasks to ensure that the associated hazards are adequately communicated.

Fiscal 2018 and 2019 health and safety related projects

> One of our business units has started the process of updating and standardizing health & safety related processes that will extend to employees and contractors alike.

> We have started and will continue to provide more in depth H&S-related training to all of our managers to ensure a consistent management approach.

> We are in the process of implementing a new system that will enable Cogeco to track and to address H&S key performance indicators.

> One of our business units trained field managers/network infrastructure and distribution centres on the H&S legal framework, Bill C-45, which establishes new legal duties for workplace health and safety in Canada and due diligence, incident investigations and workplace inspection requirements.

Workplace-related injury rate by business unit

Bar chart — Injury Frequency Rate

FY2018: Atlantic Broadband 1.34, Cogeco Connexion & Corporate 1.28, Cogeco Media 0.24

FY2019: Atlantic Broadband 1.52, Cogeco Connexion & Corporate 0.73, Cogeco Media 0.00

Legend: ■ Atlantic Broadband ■ Cogeco Connexion & Corporate ■ Cogeco Media

Main health and safety risks and hazards

The level of H&S risks and hazards varies from business unit to business unit. Our broadband business units have the highest associated risk factors. Given that we also employ many contractors for projects, it is also important for Cogeco to mitigate risks as they relate to both contractors as well as customers.

We developed a hazard prevention program, which is a repository of any and all hazards to which any of our employees may be exposed. **This repository was built by engaging with the employees and understanding not only the physical limitations, but also any psychological requirements of the position and ensuring that all tasks were adequately reflected so that associated hazards could be identified and subsequently controlled.**

Our most important hazards for the broadband services business units are as follows:

Type of hazards	Actions taken or underway
Hazards that have contributed to high-consequence injuries > Manual equipment handling (namely ladder usage) > Slips/trips > Environmental conditions such as ice and rain	> New training on manual handling designed to educate employees on appropriate lifting techniques. > Working on obtaining lighter ladders for our technicians. > Analyzing availability of anti-slip shoes and equipment. > Currently in the process of reviewing inclement weather guidelines.
Other operations/field hazards > Heat/cold stress > Workplace violence/harassment > Electrical hazards > Laser hazards > Unsanitary client conditions > Contact with another object > Traffic control	> Safety alerts as we become aware of new hazards. > Implement signage at storefronts and work centres advising clients/visitors that bullying or violence will not be tolerated given that all of our employees have the right to a safe workplace. > Monthly safety talks available for all managers and continuing training of employees on different hazards. > Fibre optics personal protective equipment for employees affected by Type 3B Lasers. > Management field supervision. > Lone worker program currently being considered and piloted for deployment.
Office main hazard > Repetitive strain from lack of ergonomic stations or equipment.	> Ergonomic assessments to favour a good posture and prevent repetitive strain injuries.

Employee participation

Our approach to H&S includes the establishment of joint workplace health and safety committees. When applicable, depending on the regions and on the number of employees in each location, H&S representatives and regional committees are present, in accordance with applicable federal, provincial or state laws and regulations.

Joint workplace health and safety committees

Who participates in the committees?
> All positions subject to inherent hazards and/or more frequent risks are represented on committees. However, there are some small groups or regions where there are no "worker volunteers" to represent their groups within the committee.

What is the role of the committees?
> Ensure that all H&S concerns are addressed.

> Identify and communicate workplace hazards, safe work procedures and all safety compliance information as required under applicable regulations.

> Conduct monthly H&S inspections in Canada.

> Conduct incident investigation processes when needed, and take preventive/corrective actions for improving H&S within the organization.

What is their meeting frequency?
> Depending on the Committee and the regions, there are monthly or quarterly meetings. The workplace Health & Safety committees meet nine times a year.

What type of training do committee members receive?
> Health and Safety committee members have training on incident investigation and workplace inspections. This training is also applicable to other positions including field managers and employees from our distribution centre. In Canada, there is also H&S training on the legal framework.

Promotion of workers' health

Each business unit has different benefits and initiatives to promote non-occupational and healthcare services. One of the most important programs that we have in place is the Employee Assistance Program, which provides all employees and their families with access to confidential consultations and information services from external professionals to resolve challenges and problems of a personal nature.

Objectives of the Employee Assistance Program

> Achieving personal well-being

> Managing relationships and family issues

> Addressing workplace challenges

> Tackling addictions

> Researching child and elder care resources

> Obtaining financial and legal advice

> Understanding nutrition and focusing on health

Confidentiality of our workers' health information

Worker's personal health related information is typically held in confidence in the Human Resources department. We take appropriate security measures to prevent access by any unauthorized users. Measures such as confidentiality clauses in human resources contracts and the use of a confidential fax line for health-related topics are in place.

Making a world of difference

COGECO

A world of
your **very own**

Hand in hand with our communities

Making our communities thrive is close to the heart of Cogeco. We operate local offices in the communities where our team members and customers live. We are committed to operating as a responsible corporate citizen in these communities, not only by providing high-quality services, but also by supporting local initiatives that depend on outside support to thrive. We also believe it is good for business; customers are more likely to do business with companies that have invested in their communities and that support causes that are important to them.

Based on best practices, we have established the following community relations commitment.
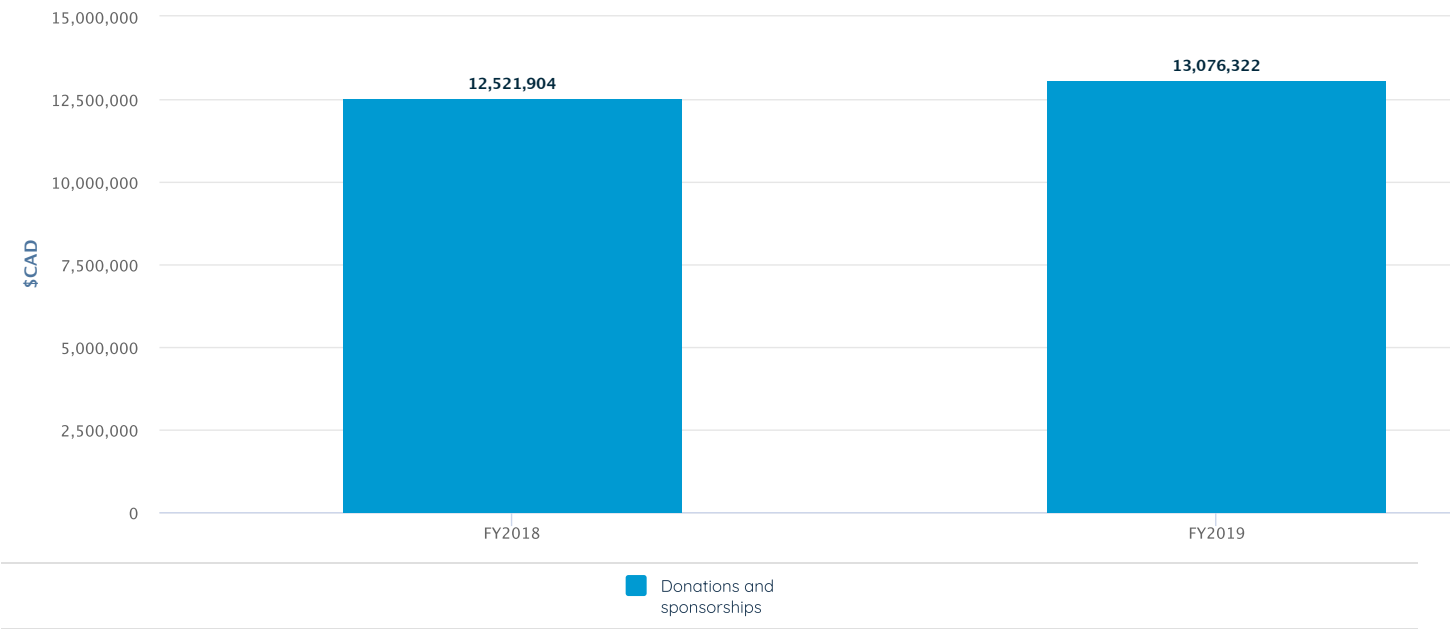
1%

Donate at least 1% of pre-tax profits.
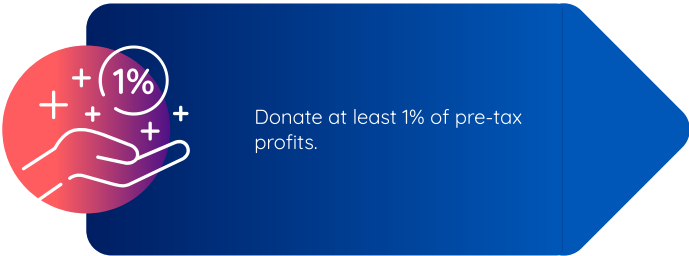
ACHIEVEMENTS

In fiscal 2018 and 2019, we donated more than 1% of our pre-tax profits considering cash and in-kind contributions.

Every year, we support the communities where we operate, and in fiscal 2018 and 2019, we donated more than $12.5 million and $13 million respectively in cash and in-kind contributions.

Donations and sponsorships

Bar chart titled "Donations and sponsorships" with y-axis labeled $CAD ranging from 0 to 15,000,000. FY2018: 12,521,904. FY2019: 13,076,322. Legend: Donations and sponsorships.

Community relations approach

All business units have developed community-focused initiatives, reflecting the particular needs of their communities. From production and airtime on our community television channels and radio stations, to participating in local chambers of commerce events and supporting local non-profit organizations or raising funds through community runs/walks, there are many ways we make a difference where we live and work. **In fiscal 2019, we supported more than 700 organizations in Canada and the U.S.**
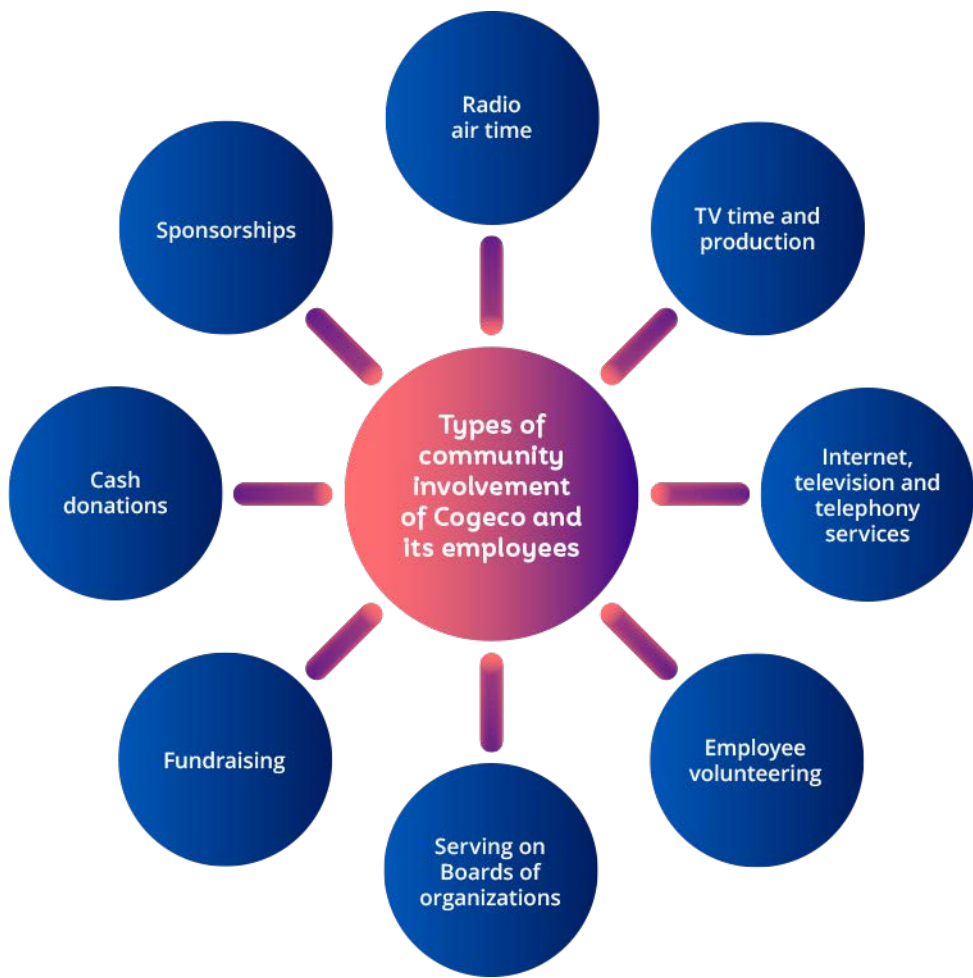
We work with dedicated local teams that understand our communities' needs and we have developed clear standards for responding to community requests. Cogeco reviews all requests with full consideration of the organization, its mission and its fit with our purpose, mission, core values and funding areas. Furthermore, teams analyze the potential social and environmental impact of the proposed community projects as well as the potential influences that we can have on stakeholders including the community at large, employees, customers, vendors and partners. When analyzing community requests, we also identify opportunities to bring additional value by including in-kind promotional support for the endeavours with which we partner.

Who manages the topic?

Management level
Communications, Community Relations, Marketing and Customer Care teams at our business units. Local teams are involved to identify opportunities for support within each local market.

Related policies and documents

Policy for Granting Donations and Sponsorships*   >

*The main funding areas described in these guidelines are: culture, education, health and well-being.

Building community cohesion through our community channels and radio services

Cogeco's community television channels, YourTV in Ontario and NousTV in Québec, are a powerful complement to our donations and sponsorship activities. Our 36 YourTV/NousTV channels produce and broadcast accessible, local programming that is focused on the needs and aspirations of the communities.

Programming on YourTV/NousTV is produced with the assistance of volunteers who help drive the content of our stations. It's television for the community, created by the community! Our volunteers contribute their time and talent while gaining valuable production experience. In addition, YourTV/NousTV staff are community leaders who use their influence to contribute to building a sense of community for municipalities.

Our community channels are funded by a regulated percentage of gross video revenues. In fiscal 2019, the value of television production services offered by YourTV/NousTV free of charge and the amounts that these services raised amounted to more than $7 million.

In addition, Cogeco Media offers Cogeco News services free of charge to five regional stations: Shawinigan, Bécancour, Maskinongé, Acton Vale and Maniwaki.

Local call centres and technicians

We are committed to providing our customers with local customer service agents and technicians from the communities where we operate. In our industry, call centres are often outsourced whereas our agents are primarily in-house and located within our areas of service, which creates jobs in smaller or rural areas. In cases where we outsource to third-party providers, outsourced agents are most commonly located within our service areas.

Augmenting our impact through fundraising

Cogeco's business units use different tools in order to fundraise and amplify the benefits for community organizations. For example, community television channels (YourTV/NousTV) offer funding opportunities to non-profit organizations through TV-Bingo and telethons, Cogeco Media promotes organizations' specific events through its radio stations and Atlantic Broadband uses cross-channel insertions. Employees at all business units participate in fundraising events and campaigns. Every year, our Canadian operations conduct fundraising events for Centraide, a non-profit organization which works to break the cycle of poverty and social exclusion Through our Centraide campaigns in fiscal 2018 and 2019, we raised more than $789,000, including employee and corporate donations.

5K Run/Walk for veterans in Berwick, PA

Working in partnerships

In order to maximize the positive impact of our projects in our communities, we usually work in partnership with other local groups. The following are some examples of these long-term partnerships.

Cogeco Amphitheatre in Trois-Rivières

Since fiscal 2015, Cogeco has made culture shine through its partnership with the Cogeco Amphitheatre in Trois-Rivières. This magnificent 9,000 seat outdoor theatre located at the confluence of the St. Lawrence and Saint-Maurice rivers stimulates economic and tourist development in the Mauricie region and surrounding areas. Cogeco supports this venue, through financial contributions, airtime on our radio station network in Montréal, Québec City, Sherbrooke and Gatineau to promote the events that take place in the amphitheatre and through the provision of television, Internet and telephony services.

Centrexpo Cogeco in Drummondville

This is one of the main venues for major fairs, corporate events and other important gatherings in the province of Québec in Canada. This partnership started in fiscal 2015, when the Société de développement économique de Drummondville proposed the relaunch of the venue for the young people of Drummondville. With a lot of valuable local experience, Cogeco agreed to support the Centrexpo Cogeco team in its initiative to organize entertainment events for elementary and secondary school children. During the spring break of 2019, Cogeco's special events team moved its facilities and staff to entertain more than 3,000 young people. This is an example of our sense of belonging to the community and our willingness to contribute to the success of our partners. **Without Cogeco's generous involvement, the event would not have benefited from the Kiro Le clown show (a NousTV program), virtual reality activities and a Cogeco Beanbag space for videogames**.

Fiscal 2018 and 2019 projects

Fiscal 2018 and 2019 were characterized by new partnerships and projects with positive impacts on our communities.

New employee community involvement program

With the purpose of maximizing positive impact on the community and increasing employee engagement, in fiscal 2019, Cogeco Connexion launched a new community involvement program. The program recognizes employees for volunteering their time and offers them an opportunity to apply for further funds to support the groups for whom they volunteer. We are currently evaluating opportunities to connect community support with employee engagement across the entire company.

Providing improved access to technology for Canadians at risk of digital exclusion

In fiscal 2019, Cogeco partnered with Computers for Success Canada. Through this partnership, Cogeco donates some of its outdated technology to the Computers for Schools (CFS) program, a Government of Canada program that refurbishes and distributes digital devices to schools, libraries, not-for-profit organizations, Indigenous communities and eligible low-income families. Moreover, the program ensures computers are reused, thus providing significant environmental benefits as compared to other disposal alternatives, and offers a digital work experience for interns across Canada.

Connecting Families initiative provides affordable Internet to bridge the digital divide

The Connecting Families initiative of the Government of Canada provides low-cost home Internet services for Canadian families, who may be struggling to afford access to home Internet services. The Connecting Families initiative provides up to 50,000 computers to eligible households through the Computers for Schools Plus (CFS+) program. As a result of this initiative, thousands of Canadian families are benefiting from Internet connectivity and opportunities to participate in the digital economy.

Preserving biodiversity through bee hives

Cogeco Connexion, in partnership with a local beekeeper, Miels des 3 Rivières, installed four bee hives at the Trois-Rivières regional office. This project, which supports an urban agricultural project initiated by Cogeco employees in fiscal 2017, contributes to the preservation of biodiversity and should have a beneficial effect on the 20 or so species of trees and shrubs found in the woods near the office. During the first year of operation, 270 kilograms of honey were produced. Employees were able to purchase some urban Cogeco honey and $982 was donated to Centraide Mauricie.

Community stories

Tim Caddigan, Senior Director of Community Relations at Cogeco Connexion, and HLF Executive Director Lesley Mansfield at the event last year, where Tim served as master of ceremonies for its annual Gala.

Halton Learning Foundation - Enriching educational opportunities and eliminating economic barriers to learning for students of the Halton District School Board (HDSB) in Ontario

In fiscal 2018 and 2019, Cogeco donated $45,000 in cash and in-kind contributions to the Halton Learning Foundation. Tim Caddigan, Senior Director of Community Relations, hosted their Annual Fundraising Gala in fiscal 2019 with approximately 400 guests.

Read more

About one in 10 students in the Halton District School Board (HDSB) lives at or below the poverty line and encounters financial barriers making it difficult to attend school regularly or to become fully engaged at learning. Thanks to the Halton Learning Foundation, more than 800 students received support for basic needs, such as food, clothing and school supplies.

"Cogeco has been a tremendous partner of the Halton Learning Foundation since its inception, through its significant financial assistance and raising awareness in the community by promoting HLF on YourTV. As a direct result of Cogeco's support, more than 300 students of the Halton District School Board have received help with basic necessities, such as food, clothing, school supplies and other essentials they need to be successful in school." Lesley Mansfield, Executive Director, Halton Learning Foundation

Protecting the environment, mitigating climate change and creating a healthier, more environmentally responsible city

In fiscal 2018 and 2019, Cogeco donated $106,000 in cash and in-kind contributions to BurlingtonGreen. Cogeco also participated in the organization's clean-up and tree planting activities.

Read more

Cogeco has supported the BurlingtonGreen Environmental Association since 2011. BurlingtonGreen recognizes that we are all connected to and dependent on the environment, and acts on this understanding to ensure a good quality of life and a sustainable future. Thanks to BurlingtonGreen, more than 7,400 children were involved in "Kids go Green Workshops" and there were 91,000 participants in the Green Up tree planting event.

"Over 105,000 people have directly benefited from participating in the various events and eco-action opportunities we have been proud to host, thanks to Cogeco's continued support. Whether it has been inspiring thousands through events with fascinating special guests such as Dr. Jane Goodall, Rob Stewart and David Suzuki, or supporting the annual city-wide community clean-up, tree planting projects or the popular Eco-Film Festival, Cogeco has been alongside us every step of the way. Their commitment investing in the local community and partnerships to achieve a healthier, more sustainable environment is both impressive and truly appreciated." Amy Schnurr, Executive Director & Co-Founder - BurlingtonGreen Environmental Association

Improving healthcare in Niagara

In fiscal 2018 and 2019, Cogeco donated $100,000 in cash and in-kind contributions to the Niagara Health Foundation. Cogeco also actively participated in the "Big Move Cancer Ride" and Gala events.

Read more

The Niagara Health Foundation brings people across the region together for a single purpose – to help their local hospitals and their healthcare teams deliver the best possible healthcare in Niagara. The Foundation raises funds for essential equipment through community donations.

"Having Cogeco as a title sponsor for our events allowed us to really tap into the Niagara community and raise awareness for our cause, to help build a healthier Niagara. Their financial support coupled with in-kind services really drove our event towards success and the partnership meant so much to our team, donors and attendees." Chris Green, Director of Communications, Marketing & Community Engagement, Niagara Health Foundation

Louis Audet, Executive Chairman of the Board of Directors of Cogeco Inc. and Cogeco Communications Inc.

Sharing the joy of Christmas in the Mauricie region

More than $600,000 was raised at the 60th edition of this event.

Read more

Le Téléthon Le Noël du Pauvre, an initiative that enables disadvantaged families in the Mauricie region to experience the joy of Christmas, is the oldest telethon in North America. Cogeco has supported this event since the beginning, when Cogeco founder Henri Audet started it. In 2018, the 60th edition of this initiative was celebrated, achieving fundraising records.

"*I want to emphasize the dedication of our Honorary Chair, Louis Audet, Executive Chair of the Board of Directors of Cogeco Inc. and Cogeco Communications Inc., who spared no effort to support our cause that was initiated by his father, Henri. I also extend my thanks to Cogeco employees who have invested so much in supporting our work.*" Pierre Normand, Chair of the Board of Directors, Le Téléthon Le Noël du Pauvre

Working together for the betterment of the physical and psychosocial health of the Florida community

Atlantic Broadband contributed almost $60,000 in television advertising. Over the years, it has actively participated by organizing employee walking teams to participate in the AIDS Walk, hosting a tent and providing giveaways.

Read more

Care Resource has been at the forefront of the HIV/AIDS epidemic since 1983. This illness became the first beneficiary of Care Resource's two premier annual community fundraising events: the White PartyTM and the Miami AIDS Walk 5km walk-a-thon.

For the past 10 years, Care Resource has been able to reach a wider population of patients, volunteers and donors through TV air time donated and organized by Atlantic Broadband. This commercial time has been critical in helping Care Resource effectively communicate its programs and services throughout the diverse neighbourhoods in South Florida that its health centres serve. In fact, with this help, in 2017, over 80,000 visitors, many of whom belong to the city's most vulnerable and diverse populations, came through the doors of all of Care Resource's health centres. As a result of this long-standing partnership, on November 24, 2018, Atlantic Broadband received the Visionary Award, a community health advocate award from Care Resource.

"*Thank you for your commitment of uniting the South Florida community in the common goal of living AIDS-free and for advancing Care Resource's efforts in delivering high-quality, affordable and accessible healthcare.*"

Mobilizing the community and promoting culture in New London, Connecticut

Atlantic Broadband donated more than $125,000, including cash and in-kind contributions.

Read more

The mission of the Garde Arts Center is to engage, enrich, entertain, educate and inspire the region of Greater New London County, Connecticut. It does so by protecting and operating a historic theatre and its facilities as a central cultural gathering place and educational resource, presenting top quality performing arts and films, fostering community arts organizations, providing educational opportunities through the arts, and strengthening community interaction and vitality. This centre serves to mobilize the community around projects and events; it hosts numerous events, from local youth talent showcases to political debates.

Atlantic Broadband partners with the Garde Arts Center by supporting the three-month Winter Cinema Series, which features over 20 films. Thanks to our sponsorship, the Garde is able to provide low-cost tickets and series passes to the community. The 2019 Winter Cinema Series, which ran from February through April, had almost 12,000 visitors. Atlantic Broadband has

signage throughout the facility, and a "TIVO Lounge" available year-round where after-movie presentations are hosted.

"The nature of the arts is to connect through a shared human experience, and Atlantic Broadband has enabled us and the larger cultural community to do so by providing services that make communications possible. With our new technology upgrades, we have seen immediate business efficiencies that have had nothing but a positive impact." Steve Sigel, Executive Director, Garde Arts Center

Supporting youth organizations in New Hampshire

More than $30,000 raised in fiscal 2018 and $35,000 raised through the 2019 Robbie Mills Memorial Golf Tournament held by Atlantic Broadband in September 2019.

Read more

The Robbie Mills Memorial Fund began as an initiative to honour the memory of Robbie Mills, son of Wendy Mills, a long-time Atlantic Broadband employee. Robbie, a 14-year-old Laconia boy, was killed in 1998 by two older teens, for his trail bike. The event was launched 20 years ago to support services for at-risk youth and other vulnerable populations. Groups supported by the effort provide essential services to these populations.

Some of the youth-serving organizations supported by the Robbie Mills Memorial Fund in Laconia include: Spaulding Youth Center (Northfield, NH), Boys & Girls Club of Lakes Region (Concord, New Hampshire), Granite State Children's Alliance/Child Advocacy Center (Belknap, Carroll, Strafford Counties, New Hampshire), Bread and Roses Soup Kitchen (Franklin, New Hampshire), WABAN (Sanford, Maine), Haven (Rochester, New Hampshire), Court Appointed Special Advocates (CASA), and the Greater Lakes Region Charitable Fund Children's Auction (Laconia, New Hampshire).

More than 13 years contributing to children's health in the province of Québec

For the Tree of Lights event, Rythme FM offered $300,000 in airtime and Cogeco donated $5,000. For the Mois des Câlins, Rythme FM offered $220,000 in airtime.

[Read more](#)

For more than 13 years, the partnership between the CHU Sainte-Justine Mother and Child Teaching Hospital and Rythme FM (a Cogeco Media radio station network) has contributed to improving children's health across the province of Québec, and to raising funds for research. Cogeco supports two of Ste-Justine's major annual events: *Le Grand Sapin* (The Tree of Lights) in December and *Le mois des Câlins* (Hug Month) in February.

Le Grand Sapin. The objective of this event is to make Sainte-Justine's Tree of Lights shine, with hundreds of thousands of year-round bulbs (sold for $5 each) illuminating the lives of children and families who must spend the Holidays at CHU Sainte-Justine. This money is invested in innovation to bring about the dream of healing all children. Cogeco contributes to a far-reaching visibility plan, which includes airtime and social media. In 2018, 136,675 lights were sold, surpassing the goal by over 11,000. The CHU Sainte-Justine Foundation raised $759,000 in 2018.

Mois des Câlins. In 2019, Quebecers once again showed great generosity toward the children and families of Sainte-Justine, thanks to the support of the hospital's long-time partners, including Rythme FM. The campaign raised $400,000 in 2019. These funds will help drive excellence at the Marie Enfant Rehabilitation Centre of CHU Sainte-Justine, an institution dedicated to helping young patients diagnosed with a locomotor or speech impairment. The commitment of our Rythme FM hosts and partners (Fées Câlins (Hug Fairies), Mitsou Gélinas, Julie Bélanger, Marie-Ève Janvier and, Annie-Soleil Proteau, and Cuddle Sponsors, Sébastien Benoit, Jean-Philippe Dion, Stéphane Bellavance and Philippe Pépin) contributed significantly to the success of this campaign.
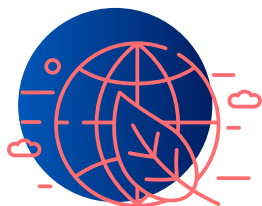
Being stewards of the environment

Minimizing our impact

Our environmental impact is driven mainly by our energy consumption, greenhouse gas (GHG) emissions, waste production, and the use of our products and services by customers. Environmental stewardship represents a fundamental principle of our Code of Ethics and a pillar of our Corporate Social Responsibility (CSR) Policy. We have a governance structure in place to oversee and manage our environmental impact.

Who manages the topic?

Board level
Environmental topics are overseen by the Governance Committee of the Board of Directors.

Frequency of review
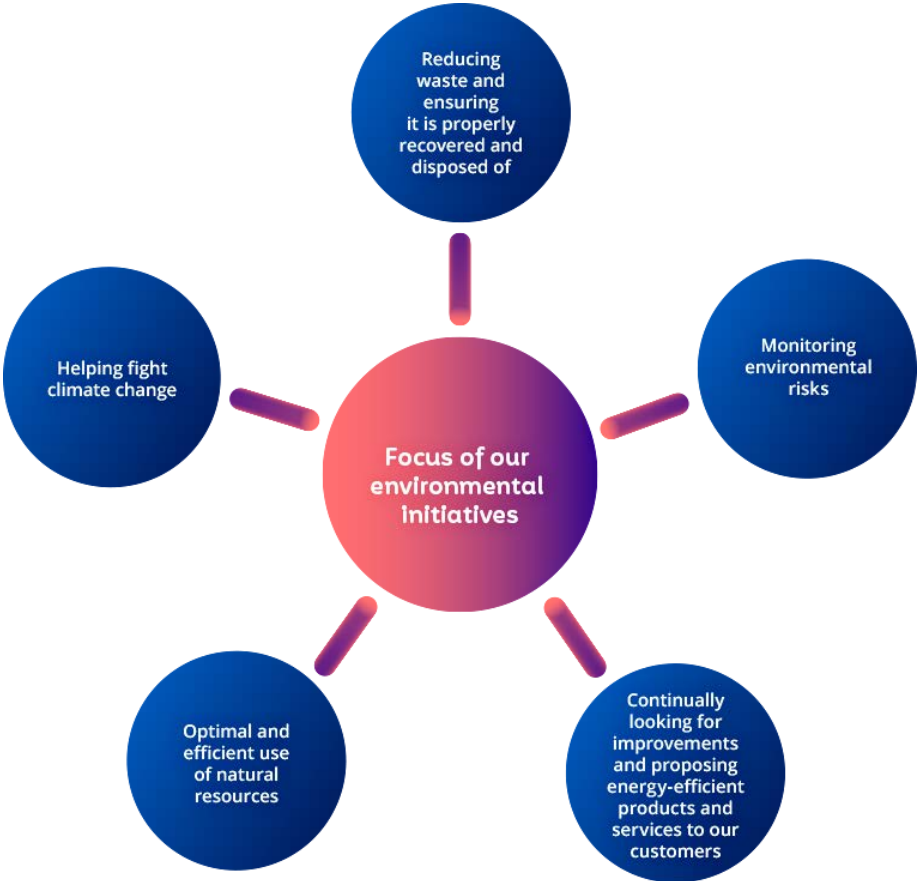The Governance Committee meets at least twice per year.

Management level

> The CSR Steering Committee is responsible for the identification of environmental risks, the establishment of goals and related performance indicators and the monitoring of performance.

> Environmental topics are under the purview of the Vice President, Enterprise Strategy and Social Responsibility.

> Environmental-related initiatives are implemented by the business units and they are customized to their specific needs.

Related policies and documents

CSR Policy	>
Code of Ethics	>
Supplier Code of Conduct	>
Cogeco Connexion has an Environmental Management System	>

We are committed to progressively reducing our environmental impacts and to implementing best practices in an effort to go beyond regulatory requirements. Cogeco's digital transformation is and will continue enabling the reduction of resource consumption. Our environmental initiatives are focused on the following areas:

Focus of our environmental initiatives:
- Reducing waste and ensuring it is properly recovered and disposed of
- Monitoring environmental risks
- Continually looking for improvements and proposing energy-efficient products and services to our customers
- Optimal and efficient use of natural resources
- Helping fight climate change

In our largest business unit, we are implementing an in-house environmental management system to assess, control and mitigate the environmental impact of our operations, products and services. This system helps us address non-compliance situations and provides processes to meet and exceed regulatory requirements in order to ensure continuous improvement. In addition, we have an environmental compliance process in place, which enables us **to** remain up to date on applicable laws and regulations and to take appropriate actions in case of any regulatory variances.

Each business unit conducts annual environmental audits to visually identify the activities where our environmental practices can improve. In most cases, these audits are conducted by third parties. We are currently in the process of transitioning to a risk-based approach with regard to these environmental audits.

In fiscal 2018 and 2019, we provided conferences and training to increase employee awareness of environmental topics. We had the first CSR day across the company, which was devoted to sustainable consumption; the objective was to raise awareness of the social and environmental impacts of our daily activities. Besides some training, we had an interactive activity in which employees publicly expressed their commitment to being more sustainable consumers. In fiscal 2018 and 2019, we also held some environment-related conferences covering different topics such as recycling, preventing food waste, biodiversity conservation and the effects of artificial intelligence on the environment.
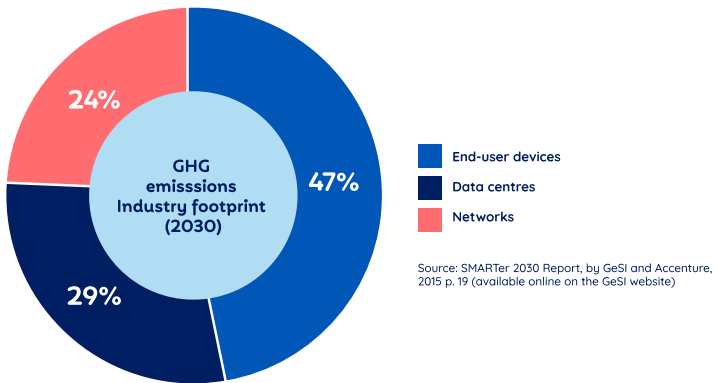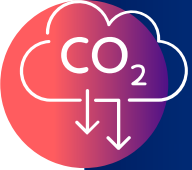

Cogeco's first CSR day held in June, 2019

Energy and GHG emissions management

Climate change is occurring at a faster rate than anticipated and its effects are being strongly felt worldwide. In order to limit global warming to 1.5°C (as proposed in a special report in 2018 by the Intergovernmental Panel on Climate Change), countries and businesses must set a more ambitious path towards decarbonization. While our industry's environmental footprint is arguably smaller than that of many other sectors, Cogeco is nonetheless committed to fighting climate change.

Emissions by the information technology industry are expected to represent 2% of worldwide GHG emissions by 2030

GHG emisssions Industry footprint (2030)

24%

47%

29%

- End-user devices
- Data centres
- Networks

Source: SMARTer 2030 Report, by GeSI and Accenture, 2015 p. 19 (available online on the GeSI website)

CO2

Reduce GHG emissions by 10% by fiscal 2020 on a per revenue basis based on fiscal 2014 emissions.

ACHIEVEMENTS

We surpassed this target. Our GHG emissions on a per revenue basis have decreased by 24% since fiscal 2014. Cogeco will define a new, more aggressive, target.

Perform a more comprehensive calculation of our scope III (indirect emissions) by fiscal 2021.

PROGRESS

We have identified the most important categories for Cogeco and we will soon start integrating them into the scope 3 calculation.
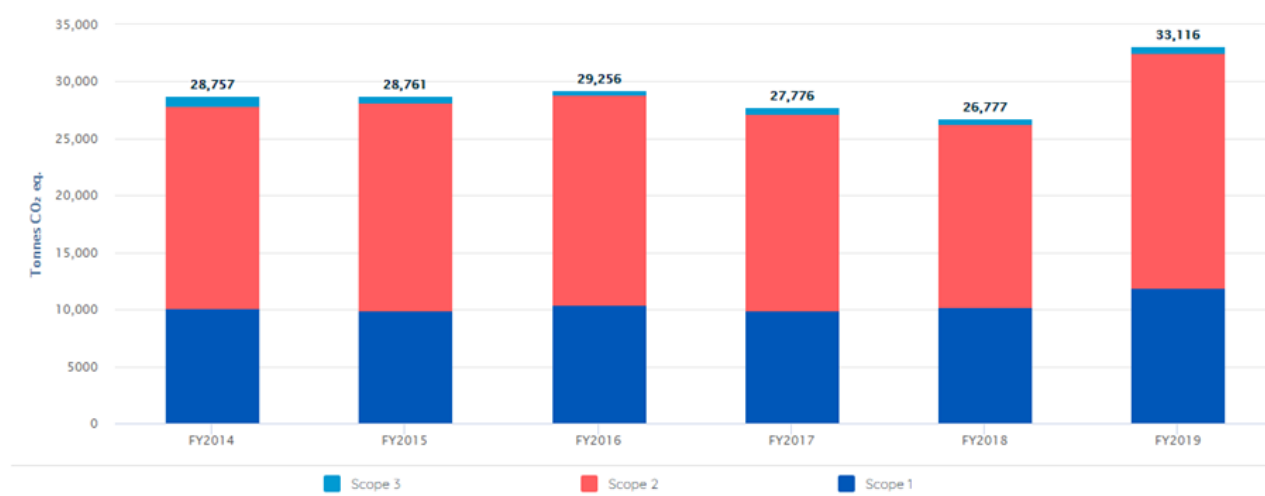
GHG emissions

Cogeco generated 33,116 tonnes of carbon dioxide equivalent emissions (CO_2 eq.) in fiscal 2019. More than 62% of our emissions come from our electricity consumption (Scope 2), thus we rely significantly on the composition of the grid of each region we operate in. We do not generate any renewable energy. However, the electricity consumed in the province of Québec, where electricity is more than 99.9% renewable, can be considered clean. In addition, in fiscal 2018 and 2019, we bought 300 tonnes of CO_2 eq. in carbon offsets.

The business unit that contributes the most to Cogeco's emissions is Atlantic Broadband (77%), which has been growing through acquisitions in the past years and operates in U.S. states that do not have a high proportion of the grid production consisting of renewable energy.

We have been reporting our GHG emissions to the CDP since fiscal 2012. Emissions from buildings, facilities and fleet we own from all business units are included in the calculation. We also report on our emissions from business travel. Nonetheless, we are aware that our indirect emissions go beyond solely our business travel. This is why we are committed to start measuring our Scope 3 emissions more comprehensively in order to integrate emissions that occur along our value chain.

GHG emissions by scope

GHG emissions by scope fiscal 2019

Scope 3: 1.67 % (551)
Scope 1: 35.89 % (11,887)
Scope 2: 62.44 % (20,678)
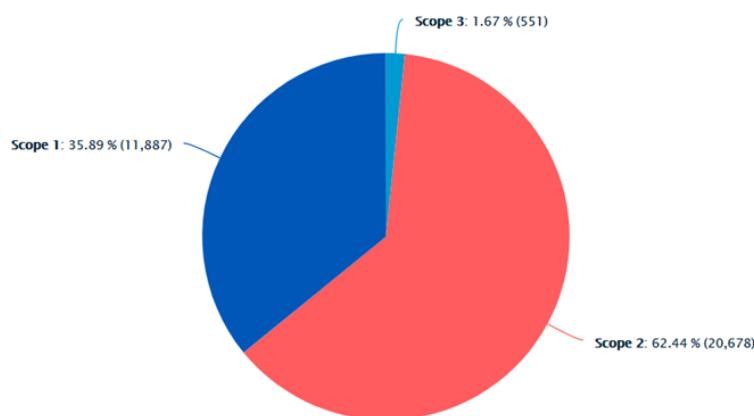
GHG emissions exclude those emissions from Cogeco Peer 1, the business unit that was sold in fiscal 2019. Fiscal 2019 emissions include Metrocast and FiberLight, which were purchased in 2018.

Scope 1: Direct emissions from owned or controlled sources.
Scope 2: Indirect emissions from the generation of purchased electricity.
Scope 3: Indirect emissions from business travel.

GHG emissions intensity
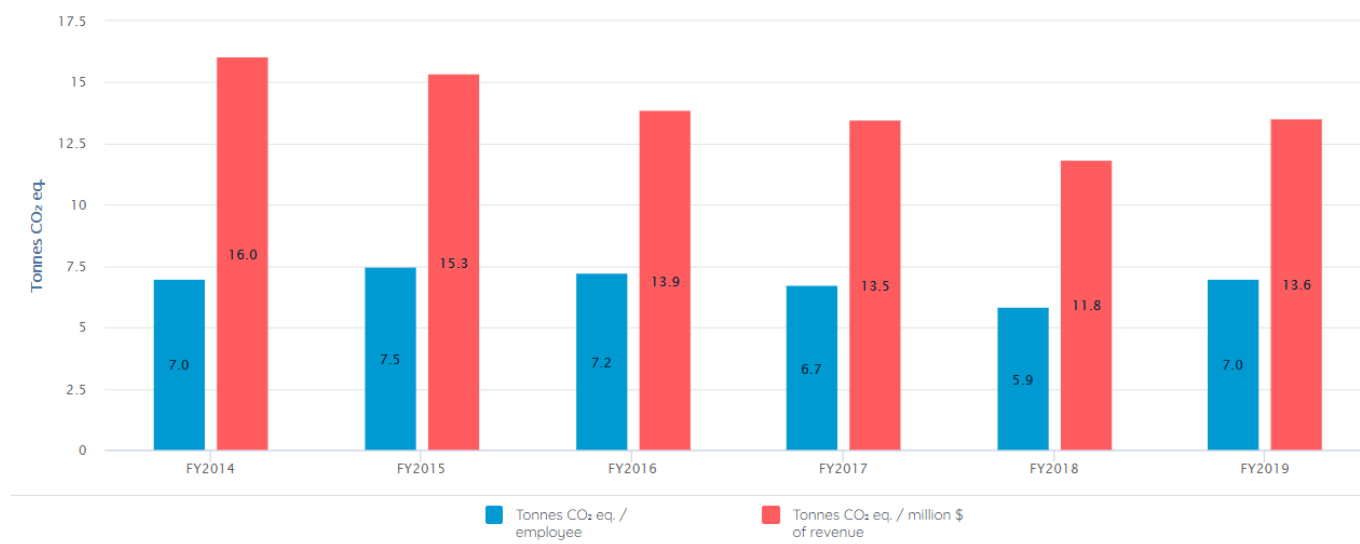
Please note that 2014 to 2018 values in the above graph have not been restated to include Metrocast, and thus do not reflect the progress achieved on our emissions intensity reduction target.

Energy consumption

After electricity, regular gasoline and ethanol blends for our fleet are the largest sources of energy consumption for Cogeco. Our overall energy consumption increased by 21% from fiscal 2018 to 2019. The increase is attributable to the acquisition of two companies in the United States.

Energy consumption by energy type

	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Regular gas	33,926	33,362	33,495	32,794	33,554	40,172
Diesel	4,064	4,635	5,251	3,421	2,590	1,443
Propane	23	85	140	115	157	22
Natural gas	5,874	5,859	5,311	5,176	7,093	8,286
Electricity	110,235	111,881	119,002	117,834	120,644	145,138
Total	154,123	155,821	163,199	159,339	164,038	195,060

Energy intensity

Metric	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
kWh / million $ of revenue	85,958	83,149	77,492	77,462	72,519	79,812
kWh / employee	37,591	40,578	40,296	38,722	35,950	41,178

Energy consumption in the above tables excludes Cogeco Peer 1, the business unit that was sold in fiscal 2019. Fiscal 2019 energy consumption includes Metrocast and FiberLight, which were purchased in 2018.

Energy efficiency initiatives

In order to achieve our targets, we have strategies in place to reduce carbon emissions from operations. Our approach to reducing overall emissions is through energy efficiency initiatives which drive reductions in GHG emissions, reduce costs, improve operational efficiency and enhance our reputation.

Fleet management

We aim to reduce our GHG emissions by managing our vehicle fleet responsibly. These are some of the fleet-related initiatives that we have implemented.

More efficient and hybrid vehicles

In fiscal 2018 and 2019, we replaced 208 vehicles for more efficient ones. For fiscal 2020, we have already ordered 12 hybrid vehicles and we will continue to deploy our electrification strategy. In September 2019, Cogeco Media was one of 30 companies in Québec that participated in testing a fleet of electric cars as part of the Plug-in Fleet Project led by the Innovative Vehicle Institute.

Idling time monitoring, route efficiency monitoring and technology acquisition

Cogeco has started implementing a new GPS technology that will allow us to monitor metrics related to vehicle performance, fuel efficiency and overall driving patterns. In fiscal 2019, we deployed the GPS device in 607 vehicles and we expect to see an overall 5% reduction in fuel consumption.

Auxiliary batteries and Jobsite Energy Management Systems (JEMS)

These systems free up the main battery and prevent running engines on job sites by providing electrical power for added equipment such as a beacon light, light arrow, aerial bucket and power converter. While this is an initiative that has been fully implemented in Canada, it will start to be deployed in the United States with the installation of JEMS in 18 vehicles.

Truck-roll reduction

An important element of Cogeco's digitization journey is providing customers with self-installation tools. Business units have established specific targets on the percentage of customers who will use such tools. This will significantly reduce technician transportation, positively impacting Cogeco's fuel consumption and GHG emissions.

Sustainable transportation for employees

Cogeco is committed to helping employees make more sustainable commuting choices by providing amenities such as bicycle parking, changing rooms and showers, ride-sharing platforms and parking spots. In addition, we have installed four electric-vehicle charging stations at two of our main sites. In fiscal 2019, we broadened the scope of the teleworking policies, which are supported by the necessary technological and collaboration tools. This initiative will certainly contribute to reducing our GHG emissions from employee commuting.

Facility management

Some energy efficiency features in our buildings include the following.

> LED lighting
> Motion sensors for lighting at some locations
> Low-consumption plumbing fixtures
> White or light-coloured roofs at some locations
> Free-cooling systems
> Precision cooling systems for some data rooms

BOMA-certified buildings

Currently, four of Cogeco's facilities in Canada are certified BOMA (Building Owners and Managers Association). Through the certification process, we gain a better knowledge of the consumption of resources and impacts of our buildings. The BOMA certification also promotes the implementation of policies and procedures to better manage energy use and consumption, air quality, occupant comfort and wellness and, hazardous and other waste.

In fiscal 2018 and 2019, some of the specific initiatives that we implemented include the following.

> LED lighting retrofit at different locations.

> Thermostat replacement and temperature control at certain locations.

> HVAC replacement at certain sites. Cogeco Connexion's latest headend installed CO2 TFC (total free-cooling) units that can run in free cooling mode for close to 70% of the year and can decrease energy consumption for cooling by up to 80% (compared to similar projects' consumption). These units enable cooling without the need of a compressor, with no pump, and no fresh air added to the room. CO2 (R-744 refrigerant) has 1,500 to 4,000 times less impact on the climate than that of synthetic HCFC and HFC refrigerants.

> Atlantic Broadband will implement a Standby Power Supply reduction initiative in fiscal 2020. The project will eliminate 225 field power supply assemblies while decreasing power consumption and costs. This initiative will also reduce the use and maintenance on several hundred Standby Power Supply batteries annually.

> Current and planned relocation of employees to existing more energy-efficient facilities. This will result in electricity and natural gas savings.

Business travel

The same travel agency now manages all our business units. This gives us better insight into travel trends and we can subsequently implement relevant initiatives.

Leaks and fugitive emissions prevention

To limit fugitive emissions and refrigerant gas leaks from our cooling equipment, we perform annual leak tests as part of our preventive maintenance program. These tests are required by federal, provincial or state regulations and we also follow manufacturers' recommendations for each type of equipment. In fiscal 2019, in Sainte-Anne-des-Monts, Québec, we had a spill where 54.4 kilos of HFC-227 halocarbon were released into the environment when the fire suppression system was accidentally activated in our headend. The spill was reported to the federal and provincial authorities and appropriate measures were taken to prevent any future spills.

Spill prevention

The backup generators we rely on to be able to provide our services under all conditions contain fuel tanks. These generators are inspected annually as part of our preventive-maintenance programs, and a visual inspection for spills is also performed during environmental assessments.

Lead-acid batteries used to provide back-up energy can also leak. At most locations, we have timely replacement of at risk batteries and proactive battery exchanges and recycling efforts further reduce battery spill hazards. For example, in our cable operations, most standby power supplies are monitored through iGlass and Continuity monitoring solutions for batteries performing out of specifications. We are in the process of improving our battery management practices at some locations. Spill-containment plans are also developed in facilities where spent network batteries are temporarily stored while waiting to be transferred to recyclers.

Climate-related risks and opportunities

In the context of its global business and affairs, Cogeco has a formal enterprise risk management (ERM) program that entails a systematic annual identification and evaluation of risks that are liable to have a material adverse impact on the Corporation's financial situation, revenues or activities as well as the identification and monitoring of related mitigation strategies for high-level risks. This exercise covers risks of all types: financial, operational, technology, reputational, etc. It also includes environmental risks and trends such as climate change and clean technology.

As climate-related risks increase, the company needs to be better prepared to face extreme events and to operate accordingly. Thus, the climate change issue needs to be gradually integrated into all business decisions. Climate change is a material topic for Cogeco because some of our infrastructure is prone to climate-related risks and because climate change can have an adverse impact on our operating and financial performance. We strive to improve resiliency through our business continuity planning and Disaster Recovery Policy and related procedures.

Top climate-related risks

1. Increased severity of extreme weather events, which can result in service disruption and extraordinary capital expenditures and operational costs.
2. Changes in precipitation patterns and extreme variability in weather patterns, which can result in additional operational costs.
3. Increased operational costs mainly due to increased fuel prices.

Top climate-related opportunities

1. Increased business resilience to operate under challenging conditions caused by climate.
2. Resource efficiency and reduced operating costs.
3. Reduced customer churn and enhanced reputation.

Resilient Headends

> We comply with strict federal and provincial (federal and state in the U.S.) standards, which protect the network well against weather hazards. As required, Cogeco conducts pole, strand and anchor maintenance to ensure compliance with security standards and regulations. If structural updates are impossible to complete or too costly, we bury our infrastructure.

> Headends are interconnected through Cogeco's fibre network. Furthermore, Cogeco possesses its own mobile headend (in Cornwall, Ontario) that could easily be dispatched to replace an impacted Cogeco headend if ever a catastrophe were to cause a major service interruption.

> We have plans underway to relocate our Miami headend, which is located in a climate-sensitive area; we have secured a new location farther inland at one of the higher points in the Miami area.
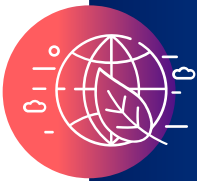
Carbon reduction enablers

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. We are helping to dematerialize the economy by virtualizing services and substituting higher-emission products or services for lower-emission ones. For example, our telephone conferencing and e-commerce services are reducing business travel. E-billing and e-ticketing are reducing paper usage.

For more information on how Cogeco identifies and manages climate-related risks and opportunities, please read our CDP report here.

Energy consumption of our products

Lowering the energy consumption of the customer premise equipment (CPE) used in our networks is one of the initiatives that is helping Cogeco reduce its environmental footprint. As a signatory of the Canadian Energy Efficiency Voluntary Agreement for set-top boxes (CEEVA), the company actively works with other Canadian pay-TV service providers along with set-top box manufacturers to improve the energy efficiency of set-top boxes. In the United States, while Cogeco is not a signatory of the Set-Top Boxes Energy Efficiency Voluntary Agreement (STB VA), it has committed to comply with the standards of the agreement, nonetheless.

Since the inception of these industry-wide voluntary agreements, the improved energy efficiency of set-top boxes has enabled the avoidance of 8.9 million metric tonnes of CO_2 emissions in the U.S. and it is expected that in Canada, annual CO_2 emissions will be cut by over 100,000 tonnes.
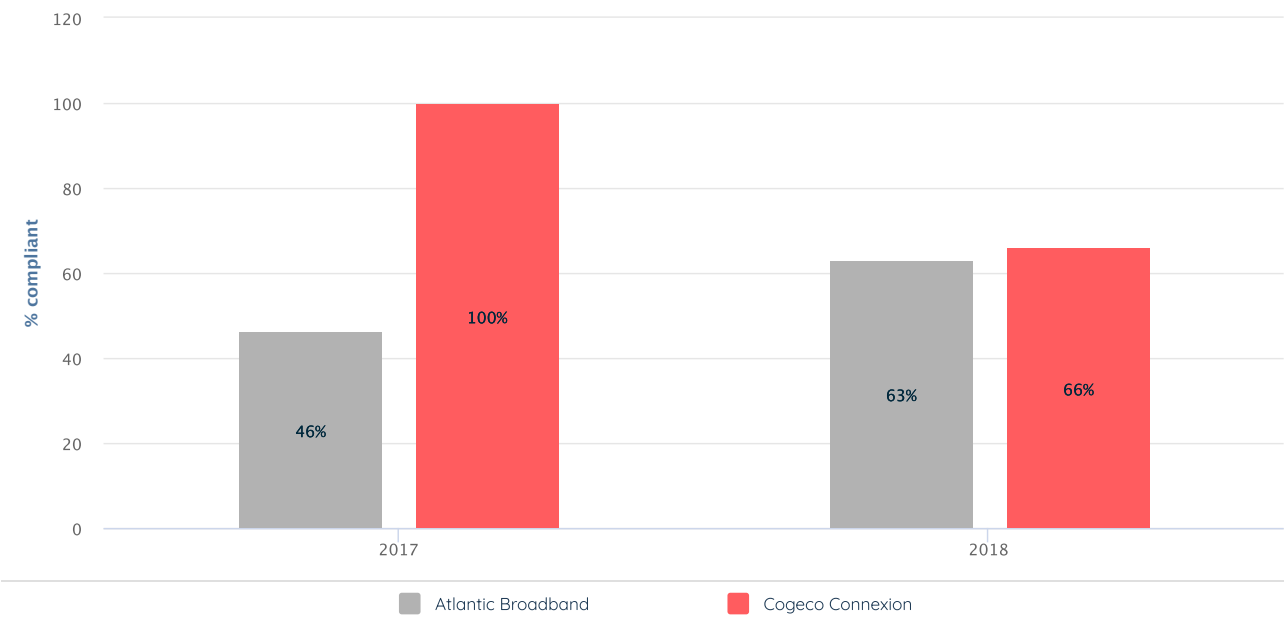
As signatories, comply with the Canadian Energy Efficiency Voluntary Agreement (CEEVA) for set-top boxes. Also, comply with the standards of the United States Set-Top Box Energy Efficiency Voluntary Agreement (STB VA) by 2022.

PROGRESS

During 2017*, 100% of set-top boxes purchased in Canada complied with the CEEVA standards. However, in 2018, an unforeseen situation impeded us from complying with CEEVA and we achieved 66.22% of compliance. An action plan is now in place to ensure compliance in future years. In the U.S, although we are not signatories of the STB VA, 63% of our purchased set-top boxes complied with the standards set by the agreement in 2018.

*Voluntary agreement compliance is measured on a calendar basis by a third-party. The last available report corresponds to 2018 compliance.

Percentage of purchased set-top boxes compliant with voluntary agreements

Bar chart — % compliant:
- 2017: Atlantic Broadband 46%, Cogeco Connexion 100%
- 2018: Atlantic Broadband 63%, Cogeco Connexion 66%

Legend: Atlantic Broadband, Cogeco Connexion

Voluntary agreement compliance is measured on a calendar basis by a third party. The last available report corresponds to 2018 compliance.

Waste management

Electronic waste (e-waste) represents the biggest waste category generated by our operations. Because it contains both reusable material and hazardous substances, proper collection and disposal are important. The equipment we provide to our customers is collected, tested, repaired or refurbished, then redeployed, thus enabling a circular economy. More than 1 million units of customer products such as modems and set-top boxes have been refurbished and redeployed in our operations over the last two fiscal years. Equipment, which can no longer be redeployed, is brought to organizations or third-party vendors that partner with us to resell and recycle obsolete equipment.

Ensure that 100% of applicable facilities have an e-waste management strategy in place by the end of fiscal 2020.

PROGRESS

All business units have a plan in place to achieve this target by fiscal 2020.

During fiscal 2018 and 2019, Cogeco Connexion once again attained the Excellence Level on the REfficient Waste Diversion Champions list for diverting over 100,000 pounds (45,360 kg) of waste from landfill. Cogeco Connexion was the top company among 29.

In fiscal 2019, Cogeco entered into a partnership with Computers for Success Canada, donating the company's used desktop and laptop computers to the Computers for Schools program. Through this partnership, the donated equipment is refurbished and distributed to young Canadians who need this equipment. End-of-life electronics that cannot be used are safely recycled. A total of 250 computers and monitors were reused and 4,000 pounds (1,815 kg) of equipment were recycled.

In fiscal 2020, Cogeco Connexion will be testing new processes with a third-party partner to collect network waste such as outside plant equipment, cable and connectors from its field service centres in Ontario to resell usable equipment and recycle what can no longer be used.

We believe in the 3Rs: Reduce, reuse, recycle. We strive to control our waste and in most of our facilities, electronic equipment, paper, glass, plastic and metal items, as well as hazardous waste, are recovered and recycled. Organic matter such as food waste is also collected so it can be composted at some of our largest offices in Canada. As the best way to reduce waste is to avoid generating it, Cogeco has committed to banning the use of single-use plastic water bottles at its locations.

Cogeco donated more than 500 binders to organizations and employees

In line with our objectives of reducing our environmental impact and supporting our communities, Cogeco donated more than 500 binders to its employees as well as to two community organizations that help families and schools in disadvantaged communities. The result was clear.

> We avoided sending binders in good condition to landfills.
> We met the needs of the communities where we operate.

Who benefited from our donation?

> Fondation Christian Vachon (Estrie, Québec), which encourages young people's academic perseverance and success by giving all children equal opportunities to be successful, no matter their situation.
> Centre d'actions bénévoles of the Maskinongé Regional County Municipality (Louiseville, Québec), which promotes volunteering by offering a variety of services and activities in the Louiseville area.
> Montréal office employees

With the various renovation and moving projects in progress to provide Cogeco employees with more modern and enjoyable workspaces, plans will be put in place to collect office supplies that are in good condition to give them a second life.

Reno Longpré (left), NousTV Programming Director, Cogeco, with Christian Vachon (right), Fondation Christian Vachon Founder

Electronic waste collected
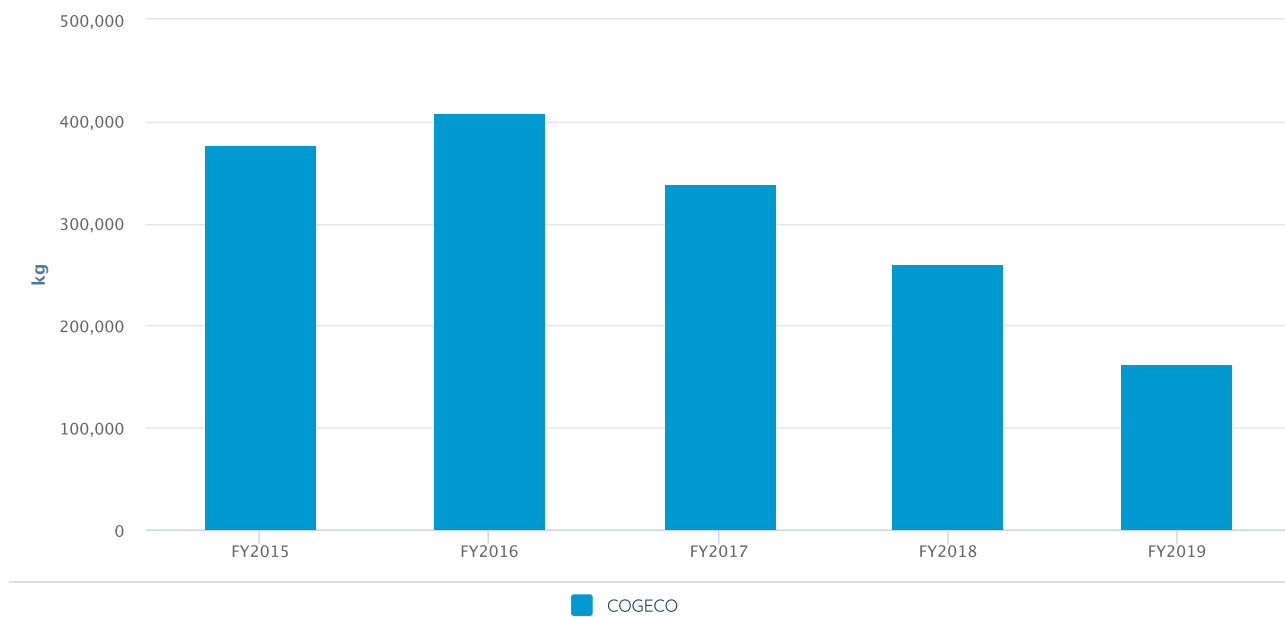
The weight of e-waste collected has been steadily decreasing, due to the fact that the equipment we provide to customers is more compact and weighs less. This helps decrease the environmental footprint of our operations.

Paper consumption reduction

In order to optimize the use of natural resources, we also have strategies and commitments aimed at reducing our paper consumption.

Ensure that 40% of customers receive electronic bills by the end of fiscal 2019.

ACHIEVEMENTS

In fiscal 2019, 49% of Cogeco's residential customers received electronic bills.

Electronic bills and documentation. A clear focus of our digital strategy in fiscal 2019 was our migration to paperless billing. In fiscal 2019, we increased our electronic billing percentage from 32% in fiscal 2018 to 49% and this will continue to increase.

We have also put an emphasis on digitizing documentation. Through the conversion of multiple paper field forms to e-forms, Atlantic Broadband saved over 92,000 paper printed documents in fiscal 2019 and will save an incremental 20,000 in the next fiscal year. Similarly, Cogeco Connexion is planning to increase the percentage of legal documents sent by email from 60% by the end of fiscal 2019 to 70% by the end of fiscal 2020. Using the e-signature tool available at our business units, we are also reducing the daily paper consumption.

Incentivizing the adoption of electronic bills

> By default, new customers are subscribed to electronic billing.
> Incentives for sales agents to offer electronic bill to existing customers.
> Atlantic Broadband charges a fee for paper statements.

Stewardship programs. In Canada, we are registered stewards of EPRA/OES (Electronic Products Recycling Association/Ontario Electronic Stewardship) in Ontario and ARPE (Association pour le recyclage des produits électroniques) in Québec, which cover 100% of our customer premise equipment (CPE). For printed matter (including marketing material and invoices) and packaging, we contribute to the Blue Box program in Ontario and are a member of Éco-entreprises Québec, which is responsible for financing the costs of effective and efficient municipal curbside recycling services.

Boxes and cardboard consumption reduction. Cogeco has undertaken different actions to reduce the consumption of boxes used for equipment sent to customers. For internal shipments of equipment in Canada, we use reusable plastic bins. In addition, we no longer send boxes to customers to return equipment and we contribute to recycling any boxes sent by customers. Approximately 100 metric tonnes of cardboard are recycled yearly in our warehouses.

Office paper consumption. Two of our business units have acquired print-management software to reduce paper consumption. The system has predefined features such as double-sided and black-and-white only printing. In order to raise awareness on the topic and identify initiatives to avoid paper waste, the system provides visibility on the environmental impact of the amount of paper printed by each employee and by the company.

Percentage of customers who receive electronic bills

Bar chart showing percentage of customers who receive electronic bills (Cogeco Inc.):
- FY2017: 23%
- FY2018: 32%
- FY2019: 49%
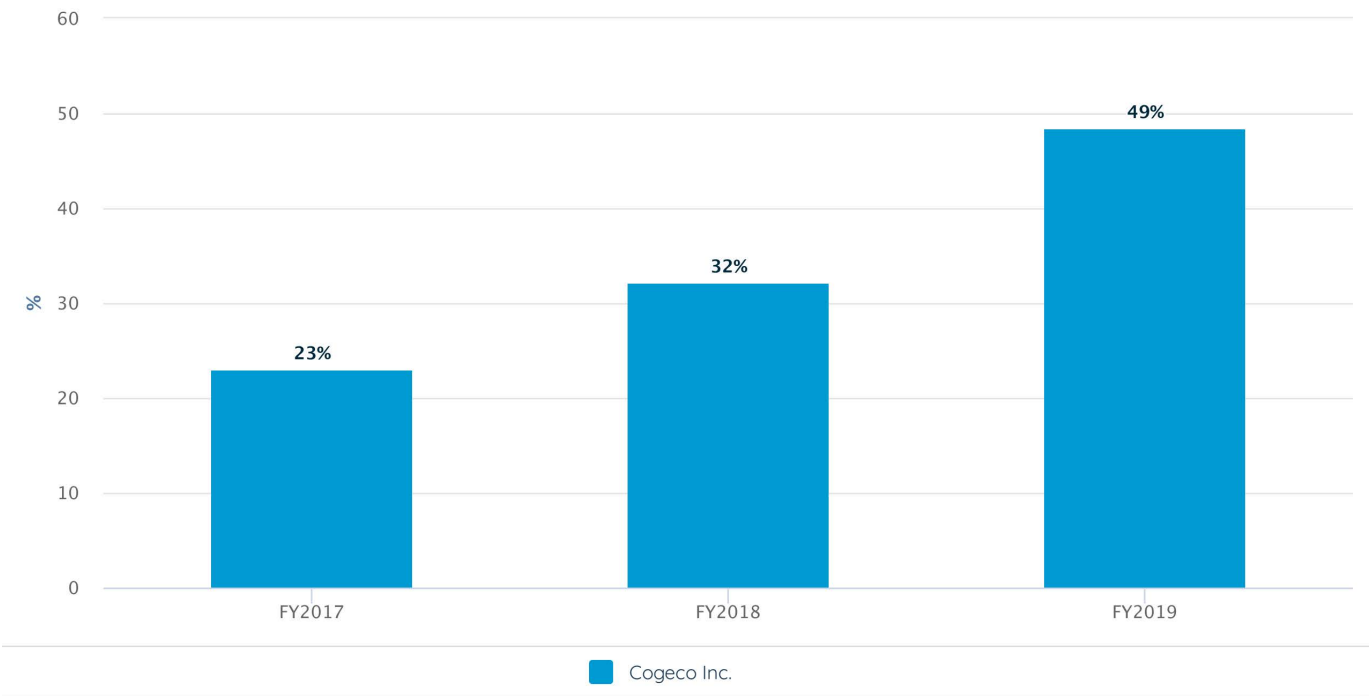
About this report

Report profile

Scope

Period covered: This report covers a 24-month period from September 1, 2017 ("fiscal 2018") to August 31, 2019 ("fiscal 2019").

Entities included: Cogeco Inc. (the "Corporation" or "Cogeco"), which includes information on all business units, i.e., Atlantic Broadband, Cogeco Connexion and Cogeco Media, unless otherwise specified. Some of the statements herein, including information about various initiatives and programs, may not apply equally to all business units. To facilitate the reader's understanding, we have made general statements and do not specify initiatives by business units.

Currency: All amounts are in Canadian dollars and data calculations are in compliance with Global Reporting Initiative (GRI) protocols, unless otherwise specified.

Previous reports: Previous reports, published every two years, are available in the Corporate Social Responsibility section of our website.

Content

Decisions regarding the content of this report were based on a stakeholder engagement exercise, including direct engagement through surveys and a literature review. As this is our fifth Corporate Social Responsibility (CSR) Report, we have provided comparative data when available and will continue to report progress in subsequent editions, which we will publish every second year. Annual CSR updates will be available every year on our website. The Corporation believes the information in this report to be accurate. This report has been subjected to a formal Internal Audit review in order to assess the overall reasonableness of data published herein; however, no external audit was undertaken.

Sustainability framework

The Cogeco 2019 CSR Report was prepared in accordance with Global Reporting Initiative (GRI) Standards. This is a report under the GRI Standards Core option, containing information on 83 indicators. This report also integrates ten indicators from the Sustainability Accounting Standards Board (SASB) Telecommunication Standards.

Restatement of information

The historic information presented in this report does not include information from Cogeco Peer 1, the business unit that was sold in fiscal 2019. As a result, some of the information from Cogeco's 2017 CSR Report is not the same as that presented in this edition. Some of the data that has changed as a result of this includes greenhouse gas (GHG) emissions and energy consumption, electronic waste and employee-related data.

If you have any comments of questions, please contact us at: responsibility@cogeco.com