ESG and Sustainability Report

2020-2021

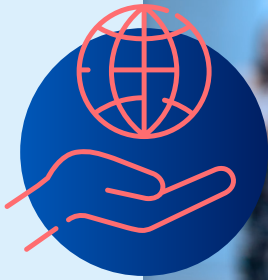**COGECO**

A world of your **very own**

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Sustainability
at Cogeco

Message to our stakeholders
GROWING STRONGER EVERY DAY, FOR 65 YEARS

The last two years have brought many unforeseen challenges, and we are proud of everything we have accomplished over the course of fiscal 2020 and 2021, all while adapting to a new reality and still growing stronger every day.

We have continued to pursue our mission to bring people together through powerful communications and entertainment experiences, with a strategy that is driven by customers' needs, builds on our core strengths and is fueled by our strong organizational culture and highly engaged teams.

As we move forward with our growth strategy, we recognize the importance of ensuring a strong foundation. For Cogeco, this includes building a solid organizational culture, guided by our core values, and ensuring that robust environmental, social and governance (ESG) practices are systematically embedded as a reflection of our commitment to a more sustainable and inclusive future. To that end, we have defined and implemented an ESG strategy with commitments centered on the key ESG levers of reducing our environmental footprint, implementing strong governance practices, and supporting our key stakeholders (customers, employees, communities, shareholders and suppliers). We continuously monitor our progress from an ESG perspective based on key performance indicators that are reviewed on a regular basis to ensure continued relevance.

PHILIPPE JETTÉ   **LOUIS AUDET**

Leading in ESG best practices

We take immense pride in pursuing our corporate social responsibility agenda through the implementation of the best ESG practices. In fiscal 2020 and 2021, we made great strides to this end, and were gratified to have our activities recognized by leading voices in ESG practices and reporting. In addition to continued recognition as a leader in sustainability practices through improved rankings in the Corporate Knights Global 100 Most Sustainable Companies and Best 50 Corporate Citizens of Canada listings, we achieved several firsts. This included becoming the first Canadian telecommunications company with an approved science-based emissions reduction

"With a legacy of 65 years, Cogeco continues to be a growing competitive force in the North American telecommunications sector, always considering what is best for our communities, customers, employees and the planet."

– Louis Audet, Board Chair of Cogeco Inc. and Cogeco Communications Inc.

target, achieving an A score for our 2021 CDP Climate Change response, and becoming a signatory to the United Nations Global Compact. In addition, in November of 2021, Cogeco was one of only 45 companies globally to receive the inaugural HRH Prince of Wales Terra Carta Seal, which recognizes companies committed to the creation of genuinely sustainable markets. In both 2020 and 2021, Cogeco was also proud to receive the Caring Company Certification from Imagine Canada, which recognizes outstanding leadership in community investment and social responsibility in Canada.

Implementing strong governance practices

Some major advances were made on the governance front in terms of ensuring the continued monitoring and oversight of key ESG topics. Beginning in fiscal 2020, we increased the frequency of our Corporate Social Responsibility (CSR) Steering Committee meetings from bi-annual to quarterly. Starting in December 2020, in addition to considering and integrating ESG into our overall risk management process, we identified the top five enterprise-wide ESG risks for Cogeco as part of the annual planning process. In fiscal 2021, we started reporting quarterly to the Enterprise Risk Management Steering Committee as well as to the Audit Committee on risk evolution,

including the causes of and the mitigation measures for these top five enterprise-wide ESG risks. Finally, beginning in fiscal 2022, we elevated the highest level of ESG oversight to the Board of Directors, which now oversees the Corporation's ESG strategy, goals, performance and related initiatives on a quarterly basis.

Reducing our environmental footprint

We made significant progress on initiatives supporting our strategies to reduce our environmental footprint and take action to fight climate change. In January of 2021, we set an approved science-based emissions reduction target in line with the pathway required to limit global warming to 1.5°C. In October, we further extended this by increasing the level of our Business Ambition for 1.5°C commitment to include a goal of net zero emissions across our entire value chain by 2050. We then followed up on this commitment with the issuance of our first Climate Action Plan & TCFD Report in December, outlining our strategies to achieve our emissions reduction targets while mitigating and managing climate-related risks and maximizing climate-related opportunities, in alignment with the Task Force on Climate-related Financial Disclosures (TCFD) framework.

Supporting our key stakeholders

To ensure we maintain a strong understanding of the ESG issues that are the most important to our stakeholders, we conducted our fifth materiality assessment and engaged our main stakeholder groups to gather feedback on what matters to them. The ESG priority topics identified through this assessment are detailed in this report, along with the impacts they have on our business, and our corporate actions to continue to integrate the management of these issues into our sustainability strategy. As diversity and inclusion remains a top priority for Cogeco and our stakeholders, we pursued our efforts around this topic, unveiling our commitment to diversity and inclusion and also establishing a Diversity and Inclusion Leadership Committee to develop and implement tangible action plans to uphold this commitment. To support our customers and our communities, we are actively investing in our operations and networks to continue to offer ever faster Internet speeds and high performance products while expanding our broadband network into new areas to help address the digital divide between large urban centres and regional and rural areas. Through our network of 23 radio stations, we also continue investing in creating and distributing high-quality local information and musical content that generates emotions and reaches people on traditional, mobile and digital platforms. Community involvement has been part of our core values since the company was founded in 1957. Consequently, we continue to support local initiatives and non-profit organizations across the communities we serve, donating 2.9% of our pre-tax profits in fiscal 2021.

Conclusion

With a legacy of 65 years, Cogeco continues to be a growing competitive force in the North American telecommunications sector, always considering what is best for our communities, customers, employees and the planet. We are pleased to share with you our new ESG and Sustainability Report for the fiscal years 2020 and 2021, highlighting our strategies, commitments and achievements towards being the organization that delivers the best and most sustainable value to its stakeholders. At Cogeco, we believe that our financial performance and impact on the world are inextricably linked and this report, which will henceforth be published annually, is the means by which we maintain transparency and accountability for progress on our impact and sustainability goals.

We hope you enjoy reading our report and look forward to your feedback.

PHILIPPE JETTÉ
President and Chief Executive Officer of Cogeco Inc. and Cogeco Communications Inc.

LOUIS AUDET
Board Chair of Cogeco Inc. and Cogeco Communications Inc.

"We take immense pride in pursuing our corporate social responsibility agenda through the implementation of the best ESG practices."
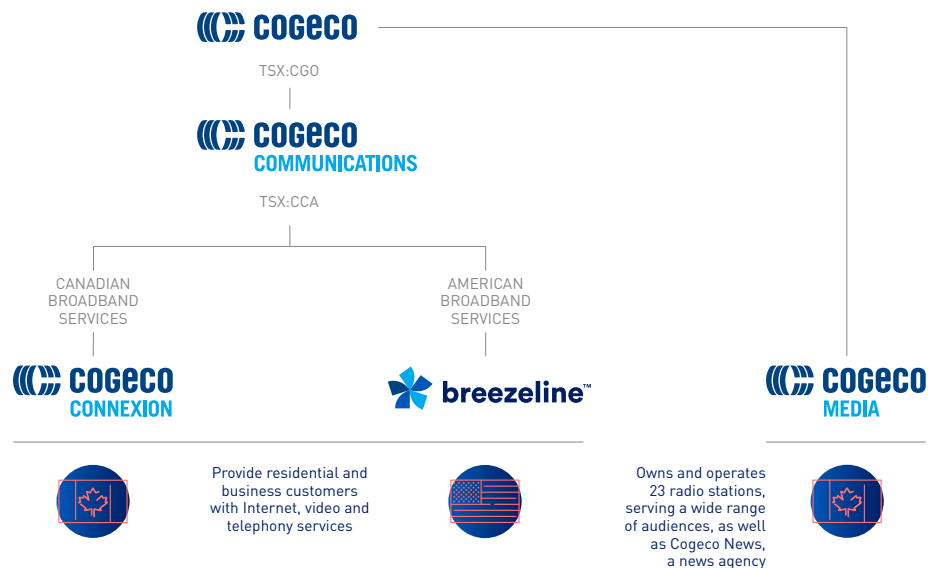
– Philippe Jetté, President and Chief Executive Officer of Cogeco Inc. and Cogeco Communications Inc.
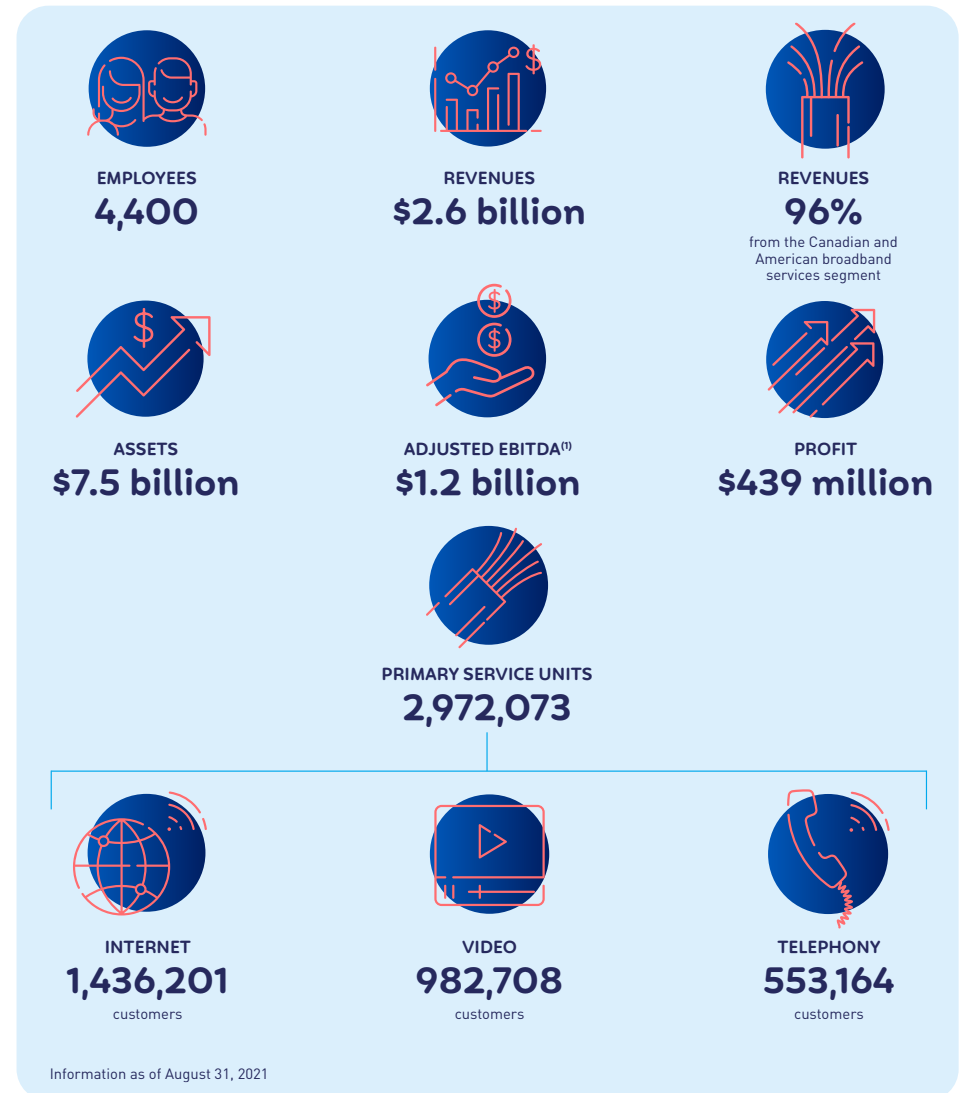
About Cogeco
PROFILE

Rooted in the communities it serves, Cogeco is a growing competitive force in the North American telecommunications and media sectors with a legacy of over 65 years.

Through its business units Cogeco Connexion and Breezeline (formerly Atlantic Broadband), Cogeco provides broadband services (Internet, video and telephony) to 1.6 million residential and business customers in Québec and Ontario in Canada as well as in twelve states in the United States. Through Cogeco Media, it owns and operates 23 radio stations as well as a news agency in Québec. Cogeco's headquarters are located in Montréal, Québec in Canada. Cogeco's subordinate voting shares are listed on the Toronto Stock Exchange (TSX: CGO). The subordinate voting shares of Cogeco Communications Inc. are also listed on the Toronto Stock Exchange (TSX: CCA).

COGECO
TSX:CGO

COGECO COMMUNICATIONS
TSX:CCA

CANADIAN BROADBAND SERVICES

AMERICAN BROADBAND SERVICES

COGECO CONNEXION

breezeline™

COGECO MEDIA

Provide residential and business customers with Internet, video and telephony services

Owns and operates 23 radio stations, serving a wide range of audiences, as well as Cogeco News, a news agency

For further details on the scale of our organization and financials, please see our Annual Report.

EMPLOYEES
4,400

REVENUES
$2.6 billion

REVENUES
96%
from the Canadian and American broadband services segment

ASSETS
$7.5 billion

ADJUSTED EBITDA[1]
$1.2 billion

PROFIT
$439 million

PRIMARY SERVICE UNITS
2,972,073

INTERNET
1,436,201
customers

VIDEO
982,708
customers

TELEPHONY
553,164
customers

Information as of August 31, 2021

(1) Adjusted EBITDA is a non-IFRS financial measure, which does not have a standardized definition prescribed by International Financial Reporting Standards ("IFRS") and, therefore, may not be comparable to similar measures presented by other companies. For more details, please consult the "Non-IFRS financial measures" section of the Management's Discussion and Analysis of the 2021 Annual Report, including reconciliation to the most comparable IFRS financial measures.

VALUE CREATION AS A FOUNDATION

Creating sustainable value through strategic growth

We leverage our unique North American broadband platform, our strong network of radio stations, as well as our financial discipline to bring sustainable value to our stakeholders, be they our customers, communities, employees, suppliers or shareholders. Operating in a very competitive and evolving ecosystem, we have built a strategy to continue to deliver long-term sustainable value based on five growth pillars which are enabled by organic growth, acquisitions and innovation.

Each business unit of the Corporation has in turn elaborated a strategic plan that is aligned to the strategic growth pillars defined below.

Growth pillars

These growth pillars are supported by our ESG practices which form an integral part of, and influence, our business strategy.

Customer experience

Deliver a distinctive customer experience by focusing on our customers' needs.

Employee experience

Foster a highly collaborative, engaging and inclusive work environment.

Market expansion

Augment our geographic reach and expand into new market segments.

Cost efficiency

Optimize operational effectiveness and increase synergies.

Brand value

Build a strong and socially responsible brand.

Direct and indirect economic impacts

Fiscal 2020 and 2021 continued to be characterized by strong financial performance with attractive adjusted EBITDA margins, strong free cash flows and dividend growth. Beyond our financial results, we also seek to generate a positive economic impact for our stakeholders. Some examples of how we create and share value with our stakeholders are presented in the infographic on the right.

For more details on our financials, please see our Annual Report. Additionally, the Information and Communications Technology sector drives further positive economic impacts as outlined below.

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

According to the "SMARTer 2030 ICT Solutions for 21st Century Challenges" report by GeSI and Accenture:

- 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.

- ICT creates a direct link between technology adoption and socioeconomic growth.

- ICT 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.

Vision
Be the organization that delivers the best and most sustainable value to its stakeholders.

Customers

Listen to our customers' needs and deliver a distinctive customer experience that provides value for money.

Network investment
Broadband:
FY20 $301M
FY21 $319M
Radio:
FY20 $2.3M
FY21 $1.4M

Shareholders

Generate strong and continuous shareholder returns on investment.

Dividends
FY20 $30.2M
FY21 $34.6M

Employees

Empower our employees and invest in their development and well-being thus enabling them to grow and thrive.

Wages and benefits
FY20 $446M
FY21 $472M

Defined benefit plan contributions
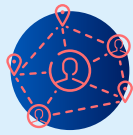FY20 $700k
FY21 $1.3M

Suppliers

Build strong relationships with our suppliers and create mutual benefits through innovation, collaboration and state-of-the-art commercial practices

Goods and services purchased*
FY20 $830M
FY21 $805M
from over 9,000 suppliers

Communities

Contribute to the social, economic and cultural development of the communities we serve through focused initiatives meeting the needs of our communities.

Donations and sponsorships
FY20 $12.6M
FY21 $16.7M

Network investments in underserved and unserved communities
FY20 $35M
FY21 $42M

Other stakeholders

Taxes paid (Governments)
FY20 $22M
FY21 $102M

Interest paid (Providers of capital)
FY20 $156M
FY21 $128M

*Addressable supplier spend (excludes content, sponsorships & donations, taxes, expenses & royalties, intercompany transactions, trade shows & events)

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SIGNIFICANT CHANGES

In fiscal 2020 and 2021, we continued to grow our footprint both in Canada and the U.S. through strategic acquisitions. In Canada, Cogeco Connexion acquired DERYTelecom enabling it to expand its activities to more than 200 municipalities in Québec. In the U.S., Breezeline acquired the Ohio Broadband Systems of WideOpenWest, advancing the company's high-growth strategy by expanding its reach beyond the east coast footprint within attractive markets. Finally, Cogeco Media entered into an agreement with Arsenal Média to acquire a radio station in the Saguenay-Lac-Saint-Jean region while simultaneously selling two radio stations in the Abitibi-Témiscamingue region in exchange.

In addition, the company continued the acceleration of Cogeco Connexion's high-speed Internet network expansion in Québec and Ontario in collaboration with the provincial and federal governments, which will provide high-speed Internet to unserved and underserved areas. This is aligned with Cogeco's commitment to take concrete action towards closing the digital divide.

Finally, Cogeco Connexion secured 38 spectrum licences to support the development of a mobile offering in Canada which will provide more choice for consumers. With these and its previously acquired spectrum licences, Cogeco Connexion holds spectrum covering approximately 91% of its broadband footprint, representing a population of 3.6 million Canadians.

A complete description of significant changes is available in our Annual Report.

2020-2021 Sustainability highlights

Environment

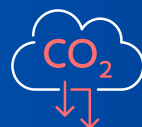First Canadian telecommunications company with an **approved science-based emissions reduction target.**

25% of energy consumed was from renewable sources, representing **a 51% increase vs 2019.**

23% reduction in scopes 1 and 2 emissions since FY19, on track to achieve our **65% reduction target by 2030.**

Our first **Climate Action Plan and TCFD report** was published in December 2021.

Social

Over the last two years, **our frequency of lost-time accidents** per 200,000 hours worked **was well below the industry average** in the jurisdictions where we operate.

Commitment to diversity and inclusion unveiled and establishment of a Diversity and Inclusion Leadership Committee.

35% women in managerial positions and above.

2.9% of our pre-tax profit donated in FY21 representing **$16.7M** in cash and in-kind donations.

Employee engagement increased by **31%** in FY21 compared to FY19.

Governance

$77.3M in network investments deployed to help close the digital divide in underserved and unserved communities in FY20 and FY21.

Third-Party **Risk Assessment data security process** review completed along with the development of a risk registry and supporting processes. Increased frequency of cybersecurity vulnerability testing.
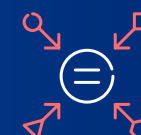
60% of Board members (considering the members of both the Boards of Cogeco Inc. and Cogeco Communications Inc.) are from designated groups. (47% women, 7% visible minorities and 7% persons with a disability)

Customer satisfaction, along with employee engagement, and health and safety results, **included in the variable compensation of executives.**
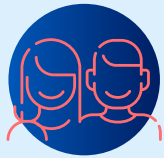
Cogeco's key sustainability topics

STAKEHOLDER ENGAGEMENT AND KEY SUSTAINABILITY TOPICS

Engaging with our stakeholders and understanding their needs and expectations is critical to the long-term sustainability of our business. When identifying key stakeholder groups with whom to engage, we consider those who are directly or indirectly impacted by our business and our actions. These stakeholders and the way we engage with them on an ongoing basis are outlined below.
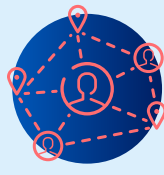
Examples of engagement

Employees	Customers	Communities	Municipalities/Governments	Investors	Suppliers
• Town halls • Employee engagement surveys • Quarterly webcast by the CEO • 1Cogeco Community Involvement Day • Special events such as Earth Day • Sustainability education sessions • Online surveys to obtain input on sustainability topics	• Customer satisfaction surveys to measure Net Promoter Score (NPS) • Customer transactional surveys • Online surveys to obtain input on sustainability topics • Websites that provide information and support related to customer accounts, available services, etc. • Social media exchanges	• Engagement activities planned by our Community Relations teams • 1Cogeco Community Involvement Day • Online surveys to obtain feedback on sustainability topics • Philanthropic support through our donations groups	• Online surveys to obtain input on sustainability topics • Events planned by our Community Relations teams and YourTV/NousTV local programming • Ongoing communication in collaboration with our Government Relations teams	• Quarterly conference calls with analysts • General Annual Shareholder meeting • Interviews to provide insights on Cogeco's ESG program and gather information on key sustainability topics for investors • Ongoing communication in collaboration with our Investor Relations team • Communication with sustainability rankers and raters that provide important information to our investors	• Quarterly business reviews and relationship management meetings with top suppliers • Ongoing conversations between buyers and suppliers • RFI (Request for Information) and RFP (Request for Proposal) processes • Online surveys to obtain input on sustainability topics

Materiality assessment

In addition, in fiscal 2021, we engaged our main stakeholder groups to identify their key ESG priorities through our fifth materiality assessment. Stakeholders across all business units were represented.

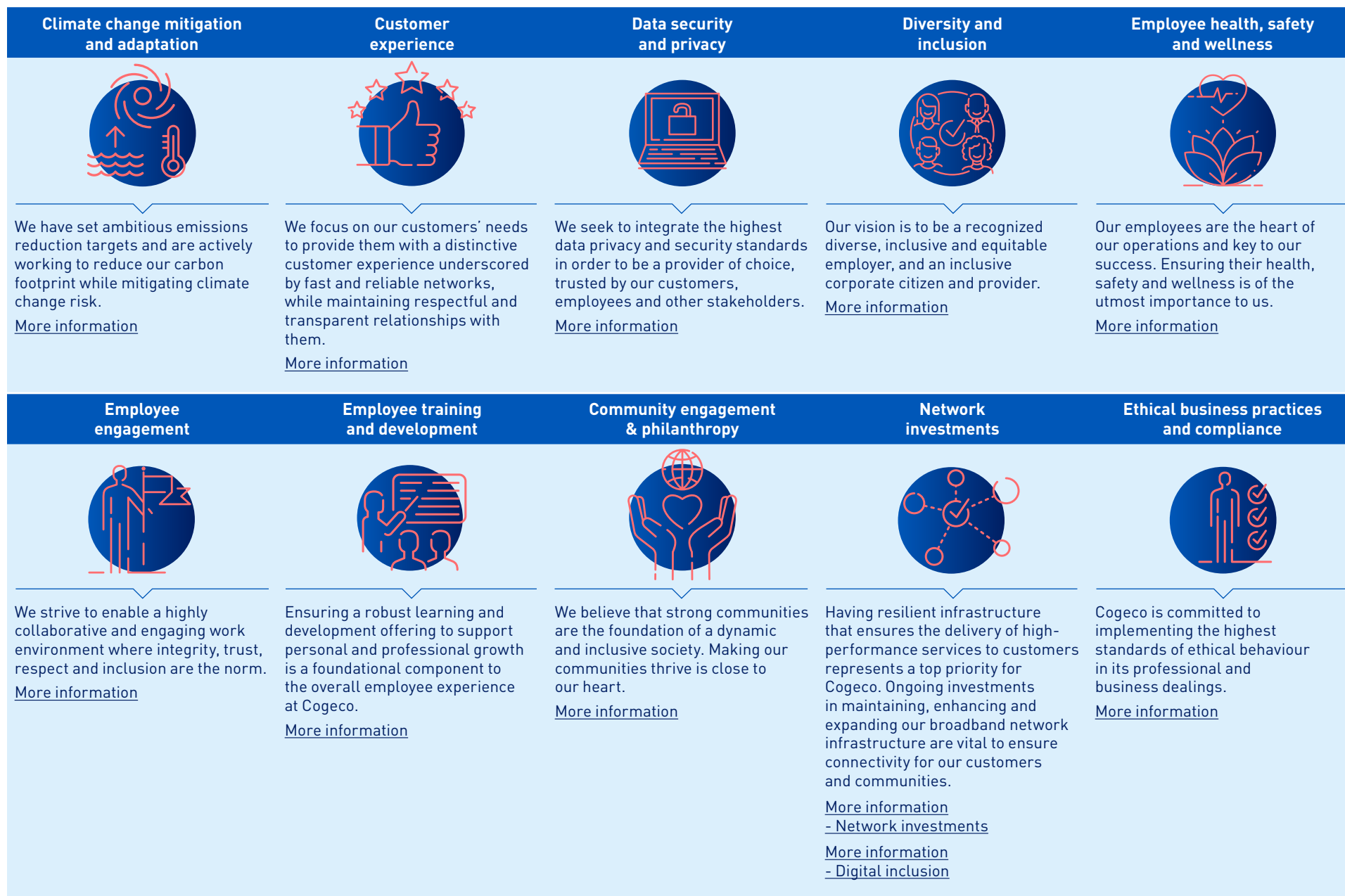Information was mainly collected through digital surveys. **We received insights from more than 1,100 stakeholders.** Improvements from past exercises include:

• In-depth interviews with top investors
• Covering a larger number of customers from our broadband services segments
• Connecting with communities in both Canada and the U.S.
• Getting input from local governments, who are important partners for Cogeco

Key sustainability topics

The following infographic presents the key sustainability topics that were identified through the materiality assessment. These key topics and the concerns raised by our stakeholders have contributed to the definition of our strategic plans and commitments, and they are the main focus of this ESG and Sustainability Report.

Climate change mitigation and adaptation	Customer experience	Data security and privacy	Diversity and inclusion	Employee health, safety and wellness
We have set ambitious emissions reduction targets and are actively working to reduce our carbon footprint while mitigating climate change risk. More information	We focus on our customers' needs to provide them with a distinctive customer experience underscored by fast and reliable networks, while maintaining respectful and transparent relationships with them. More information	We seek to integrate the highest data privacy and security standards in order to be a provider of choice, trusted by our customers, employees and other stakeholders. More information	Our vision is to be a recognized diverse, inclusive and equitable employer, and an inclusive corporate citizen and provider. More information	Our employees are the heart of our operations and key to our success. Ensuring their health, safety and wellness is of the utmost importance to us. More information

Employee engagement	Employee training and development	Community engagement & philanthropy	Network investments	Ethical business practices and compliance
We strive to enable a highly collaborative and engaging work environment where integrity, trust, respect and inclusion are the norm. More information	Ensuring a robust learning and development offering to support personal and professional growth is a foundational component to the overall employee experience at Cogeco. More information	We believe that strong communities are the foundation of a dynamic and inclusive society. Making our communities thrive is close to our heart. More information	Having resilient infrastructure that ensures the delivery of high-performance services to customers represents a top priority for Cogeco. Ongoing investments in maintaining, enhancing and expanding our broadband network infrastructure are vital to ensure connectivity for our customers and communities. More information - Network investments More information - Digital inclusion	Cogeco is committed to implementing the highest standards of ethical behaviour in its professional and business dealings. More information

KEY IMPACTS OF SUSTAINABILITY TOPICS – RISKS AND OPPORTUNITIES

Materiality assessment results represent a key input to identifying sustainability-related risks and opportunities for Cogeco, as shown in the table below.

Key sustainability topic	OPPORTUNITIES				RISKS		
	Revenue growth	Cost efficiency	Customer satisfaction & retention	Employee satisfaction, productivity & retention	Business continuity	Reputation	Regulatory compliance
Climate change mitigation and adaptation	✓	✓	✓	✓	✓	✓	
Customer experience	✓		✓			✓	
Data security & privacy	✓	✓	✓	✓	✓	✓	✓
Diversity & inclusion			✓	✓		✓	✓
Employee health, safety & wellness		✓		✓	✓	✓	✓
Employee engagement	✓	✓	✓	✓	✓	✓	
Employee training & development	✓	✓	✓	✓	✓	✓	✓
Community engagement & philanthropy	✓		✓	✓		✓	
Ethical business practices & compliance	✓	✓	✓	✓	✓	✓	✓
Network investments	✓	✓	✓		✓	✓	

Our commitments

TOGETHER WE CAN DRIVE REAL CHANGE

The United Nations Sustainable Development Goals (SDGs) are a universal call to action to end poverty, protect the planet and improve the lives and prospects of everyone, everywhere.

The 17 Goals were adopted by all UN Member States in 2015, as part of the 2030 Agenda for Sustainable Development which set out a 15-year plan to achieve the Goals. By defining global priorities and aspirations by 2030, the SDGs provide a common framework for sustainable development efforts and goals that can be applied to a wide range of organizations.

We acknowledge the fundamental role that corporations must play in addressing the most pressing environmental, social and economic challenges of our time. In our continued effort to drive long-term corporate sustainability and contribute to a better and more sustainable future for all, we take into account our broader impact on society. We have therefore aligned our ESG commitments and initiatives with the SDGs to clearly illustrate how Cogeco contributes to the achievement of these broader global goals.

SUSTAINABLE DEVELOPMENT GOALS

1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION
7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS	

ESG COMMITMENTS AND PROGRESS

The table below summarizes our commitments, the progress we have made, and how our commitments link to both our corporate strategy and the SDGs.

ENVIRONMENTAL				
Commitment	**Progress in fiscal 2021**	**Status**	**Link to strategy**	**Contribution to SDGs**
Reduce our absolute scope 1 (direct) & scope 2 (indirect from the consumption of electricity) emissions by 65% by 2030 from 2019.	23% reduction in our scope 1 & 2 emissions compared to 2019.	ON TRACK	Brand Value	7 AFFORDABLE AND CLEAN ENERGY 11 SUSTAINABLE CITIES AND COMMUNITIES 13 CLIMATE ACTION
50% of our suppliers by spend covering purchased goods & services and capital goods will set science-based scope 1 & 2 emissions reduction targets by 2025.	22% of our suppliers by spend covering purchased goods & services and capital goods have set or committed to set science-based scope 1 & 2 emissions reduction targets.	ON TRACK		
Reduce emissions from the use of sold products by 30% by 2030 from 2019.	7% reduction in emissions from the use of sold products compared to 2019.	ON TRACK	Cost Efficiency	
Reduce emissions from employee commuting by 30% by 2030 from 2019.	84% reduction[1] in emissions from employee commuting compared to 2019.	ACHIEVED		
As a signatory, 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 Efficiency Voluntary Agreement (STB VA) by 2022.	During calendar year 2020[2], 90% of set-top boxes purchased in Canada complied with CEEVA standards. In the U.S., although we are not signatories of the STB VA, 68% of our purchased set-top boxes complied with the standards set by the agreement.	ON TRACK		12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION
Ensure that 60% of customers receive electronic bills by the end of fiscal 2021.	59% of Cogeco's residential customers received electronic bills. This represents an increase of 20% compared to FY19 results.	OFF TRACK		

[1] Mainly the result of Cogeco's work from home policy to ensure employee health and safety during the global pandemic.
[2] Voluntary agreement compliance is measured on a calendar basis by a third-party. The last available report corresponds to 2020 compliance.

SOCIAL

Commitment	Progress in fiscal 2021	Status	Link to strategy	Contribution to SDGs
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.	No founded privacy complaints.	ACHIEVED	Brand Value	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
No reportable cybersecurity incidents resulting in the loss, theft or unauthorized access of personal customer information.	There were no cybersecurity incidents that triggered general notification obligations.	ACHIEVED	Cost Efficiency	
Have our broadband network available 99.9% of the time.	Our broadband network was available more than 99.9% of the time.	ACHIEVED	Customer Experience	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Improve our global workforce engagement score each year.	Our global workforce engagement score increased 5 points compared to 2020, and 17 points compared to 2019, representing a 31% improvement in fiscal 2021 vs fiscal 2019.	ACHIEVED	Employee Experience	8 DECENT WORK AND ECONOMIC GROWTH
Improve participation rate in the global workforce engagement survey.	The participation rate increased to 83% in fiscal 2021 vs 76% in fiscal 2020.	ACHIEVED	Brand Value	
Maintain a frequency of workplace-related incidents below industry averages in the jurisdictions where we operate.	Our frequency of lost-time accidents per 200,000 hours worked (weighted average for Canada & U.S.), was well below the industry average in the jurisdictions where we operate.	ACHIEVED	Cost Efficiency	3 GOOD HEALTH AND WELL-BEING

SOCIAL				
Commitment	**Progress in fiscal 2021**	**Status**	**Link to strategy**	**Contribution to SDGs**
Ensure at least 35% of positions at a managerial level and above are held by women by 2021.	35% of positions at the managerial level and above were occupied by women.	ACHIEVED	Brand Value Employee Experience	5 GENDER EQUALITY
Donate at least 1% of pre-tax profits.	We donated 2.9% of our pre-tax profits considering cash and in-kind contributions.	ACHIEVED	Brand Value	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES

GOVERNANCE				
Remain in the top tier of family-controlled dual-class companies listed on a Canadian stock exchange.	We remained in the top tier of Canadian family-controlled dual-class companies according to The Globe and Mail's Board Games corporate governance rankings.	ACHIEVED	Brand Value Cost Efficiency	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Ensure 95% of employees are trained on the Code of Ethics.	96% of our employees were trained on Cogeco's Code of Ethics.	ACHIEVED	Customer Experience Employee Experience	
Systematically investigate all fraud reports submitted through the Cogeco Ethics Line.	All fraud reports submitted through the Cogeco Ethics Line were investigated.	ACHIEVED		
By fiscal 2022, 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.	80% of our top suppliers acknowledged Cogeco's Supplier Code of Conduct or Cogeco approved the supplier's CSR standards.	ON TRACK		

Awards and recognitions

Cogeco's advancements on the ESG front have been recognized by multiple organizations.

CDP

Cogeco was one of only 3 Canadian companies to make the **CDP A list in 2021**, and the only North American telecommunications company on the list (i.e. included in the top 2% of companies that were assessed and recognized by CDP). This prestigious list highlights companies leading on climate action and transparency.

Terra Carta Seal

Cogeco is one of 45 companies globally, and one of only 3 Canadian companies, that received the **HRH The Prince of Wales' Terra Carta Seal** in recognition of its commitment to creating a sustainable future.

Corporate Knights

Cogeco Communications was ranked among **Corporate Knights' 2021 Global 100 Most Sustainable Corporations in the World** for the second consecutive year, demonstrating its leadership in making the world a better place.

SBTi

Cogeco was the first telecommunications company in Canada to have its **targets approved by the Science Based Targets initiative (SBTi)**. These targets illustrate Cogeco's leadership and its commitment to the environment.

Corporate Knights

In 2021, for a fourth consecutive year, Cogeco Communications was named to the list of **Corporate Knights' Best 50 Corporate Citizens in Canada**, placing it among Canadian companies that are setting the standard for sustainability leadership.

Business Ambition for 1.5°C

As part of its global climate ambitions, Cogeco has joined corporate leaders representing more than $3.6 trillion in market capitalization in signing the **"Business Ambition for 1.5°C" commitment**, setting a goal to reach net zero emissions across scopes 1, 2 & 3 by 2050.

Sustainalytics

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 ESG rating criteria.

Caring Company

In both 2020 and 2021, Cogeco Inc. received the **Caring Company Certification from Imagine Canada**, which recognizes outstanding leadership in community investment and social responsibility in Canada.

ISS

Cogeco Communications continues to hold the **ISS Quality-Score environmental badge**, which recognizes our environmental disclosure practices.
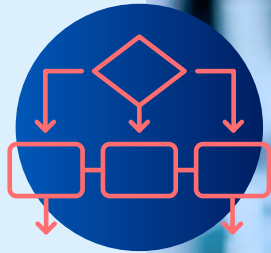
UN Global Compact

In September 2021, Cogeco Inc. became a **signatory to the United Nations' Global Compact**, reaffirming our commitment to respecting and promoting universal human rights, implementing decent work practices, reducing environmental impact, and putting together anti-corruption mechanisms.

Forbes

Cogeco made the prestigious Forbes ranking of **Canada's best employers in 2020**.

2.

Implementing strong governance practices

Governance at Cogeco

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

TARGET:
Remain in the top tier of family-controlled dual-class companies listed on a Canadian stock exchange
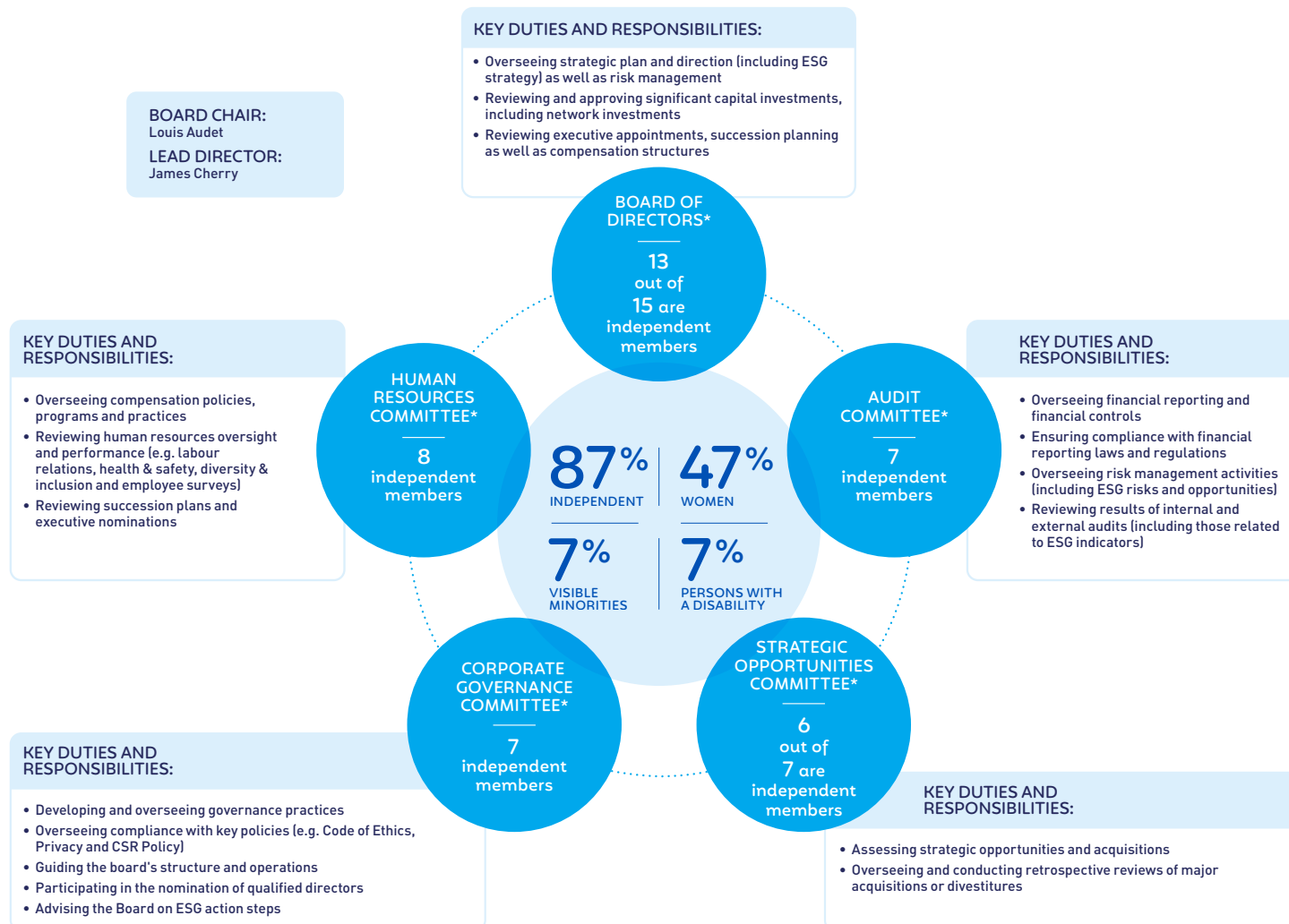
ACHIEVEMENT:
In the top tier of Canadian family-controlled dual-class companies according to The Globe and Mail's Board Games corporate governance rankings in fiscal 2020 and fiscal 2021.

The diagram on the right presents a high-level list of topics that are overseen by the Board and its Committees. Click here to see all duties and responsibilities of the Board and its Committees.

For additional information about the Board of Directors, please refer to the section on Corporate Governance Practices (pages 21-48) and Directors' Compensation (pages 50-53) of our 2021 Management Information Circular.

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 seek to preserve and enhance the Corporations with due regard to the interests of their 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.

BOARD CHAIR:
Louis Audet

LEAD DIRECTOR:
James Cherry

KEY DUTIES AND RESPONSIBILITIES:
- Overseeing strategic plan and direction (including ESG strategy) as well as risk management
- Reviewing and approving significant capital investments, including network investments
- Reviewing executive appointments, succession planning as well as compensation structures

BOARD OF DIRECTORS*
13 out of 15 are independent members

KEY DUTIES AND RESPONSIBILITIES:
- Overseeing compensation policies, programs and practices
- Reviewing human resources oversight and performance (e.g. labour relations, health & safety, diversity & inclusion and employee surveys)
- Reviewing succession plans and executive nominations

HUMAN RESOURCES COMMITTEE*
8 independent members

AUDIT COMMITTEE*
7 independent members

KEY DUTIES AND RESPONSIBILITIES:
- Overseeing financial reporting and financial controls
- Ensuring compliance with financial reporting laws and regulations
- Overseeing risk management activities (including ESG risks and opportunities)
- Reviewing results of internal and external audits (including those related to ESG indicators)

87% INDEPENDENT

47% WOMEN

7% VISIBLE MINORITIES

7% PERSONS WITH A DISABILITY

CORPORATE GOVERNANCE COMMITTEE*
7 independent members

STRATEGIC OPPORTUNITIES COMMITTEE*
6 out of 7 are independent members

KEY DUTIES AND RESPONSIBILITIES:
- Developing and overseeing governance practices
- Overseeing compliance with key policies (e.g. Code of Ethics, Privacy and CSR Policy)
- Guiding the board's structure and operations
- Participating in the nomination of qualified directors
- Advising the Board on ESG action steps

KEY DUTIES AND RESPONSIBILITIES:
- Assessing strategic opportunities and acquisitions
- Overseeing and conducting retrospective reviews of major acquisitions or divestitures

Considers members of Cogeco Inc. and Cogeco Communications Inc. together. Information as of September 1, 2021.

ESG Governance

Board Responsibility

As sustainability is specifically embedded into our business strategy, Board members' involvement in overseeing ESG practices and performance increased during fiscal 2020 and 2021. In fiscal 2021, the frequency of ESG updates to the Board of Directors increased to quarterly, and key ESG topics are being directly overseen by the Board and no longer by a board committee since fiscal 2022.

Managerial Responsibility

The Corporate Social Responsibility (CSR) function at Cogeco is under the purview of the CSR Steering Committee that reports at least four times per year to the Board of Directors. The CSR function is held at a corporate level and is headed by the Vice President, Enterprise Strategy and Sustainability. In fiscal 2020, this position started reporting to the Senior Vice President and Chief Public Affairs, Communications and Strategy Officer. The Vice President, Enterprise Strategy and Sustainability is responsible for the definition, alignment, monitoring and compliance of corporate strategies and initiatives to continuously promote sustainability and implement strong ESG practices in support of conducting our business in a socially responsible and ethical manner.

OUR SOCIAL PURPOSE

Enrich people's lives through human connection and vibrant communities.

HOW WE DELIVER ON OUR SOCIAL PURPOSE

We drive sustainable and inclusive growth through our long-standing tradition of social engagement and community involvement, our leading operating practices as well as our strong commitment to responsible and ethical management.

OUR ESG LEVERS

Environmental	Social			Governance
Reduce our environmental footprint	Be a trusted and reliable partner for our customers	Develop our employees and enable their well-being	Support our communities	Implement strong governance practices

OUR VALUES

Social Engagement Have a positive impact on our communities and the environment	**Innovation** Seek and embrace innovation	**Customer Commitment** Put customers at the heart of all our actions	**Teamwork** Collaborate with our colleagues and partners to drive synergies and a culture of excellence	**Respect** Foster a respectful workplace where integrity, trust and inclusion are the norm

Our ESG guiding documents:

- CSR Policy
- Code of Ethics
- Supplier Code of Conduct

In fiscal 2021, new positions were staffed to support the sustainability functions at a corporate and business unit level: an Enterprise Risk Management and Sustainability Director was hired at Breezeline and a Governance and Responsible Procurement Advisor was hired to implement sustainable procurement practices across the organization.

"At Cogeco, corporate social responsibility is part of our DNA. We are committed to implementing the best ESG practices to drive long-term sustainability for the company, as well as for the communities we serve and our other key stakeholders."

– Elizabeth Alves, Vice President Enterprise Strategy & Sustainability

CSR GOVERNANCE STRUCTURE

Board of Directors
- Oversees, on a quarterly basis, the implementation and performance of Cogeco's ESG program

CSR Steering Committee
Composed of the President and CEO and his direct reports
- Defines and approves key sustainability topics and related key performance indicators (KPIs) and goals
- Monitors performance
- Approves sustainability initiatives
- Reviews sustainability-related policies and documents

Corporate Sustainability Centre of Excellence
- Identifies priorities and leads corporate sustainability strategy and projects
- Conducts sustainability reporting
- Conducts stakeholder engagement and benchmarking
- Develops CSR policies and tools
- Conducts CSR performance monitoring
- Leads employee engagement on sustainability topics and initiatives
- Fosters CSR-related knowledge sharing among business units

Business unit
- Customizes CSR initiatives to particular business unit needs
- Implements initiatives
- Provides timely information

The CSR team works collaboratively with multiple teams, including Human Resources, Procurement, Risk Management, Technology, Legal, Public Affairs, Communications, Marketing and Finance in order to implement Cogeco's ESG program and related initiatives.

Concerns from stakeholders are collected during the stakeholder engagement process, during the Annual General Shareholders' meeting, and through the CSR team. Major concerns are generally discussed at CSR Steering Committee meetings or directly with the head of the department involved.

OVERSIGHT AND MANAGEMENT OF KEY SUSTAINABILITY TOPICS

KEY SUSTAINABILITY TOPIC	BOARD OVERSIGHT	FREQUENCY OF REVIEW BY BOARD	HIGHEST MANAGERIAL RESPONSIBILITY	LINK TO EXECUTIVE PAY	MAIN POLICIES AND DOCUMENTS
Climate change mitigation and adaptation	✓	Quarterly	CSR Steering Committee: President and CEO, his direct reports, the VP Enterprise Strategy & Sustainability, the VP Procurement and the VP Investor Relations and Treasurer	Beginning in fiscal 2022 ✓	• CSR Policy • Code of Ethics • Supplier Code of Conduct • Climate Action Plan and TCFD Report
Customer experience	✓	Quarterly	Presidents of business units	✓	• Strategic Plan
Data security	✓	Quarterly - through the Audit Committee	Senior VP and Chief Technology Officer		• Information security policy
Data privacy	✓	As required, through the Corporate Governance Committee	Senior VP Corporate Affairs, Chief Legal Officer and Secretary		• Corporate Privacy Commitment • Privacy Policy Cogeco Connexion, Breezeline and Cogeco Media
Diversity & inclusion	✓	Quarterly - through the Human Resources Committee (this committee meets three quarters per year)	Senior VP and Chief Human Resources Officer		• Employment Equity and Diversity Policy • Hiring Policy • Board Diversity Policy • Harassment, Discrimination and Violence-Free Workplace Policy • CSR Policy • Code of Ethics
Employee health, safety & wellness	✓	Quarterly - through the Human Resources Committee (this committee meets three quarters per year)	Senior VP and Chief Human Resources Officer	✓	• Health and Safety Policy Cogeco Connexion and Breezeline (formerly Atlantic Broadband) • Policy on the Use of Alcohol, Drugs and Medication • Policy on Remote Work

KEY SUSTAINABILITY TOPIC	BOARD OVERSIGHT	FREQUENCY OF REVIEW BY BOARD	HIGHEST MANAGERIAL RESPONSIBILITY	LINK TO EXECUTIVE PAY	MAIN POLICIES AND DOCUMENTS
Employee engagement	✅	Frequency is based on timing of surveys and it is through the Human Resources Committee	Senior VP and Chief Human Resources Officer	✅	Not applicable
Employee training & development	✅	Annually - through the Human Resources Committee	Senior VP and Chief Human Resources Officer		Not applicable
Community engagement & philanthropy	✅	As required	Presidents of business units (at a business unit level) and Donations and Sponsorships Committee (at a Corporate Level): Senior VP Public Affairs, Communications and Strategy, VP Enterprise Strategy and Sustainability, and Director, Corporate Communications		• Policy for Granting, Donations and Sponsorships • Code of Ethics
Network investments (speed, reliability, and expansion)	✅	Quarterly	Presidents of business units		• Business Continuity, Crisis Management and Disaster Recovery Protocols
Ethical business practices & compliance	✅	Quarterly - through the Corporate Governance Committee (this committee meets three quarters per year)	Ethics Steering Committee: Senior VPs, Corporate Affairs, Chief Legal Officer and Secretary, Chief Human Resources Officer, Chief Financial Officer and VP, Internal Audit		• Code of Ethics • CSR Policy • Supplier Code of Conduct • Conflict of Interest Declaration Form • Gifts & Entertainment Policy • Policy on the Use of Alcohol, Drugs and Medication • Harassment, Discrimination and Violence-Free Workplace Policy

Ethical business practices and compliance

Maintaining integrity through ethical business practices, including zero corruption, extortion, or bribery as well as through compliance with all applicable laws and regulations is of the utmost importance for any business striving to drive long term sustainability in today's global marketplace.

Cogeco is committed to implementing the highest 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 and the communities we serve, by constantly striving to treat them fairly, honestly and with integrity.

TARGET:
Ensure 95% of employees are trained on the Code of Ethics

ACHIEVEMENT:
At the end of fiscal 2021, 96% of our employees completed the Code of Ethics training.

TARGET:
Systematically investigate all fraud reports submitted through the Cogeco Ethics Line

ACHIEVEMENT:
All fraud reports submitted through the Cogeco Ethics Line were systematically investigated.

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, the review of declared conflicts of interest and the review of Ethics Line reports received during the quarter.

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 reviewed on an annual basis by the Vice President, Internal Audit. Changes made to the Code arise from benchmarking activities with other organizations, and 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. Any 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 thereafter.

- 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 (i.e. My Ethics Hub).

- Periodic articles published via the intranet and publicized via the different business unit's email communications to their employees.

- Ad hoc live training sessions on specific ethics-related topics.

- A "fraud awareness month" campaign in February 2021.

- Live ethics sessions with various groups of employees.

With a view to proactively manage the topic of ethics at Cogeco, an Ethics Risk Assessment was conducted in fiscal 2021 by the Internal Audit Group, which allowed Cogeco to identify the most important ethics-related risks for the organization given its current 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.

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.

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 reviews all COI declaration forms jointly with Human Resources and determines 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.

In addition, Cogeco has implemented a dedicated ethics inbox (ethics@cogeco.com) that is available to all employees for any inquiries. The inbox is managed by the Vice President, Internal Audit.

Reports submitted to the Cogeco Ethics Line

|	FY19	FY20	FY21
Number of reports	73	43	43
% of reports where corrective action* was taken	51%	44%	53%

*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 pertained to the integrity of Cogeco's financial reporting.

Key initiatives

Various reviews are undertaken on an annual basis by the Internal Audit Group to assess compliance with ethics-related policies and processes and to proactively manage ethics/fraud-related risks (e.g. expense reimbursement reviews, fraud risk assessments, etc.). Specific projects implemented in fiscal 2020 and 2021 included:

- **Fiscal 2021 fraud risk assessment of construction activities at Cogeco Connexion:** As Cogeco pursues the implementation of its market expansion and growth strategy, which includes projects to bridge the digital divide, construction activities will represent a significant expense for the organization. In Canada, numerous government-sponsored expansions are ongoing and are expected to continue into the future. Accordingly, Internal Audit completed a fraud risk assessment of construction activities for its Canadian broadband business unit (Cogeco Connexion) to help flag any areas of concern and implement mitigation measures as required.

- **Conflict of Interest Review at Breezeline in fiscal 2020 and Cogeco Connexion in fiscal 2021:** Conflicts of interest (COI) represent an area that inherently carries a higher exposure to the risk of fraud and, as such, this review is part of the fraud prevention and detection program at Cogeco. While a specific mechanism currently exists under which employees can voluntarily disclose a COI, a limitation of this process is that it represents, by definition, a declarative process, i.e. Cogeco relies on the good faith and awareness of its employees to come forward with the information. Hence, the overall objective of these reviews was to assess whether there could be undisclosed conflicts of interests and ensure measures of mitigation are applied in those cases in a manner that reduces exposure to fraud and unethical conduct.

Cogeco's Ethics Line
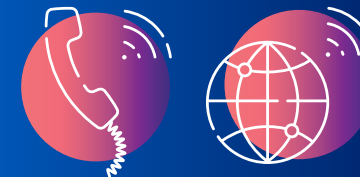
- Available to all **EMPLOYEES** and other **STAKEHOLDERS**

- Managed by an **INDEPENDENT** organization (ClearView)

- Operates **24/7**

- **BILINGUAL** service (English and French)

- Accessible **ONLINE** (www.clearviewconnects.com) and by **PHONE** (1-877-706-2640)

- 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.

COVID-19 One of the main impacts of COVID-19 on businesses around the globe, was the need to shift employees to a work from home model. As part of its Fraud Prevention & Detection program, the Internal Audit group identified specific risks associated with this new working from home reality. This risk assessment resulted in the identification of new audit procedures to be conducted going forward.

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 ESG 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.

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 committed to offering the highest quality services to our customers. 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 regulation or court order.

In fiscal 2020 and 2021,
no legal actions were undertaken against the Corporation
for non-compliance with labour, environmental or competition/antitrust laws.
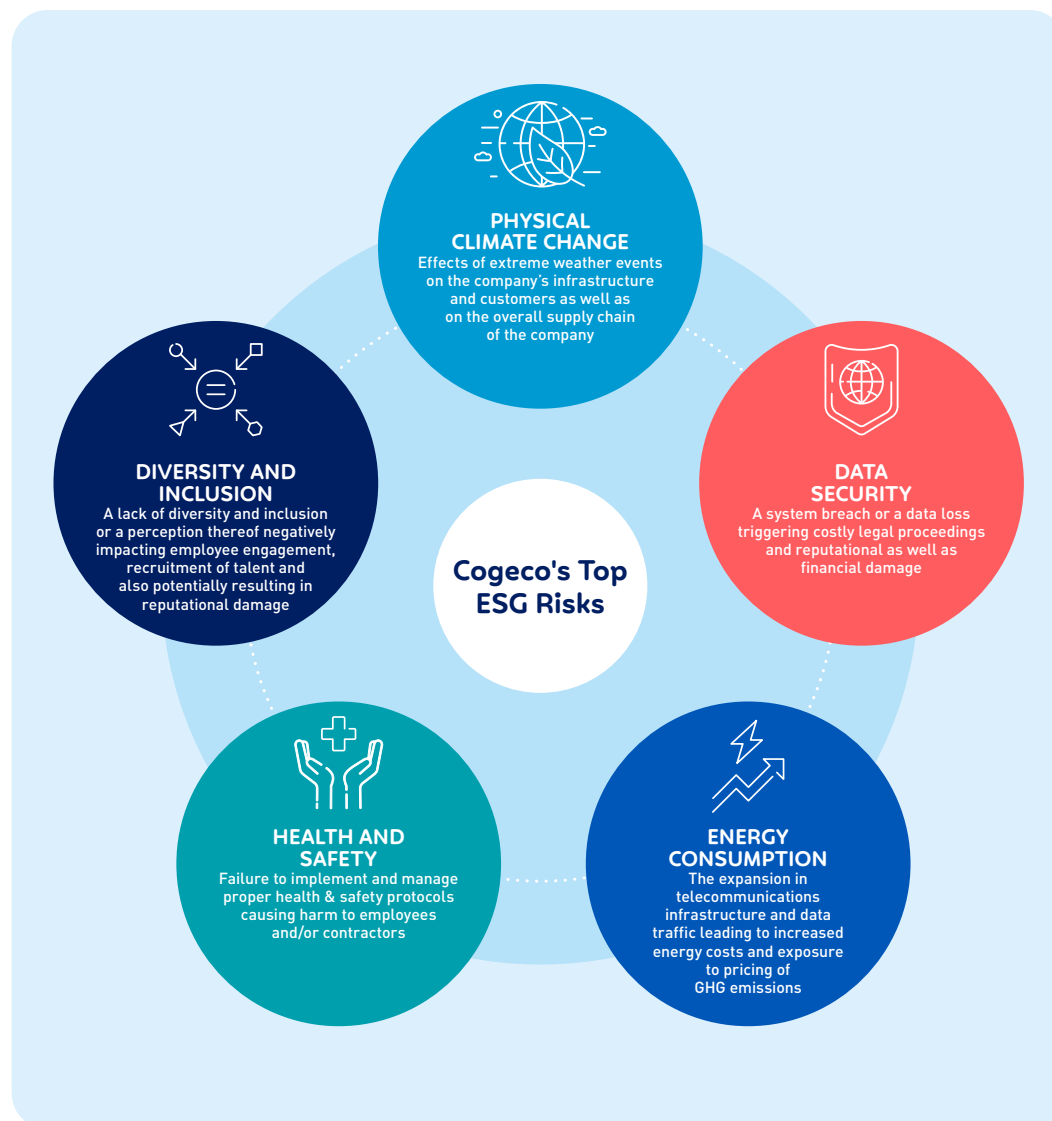
Risk management

Identifying and managing the key risks affecting our business is of the utmost importance to Cogeco. We have implemented a formal integrated enterprise-wide risk management (ERM) program structured and governed based on the widely adopted Committee of Sponsoring Organizations of the Treadway Commission (COSO) ERM integrated framework. This framework puts forward the strong connection between risk, strategy and enterprise performance. It entails a systematic annual identification and evaluation of risks facing the Corporation in the context of its global business and affairs that are liable to have a material adverse impact on the Corporation's financial situation, revenue or activities as well as the identification and monitoring of related risk mitigation strategies for risks classified as top risks. Cogeco's annual corporate risks identification and assessment exercise, which is fully integrated with the annual strategic planning process, is facilitated by the ERM group and includes the executive team from all business units, corporate leaders as well as our CEO.

The Board reviews annually and oversees the implementation of the overall strategic plan and direction of the Corporation which takes into account, among other things, the opportunities and risks of its global business and affairs identified by Management. The Audit Committee is responsible for reviewing the principal business risks facing the Corporation and its business units, and overseeing the implementation by Senior Management of appropriate measures to manage these risks, among other risk-related responsibilities.

More details on our risk management approach, along with our risk governance structure are presented in our <u>Annual Report</u>.

Top ESG Risks

In recognition of the importance of the continued integration of ESG considerations into our corporate strategy and risk management process, starting in December 2020, as part of the strategic planning process, we identified the top five ESG risks for the company. Furthermore, in Q2 2021, we started reporting quarterly to the ERM Steering Committee, as well as to the Audit Committee of the Board, on risk evolution, including the causes of and the mitigation measures for these top five enterprise-wide ESG risks. Top risks identified are outlined below.

Cogeco's Top ESG Risks

PHYSICAL CLIMATE CHANGE
Effects of extreme weather events on the company's infrastructure and customers as well as on the overall supply chain of the company

DATA SECURITY
A system breach or a data loss triggering costly legal proceedings and reputational as well as financial damage

ENERGY CONSUMPTION
The expansion in telecommunications infrastructure and data traffic leading to increased energy costs and exposure to pricing of GHG emissions

HEALTH AND SAFETY
Failure to implement and manage proper health & safety protocols causing harm to employees and/or contractors

DIVERSITY AND INCLUSION
A lack of diversity and inclusion or a perception thereof negatively impacting employee engagement, recruitment of talent and also potentially resulting in reputational damage

COVID-19

During fiscal 2020 and 2021, COVID-19 was an integral part of quarterly reporting in terms of risk evolution. This included the pandemic's impacts on the health and safety of our employees, business continuity and economic uncertainty. In fiscal 2020, an Executive Crisis Management Committee was put in place to monitor and respond to these evolving risks. Moreover, the ERM Group coordinated and oversaw the process of updating Cogeco's Business Continuity plans at the start of the pandemic with the assistance of third party experts.
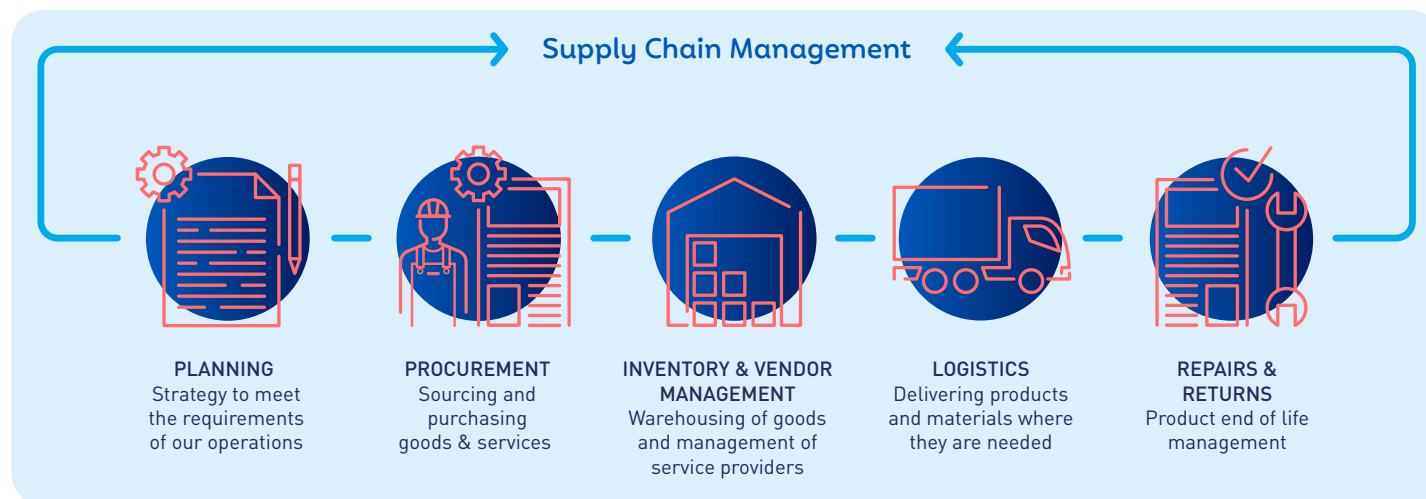
Sustainable procurement

Cogeco's supply chain

We firmly believe that managing our supply chain responsibly is important not only to the success of our operations, but also to our customers and communities. In fiscal 2021, Cogeco had more than 9,000 direct and active suppliers. Our 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. Our Supply Chain Management system spans from strategic planning to repairs and returns.

Cogeco's general supply chain management strategy is built around a vision of being a strategic business partner that creates a commercial advantage for Cogeco, with a holistic cost optimization approach and an innovative mindset. Top priorities to achieve this vision include: optimizing the total cost of ownership to generate value, fostering innovation in partnership with suppliers, mitigating and controlling risks, standardizing goods and services acquired for Cogeco, and placing Cogeco in the best possible strategic position in the marketplace. To support this strategy, we have developed a procurement corporate social responsibility and sustainability roadmap to ensure the integration of the best ESG practices across our supply chain.

Supply Chain Management

PLANNING
Strategy to meet the requirements of our operations

PROCUREMENT
Sourcing and purchasing goods & services

INVENTORY & VENDOR MANAGEMENT
Warehousing of goods and management of service providers

LOGISTICS
Delivering products and materials where they are needed

REPAIRS & RETURNS
Product end of life management

TARGET:
By 2022, 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.

PROGRESS:
At the end of fiscal 2021, 80% of the contracts with our top suppliers included the acknowledgement of the Supplier Code of Conduct or Cogeco had accepted their CSR standards.

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

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

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. Therefore, the Corporation has developed policies and mechanisms to engage in business with suppliers that demonstrate a strong commitment to sustainability and ethical behaviour. Our efforts to integrate sustainable practices into procurement include:

- Integrating CSR and Ethics sections into the Procurement Policy, strengthening our emphasis on human rights, promotion of diversity and local sourcing.

- Incorporating CSR criteria as part of the selection process of main suppliers. Since 2019, all business units are 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.

- Implementing a Supplier Code of Conduct, which defines our expectations for suppliers to go beyond legal compliance, in order to advance social and environmental responsibility as well as business ethics. We review and update this Code of Conduct on a regular basis to ensure it covers the most relevant and pressing ESG topics.

Key initiatives

Many advances were made by the Procurement team over the last two years to move forward in our sustainable procurement agenda. This includes the implementation of solid foundations to support our strategy. For example, in fiscal 2020, we finalized the implementation of our Procurement Shared Services model, bringing business units together with common procurement processes across the entire organization. Additionally, in early fiscal 2020, we implemented a single source-to-contract platform to help us efficiently manage all supplier relations and spend.

A summary of our key supplier sustainability initiatives implemented or underway are presented below:

SUPPLIER DIVERSITY Create a more inclusive and diverse supply chain	GHG REDUCTION Reduce emissions across our supply chain	LOCAL PROCUREMENT Generate socioeconomic benefits in the communities we work and live in	SUPPLIER CODE OF CONDUCT Ensure we partner with businesses that are committed to sustainable and ethical behavior
We formed partnerships with the Women Business Enterprises Canada Council (WBE Canada) and Réseau des Femmes d'Affaires du Québec (RFAQ). We have started working with a consulting firm to help us formalize our supplier diversity program, which includes assessing our starting point by identifying the diversity of our current suppliers, developing a clear strategy and related objectives, as well as providing training and networking opportunities for our buyers and internal stakeholders.	We set an approved, science-based emissions reduction target for our scope 3 emissions i.e. having 50% of our suppliers by spend set science-based scope 1 & 2 emissions reduction targets by 2025. For details on our strategy to reduce emissions in our supply chain and actions taken, please see our Climate Action Plan & TCFD Report.	We have started to formalize our local procurement program to continue to support and promote suppliers from the regions in which we operate. This includes: • Adding a question on local procurement to our supplier creation forms to track this data. • Working on defining metrics to measure local spend. • Beginning to track local supplier participation in our formal request processes (requests for information, proposals, quotes or bids).	We continued to engage with our top suppliers to ensure they have acknowledged our Supplier Code of Conduct or that we have approved the suppliers' sustainability standards. We are currently sending out letters to suppliers who have not yet acknowledged our Supplier Code of conduct requesting that they do so.

"Cogeco is committed to integrating responsible procurement practices across our supply chain. Our partnership with the Women Business Enterprises Canada Council (WBE Canada) will help us build the foundations of our Supplier Diversity program. Growing a more inclusive and diverse supply chain is an extension of Cogeco's dedication to better support our communities and suppliers to drive inclusive growth in our society."

– Martin Grenier, Vice-President, Procurement

3.

Reducing our environmental footprint

Minimizing our impact

As a telecommunications and media company, 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.

We are committed to progressively reducing our environmental footprint and have outlined this commitment in our Corporate Social Responsibility Policy. Key focus areas of our environmental initiatives in support of this commitment are outlined in the infographic on the right.

In terms of implementing environmental-related initiatives, each business unit customizes them to their specific needs. Additionally, environmental audits are conducted annually at key sites to visually identify where our environmental practices can improve. In most cases, these audits are conducted by third parties. Steps have been taken to transition these audits to a risk-based approach, including the roll out of a new site evaluation grid covering topics such as water, waste, chemicals, hazardous materials and the presence of ozone depleting substances.

REDUCING WASTE AND ENSURING IT IS PROPERLY RECOVERED AND DISPOSED OF

MONITORING ENVIRONMENTAL RISKS

CLIMATE CHANGE ADAPTATION AND MITIGATION

FOCUS OF OUR ENVIRONMENTAL INITIATIVES

OPTIMAL AND EFFICIENT USE OF NATURAL RESOURCES

CONTINUALLY SEEKING IMPROVEMENTS AND PROPOSING ENERGY-EFFICIENT PRODUCTS AND SERVICES TO OUR CUSTOMERS

Employee awareness

Raising awareness and equipping our employees with the right tools to take action and become effective stewards of the environment is another way that we seek to minimize our environmental impacts. We use various means to increase employee awareness of environmental topics, including conferences, training, and targeted communications to cover subjects such as sustainable consumption, recycling, preventing food waste, and ways to reduce GHG emissions.

In both fiscal 2020 and 2021, in light of the COVID-19 outbreak, we used virtual means to engage employees on various topics. For example, on Earth Day in 2020, our employee communications centered on the theme of how digital transformation can connect people, the planet, and technology to drive social and environmental benefits. We shared key facts via a special infographic created for the occasion as well as through a video message from our Vice President, Enterprise Strategy and Sustainability. On Earth Day 2021, our communications leveraged the theme of Restore our Planet to make employees aware of Cogeco's commitment to achieve ambitious emissions reductions through our new science-based emissions reduction target, and also provided them with tangible ways they can take action to help restore our planet and support building a new normal with a positive impact on the planet. In fiscal 2021, Cogeco's CSR team also offered employees in Canada a virtual Food Fight conference, presented by Earth Day Canada, an organization with a mission to help people and organizations reduce their environmental impact. The Food Fight conference provided participants with simple and practical advice on how each of us can help fight food waste.

Infographic shared with Cogeco employees on Earth Day 2020
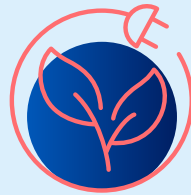
How Cogeco is using the digital transformation to drive environmental benefits across sectors

Set Top Boxes (STBs)

IPTV Set-Top Boxes are 4 times more efficient than legacy and 4K Set-Top Boxes (40 kWh/year vs. 160 kWh/year).

IPTV Set-Top Boxes are 338 grams lighter than 4K Set-Top Boxes and almost 2 kg lighter than other Set-Top Boxes.

Lighter Set-Top Boxes = ⬇ GHG emissions from transport and manufacturing

Mobility & logistics

Cogeco's new GPS smart system will allow us to monitor vehicle performance, fuel efficiency and driving patterns.

⊕ Expected fuel consumptions ⬇ by 5%.

By increasing self-installation from 30% to 75% and increasing the use of consolidated courier service for the replacement of equipment from 48% to 63%, Cogeco Connexion (CCX) will be able to significantly reduce the number of truck rolls.

⬇ truck rolls = ⬇ fuel = ⬇ GHG emissions.

E-billing

Cogeco expects that 60% of our customers will receive bills electronically by fiscal year 2021

= savings of 85 tonnes of paper or 2,200 trees and 750 tonnes of CO2e = removing 165 cars from the road.

Working from home

If 80% of our employees were to work from home once per week on a regular basis we would save

⊕ 230,000 litres (60,000 gallons) of fuel in transportation = charging 71 million smart phones.

Building Temperature Control

Installing programmable thermostats + adjusting day-time temperature by 2°C (4°F) and night-time temperature by 4°C (7°F) + increasing temperature range from 1.5°C to 2.5°C (3°F to 5°F)

⊕ annual savings = 1,300 MWh and ⬇ GHG emissions by 190 tonnes = the energy used by 22 homes in one year.

Climate change adaptation and mitigation

The recently released Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6) signaled a "code red" for humanity with findings suggesting that Earth is on the doorstep of the much-discussed 1.5°C threshold, which more likely than not may be reached by 2040. Exceeding this level of global warming will lead to increasingly extreme weather events, causing widespread social and economic upheaval that could have a material impact on our company.

"I am proud of our commitment to fight climate change and our rigorous approach to make it happen. After having spent more than 10 years in the cleantech sector, I continue to believe in the leadership role that companies must play in addressing climate change and in driving sustainable and inclusive growth"

– Marie-Hélène Labrie, Senior Vice President and Chief Public Affairs, Communications and Strategy Officer

In order to limit global warming to 1.5°C and help prevent the worst impacts of climate change, countries and businesses must set ambitious paths towards decarbonization. While our industry's environmental footprint is arguably smaller than that of many other sectors, Cogeco is nonetheless committed to leading the decarbonization pathway in our industry, and building a resilient future where people and planet can thrive.

As part of this commitment, we have set new emissions reduction targets that have been approved by the Science Based Targets initiative (SBTi) as consistent with levels required to meet the goals of the Paris Agreement. Our targets cover emissions from our operations as well as emissions from our value chain and are as follows:

TARGET:
Reduce absolute Scope 1 & 2 emissions by 65% by 2030 from 2019.

PROGRESS:
In fiscal 2021, we achieved a 23% reduction in scope 1 & 2 emissions vs 2019.

TARGET:
Reduce emissions from the use of sold products by 30% by 2030 from 2019.

PROGRESS:
In fiscal 2021, we achieved a 7% reduction in emissions from the use of sold products vs 2019.

TARGET:
50% of our suppliers by spend covering purchased goods & services and capital goods will set science-based scope 1 & 2 emissions reduction targets by 2025.

PROGRESS:
In fiscal 2021, 22% of our suppliers by spend have set or committed to set science-based scope 1 & 2 emissions reduction targets.

TARGET:
Reduce emissions from employee commuting by 30% by 2030 from 2019.
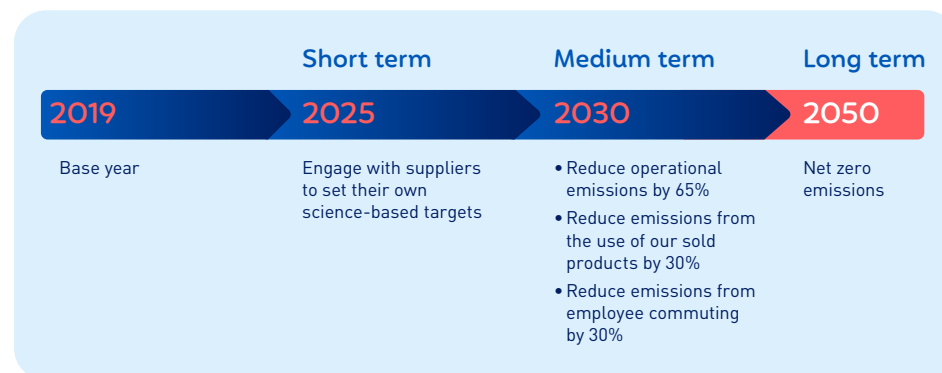
PROGRESS:
In fiscal 2021, we achieved an 84% reduction in emissions from employee commuting vs 2019.

We have now taken our commitment a step further, by extending these targets to include our ambition to achieve net zero emissions across our entire value chain by 2050.

	Short term	Medium term	Long term
2019	**2025**	**2030**	**2050**
Base year	Engage with suppliers to set their own science-based targets	• Reduce operational emissions by 65% • Reduce emissions from the use of our sold products by 30% • Reduce emissions from employee commuting by 30%	Net zero emissions

To support the achievement of our goals, Cogeco has developed and communicated a Climate Action Plan and TCFD Report outlining the concrete steps and actions we will take to transition the company to a business model compatible with a low-carbon economy. For more details, please see our report available here. Details on oversight of issues related to climate change can also be found in the ESG Governance section of this report.
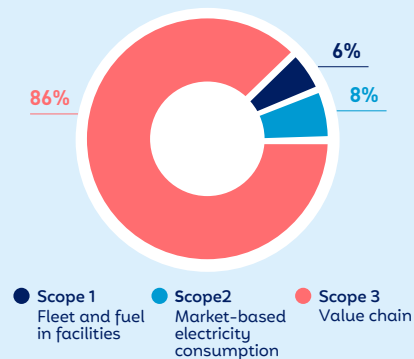
GHG emissions

Cogeco generated approximately 154,000 tonnes of carbon dioxide equivalent emissions (tCO2e) in fiscal 2021, with Scope 3 emissions from our value chain accounting for 86% of that total.
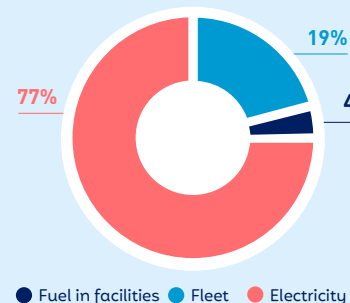
In terms of our own operations, the main sources of energy consumption and scope 1 and scope 2 emissions for Cogeco are electricity to power our networks and facilities, followed by fuel consumption by our fleet, and then fuels used for heating and generators in our facilities. In fiscal 2021, total scope 1 and scope 2 emissions decreased by 23% vs fiscal 2019 and emissions intensity decreased by 28%. This reduction is mainly the result of investment in renewable energy through our short term strategy of purchasing renewable energy certificates and subscribing to green utility tariffs, some impacts on operations as a result of COVID-19, and various fleet fuel efficiency initiatives (for more details, please see our Climate Action Plan and TCFD Report).

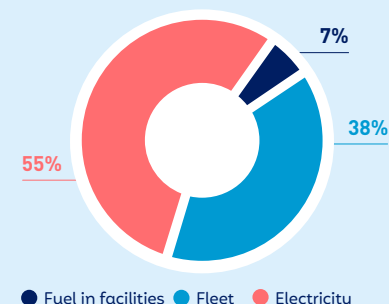**FY21 Scope 1, 2 & 3 GHG emissions (% of total tCO2e)**

86% 6% 8%
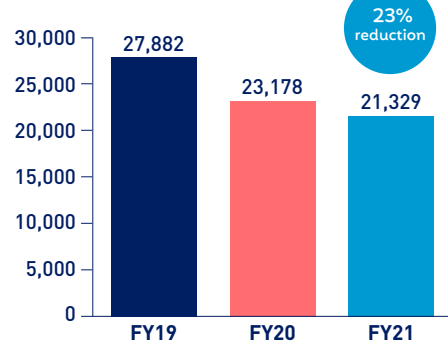
- ● Scope 1 — Fleet and fuel in facilities
- ● Scope2 — Market-based electricity consumption
- ● Scope 3 — Value chain

FY21 energy consumption (% of total MWh)

77% 19% 4%

- ● Fuel in facilities
- ● Fleet
- ● Electricity

FY21 scope 1 & 2 GHG emissions (% of total tCO2e)

55% 7% 38%

- ● Fuel in facilities
- ● Fleet
- ● Electricity

Total scope 1 & 2 emissions (tCO2e)

- FY19: 27,882
- FY20: 23,178
- FY21: 21,329

23% reduction

Emissions intensity (Scope 1 & 2 tCO2e/ million $ revenue)

- FY19: 11.4
- FY20: 9.3
- FY21: 8.3

28% reduction
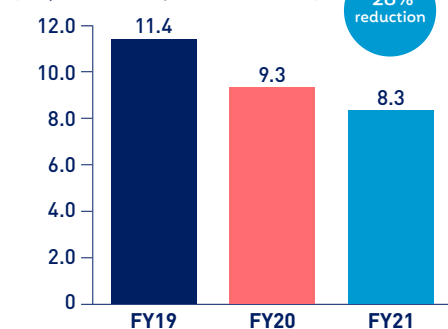
SCOPE 3 CATEGORY	FY19 tCO2e	FY20 tCO2e	FY21 tCO2e	CHANGE FY21 VS FY19
PURCHASED GOODS & SERVICES AND CAPITAL GOODS	155,746	93,717	100,175	-36%
USE OF SOLD PRODUCTS	20,666	19,964	19,169	-7%
EMPLOYEE COMMUTING	5,753	5,029	937	-84%
UPSTREAM AND DOWNSTREAM TRANSPORTATION AND DISTRIBUTION, FUEL AND ENERGY RELATED ACTIVITIES, BUSINESS TRAVEL, END-OF-LIFE TREATMENT OF UNSOLD PRODUCTS	8,393	12,737	12,190	45%
TOTAL	190,558	131,447	132,471	-30%

We have also completed a comprehensive inventory of our scope 3 emissions to better understand reduction opportunities and areas of influence in our value chain. Our plan to reduce emissions in our value chain centers around supplier engagement, energy efficiency of our products and services, and employee engagement. Full details are available in our Climate Action Plan and TCFD Report.

Note that our scope 1 and 2 GHG emissions, as well as our energy consumption from fleet fuel and electricity use, have been subject to a third party limited assurance review for fiscal 2019, 2020 and 2021. Fiscal 2021 scope 1 and 2 GHG emissions and energy consumption values were revised following completion of the third party review and differ slightly from those presented in the Climate Action Plan and TCFD Report.

ENERGY MANAGEMENT

Achieving ambitious emissions reductions requires a combination of implementing initiatives to reduce our energy consumption along with conversion of our energy sources to renewable energy as much as possible. We therefore monitor not only our total energy consumption, but also the percentage of renewable vs non-renewable energy consumption. In fiscal 2021, our overall energy consumption decreased by 6% vs. 2019 and our percentage of renewable energy consumption increased by 51% vs. 2019 due to continued investment in renewable energy.

	FY19				FY20				FY21				CHANGE FY21 VS FY19	
	RENEWABLE MWH	NON-RENEWABLE MWH	TOTAL	% RENEWABLE	RENEWABLE MWH	NON-RENEWABLE MWH	TOTAL	% RENEWABLE	RENEWABLE MWH	NON-RENEWABLE MWH	TOTAL	% RENEWABLE	TOTAL ENERGY CONSUMPTION	% RENEWABLE ENERGY CONSUMPTION
FLEET	-	40,700	40,700	0%	-	36,810	36,810	0%	-	33,386	33,386	0%	-18%	0
FUEL IN FACILITIES	-	8,749	8,749	0%	-	6,412	6,412	0%	-	7,154	7,154	0%	-18%	0
ELECTRICITY	30,657	108,075	138,732	22.1%	39,701	96,994	136,695	29%	43,813	93,284	137,098	32%	-1%	45%
TOTAL	**30,657**	**157,524**	**188,181**	**16%**	**39,701**	**140,216**	**179,917**	**22%**	**43,813**	**133,825**	**177,638**	**25%**	**-6%**	**51%**

In addition, our company-wide energy intensity decreased by 11% in fiscal 2021 vs 2019:

	FY19	FY20	FY21	CHANGE FY21 VS FY19
ENERGY INTENSITY (MWh/millions $ revenue)	77.0	72.6	68.2	-11%

Our key levers to reduce and green our energy consumption

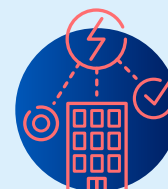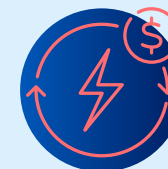| Fleet fuel efficency	Fleet electrification	Buildings and network energy efficiency	Investment in renewable energy
• Leveraging GPS/telematics systems to optimize technician routes, as well as to monitor and control idling and speeding. • Installing auxiliary batteries and Jobsite Energy Management Systems (JEMS) in all vehicles to avoid running vehicle engines while performing stationary work. • Where possible, downsizing to smaller vehicles. • Reducing the size of our vehicle fleet. • Implementing self-swap and self-installation initiatives for our customers' equipment to reduce the number of truck rolls to customer homes.	• Purchasing only hybrid or electric passenger vehicles or SUVs since fiscal 2020. • Developing a detailed strategy to electrify our vehicle fleet. • Conducting an in-depth review of the current mix of vehicle types in our fleet inventory, and discussing electric options with suppliers. • Establishing a Fleet Electrification Coordination Committee to monitor progress and discuss challenges and/or new developments. • Completing the order of 10 full electric mid-size vehicles expected to be delivered in spring of 2022.	• Implementing energy efficiency measures such as: centrally controlled thermostats with updated temperature control settings, heating, ventilation and air conditioning (HVAC) replacements, new airflow containment design and LED lighting retrofits. • Investigating options to implement a system-wide energy management system. • Evaluating the option of conducting energy audits at key facilities.	• Continuing to invest in renewable energy through the purchase of Renewable Energy Certificates (RECs) and conversion to green utility tariffs. • Investing in Power Purchase Agreements over the medium-to long-term to ensure additionality of renewable energy investments, with the possibility of generating our own renewable energy at some locations if feasible.

Breezeline bucket truck that uses a Jobsite Energy Management System (JEMS) to avoid running the engine when operating the bucket lift.

Breezeline solar installation in Warrior's Mark, PA to be used as an alternate energy source at the site.

For more details, including key initiatives implemented in fiscal 2020 and 2021, please refer to our Climate Action Plan and TCFD Report.

For more details on KPIs related to our emissions and energy performance please refer to our ESG data supplement available here.

CLIMATE-RELATED RISKS AND OPPORTUNITIES

Cogeco recognizes the importance of assessing and acting on climate-related risks and opportunities to ensure long-term corporate sustainability and resilience. Key climate-related risks and opportunities that could have a material impact on the company over the short, medium and long-term are identified during Cogeco's annual corporate risks identification and assessment exercise, which is fully integrated with the annual strategic planning process and part of our ERM program.

A summary of our key physical and transitional climate-related risks and opportunities is presented here, with more details available in our Climate Action Plan and TCFD Report, including how we integrate the results of our assessment into both our business strategy and our financial planning.

PHYSICAL CLIMATE RISKS

Chronic
Longer term shifts in climate patterns that may cause sea level rise or chronic heat waves could impact Cogeco's operations, resulting in increased operating costs to repair damages to infrastructure or unexpected capital expenses to relocate facilities at risk.

Acute
Increased severity of extreme weather events could heavily impact and damage facilities or the network, impacting our ability to serve customers and increasing Cogeco's network maintenance and repair costs.

TRANSITION CLIMATE RISKS

Reputation
A lack of disclosure could pose risks to our brand and reputation in the financial community affecting our share price and our ability to raise new debt. Additionally, failure to deliver sustainability performance could result in reputational damage with customers impacting revenues over time.

Policy
Policy actions like carbon pricing could increase fuel and energy costs for our vehicle fleet and facilities. Risk of mandatory imposition of energy efficiency standards on products, could result in increased operating costs should we be required to convert all of our equipment to meet regulatory standards.

Technology & Market
If we fall behind our competitors in terms of energy-efficient technology and low-carbon product offerings, we could lose market share, resulting in decreased revenues.

CLIMATE OPPORTUNITIES

Resilience
As climate-related risks increase, adapting our operations and facilities to face extreme weather events has presented Cogeco with an opportunity to increase our network resilience over the short, medium and long-term.

Resource Efficiency
Improving efficiency across our operations and reducing energy cosumption not only helps to support our emissions reduction goals but also provides us with an oppportunity to reduce operating costs over the medium to long-term.

Products & Services
The development of new, low-emission products and services could result in increased revenues in line with shifting consumer preferences.

Waste management

E-waste and product end of life management

Minimizing waste and ensuring it is properly recovered and disposed of, notably electronic waste, is one of the focus areas in our commitment to reducing our environmental footprint. We have implemented the 3Rs (reduce, reuse, recycle) across the organization to control our waste. In the majority 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 at some of our largest offices in Canada in order to be composted. Moreover, in 2019 Cogeco banned the use of single-use plastic water bottles at its Canadian locations.

As a telecommunications company, electronic waste (e-waste) represents the biggest waste category generated by our operations. Because of the rapid rate of change in customer technology, we know it is important to have the right processes in place to ensure increasing amounts of e-waste are handled in a way that minimizes any negative impacts on the environment. With that in mind, we set a target to ensure all of our applicable facilities have e-waste management strategies in place.

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

ACHIEVEMENT:
In fiscal 2020, all applicable facilities had an e-waste management strategy in place for 100% of Customer Premise Equipment (CPE) and office equipment.

When the equipment we provide to our customers is no longer needed they can return it to Cogeco. Once any CPE is returned to our warehouses, it is evaluated and tested accordingly, and can follow different paths in our circular economy model as outlined below:
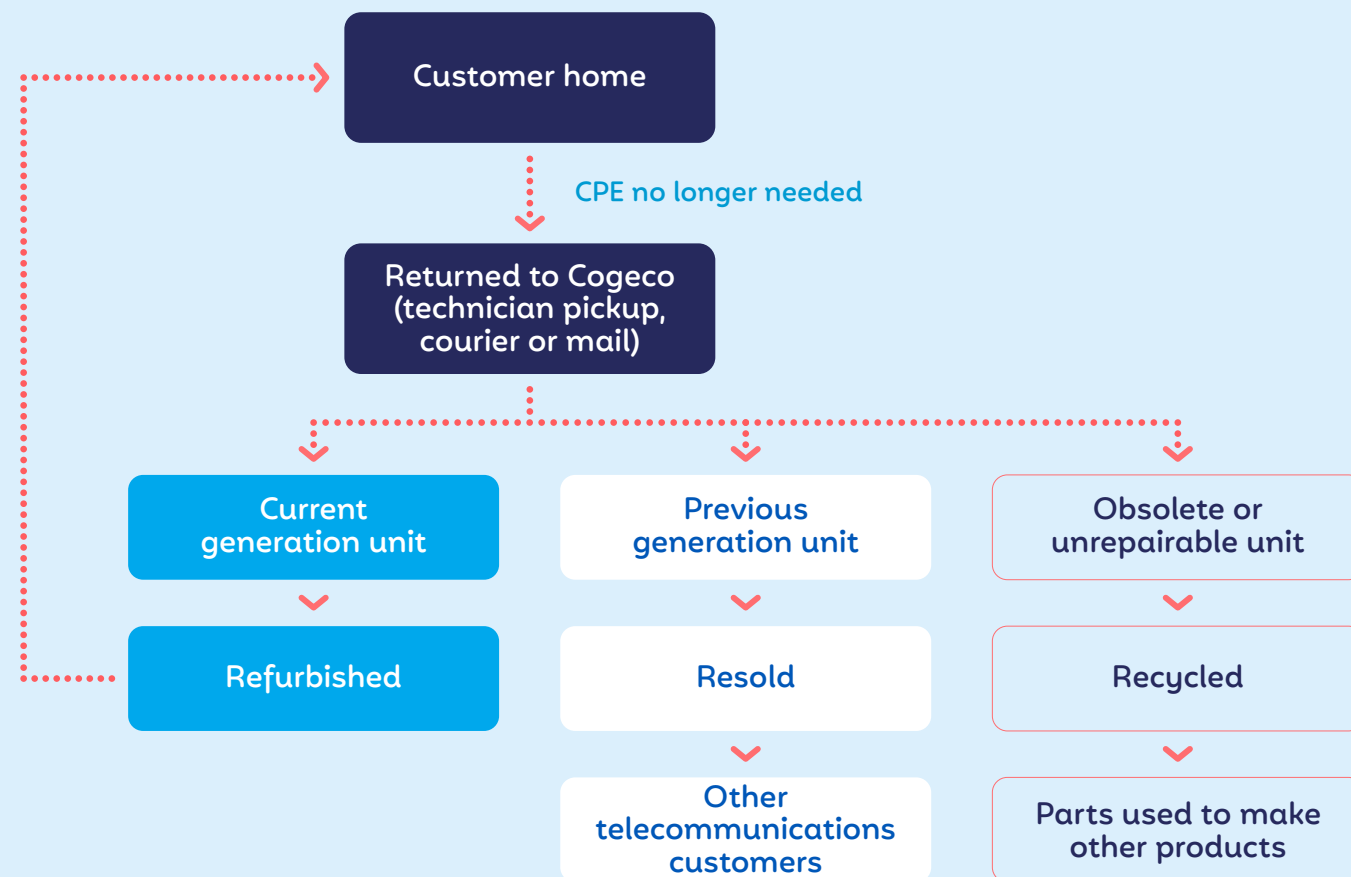

Over the last two fiscal years **almost 800,000 units** of customer equipment such as modems and set-top boxes have been refurbished and redeployed in our operations.

We have also made improvements in our measurement of total e-waste diverted from landfill. In addition to CPE recycling weights, which we have been measuring for many years, in fiscal 2021 our Canadian operations started measuring weights for other equipment diverted from landfill such as refurbished and resold set top boxes and modems (accounting for the large jump in kg of electronic waste diverted from landfill in fiscal 2021 in the graph below).

Electronic waste diverted from landfill (kg)

Year	Value
2019	163,095
2020	295,573
2021	823,630
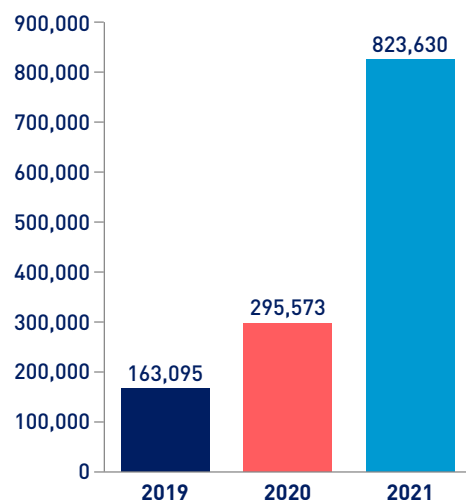
Key initiatives

- In fiscal 2021, the Cogeco head office was moved to a new building. During the process, four Ecocentres and a 5,000 square foot temporary sorting center were put in place to collect, sort, and package surplus office supplies and equipment. The efforts resulted in the donation of more than three truckloads of material to non-profit organizations such as Habitat for Humanity, Regroupement Partage, Computers for Success and Renaissance. The majority of old office furniture was resold and refurbished. **In total, more than 95% of all surplus material was diverted from waste disposal sites.**

- We continued our yearslong partnership with Computers for Success to which we donate surplus office computers, monitors, keyboards and printers. They refurbish and distribute the computers for free to schools and low-income families as part of the Connecting Families Initiative across Canada. In total, we have donated more than 1,155 units to Computers for Success over the last 3 years.

- Our employees are also committed to reducing waste, as illustrated by this initiative implemented in Ontario in fiscal 2021.

"One of my passions is to do my part to clean up the planet. I have been actively engaged at Cogeco in our Niagara facility to try and recycle as much of our scrap as possible. With the help of our new recycling partner, American Metals, I was able to get a bin to start getting our commercial scrap recycled instead of being thrown into a landfill. Did you know there is more gold in a ton of electronic scrap than there is in a ton of gold ore? By keeping it out of landfills, we prevent toxins like arsenic and cyanide, which are used in the making of electronic components, from poisoning the groundwater used for drinking. Thanks again to American Metals and a very special thanks to Stephanie McLarty at REfficient for her help in this project."

– Arni Lundale, NFT Lead Hand SW Ontario-Network Operations, Maintenance and Evolution

Reducing paper consumption

In order to optimize the use of natural resources, we also have strategies and a specific commitment aimed at reducing our paper consumption. For example, with our continued focus on digitization, we work to increase the number of customers on paperless billing.

TARGET:
Ensure that 60% of customers receive electronic bills by the end of fiscal 2021.

ACHIEVEMENT:
By the end of fiscal 2021, 59% of our customers received electronic bills.

Incentivizing the adoption of electronic bills

- By default, new customers are subscribed to electronic biling.
- Incentives for sales agents to offer electronic billing to existing customers.
- Breezeline charges a fee for paper statements.

Other initiatives in this area include:

- **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.
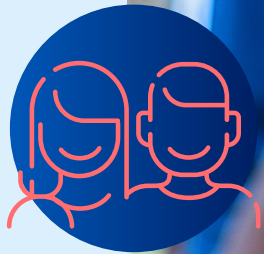
% customers who receive electronic bills

Year	%
2019	49%
2020	56%
2021	59%
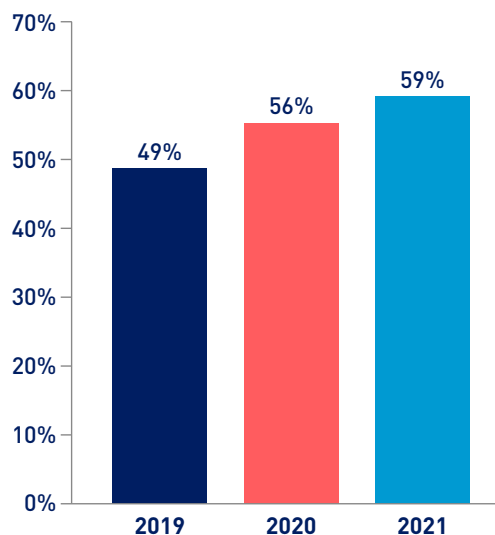
4.

Supporting our key stakeholders

Being a trusted and reliable partner for our customers
DELIVERING A DISTINCTIVE CUSTOMER EXPERIENCE

One of Cogeco's strategic priorities is to deliver a distinctive customer experience by focusing on our customers' needs. 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. To further highlight the importance of customer experience as part of our strategy and long-term sustainability, it has been included as one of the key metrics in the short-term incentive plan for the CEO and the executive team as well as other leaders.

In delivering an excellent customer experience, we firmly believe that customer service with a local touch represents a key differentiator and enabler for Cogeco. We have implemented various programs and actions aimed at continuously improving our customer service. Each business unit has a plan in place to continuously enhance its customer experience. Plans cover different spheres, as reflected in our customer journey diagram. We are putting customers at the heart of the value chain and enhancing harmonization to provide them with a seamless experience across all our sales and service channels.

All actions are supported by a company-wide digital transformation program that impacts customers positively, by offering more digital services and continuously driving automation in both Canada and the U.S. Through our digital transformation, we are putting our customers first, providing them high-quality services enabled by increased agility, speed and efficiency.

Consumer satisfaction is also measured in real time at every touchpoint of the consumer journey (store, online, contact centre agents, etc.) to allow the organization to focus on what matters. For Cogeco, this will also reduce costs and contribute to capturing new revenue sources and market opportunities.

In Canada, our progress on customer experience is reflected in the findings of the 2020-2021 annual report from the Commission for Complaints for Telecom-television Services (CCTS) which shows that Cogeco delivered a 27% reduction in consumer complaints, continuing the reduction trend of the year before.

Commission for Complaints for Telecom-Television Services
Cogeco Connexion # of complaints
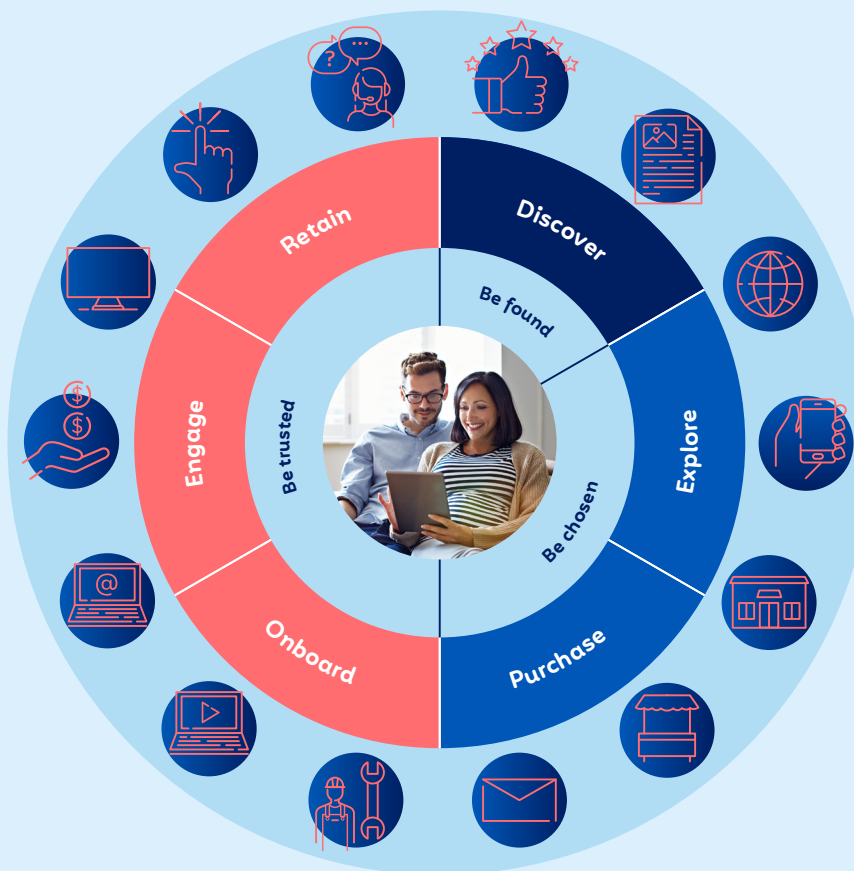
2020*	323
2021**	236
Percent change	-27%

* 2020 reflects complaints from August 1, 2019 to July 31, 2020

** 2021 reflects complaints from August 1, 2020 to July 31, 2021

Our Customer Journey

Key initiatives

Key initiatives put in place to enhance customer experience across both our Canadian and U.S. broadband operations are summarized below:

CANADIAN BROADBAND SERVICES SEGMENT	U.S. BROADBAND SERVICES SEGMENT
• Offered enhanced video services through our recently launched state-of-the-art IPTV entertainment system branded EPICO in Canada. • Continued to expand our offering of Internet with speeds of up to 1 Gbps in the majority of our footprint. • Launched best-in-class home mesh Wi-Fi whole home solution. • Launched a new Interactive Voice Response and Workforce Management system to optimize routing of consumer calls to enhance call resolution efficiency and effectiveness. • Continued to invest in network quality, reliability, and resilience by implementing network upgrades, operational improvements (e.g. new troubleshooting procedures) and performance monitoring enhancements. • Augmented our consumer end to end digital experience resulting in an uptake of online transactions.	• Launched a new Broadband First offer strategy putting broadband at the center of the customer experience and offering best-in-class managed Wi-Fi branded *WiFi your Way*. • Launched a new website with improvements to the customer digital experience. • Refined existing data analytics and developed additional predictive tools and performance dashboards to improve customer insights. • Continued to invest in network quality, reliability and resilience by implementing network upgrades, operational improvements and performance monitoring enhancements.

In addition, our radio operations, Cogeco Media, put in place enhancements to improve the digital experience for listeners including:

• Modifying the interface of its radio stations' websites to allow a better user experience in terms of content discoverability. These improvements allow listeners to more easily find the content elements that have been mentioned on the air.

• Adding "1 click to content" philosophy, making it possible to add the direct activation of audio content, greatly improving the user experience.
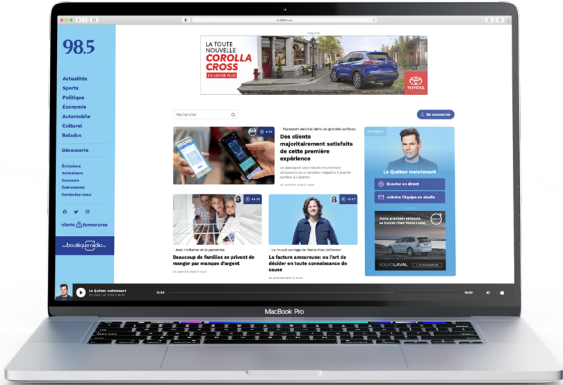
COVID-19

The need to support our customers with reliable services has been further accentuated over the last two years, as the world continues to battle through a global pandemic. We understand that our mission, to **"bring people together through powerful communications and entertainment experiences"**, is more relevant than ever as our customers have had to depend on digital means to stay connected to work, school, family and friends.

In fiscal 2020, the Corporation accelerated its digital transformation efforts in response to the COVID-19 crisis and increased customer demands. Self-install capabilities and self-serve features were implemented to enable customers to manage their telecommunication service relationship online, and contact-free care options and virtual technical support were enabled. It is now possible for consumers to experience a simple and safe end-to-end online customer journey. In addition to being more convenient for customers, self-installation capabilities also reduce the amount of travel for our technicians, which has a positive impact on reducing our fuel consumption and GHG emissions.

NETWORK INVESTMENTS

As a growing competitive force in the North American telecommunications sector, having resilient infrastructure that ensures the delivery of high-performance services to customers represents a top priority for Cogeco.

Providing customers with a robust and state-of-the-art network is critical to ensure that we offer reliable connectivity and quality services when our customers need it. On-going investments in maintaining, enhancing and expanding our broadband network infrastructure are vital to connect families and businesses, enable economic activity, facilitate online education and other critical services, as well as to reduce the digital divide between urban centres and rural areas.

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 invest heavily in fibre coaxial cable network infrastructure and fibre-to-the-home to improve and increase high-speed Internet connectivity, especially in rural and unserved areas, bringing new services and competitive choice to the communities we serve. We also continuously maintain, upgrade or replace our network and infrastructure to maximize system reliability and resiliency.

On the radio side, Cogeco Media has invested in significant changes to its streaming technology to improve the quality of live streaming delivery. This means fewer outages and an improved ability to respond to more users at the same time.

TARGET:
Have our broadband network available 99.9% of the time.

ACHIEVEMENT:
In both fiscal 2020 and 2021 our broadband services were available 99.9% of the time or more.

$319 million invested in fiscal 2021, including **$234 million** for resilience and upgrades and **$85 million** for network expansion.

Business continuity

Business continuity-related risks are managed 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 operating 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.

Network expansion

We continue to grow our footprint through network investments to help address the digital divide between large urban centres and regional areas, as well as through targeted acquisitions in areas where we are positioned as a consolidator of regional cable operators. The last two years have seen much growth for the reach of our company, with fiscal 2021 in particular seeing marked expansion in our footprint in both Canada and the U.S. Total homes passed in fiscal 2021 increased by 10.6% vs fiscal 2019, representing an addition of over 278,000 homes passed to our network footprint.

Key initiatives

Key initiatives to grow our network while also ensuring its continued reliability and resilience include:

- The acquisition of DERYtelecom, the third largest cable operator in the province of Québec, by Cogeco Connexion, passing 176,000 homes and serving 100,000 customers.

- The acquisition of the broadband systems of WideOpenWest in Cleveland and Columbus, Ohio, by Breezeline which closed on September 1, 2021 and will add a further 689,000 homes and businesses passed as well as some 198,000 customers to our network.

- Implementing various projects to bridge the digital divide and provide access to connectivity to underserved and unserved communities, described in more detail in the Digital Inclusion section of this report.

- Constantly densifying optical fibres to nodes serving small clusters of homes passed, with multiple fibres per node in most cases, to rapidly increase speed and capacity of the system when necessary.

- Implementing network upgrades, performance monitoring enhancements and operational improvements such as new troubleshooting procedures.

- Setting up network redundancy in areas prone to outages. In this process, additional or alternate instances of network devices, equipment, and communication mediums are installed within our network infrastructure. Significant work has been completed to make our New England market fully redundant and diverse to increase network reliability and resiliency.

COVID-19

The rapid onset of COVID-19 and the sudden need for businesses and schools to switch to remote working and learning models, combined with quarantine restrictions, led to a major increase (approximately 30 to 40%) in demand overnight on Cogeco's network resources. As access to Internet, TV and telephony services became increasingly essential, all our teams at Cogeco Connexion in Canada and Breezeline in the U.S. worked tirelessly to ensure that we maintained high-quality connectivity services and increased access to information and entertainment. Our network operations teams put in place solutions to make sure the network was optimally configured to maximize capacity over the short-term, and then planned and deployed physical infrastructure as needed to ensure demands would continue to be met over the long-term.

DATA PRIVACY & SECURITY

As part of our operations, we must collect personal information from our customers which they entrust us to protect.

By adopting corporate privacy commitments under Cogeco's Corporate Privacy Commitment and by always aiming for the highest data privacy and security 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 protected and secure, and used only for the purposes for which it was collected.

TARGET:
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.

ACHIEVEMENT:
We had no founded privacy complaints in fiscal 2020 or 2021.

TARGET:
No reportable cybersecurity incidents resulting in the loss, theft or unauthorized access of personal customer information.

ACHIEVEMENT:
There were no cybersecurity incidents in fiscal 2020 or 2021 that triggered general notification obligations.

Privacy

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, regulations 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	USAGE	DISCLOSURE
• We collect basic customer information necessary to provide our services. 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 persons under 18. **Types of information that we collect or develop** • Name, address, phone number and email address, among others; • Account and payment information; • 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.	• Our policies specify the purposes and uses for which Cogeco collects personal information. **How we use our customers' information** • To provide and bill for services; • 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; • To manage contests or promotions.	• Cogeco will not sell, rent or trade personal information to any third party. • Except as described in each policy, we do not share personal information without consent. Under exceptional circumstances, when permitted or required by law, personal information may be 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, and as otherwise provided for under the law. **Parties with whom we can share the information, subject to the terms of our privacy policies or applicable law** • Cogeco group of companies to meet customer or business purposes; • Vendors and partners that help us with business purposes, such as offering, marketing and advertising campaigns, billing and invoicing activities, maintaining and repairing our network, products and services; • Law enforcement agencies and other judicial or regulator parties, as required by law or to protect against fraud, abuse or harm or to safeguard our interests.

To protect the information collected, all of 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.

We deploy industry-standard safeguards to protect both customer and employee data. We use different public platforms, including regulatory and judicial proceedings, to challenge proposed regulations, initiatives or measures that may put at risk the privacy and personal information of our customers and employees. 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 each business unit website, and we also include, from time to time, 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.

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 protect our customers' and employees' interests by ensuring that data is not only disclosed in accordance with applicable laws, but that we are legally compelled to do so.

For more information on Cogeco's procedures to manage law-enforcement requests, see:

Breezeline's Law Enforcement Handbook

Sharing of Personal Information section of Cogeco Connexion's Privacy Policy

Sharing of Personal Information section of Cogeco Media's Privacy Policy

Building a strategy for the long-term
Furthermore, to ensure Cogeco has the enterprise capabilities necessary to meet privacy best practices, we are building a strategy and aligning our processes to address five major and important privacy pillars, as follows:

1 Data Governance

2 Policy Management

3 Data life-cycle management

4 Individual rights processing

5 Data processor accountability, controls and enforcement

Data security

As cybersecurity threats and breaches in the public and private sectors have grown in frequency and complexity over recent years, data security has become a top priority for most corporations. This is why ensuring the security of the Cogeco ecosystem, including our customers' and employees' data, also represents a top priority for our organization.

Cybersecurity threats such as data theft, unauthorized usage and access, viruses, ransomware and sabotage can imperil company data, assets, finances, and reputation. Cogeco aims to proactively manage its cybersecurity 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 requirements and customers' expectations
- Increased business resilience
- Improved customer and partner trust
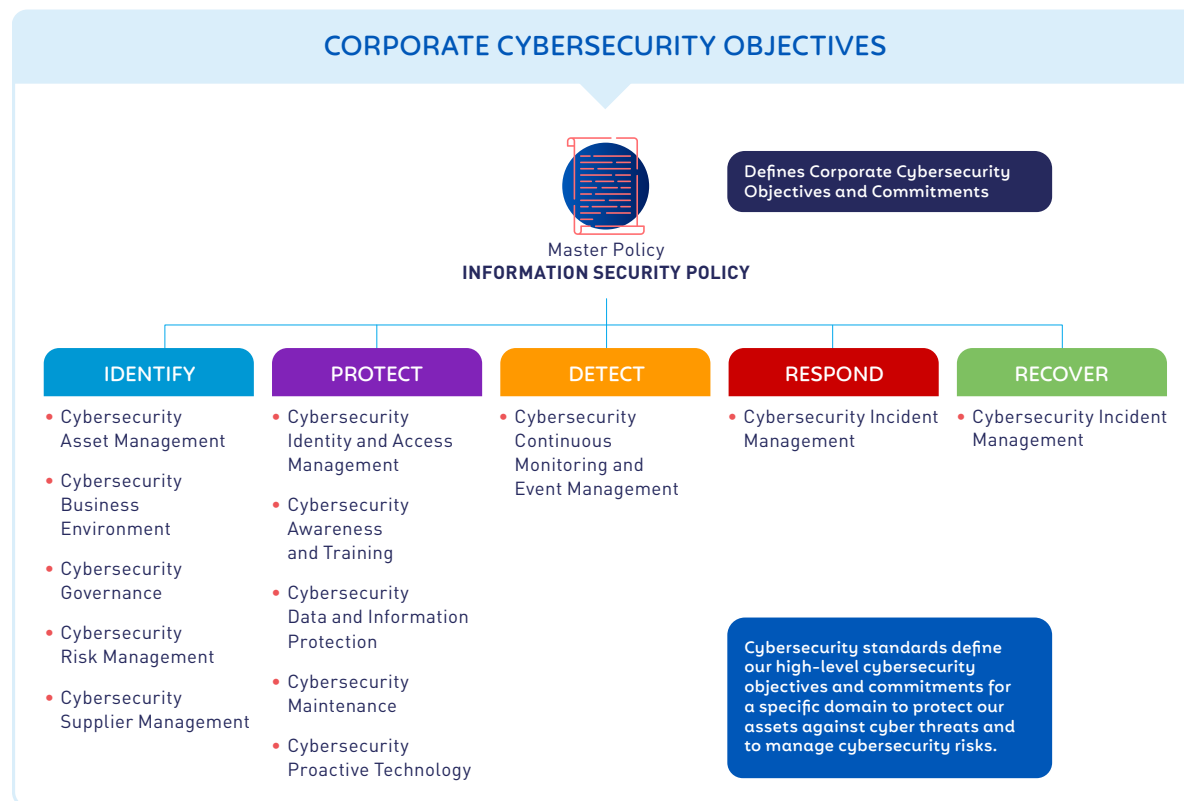- Increased brand value

Enhanced governance
In the past two years, we have put in place Information Security advisory and oversight committees to increase the Board of Directors' visibility and related oversight on information security activities at strategic, tactical, and operational levels.

STRATEGIC	Information Security Governance Executive Oversight & Challenge Committee
STRATEGIC AND TACTICAL	Information Security Office
OPERATIONAL	Information Security Operations Committee

Strengthening our cybersecurity resilience
We have a comprehensive multi-year cybersecurity program in place that is aligned with the National Institute of Standards and Technology Cybersecurity Framework. Cogeco has put in place a framework with governance structures, teams, technological tools and programs to ensure the security of the Cogeco ecosystem and business continuity. Our Information Security Policy defines corporate cybersecurity objectives and commitments, with supporting standards and procedures in place to protect our assets and manage cybersecurity risks.

CORPORATE CYBERSECURITY OBJECTIVES

Master Policy
INFORMATION SECURITY POLICY

Defines Corporate Cybersecurity Objectives and Commitments

IDENTIFY	PROTECT	DETECT	RESPOND	RECOVER
• Cybersecurity Asset Management	• Cybersecurity Identity and Access Management	• Cybersecurity Continuous Monitoring and Event Management	• Cybersecurity Incident Management	• Cybersecurity Incident Management
• Cybersecurity Business Environment	• Cybersecurity Awareness and Training			
• Cybersecurity Governance	• Cybersecurity Data and Information Protection			
• Cybersecurity Risk Management	• Cybersecurity Maintenance			
• Cybersecurity Supplier Management	• Cybersecurity Proactive Technology			

Cybersecurity standards define our high-level cybersecurity objectives and commitments for a specific domain to protect our assets against cyber threats and to manage cybersecurity risks.

Adoption of best practices

- Our data environments are continuously monitored, scanned and tested as part of our crisis response and incident handling processes.
- Internal and external security audits are systematically performed.
- Vulnerability management is systematically managed at multiple levels within the organization to contain and remediate any data exposures. As a best practice, we have increased the frequency of cybersecurity vulnerability testing.
- A three lines of defense model has been developed and implemented to govern all aspects of Information Security, as follows:

FIRST LINE OF DEFENSE: OPERATIONS CENTERS

Multiple Operations Centers that operate as one unit with constant interactions with advanced defensive techniques and predictive threat detection capabilities. Operation centers have protocols in place to communicate promptly with U.S. & Canadian security agencies (CISA, CSE, CCIRC).

SECOND LINE OF DEFENSE: RISK MANAGEMENT

Through different committees, this line of defense provides oversight on policies, frameworks, tools, techniques and supports to enable risk and compliance teams to manage enterprise and operational risks related to information security and privacy. Also, it ensures that initiatives are well aligned with the corporate vision, objectives, and the Board's expectations.

THIRD LINE OF DEFENSE: INTERNAL AUDIT

Provides independent control and assurance. Ensures that the first two lines are operating effectively and advises on how processes could be improved. Tasked by, and reporting to the Audit Committee of the Board of Directors, it provides assurance to sector regulators and external auditors.

Cybersecurity incident response and crisis management

We have implemented a detailed process to handle cybersecurity incidents.

Cybersecurity incident response and crisis management

CYBER EMERGENCY RESPONSE PLAN
Coordinates the communications, legal actions and risk decisions based on all reports.

SECURITY OPERATIONS CENTER
Working group of Business Unit (BU) SOC's who collaborate on monitoring daily Cybersecurity Events and Incidents.

COMMUNICATIONS
Engaged in the case of a Crisis situation to ensure information is shared with external stakeholders as required.

IT OPERATIONS
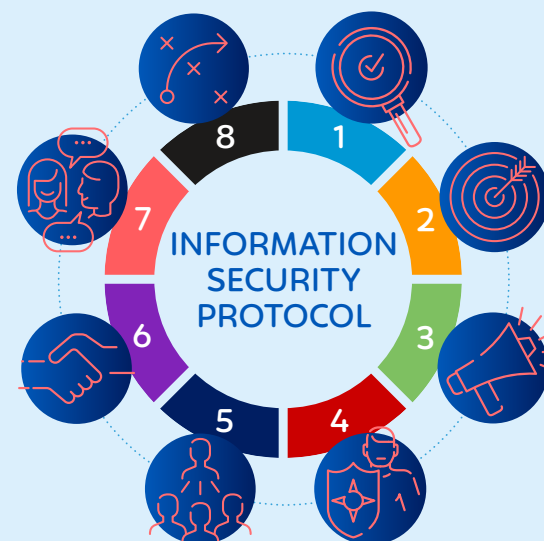Execute actions to identify, contain & eradicate any threat and restore services.

EXTERNAL SUPPORT
Activate external support if needed.

SOC INVESTIGATION = MAJOR INCIDENT
Coordinate all SOC's to identify, contain & eradicate any threat based on Risk assessment and impact. If necessary, a major incident is declared.

INFORMATION SECURITY PROTOCOL

CYBERSECURITY CRISIS MANAGEMENT PROCESS
Cybersecurity top teams manage the Crisis. If criticality and severity increase, leaders are briefed and remediation actions are engaged.

CYBERSECURITY INCIDENT RESPONSE PROTOCOL
Protocol activated in response to a major incident. Investigations continue where time, caution, and containment are priorities.

Cybersecurity awareness and training is a key part of our program

All employees receive training in information security and privacy during the onboarding process as well as periodic updates as needed during the year. All employees must also acknowledge the Information Security Policy and the Code of Ethics and are required to certify in writing that they will comply with both at the time of onboarding.

Third-party risk management framework

Understanding that most recent public malicious breaches have been attributed to third-party risks, Cogeco has completed a Third-Party Risk Assessment process review to identify risks associated with our suppliers. This framework evaluates various key risk elements including business continuity risks, reputational risk (including risks related to social and environmental issues), financial risk, and information security risks. Suppliers are assessed against the elements in the framework to determine their level of risk to the company.

Key Initiatives

In addition to the major advancements listed above, below are some of the key initiatives undertaken by our business units in the areas of data privacy and security during fiscal 2020 and 2021.

- In fiscal 2020, a third party completed a vulnerability analysis of the IT infrastructure and information security management systems of our Canadian broadband operations while a third party completed a cybersecurity assessment of our U.S. broadband operations in fiscal 2019.

- At Cogeco Connexion, we have incorporated Privacy Impact Assessments aimed at ensuring that privacy risks are identified, handled and mitigated from the outset, before selecting a supplier or launching a project. We revamped our privacy website to ensure that the most important concepts of our Privacy Policy would be brought to the readers' attention and easily understood. We also undertook a full review of policies, practices and business rules in this area with the intent to start getting ready and at par with upcoming new standards and legislation, thus ensuring that customers' and employees' personal information benefit from best in class practices.

- In fiscal 2020 and 2021, during Cybersecurity Awareness Month, we had a poster campaign to raise our employees' awareness of phishing attacks. Knowing that cyberattacks increased significantly during pandemic times when most employees worked from home, we also provided specific training, which included awareness video capsules about teleworking, sharing e-documents, phishing, social engineering, password security, and data privacy.

- Cogeco Media updated its various websites to include a notice (a popup window) to inform the Internet users of the use of electronic means, such as cookies, to measure and improve the effectiveness of the websites and enhance the customer experience. They included a consent statement in which users agree that by using their website, they consent to the use of cookies, as described in the Privacy Policy. Links to more information are provided in order to inform users about the usage of cookies and provide guidance on how the users can change the settings to their privacy preferences.

STARRING **YOU**   THEME **CYBER SECURITY**   PRODUCED BY **A FRAUDSTER**

THE SCAM OF THE CENTURY

A story that could be true

DON'T ACCEPT A ROLE IN A **PHISHING** MOVIE. **BE VIGILANT** IN MATTERS OF **CYBER SECURITY**. IF SOMEONE TRIES TO **SEDUCE YOU WITH A JOB OFFER** THAT'S SIMPLY TOO WELL **PAID**, SENDS YOU AN INVITATION **TO AN ALL-EXPENSES PAID TRIP** TO AN **EXOTIC COUNTRY**, OR SIMPLY ASKS THAT YOU **DOWNLOAD A FILE**, IT IS PROBABLY **TOO GOOD TO BE TRUE!**

DON'T TAKE THE BAIT!
Report Suspicious Emails, Calls and Messages to ccsd-team@cogeco.com
CORPORATE CYBER SECURITY DEPARTMENT

cogeco
A world of your **very own**

Developing our employees and enabling their well-being
OUR WORKFORCE

Our workforce is a key driver of our success

- Attracting and retaining a skilled and diverse workforce will enable Cogeco to keep pace with our growth and the continuous technological change that the telecommunications 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 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.

Our workforce

4,400 employees

36% women

64% men

10% under 30 years old

59% between 30 and 50 years old

31% over 50 years old

68% in Canada

32% in the U.S.

96% full-time employees

94% full-time employees in Canada

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

95% permanent employees

94% of women held permanent positions

96% of men held permanent positions

11% voluntary turnover rate
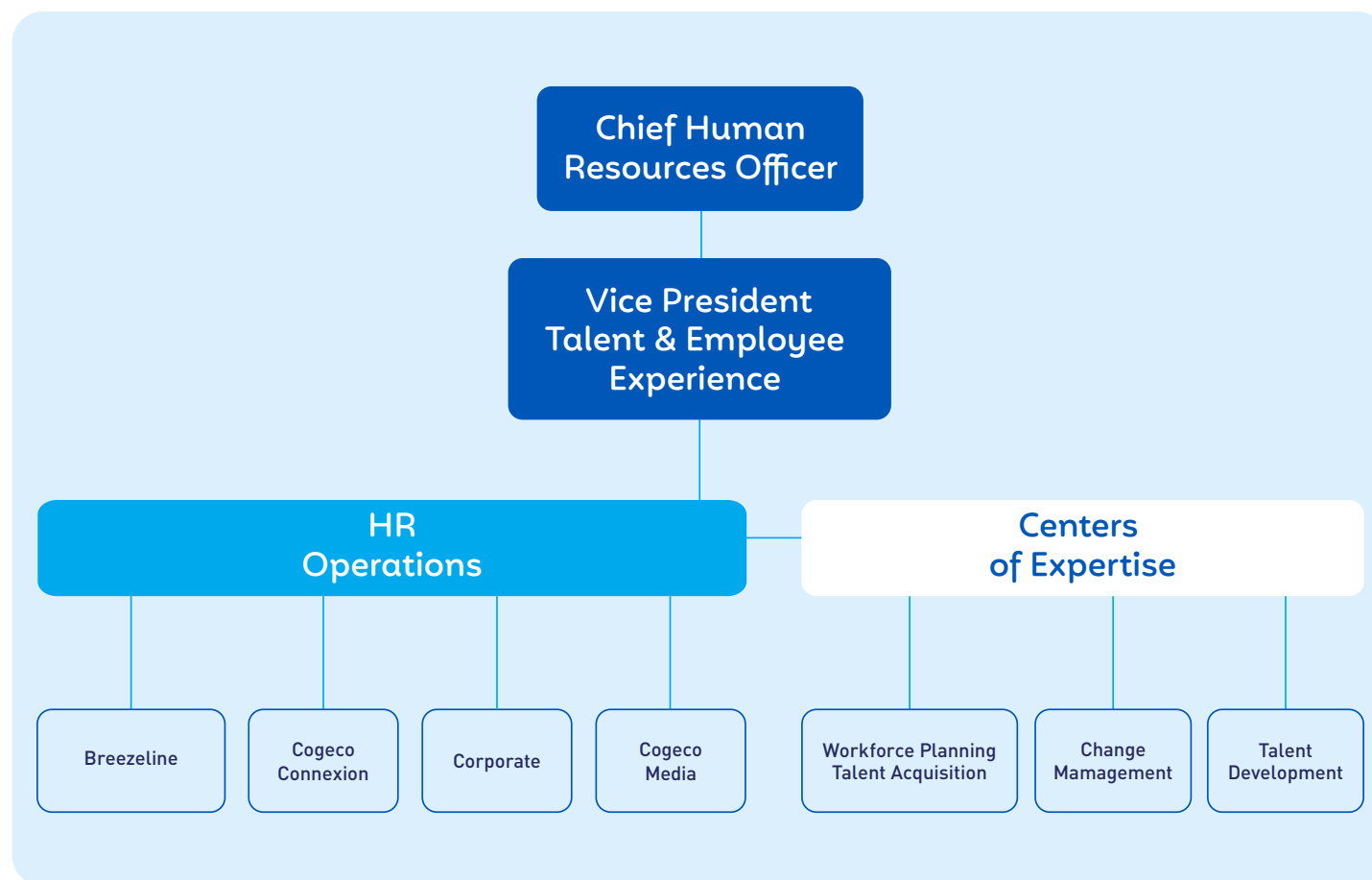
0 work-related fatalities

23% covered by collective bargaining agreements

Information as of August 31, 2021

One of Cogeco's strategic priorities is to foster a highly collaborative, engaging and inclusive work environment. With this objective in mind, we have created an integrated Human Resources function, centered around Talent & Employee Experience, that creates synergies between each of our business units and our Centers of Expertise. We continue to implement multiple initiatives to improve the daily work experience of our employees as described in the Diversity & Inclusion, Employee Health, Safety & Wellness, Employee Engagement, and Employee Training & Development sections of this report.

Details on oversight of our human resources practices for our material employee topics can be found in the Governance section of this report here.

Chief Human Resources Officer

Vice President Talent & Employee Experience

HR Operations

Centers of Expertise

| Breezeline | Cogeco Connexion | Corporate | Cogeco Media | Workforce Planning Talent Acquisition | Change Mamagement | Talent Development |

"At Cogeco, our employees are the fibre of our success. 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."

– Liette Vigneault, Vice-president, Talent and Employee Experience

DIVERSITY AND INCLUSION (D&I)

At Cogeco, we recognize that diverse and inclusive environments enable collaboration, drive innovation, improve organizational performance, and help us better support our communities and customers. We believe that diverse backgrounds, perspectives, skills, and experiences are a competitive advantage.

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. We strive to offer an inclusive workplace for all, where everyone feels a sense of belonging, has a safe environment in which to work and develop, and shares equal opportunities for career advancement regardless of gender, skin colour, ethnicity, religion, age, disability or sexual orientation and any other characteristics that make our employees unique.

TARGET:
Ensure at least 35% of positions at a managerial level and above are held by women by 2021.

ACHIEVEMENT:
At the end of fiscal 2021, 35% of positions at the managerial level and above were occupied by women.

OUR D&I STRATEGY IS UNDERPINNED BY THE FOLLOWING VISION AND MISSION

Vision

To be a recognized diverse, inclusive and equitable employer and an inclusive corporate citizen and provider.

Mission

Maximize our performance through employee, customer and community inclusion.

85% of the employees who participated in the last employee engagement survey agree that we have a work environment that is accepting of diverse backgrounds and ways of thinking.

2021 % women in our workforce by management level[1]

45%
CEO direct reports

50%
Vice presidents

35%
Directors/ managers/ team leads

36%
Remaining levels

[1] New statistics tracked from fiscal 2021 onwards

D&I governance

To formalize our focus on D&I, we hired a Director of Diversity, Inclusion and Belonging in September 2021. We also established a D&I Leadership Committee made up of key management and executives from all our business units and the corporate group. The Committee reports to the CEO and is accountable to the Board of Directors. It is responsible for identifying and executing concrete actions to prioritize and strengthen accountability regarding D&I. Many key steps were taken by the Committee over the past year, beginning with the development of our official commitment to D&I centered on six levers.

Six levers of our Commitment to Diversity and Inclusion (D&I)

Listen
We create an environment that fosters open dialogue, with listening forums where each feels comfortable in gaining greater awareness of each other's experiences and perspectives.

Share
We commit to work with other organizations to help each other evolve and enhance our diversity and inclusion strategies, as well as share our successes and challenges.

Train
We commit to roll out training and education initiatives addressing unconscious biases and promoting D&I, as well as to adopt a common language around D&I.

Take Action
We are establishing a D&I leadership committee, which is working with the CEO and is responsible for the development of tangible action plans. A D&I expert is joining the team to help develop our D&I strategy, coordinate actions and monitor progress.

Represent
We ensure that our workforce, senior leadership and board positions are representative of our communities, with the objective of improving alignment every year.

Support
We are increasing philanthropic investments aimed at promoting D&I and suppporting underrepresented groups.

Key initiatives

The D&I Leadership Committee identified and implemented concrete actions to prioritize and strengthen accountability regarding D&I centered around four priority areas. Key initiatives for each area are summarized below.

TALENT ACQUISITION	EDUCATION AND AWARENESS	ASSESSMENT AND ACTION	EXTERNALLY
• Established and expanded new partnerships and talent sources. • Established recruitment criteria at all hierarchical levels for the hiring of outside candidates with an emphasis on visible minorities and women. • Developed new standard interview questions to reduce bias.	• Implemented discussion forums, working groups, and informal D&I clubs at Breezeline. • Embedded D&I content within Cogeco's learning hub and Cogeco's LinkedIn Learning group. • Introduced a module on the subject of D&I within the 1Cogeco Leaders Summit in May 2021. This Summit brings together senior leaders from across Cogeco and for this occasion, we had Michael Bach, author of the book Birds of All Feathers, as a guest speaker.	• Undertook a detailed employee engagement and self-identification survey to better understand our workforce and the challenges and opportunities around inclusion and career advancement. • Hired a consultant who met with 80 employees to have one-on-one focused conversations to identify key issues and opportunities. • Hired a Director of Diversity, Inclusion and Belonging tasked with the responsibility to develop an enterprise-wide strategic and tactical plan on D&I. • Updated two key policies i.e. Policy Regarding Diversity on the Board of Directors as well as the internal Diversity, Equity and Inclusion Policy.	• Featured diverse employees speaking about Cogeco's offering within customer campaigns. • Undertook front line customer de-escalation training, which included topics around culture and ethnic diversity. • Cogeco Connexion observed "Blackout Tuesday" on social media as a sign of solidarity to protest against racism and police violence, and organized various activities to promote D&I at Cogeco as part of Pride Month. • Breezeline created Public Service Announcement campaigns centered around themes of "Voices for Understanding" and "Equality for All". • Formed partnerships with the Women Business Enterprises Canada Council (WBE Canada) and Réseau des Femmes d'Affaires du Québec (RFAQ).

cogeco
women's
network

Another 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 in place for many years and has now been officially launched in all business units across the company. A highlight over the last three years is the CWN's mentoring program which offers Cogeco women the opportunity to connect with senior staff in one-on-one mentorship sessions. We also continued to implement 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.

EMPLOYEE HEALTH, SAFETY & WELLNESS

Cogeco is committed to providing a safe and healthy workplace for all employees, volunteers and business partners. Within the Talent & Employee Experience team, we have specialized functions devoted to managing workplace health, safety and wellness.

To further underscore our commitment, we have linked a portion of our executives' and other leaders' variable compensation to the Corporation's health and safety results. All teams at Cogeco are accountable for the results and proactively contribute to ensuring a safe and healthy workplace.

We have policies which outline management's commitment to health and safety, 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 and managed.

Employee participation

Our approach to Health & Safety (H&S) includes the establishment of joint (employee-employer) workplace H&S 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.

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

ACHIEVEMENT:
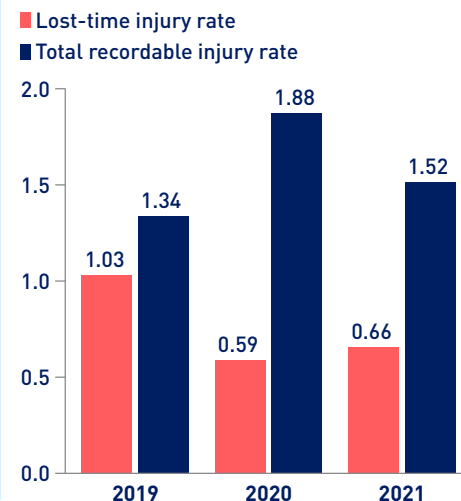In both fiscal 2020 and 2021, our frequency of workplace-related incidents was below industry averages in the jurisdictions where we operate.

Workplace injury rates
Injuries per 200,000 hours worked

■ Lost-time injury rate
■ Total recordable injury rate

Year	Lost-time injury rate	Total recordable injury rate
2019	1.03	1.34
2020	0.59	1.88
2021	0.66	1.52

Joint workplace H&S 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 H&S committees meet nine times a year.

What type of training do committee members receive?

- H&S 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.

Main H&S risks and hazards

The level of H&S risks and hazards varies from one business unit to another. Our broadband business units have the highest associated risk factors. We favour a collaborative and preventative approach to H&S, and as such we strongly encourage people to report hazards, which we then strive to mitigate or eliminate. The most important hazards for our broadband services operations are identified below.

TYPES OF HAZARDS	ACTIONS TAKEN OR UNDERWAY
Hazards that have contributed to high-consenquence injuries • Manual equipment handling (namely ladder usage) • Slips/trips • Environmental conditions such as ice and rain	• 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 customer conditions • Contact with another object • Traffic control	• Safety alerts as we become aware of new hazards. • Implementing signage at storefronts and work centres advising customers/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.

Given that we employ many contractors for projects, it is also important for Cogeco to mitigate risks as they relate to both contractors and customers. We require all our stakeholders to comply with Cogeco's internal and industry safety regulations. At Cogeco Connexion, we track third party certifications and compliance information as well as provide training, orientations, and inductions when starting new business relationships. We make relevant information available online to all our contractors to increase due diligence, reduce liability, and facilitate reporting for better contractor management.

Training

Each business unit has processes in place to ensure suitable H&S training is provided to employees to reduce job specific risks. At Cogeco Connexion, we offer monthly safety talks to all managers and continuing and role specific training is given to all employees. We also leverage specific Job Hazard and Physical Demands Analysis documents to guide our training content. At Breezeline, technical and field support roles have a large online safety library, and are required to have weekly safety meetings. The topics of these meetings are chosen by local leaders to reflect local safety issues and trends. In addition, Breezeline has partnered with Safety Business and Learning Resources (BLR) to offer Occupational Safety and Health Administration (OSHA) and state specific training.

Promotion of employees' well-being

We have 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 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.

Key initiatives

We continue to evolve our health & safety and wellness practices and processes to ensure the well-being of our employees. Some key initiatives implemented over the last two years include:

- Creating a forum to review and discuss Lost Time Injuries at the management level at Cogeco Connexion in order to identify root causes and corrective measures. The goal is to increase accountability and facilitate positive changes across the organization.

- Launching a complete review and audit of all the H&S and wellness programs and projects of the last 3 years at Cogeco Connexion to identify key focus areas for the following years.

- Beginning to update and standardize H&S processes for the Technical Operations team at Breezeline that will extend to employees and contractors alike.

- Implementing a governance model for H&S and wellness at Cogeco Connexion that included redefining roles and responsibilities of all stakeholders across the organization, as well as the appointment of H&S and wellness executive champions. Moreover, a H&S and Wellness Steering Committee will be implemented at the end of the year, where training will be given to all committee members and other management stakeholders in early 2022. The goal of this new model is to increase H&S and wellness awareness as well as accountability at all levels of the organization, and to enable optimal bottom up and top down communication as it complements the existing regional safety committees.

- Implementing a new third party online portal at Cogeco Connexion that supports the H&S and wellness team with hazard identification, risk assessment, and incident investigation as well as contractor management.

- Leveraging our ERP system to start tracking annual H&S related training for all new hires and current employees, to ensure a consistent management approach across different business units.

COVID-19

Throughout North America, individuals, families and organizations had to adapt and adjust to the new reality brought about by the global COVID-19 pandemic. At Cogeco, we ensured the H&S of our employees by quickly implementing work-from-home measures when possible and guidelines that would also maintain the highest standards of productivity. We also implemented rigorous protocols in line with health authorities' guidelines for all our front line staff, our radio hosts and staff, and others that had to come into the offices. Our technicians, who were only allowed to travel to a customer's home for work outside the house, found creative ways to provide instructions and support to customers while maintaining a safe distance. Some of the other steps taken to protect the health, safety and well-being of our employees through the ongoing pandemic are summarized below.

- In fiscal 2020, a COVID-19 executive committee was set up to monitor and evaluate impacts of the pandemic on the business, including keeping our employees safe.
- Cogeco launched a new learning platform which provided different tips to employees on how to reduce stress related to the pandemic.
- We provided employees with a subscription to an application designed to improve stress management through guided meditations, breathing exercises and more, supporting employees' overall well-being and mental health.
- Working from home ergonomic basics were communicated to employees and are available on the Cogeco intranet along with documentation containing various tips and tools to assist with home office set up.
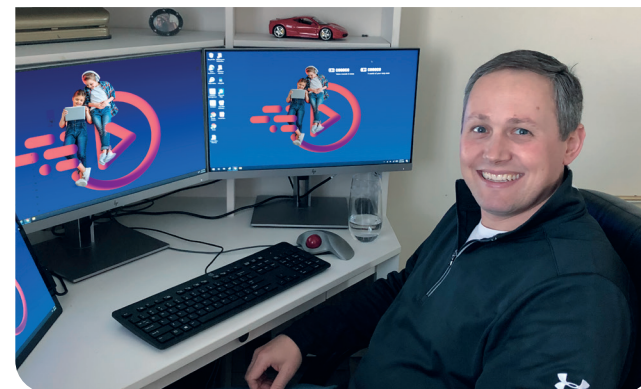
EMPLOYEE ENGAGEMENT

We strive to enable a highly collaborative and engaging work environment where integrity, trust, and inclusion are the norm. 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.

Cogeco actively seeks to measure employee engagement. Through company-wide surveys, we work to engage employees throughout the year in ongoing dialogue focused on actively listening to their needs to drive continuous improvement. These surveys offer employees a regular opportunity to share their feedback, boost their trust, and help us to maintain and grow a healthy company culture. The last survey was conducted in July of 2021 and addressed subjects such as work processes, teamwork, physical environment, ethics, leadership, and diversity & inclusion. It is important to note that, beginning in fiscal 2019, a portion of our executive's and other leaders' variable compensation was linked to the Corporation's employee engagement results. All teams at Cogeco are tasked with proactively contributing to engagement and motivation.

TARGET:
Improve our global workforce engagement score.

ACHIEVEMENT:
Cogeco's employee engagement score improved in both fiscal 2020 and 2021, increasing by 31% in fiscal 2021 vs 2019.

TARGET:
Improve participation rate in the global workforce engagement survey.

ACHIEVEMENT:
In fiscal 2021, the participation rate improved by 9% compared to fiscal 2019.

We have also switched our main measurement metric for employee engagement from an engagement score to an employee Net Promoter Score (eNPS). The eNPS measures employee loyalty by asking the question: "On a scale of zero to ten, how likely are you to recommend your employer to friends and family?".

Workforce planning and talent attraction

We are committed to attracting and hiring the best possible candidates for available positions. Cogeco is further committed to providing equality in employment for all people employed or seeking employment. In fiscal 2021, with the creation of the Workforce Planning and Talent Attraction Center of Expertise, we reviewed and updated our Talent Acquisition Policy, which was developed in accordance with Employment Equity and Equal Employment

Opportunity principles. The update in the policy reflects new systems and procedures implemented to modernize the function.

Moreover, the organization continues to conduct talent review and succession planning exercises. The executive succession plan is submitted to the Board of Directors in July of each year. In conducting a deeper review of talent through roundtable discussions, the organization is able to identify high potential individuals across the organization that will be ready in the future to take on greater levels of responsibility. These individuals become nominees to the internal leadership development curriculum, in addition to other development opportunities to prepare them for these future roles. The deployment of the Human Capital Management (HCM) module of Cogeco's Enterprise Resource Planning (ERP) system, will be leveraged to record this information. Talent review data includes the identification of various talent pools such as women in technology with high potential which means they are ready to take on more responsibility.

In terms of recruitment, diversity is a very important area for Cogeco. Hence, we have partnered with different D&I organizations and educational institutions to expand our pool of talent and focus on transferable skills. We also make sure to be present in our communities and schools. In fiscal 2021, we sponsored and participated in the Symposium-GRH, an inter-university competition on human resources management bringing together more than 300 students from 8 universities in Eastern Canada, and were present in different local job fairs like Salon de l'emploi et de la formation continue held in Montréal's Convention Center.

Employee engagement score
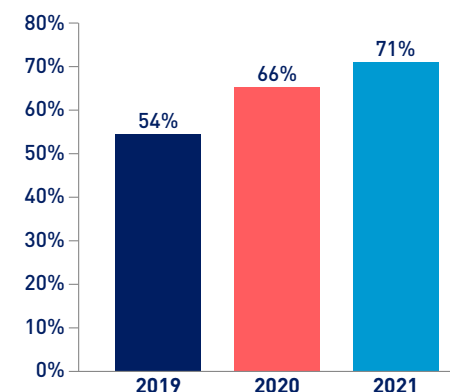
Employee Net Promoter Score (eNPS)
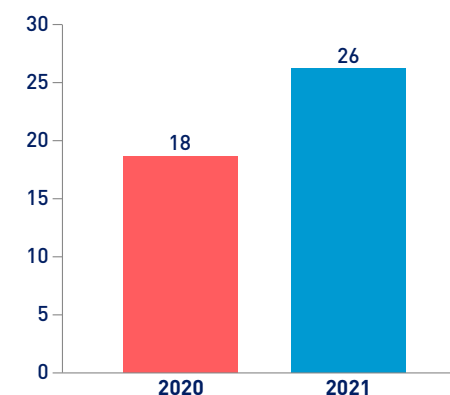
Competitive working conditions

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 by business unit, but in general, permanent employees are entitled to specific benefits such as life insurance, health and dental care, long and short-term disability programs, and retirement savings plans. Also, all our employees are eligible to participate in a stock purchase plan with an employer match.
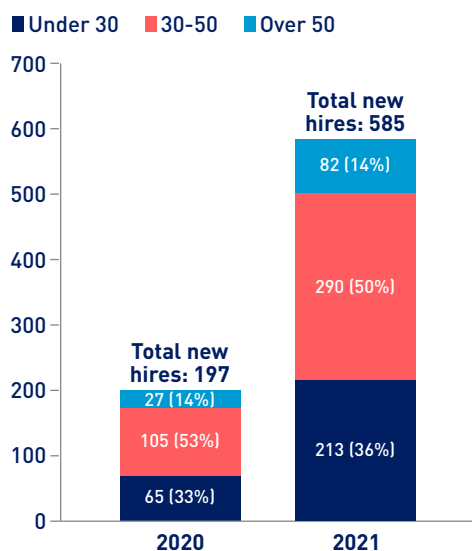
Systems and Infrastructure

At Cogeco, we understand that having the right systems and infrastructure is key to the delivery of an outstanding employee experience. For this reason, we have made significant investments in technology for our Talent and Employee Experience team. In fiscal 2021, we implemented an ERP system across the organization as our main HR management platform. With this implementation, Cogeco is able to analyze multiple metrics related to recruitment such as open requisitions, types of positions filled, candidate source and time to fill positions, among others, to help us with our workforce planning and talent attraction strategy. This platform will also be leveraged for talent management. In addition, we implemented a recruitment software that allowed us to move the recruitment and on-boarding processes fully online, which was crucial from a business continuity perspective during the pandemic.

Key initiatives

Some key initiatives over the last two years to increase overall employee engagement include:

- Continuing with our enhanced approach to monitoring and improving engagement with employee pulse surveys conducted regularly to empower contribution and feedback across the organization.

- Implementing an ERP system offering a user-friendly human capital management system with many useful functionalities including an employee self service module to greatly enhance our employee experience.

- Launching of the new remote work policy at the end of 2021 to provide employees with flexible options for working from home depending on job requirements and business needs.

New hires by age group
■ Under 30 ■ 30-50 ■ Over 50

2020 — Total new hires: 197
- 27 (14%) Over 50
- 105 (53%) 30-50
- 65 (33%) Under 30

2021 — Total new hires: 585
- 82 (14%) Over 50
- 290 (50%) 30-50
- 213 (36%) Under 30

New hires by gender
■ Female ■ Male ■ Not specified

2020 — Total new hires: 197
- 0 (0%) Not specified
- 116 (59%) Male
- 81 (41%) Female

2021 — Total new hires: 585
- 2 (0%) Not specified
- 333 (57%) Male
- 250 (43%) Female
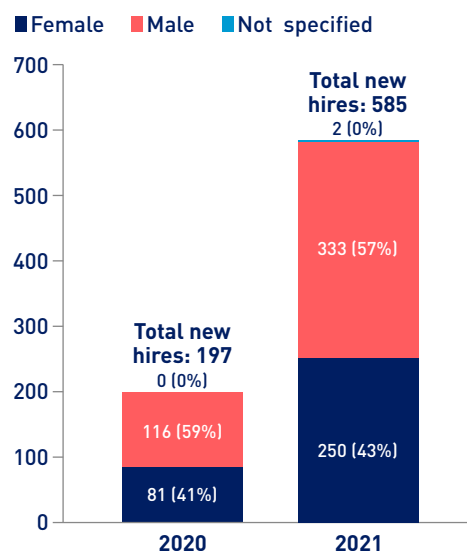
Employee turnover
■ Employee involuntary turnover
■ Employee voluntary turnover

2020 — Total turnover rate: 14%
- 6% involuntary
- 8% voluntary

2021 — Total turnover rate: 14%
- 3% involuntary
- 11% voluntary

EMPLOYEE TRAINING AND DEVELOPMENT

One of Cogeco's strategic growth pillars is to foster a highly collaborative, engaging and inclusive work environment for our employees. For us, providing a robust learning and development offering to support personal and professional growth is a foundational component of the overall employee experience. Training and education ensure ongoing professional development for enhanced performance, knowledge, and skills in current roles while preparing for future roles.

To support this goal and ensure we provide the best tools for growth, we have created a global competency model that outlines core competencies (accountability, client focus, collaboration, and embracing change) relevant to all employees, along with functional competencies by job group, and leadership competencies for people managers. Employees are encouraged to develop skills for relevant competencies and provided with tools and resources to help them succeed in their development.

COGECO LEAD
Leadership
Engagement
Active learning
Development

In fiscal 2021, we introduced a new Cogeco development experience, regrouping all the learning and growth initiatives for employees. **1Cogeco LEAD** is our centralized training and development framework, where we offer our employees the tools they need to lead, collaborate and stand out in their daily work. 1Cogeco LEAD has three objectives: **increase individual and group performance, increase employee engagement, and promote and accelerate the transformation of our culture**. It is an experience that includes multiple ways to learn, aligned with business blueprints and our strategic plan, designed to serve both our new and experienced generations of employees.

The implementation of our training and development roadmap is led by the Talent Development center of expertise within our Talent & Employee Experience team. The Talent Development center of expertise has three full time dedicated resources and works with partners across the organization to develop and deliver training in functional areas. Learning opportunities offered to our employees are further augmented through collaboration with several external partners, consultants & vendors, including the McGill Executive Institute and LinkedIn Learning among others. Further details on some of the development opportunities offered to our employees are described below.

PROGRAM	DESCRIPTION
Cogeco McGill Executive & High Potential 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.
Leadership Development Experience	12 month learning journey including leadership assessment, 6 half-day courses, as well as on-the-job-application to cover all core and leadership competencies. Ongoing just-in-time workshops on business topics are also available to participants in open enrollment.
LinkedIn Learning	An on-demand library of instructional videos covering the latest business, technology, and creative skills. Personalized course recommendations are provided with the goal of supporting employees in achieving their full potential.
Continuing education financial assistance	These are employee development initiatives through courses followed outside working hours that help develop skills and knowledge for current or future positions. Eligible programs are those that lead to a diploma or certificate from an accredited educational institution.
Language courses	In-classroom or virtual English and French courses.

In addition, to help guide us in defining focus areas for our talent roadmap, the organization took stock of readiness for 2025 from a skills perspective. Leveraging content from the World Economic Forum, executives were engaged in identifying gaps and priorities which will be converted into learning & development strategies in addition to talent acquisition and sourcing strategies.

Performance

Another key component in our employees' development is the measurement of performance to provide feedback on progress in their professional growth and to create plans for continued development. Through our Performance Management process, employees define performance objectives with their supervisors at the start of each fiscal year, including any mutually agreed on training programs (internal and external) as required to assist in achieving their objectives. Both results (the what) and behaviours (the how) are embedded into the performance process through objectives and competencies.

With the deployment of the Talent module from our ERP system implemented in fiscal 2021, the organization has officially shifted to a more ongoing and continuous approach to performance management across business units. Quarterly check-ins and feedback to follow-up on objectives and competencies will be part of the process going forward. Levels of proficiency for each competency have been mapped to career levels to set the stage for succession, career paths, and development. All employees are invited to self-assess at year end. The overall process is tied to compensation with bonus metrics associated to individual and group performance, depending on level and role.

Key initiatives

- Continuous integration of the global competency model across the employee life cycle.

- Deployment of additional training & development opportunities on key topics of importance to all levels across Cogeco.

- Optimization of digital learning usage and experience.

- Launch of additional learning opportunities promoting skills and knowledge development made more easily accessible in the Learning Module of the new ERP system.

COVID-19

In addition to keeping our employees safe during the ongoing pandemic with the establishment of H&S protocols, as described in the Employee Health, Safety & Wellness section, we undertook various initiatives to provide them with training tools to help face these challenging times.

- In the summer of 2020, we launched a four week virtual journey for all managers where they had access to 15 minute daily resources such as videos and written content. The aim of the program was to equip leaders to manage the initial impacts of the pandemic. Additionally, we hosted two group coaching sessions.

- In November 2020, a virtual LinkedIn Learning path was compiled to support all users.

- In December 2020 and January 2021 group coaching sessions (duration of 2 hours) were offered to further accompany and support all managers.

- In February 2021, remote work training sessions were organized for managers.

Supporting our communities
COMMUNITY ENGAGEMENT AND PHILANTHROPY

At Cogeco, making our communities thrive is close to our heart. We believe that strong communities are the foundation of a dynamic and inclusive society, and we remain committed to operating as a responsible corporate citizen, not only by providing high-quality services, but also by supporting local initiatives that depend on outside support to flourish. As a business with roots in many local communities across Canada and the U.S., Cogeco seeks to support events, activities, and organizations that are dedicated to the sustainable well-being of its communities. It is with great pride that we serve our customers with local teams in Canada and in the U.S., help meet the connectivity needs of our communities, and invest in their social, economic and cultural lives.

TARGET:
Donate at least 1% of pre-tax profits.

ACHIEVEMENT:
In both fiscal 2020 and 2021, 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, investing millions of dollars in local initiatives through both cash and in-kind donations as illustrated below.

Cash and In-kind donations (millions CAD)

■ Cash ■ In-kind

	2019	2020	2021
Total	$13.1	$12.6	$16.7
In-kind	$9.7	$8.8	$14.1
Cash	$3.4	$3.8	$2.6
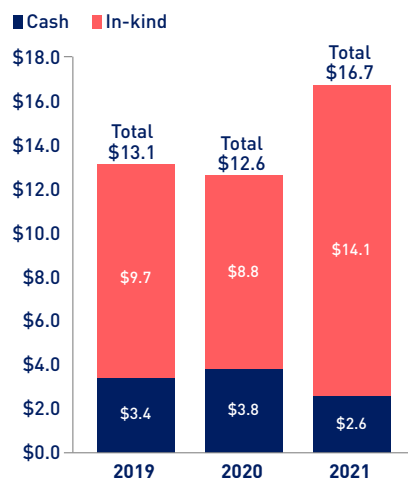
Donations as a % of pre-tax profits

2019	2020	2021
2.9%	2.4%	2.9%
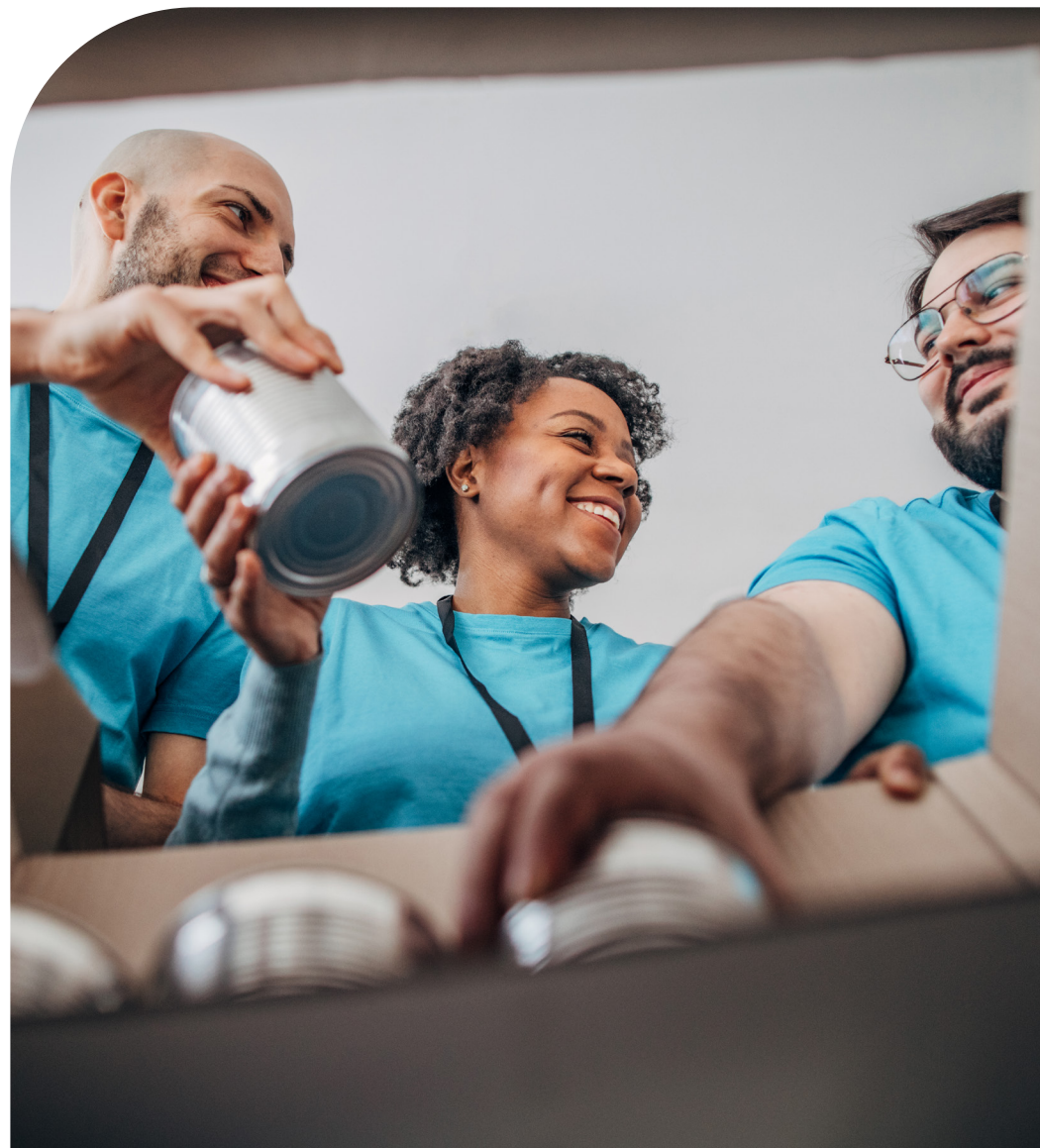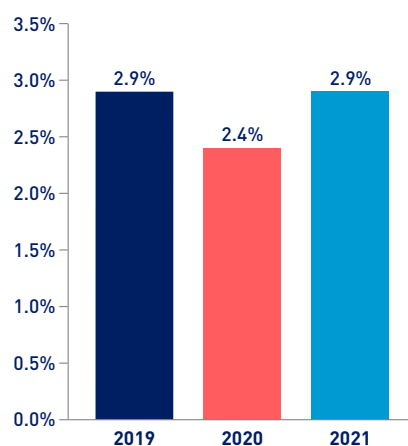
Cogeco's corporate strategy on philanthropic activities centers on six funds that meet the needs of our various communities while reflecting Cogeco's values and upholding our mission. Funding areas are outlined below.

Each business unit manages their own community efforts, and develops community-focused initiatives reflecting the particular needs of its 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 2021, we supported more than 700 non-profit organizations in Canada and the U.S., and donated over 250 hours of airtime on our radio stations.**

Culture fund
Embrace Art!

Education & Entrepreneurship Fund
Inspire Success!

Environment Fund
Act Sustainably!

Connectivity Fund
Lead Connection!

Health & Well-Being
Pursue Vitality!

Diversity & Inclusion Fund
Promote Equality!

Types of community involvement of Cogeco and its employees

- RADIO AIR TIME
- TV TIME AND PRODUCTION
- INTERNET, TELEVISION AND TELEPHONY SERVICES
- EMPLOYEE VOLUNTEERING
- SERVING ON BOARDS OF ORGANIZATIONS
- FUNDRAISING
- CASH DONATIONS
- SPONSORSHIPS

How we make a difference in our communities

Building community cohesion through our community television network, our communication platforms, and our radio stations

In Canada, Cogeco's community television channels, YourTV in Ontario and NousTV in Québec, are a powerful complement to our donations and sponsorship activities. Our 34 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.

On the radio side of our operations, in addition to donating radio air time valued at over $6 million to support local causes, Cogeco Media offers Cogeco News services free of charge to five regional stations located in Shawinigan, Bécancour, Maskinongé, Acton Vale, and Maniwaki.

In the U.S., Breezeline utilizes its communications platforms (social media, local ad avails on cable channels) to provide in-kind support for local non-profit and charitable organizations, either directly promoting their organizations by running their public service announcements or by creating ads for the organizations and running them at no cost. In fiscal 2021, over $5.1 million USD of in-kind support was provided in this fashion to non-profit organizations.

Augmenting our impact through fundraising

Cogeco's business units use different tools to fundraise and amplify the message and impact of supporting 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 fundraising efforts through its radio stations, and Breezeline uses cross-channel insertions. Moreover, employees in all business units participate in fundraising events and campaigns.

Local call centres and technicians

We are committed to providing our customers with local customer care and technical support through professionals hired from the communities where we operate. By hiring locally where possible, we contribute to the local economy while also obtaining insights into the needs of our communities. Moreover, because many of our employees are able to receive our services in their own homes, we are able to monitor our services for optimal performance, while gaining perspective on the customer experience.

Partnerships

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

COGECO AMPHITHEATRE IN TROIS-RIVIÈRES

Since 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 video, Internet, and telephony services.

THE NATURE CONSERVANCY OF CANADA

As a complement to Cogeco's strong commitment to reducing its environmental footprint through various initiatives, the five year partnership with Nature Conservancy Canada (NCC) was a natural fit. Through this partnership, Cogeco contributes directly to the conservation of major natural areas in Québec and the protection of Nature in Canada. NCC is the country's unifying force for nature and seeks solutions to the twin crises of rapid biodiversity loss and climate change through large-scale, permanent land conservation.

GARDE ARTS CENTER

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 whose facilities serve as a central cultural gathering place and educational resource. This centre serves to mobilize the community around projects and events; it hosts numerous events, from local youth talent showcases to political debates. Breezeline 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. Breezeline has signage throughout the facility, and a lounge available year-round where after-movie presentations are hosted.

First 1Cogeco Community Involvement Day

In September of 2021, Cogeco employees in Canada and the U.S. came together to host our first 1Cogeco Community Involvement Day. This company-wide initiative is aimed at devoting one day each year to working together on advancing a cause to support our communities. The theme chosen by employees for 2021 was Planting Roots in Our Communities, with tree planting events organized across the main regions where we serve and live in Canada and the United States.

The tree planting activities emphasized our commitment to supporting our communities and reducing our environmental footprint, which represent key levers of Cogeco's ESG strategy. In addition to their positive impact on the planet, trees help beautify our surroundings and provide food and shelter to wildlife, among other benefits. In all, our first Community Involvement Day involved 740 employees across 44 communities in Canada and the U.S., resulting in more than 1,800 trees planted (that will absorb approximately 109 tonnes of GHG emissions over the next 10 years) and 16 non-profit organizations supported.

Key initiatives

Fiscal 2020 and 2021 saw numerous projects and initiatives implemented to support our communities. These included:

- Supporting the Media Food Drive by collecting donations in our workplace and communities as well as covering the event on local YourTV/NousTV stations.

- Launching the "Voices for Understanding" campaign in the U.S., a series of public service announcements from non-profit groups that are devoted to promoting unity and understanding around issues of peace, justice, equality and inclusion. The organizations featured in the campaign included The King Center, Search for Common Ground, 100 Black Men of America, Inc., and the Ad Council ("Love Has No Labels" and "Fight Virus Bias"). Breezeline also created a public service announcement for the campaign, "Equality for All".

- Providing financial support and in-kind promotion to the U.S. Marine Corps Reserve's Toys for Tots to make the holiday season brighter for children in need.

- Committing to a three-year partnership with Hamilton Bike Share in Ontario, the popular transportation service that boasts 39,000 users across the city. Hamilton Bike Share's network of 800 smart bikes covers over 25 square kilometres of Hamilton, available 24/7, 365 days a year, and its Everyone Rides Initiative further removes cost barriers that prevent people from accessing the service. The partnership with Hamilton Bike Share supports a convenient, affordable, and sustainable transportation system for Hamiltonians.

Planting Roots in our Communities

COVID-19

In addition to philanthropic activities supporting our key strategic funding areas, with the onset of COVID-19, much of the focus of our strategy shifted to where communities needed the most help during the on-going pandemic.

Our Community Television Channels

Cogeco's community channels devoted a significant amount of airtime to sharing information related to the pandemic. Municipalities, organizations and entrepreneurs came to YourTV/NousTV stations to submit projects and ideas of relevant content for their communities. The projects submitted aimed to stimulate the economic recovery of Québec and Ontario, or to provide emotional and psychological support to people during these challenging times.

Our Radio Operations

Cogeco Media transformed its radio programming to provide Quebecers with quality and continuous information related to the pandemic situation, while still offering musical programming. Furthermore, it launched a radio initiative to call on people to buy locally online, and support local businesses and suppliers. All Québec broadcasters added their voices to the call.

Other initiatives

- 40 long-term care home staff members throughout Ontario received lunch delivered by our employees from February to May of 2021. We did this by supporting local businesses where we purchased more than 3,500 lunches at local restaurants. In Québec, $10,000 was given for the delivery of 500 family meals from a local merchant to the nursing staff of the four long-term care homes in Trois-Rivières.

- As the pandemic exacerbated hyperconnectivity, we partnered with the PAUSE campaign in Québec to invite families to share more screen-free time and balance their digital life. The 2021 campaign **"Less screen time. More time together,"** encouraged parents and children to put their screens aside more often in order to do activities together. The involvement of Cogeco and its business units went beyond monetary support, with two of our radio hosts serving as campaign ambassadors.

- Breezeline team members hosted virtual storytime for families with children at home. These virtual storytimes were designed to provide a brief break for parents during the pandemic while keeping children engaged and entertained.
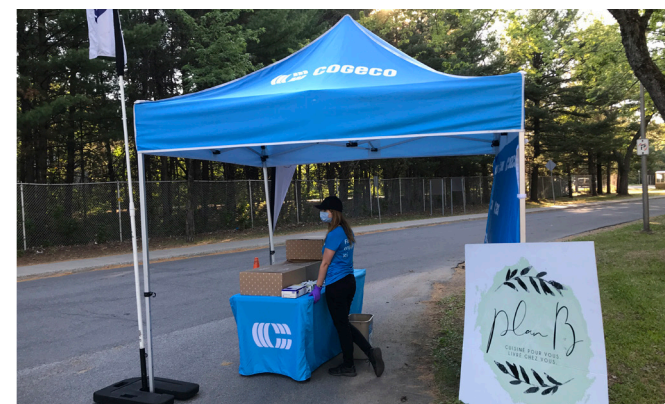
DIGITAL INCLUSION

At Cogeco, we understand that our products and services can impact people's lives for the better, and that in today's world having access to reliable high-speed Internet helps us stay safe, learn, and work.

Connectivity is essential to ensure digital inclusion in our society and is a powerful driving force for the economic and social development of our communities. In line with our commitment to be a good corporate citizen, we believe that our industry has an essential role to play in closing the digital divide and we view this as a key priority.

Two key ways that we support the closing of the digital divide include:

1. Expanding our broadband network into underserved and unserved areas which enables us to continue supporting our communities and contributes to the economic vitality of rural regions.

2. Providing affordable Internet services, as well as computer donations, to low income families to ensure they have access to connectivity.

Expanding our network to underserved and unserved areas

We are actively investing in infrastructure projects to support our commitment to bridge the digital divide and bring state-of-the-art technologies to connect difficult to reach communities. In doing so, we seek and participate in government programs in both Canada and the U.S. to accelerate the deployment of high-speed Internet in underserved and unserved regions. Highlights of projects underway across our network include:

QUÉBEC	ONTARIO	UNITED STATES
• In fiscal 2020, we committed $3.2 million to offer more Quebecers high-speed Internet services. This additional investment will offer high-speed Internet services to more than 3,700 homes and businesses in several Québec municipalities, across the Laurentides, Haut-St-François, Appalaches, Etchemins and Drummond. • In fiscal 2021, we announced 13 high-speed Internet network expansion projects in several regions of Québec, representing approximately a $240 million joint investment with the provincial and federal governments as part of an agreement signed with Cogeco Connexion. Once these projects are completed, more than 54,000 homes and businesses will be connected to Cogeco's high-speed Internet services, including 35,880 primary residences identified by the Government of Québec as part of Opération Haute Vitesse. These digital infrastructure investment projects are scheduled to be completed by September 2022.	• In fiscal 2020, we announced a new investment in digital infrastructure to offer high-speed Internet to 1,500 homes and businesses in the Town of Essex, 1,900 in the Municipality of Leamington and 200 in the Town of Kingsville, in Ontario. The total investment is estimated at over $13 million with the Southwestern Integrated Fibre Technology (SWIFT), a non-profit regional broadband project initiated by the Western Ontario Wardens' Caucus. • In fiscal 2021, new projects in Ontario were announced including 3,595 homes and businesses in Hastings County who will be able to access high-speed Internet through an $8.8 million joint investment with the Government of Ontario. This includes the City of Belleville, the Township of Stirling-Rawdon, the Municipality of Centre Hastings, and the Municipality of Tweed.	• In fiscal 2021, Breezeline partnered with state and local officials in Virginia to extend the availability of broadband Internet in four rural, coastal Chesapeake Bay counties. The 130-miles, $7.2 million project will reach more than 1,200 homes and businesses in Caroline, Mathews, Lancaster and Middlesex counties and will take 18 months to complete. • With the support of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, and other partnerships, Breezeline has completed additional expansion projects in Maryland and New Hampshire, and expects to extend service to more than 6,000 homes passed including work in progress. • Breezeline has also received preliminary award of funding, pending FCC final approval, for Rural Digital Opportunity Fund (RDOF) projects serving an additional 2,896 homes passed.

The Québec and Ontario projects support our target to provide 75,000 homes in unserved and underserved areas of Canada with access to high-speed Internet service over the next three years which was included as part of the structure of our recently announced Sustainability Linked Loan representing $850 million in financing.

"We are proud of our investments in Québec and Ontario's digital infrastructure. We care about continuing to invest in our network to respond to the growing and increasingly vital need for connectivity in unserved and underserved regions."

– Frédéric Perron, President of Cogeco Connexion

Digital inclusion through affordable Internet and equipment donation

Beyond access to infrastructure and technology, financial constraints drive inequalities in access to information and services. Cogeco works to reduce these inequalities through participation in multiple initiatives across the communities we serve.

- In partnership with the federal government, Cogeco participates in the Connecting Families program providing low-cost home Internet services for Canadian families who may be struggling to afford these services in our network coverage areas.

- In the U.S., Breezeline offers low cost Internet services to customers through its Internet Assist program. This service was introduced in the wake of the COVID-19 pandemic to ensure that households had access to connectivity during the pandemic.

- In addition, in fiscal 2021, Breezeline offered broadband connectivity at discounted prices to financially struggling households through the Federal Communications Commission's Emergency Broadband Benefit Program. This program ensured that serviceable households had access to powerful broadband services, delivered over a reliable, fiber-rich network for a great online experience.

- Through a partnership with Computers for Success Canada, Cogeco donates some of its outdated technology to the Computers for Schools Plus (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. Cogeco has donated over 1,155 units to Computers for Success over the last three years.

- In fiscal 2020, Breezeline was the first Internet provider in Connecticut to deliver broadband Internet to households with school-aged children to support remote learning under the State's "Everybody Learns" initiative, which aims to close the digital divide in Connecticut and empower students to learn from home.

COVID-19

In addition to providing discounted Internet services to families in need to ensure access to connectivity throughout the global pandemic, other actions taken by Cogeco to support our communities included:

- Conducted extensive business continuity preparations to ensure that customers would continue to have access to services as the situation evolved.

- Prioritized network maintenance activities and service-related appointments for homes and businesses to ensure customer connectivity.

- We temporarily did not terminate the services of customers unable to pay their bills due to disruptions caused by the COVID-19 situation.

- Temporarily waived late payment fees caused by a financial situation related to the coronavirus pandemic.

- Temporarily removed data caps.

- Migrated customers to higher Internet speeds based on their needs.

Affordable Internet access provided to
over 7,200 families
in fiscal 2021 as a result of all programs in Canada and the U.S.

"We know how important Internet and phone connectivity is at this time, as families continue to shelter in place, work from home, and engage in online instruction. We will work with any affected customer who is experiencing economic hardship due to the COVID-19 situation to find ways to maintain their service, including flexible payment plans that will meet their particular needs."

– Frank van der Post, President of Breezeline

5.

Transparency

Global Reporting Initiative (GRI) Index

This report has been prepared using the Global Reporting Initiative Standards Core Option. The index below lists where you can find information related to each GRI criterion – either in this 2020-2021 ESG and Sustainability Report (ESR), the ESG Data Supplement (ESG), the Cogeco Inc. 2021 Annual Report (AR), the 2021 Information Circular (IC), or our Climate Action Plan and TCFD Report (CAPT). For some indicators, we provide a short statement within the Index with comments or further information.

Links to other referenced information sources can be found here: 2021 Cogeco Inc. Annual Report - ESG Data Supplement - 2021 Cogeco Inc. Information Circular - Climate Action Plan and TCFD Report

GENERAL DISCLOSURE	STANDARD INDICATOR		LOCATION OR COMMENTS/ FURTHER INFORMATION
Organizational profile	102-1	Name of the organization	Cogeco Inc.
	102-2	Activities, brands, products, and services	ESR: Sustainability at Cogeco/About Cogeco/Profile; AR: p. 11-12
	102-3	Location of headquarters	ESR: Sustainability at Cogeco/About Cogeco/Profile
	102-4	Location of operations	
	102-5	Ownership and legal form	
	102-6	Markets served	
	102-7	Scale of the organization	ESR: Sustainability at Cogeco/About Cogeco/Profile; AR
	102-8	Information on employees and other workers	ESR: Supporting our Key Stakeholders/Our Workforce
	102-9	Supply chain	ESR: Implementing Strong Governance Practices/Sustainable Procurement
	102-10	Significant changes to the organization and its supply chain	ESR: Sustainability at Cogeco/About Cogeco/Significant changes; AR: p. 19-20
	102-11	Precautionary principle or approach	ESR: Implementing Strong Governance Practices/Risk Management
	102-12	External initiatives	SBTi, Business Ambition for 1.5°C, CDP, UN Global Compact, SASB and TCFD
	102-13	Membership of associations	On an industry level, we are members of the Canadian Association of Broadcasters and National Cable Television Cooperative, as well as supporters of CableLabs, a not-for-profit innovation and research and development lab.

GENERAL DISCLOSURE	STANDARD INDICATOR		LOCATION OR COMMENTS/ FURTHER INFORMATION
Strategy	102-14	Statement from senior decision-maker	ESR: Sustainability at Cogeco/Message to Our Stakeholders
	102-15	Key impacts, risks, and opportunities	ESR: Sustainability at Cogeco/Cogeco's Key Sustainability Topics/Key impacts of sustainability topics - risks and opportunities
Ethics & Integrity	102-16	Values, principles, standards and norms of behavior	ESR: Implementing Strong Governance Practices/Ethical business practices and compliance/Ensuring ethical behaviour
	102-17	Mechanisms for advice and concerns about ethics	
Governance	102-18	Governance structure, including committees of the highest governance body and committees responsible for decision-making on economic, environmental, and social topics	ESR: Implementing Strong Governance Practices/Governance at Cogeco; ESR: Implementing Strong Governance Practices/ESG Governance; IC: p. 21-48
	102-20	Executive-level responsibility for economic, environmental, and social topics	ESR: Implementing Strong Governance Practices/ESG Governance
	102-21	Consulting stakeholders on economic, environmental, and social topics	ESR: Sustainability at Cogeco/Cogeco's Key Sustainability Topics/Stakeholder engagement and key sustainability topics
	102-22	Composition of the highest governance body and its committees	IC: p. 21-48
	102-26	Role of highest governance body in setting purpose, values, and strategy	ESR: Implementing Strong Governance Practices/ESG Governance
	102-30	Effectiveness of risk management processes	ESR: Implementing Strong Governance Practices/Risk Management
	102-31	Review of economic, environmental, and social topics	ESR: Implementing Strong Governance Practices/ESG Governance; ESR: Implementing Strong Governance Practices/Risk Management
	102-32	Highest governance body's role in sustainability reporting	ESR: Implementing Strong Governance Practices/ESG Governance
	102-35, 102-36 and 102-37	Remuneration policies, Process for determining remuneration, and Stakeholders' involvement in remuneration	IC: p. 50-85
	102-38	Annual total compensation ratio	ESG: Governance sheet

GENERAL DISCLOSURE	STANDARD INDICATOR		LOCATION OR COMMENTS/ FURTHER INFORMATION
Stakeholder Engagement	102-40	List of stakeholder groups	ESR: Sustainability at Cogeco/Cogeco's Key Sustainability Topics/Stakeholder engagement and key sustainability topics
	102-41	Collective bargaining agreements	ESR: Supporting our Key Stakeholders/Our Workforce; ESG: Social sheet
	102-42	Identifying and selecting stakeholders	ESR: Sustainability at Cogeco/Cogeco's Key Sustainability Topics/Stakeholder engagement and key sustainability topics
	102-43	Approach to stakeholder engagement	
	102-44	Key topics and concerns raised	
Reporting Practice	102-45	Entities included in the consolidated financial statements	Consolidated financial statements of Cogeco Inc. include Cogeco Connexion, Breezeline and Cogeco Media. Consolidated financial statements of Cogeco Communications Inc. include Cogeco Connexion and Breezeline
	102-46	Defining report content and topic boundaries	ESR: Sustainability at Cogeco/Cogeco's Key Sustainability Topics/Cogeco's Key Sustainability Topics
	102-47	List of material topics	ESR: Key Sustainability Topics/Cogeco's Key Sustainability Topics
	102-48	Restatements of information	ESR: Transparency/About this report
	102-49	Changes in reporting	
	102-50	Reporting period	
	102-51	Date of most recent report	
	102-52	Reporting cycle	
	102-53	Contact point for questions regarding the report	

GENERAL DISCLOSURE	STANDARD INDICATOR		LOCATION OR COMMENTS/ FURTHER INFORMATION
Reporting Practice	102-54	Claims of reporting in accordance with the GRI Standards	ESR: Transparency/About this report
	102-55	GRI content index	ESR: Transparency/GRI Index
	102-56	External assurance	ESR: Transparency/About this report
Management Approach	103-1	Explanation of the material topic and its Boundary	Each section of our report contains explanations of why the topics are significant, where impacts can or do occur, and what we are doing accordingly.
	103-2	The management approach and its components	Each relevant section in the report discloses applicable strategies, policies, procedures and KPIs, with an overall summary provided in the Implementing Strong Governance Practices/ESG Governance section under Oversight and management of key sustainability topics.
	103-3	Evaluation of the management approach	Policies, procedures, directives and key performance indicators are reviewed annually, at a minimum, for relevance and to identify any necessary adjustments or improvements.
ECONOMIC			
Economic Performance	201-1	Direct economic value generated and distributed	ESR: Sustainability at Cogeco/About Cogeco/Profile; ESR: Sustainability at Cogeco/About Cogeco/Value Creation as a Foundation; AR
	201-2	Financial implications and other risks and opportunities due to climate change	ESR: Reducing our Environmental Footprint/Climate Change Adaptation and Mitigation; CAPT: p. 16-23
	201-3	Defined benefit plan obligations and other retirement plans	AR: p. 130-133
	201-4	Financial assistance received from government	AR: p. 92

GENERAL DISCLOSURE	STANDARD INDICATOR		LOCATION OR COMMENTS/ FURTHER INFORMATION
ECONOMIC			
Indirect Economic Impacts	203-1	Infrastructure investments and services supported	ESR: Sustainability at Cogeco/About Cogeco/Value Creation as a Foundation; ESR: Transparency/GRI Index
	203-2	Significant indirect economic impacts	
Anti-corruption	205-1	Operations assessed for risks related to corruptions	ESR: Implementing Strong Governance Practices/Ethical business practices and compliance.
	205-2	Communication and training about anti-corruption policies and procedures	
	205-3	Confirmed incidents of corruption and actions taken	
Anti-competitive behaviour	206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	ESR: Implementing Strong Governance Practices/Ethical business practices and compliance/Compliance and Competitive Behaviour
ENVIRONMENT			
Energy	302-1	Energy consumption within the organization	ESR: Reducing our Environmental Footprint/Climate Change Adaptation and Mitigation/Energy Management; CAPT: p. 8
	302-3	Energy intensity	ESR: Reducing our Environmental Footprint/Climate Change Adaptation and Mitigation/Energy Management; CAPT: p. 8
	302-4	Reduction of energy consumption	
	302-5	Reductions in energy requirements of products and services	
Emissions	305-1	Direct (Scope 1) GHG emissions	CAPT: p. 9; ESG: Environmental sheet
	305-2	Energy indirect (Scope 2) GHG emissions	CAPT: p. 9; ESG: Environmental sheet

GENERAL DISCLOSURE		STANDARD INDICATOR	LOCATION OR COMMENTS/ FURTHER INFORMATION
ENVIRONMENT			
Emissions	305-3	Other indirect (Scope 3) GHG emissions	ESR: Reducing our Environmental Footprint/Climate Change Adaptation and Mitigation/GHG Emissions; CAPT: p. 14
	305-4	GHG emissions intensity	ESR: Reducing our Environmental Footprint/Climate Change Adaptation and Mitigation/GHG Emissions; CAPT: p. 9; ESG: Environmental sheet
	305-5	Reduction of GHG emissions	ESR: Reducing our Environmental Footprint/Climate Change Adaptation and Mitigation/GHG Emissions; CAPT: p. 9 & 14; ESG: Environmental sheet
Waste	306-1	Waste generation and significant waste-related impacts	ESR: Reducing our Environmental Footprint/Waste Management; ESG: Environmental sheet
	306-2	Management of significant waste-related impacts	
	306-3	Waste generated	
	306-4	Waste diverted from disposal	
Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	ESR: Implementing Strong Governance Practices/Ethical business practices and compliance/Compliance and Competitive Behaviour

GENERAL DISCLOSURE	STANDARD INDICATOR		LOCATION OR COMMENTS/ FURTHER INFORMATION
	SOCIETY		
Employment	401-1	New employee hires and employee turnover	ESR: Supporting Our Key Stakeholders/Developing Our Employees and Enabling Their Well-being/Employee Engagement
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	
Occupational Health & Safety	403-1	Occupational health and safety management system	ESR: Supporting Our Key Stakeholders/Developing Our Employees and Enabling Their Well-being/Employee Health, Safety & Wellness
	403-2	Hazard identification, risk assessment, and incident investigation	
	403-3	Occupational health services	
	403-4	Worker participation, consultation, and communication on occupational health and safety	
	403-5	Worker training on occupational health and safety	
	403-6	Promotion of worker health	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	
	403-9	Work-related injuries	ESR: Supporting Our Key Stakeholders/Developing Our Employees and Enabling Their Well-being/Employee Health, Safety & Wellness. **Note that Cogeco currently only reports on injury rates for all employees vs total injuries. Also this information is not currently available for workers who are not employees but whose work and/or workplace is controlled by the organization.**
Training & Education	404-2	Programs for upgrading employee skills and transition assistance programs	ESR: Supporting Our Key Stakeholders/Developing Our Employees and Enabling Their Well-being/Employee Training & Development

GENERAL DISCLOSURE	STANDARD INDICATOR		LOCATION OR COMMENTS/ FURTHER INFORMATION
	SOCIETY		
Diversity & Equal Opportunity	405-1	Diversity of governance bodies and employees	ESR: Implementing Strong Governance Practices/Governance at Cogeco IC: p. 23-24; ESR: Supporting Our Key Stakeholders/Developing Our Employees and Enabling Their Well-being/Diversity & Inclusion; ESG: Social and Governance sheets
	405-2	Ratio of basic salary and remuneration of women to men	ESG: Social sheet **Note that Cogeco currently reports a consolidated figure for this topic for our broadband operations only.**
Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	ESR: Supporting Our Key Stakeholders/Supporting our Communities **Note that Cogeco reports on community engagement and development efforts.**
Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	ESR: Supporting Our Key Stakeholders/Being a Trusted and Reliable Partner for our Customers/Data Privacy & Security
Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	ESR: Implementing Strong Governance Practices/Ethical business practices and compliance/Compliance and Competitive Behaviour

SASB Index

This report also contains information in line with the recommendations of the Sustainability Accounting Standards Board (SASB) – Telecommunication Services industry classification. The index below lists where you can find information related to each SASB accounting metric – either in this 2020-2021 ESG and Sustainability Report (ESR), the ESG Data Supplement (ESG), the Cogeco Inc. 2021 Annual Report (AR), or our Climate Action Plan and TCFD Report (CAPT). For some metrics we provide a short statement within the Index with comments or further information.

Links to other referenced information sources can be found here: 2021 Cogeco Inc. Annual Report - ESG Data Supplement - Climate Action Plan and TCFD Report

TOPIC		ACCOUNTING METRIC	LOCATION OR COMMENTS/ FURTHER INFORMATION
Environmental Footprint of Operations	TC-TL-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	ESR: Reducing our Environmental Footprint/Climate Change Adaptation and Mitigation/Energy Management; CAPT: p. 8
Data Privacy	TC-TL-220a.1	Description of policies and practices relating to behavioral advertising and customer privacy	ESR: Supporting Our Key Stakeholders/Being a Trusted and Reliable Partner for our Customers/Data Privacy & Security; Cogeco does not participate in behavioral advertising
	TC-TL-220a.2	Number of customers whose information is used for secondary purposes	Cogeco's information collection, usage, and disclosure practices have been developed in accordance with applicable laws and regulations in the jurisdictions where we operate. We protect our customers' interests by ensuring that data is only disclosed in accordance with applicable laws and only when we are legally compelled to do so.
	C-TL-220a.3	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	ESR: Supporting Our Key Stakeholders/Being a Trusted and Reliable Partner for our Customers/Data Privacy & Security; We had no founded privacy complaints in fiscal 2020 or 2021
	TC-TL-220a.4	(1) Number of law enforcement requests for customer information, (2) number of customers whose information was requested, (3) percentage resulting in disclosure	Cogeco does not currently report this information publicly.
Data security	TC-TL-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	ESR: Supporting Our Key Stakeholders/Being a Trusted and Reliable Partner for our Customers/Data Privacy & Security
	TC-TL-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	

TOPIC	ACCOUNTING METRIC		LOCATION OR COMMENTS/ FURTHER INFORMATION
Product End of Life Management	TC-TL-440a.1	(1) Materials recovered through take back programs, percentage of recovered materials that were (2) reused, (3) recycled, and (4) landfilled	ESR: Reducing our Environmental Footprint/Waste Management; ESG: Environmental sheet
Competitive Behavior & Open Internet	TC-TL-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	ESR: Implementing Strong Governance Practices/Ethical business practices and compliance/Compliance and Competitive Behaviour
	TC-TL-520a.2	Average actual sustained download speed of (1) owned and commercially-associated content and (2) non-associated content	Cogeco does not currently disclose this information publicly.
	TC-TL-520a.3	Description of risks and opportunities associated with net neutrality, paid peering, zero rating, and related practices.	ESR: Implementing Strong Governance Practices/Ethical business practices and compliance/Compliance and Competitive Behaviour
Managing Systemic Risks from Technology Disruptions	TC-TL-550a.1	(1) System average interruption frequency and (2) customer average interruption duration	Cogeco does not currently disclose this information publicly.
	TC-TL-550a.2	Discussion of systems to provide unimpeded service during service interruptions	ESR: Supporting Our Key Stakeholders/Being a Trusted and Reliable Partner for our Customers/Network Investments
Activity Metrics	TC-TL-000.A	Number of wireless subscribers	N/A
	TC-TL-000.B	Number of wireline subscribers	ESR: Sustainability at Cogeco/About Cogeco/Profile; AR: p. 144
	TC-TL-000.C	Number of broadband subscribers	
	TC-TL-000.D	Network traffic	This information is considered to be competitively sensitive and is therefore not publicly disclosed.

About this report

Scope

Period covered: This report covers a 24-month period from September 1, 2019 to August 31, 2020 ("fiscal 2020") and from September 1, 2020 to August 31, 2021 ("fiscal 2021").

Entities included: Cogeco Inc. and Cogeco Communications Inc. (collectively the "Corporation" or "Cogeco"), which includes information on all business units, i.e., Breezeline, 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. Where possible, we have indicated when initiatives apply only to a specific business unit.

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

Previous reports: Our last report was published in February of 2020 and covered fiscal 2018 and 2019. Previous reports, published every two years, are available in the Corporate Social Responsibility section of our website.

Content and External Assurance

Decisions regarding the content of this report were based on a stakeholder engagement exercise, including direct engagement through surveys, as well as peer and literature reviews. We have provided yearly comparative data when available and will continue to report progress in subsequent editions, which we will publish annually going forward. The Corporation believes the information in this report to be accurate. We engaged PwC to conduct a third party limited assurance review of data related to our scope 1 and 2 emissions and energy consumption related to fleet fuel and the use of electricity for fiscal 2019, 2020 and 2021. Details of these assurance engagements are available on our website here.

Sustainability framework

The Cogeco 2020-2021 ESG and Sustainability Report was prepared in accordance with Global Reporting Initiative (GRI) Standards. This is a report under the GRI Standards Core option, containing information on required indicators as outlined in the GRI Index section of this report. This report also integrates indicators from the Sustainability Accounting Standards Board (SASB) Telecommunication Standards as outlined in the SASB Index section of this report.

Restatement of information

Following completion of the third party limited assurance engagement for our fiscal 2019 GHG emissions and energy consumption, data for that year was restated to reflect the findings of the engagement, as well as to reflect a switch to market-based scope 2 emissions.

COVID-19

Some photos within this report were taken prior to the COVID-19 pandemic. For those photos taken during 2020 and 2021, all necessary precautions were strictly followed. Cogeco is committed to ensuring the health and safety of our employees, customers and communities.

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

COGECO

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