



Environmental, Social & Governance (“ESG”)

In addition to its overall strong corporate governance practices, Cineplex affects positive social, cultural, and environmental change at the national and local levels. The Corporation recognizes the importance of having a strong ESG framework integrated across its operations, benefitting not only Cineplex’s employees, guests and partners across Canada and the United States, but also driving and creating value for its shareholders.

Cineplex’s approach to ESG has its foundation in three key pillars: Good Governance, Environmental Sustainability and Business & Social Responsibility.

Good Governance

The Corporation recognizes that sound corporate governance is fundamental to its long-term success and contributes to shareholder value through increased investor confidence. The Board and management are committed to maintaining a high standard of corporate governance and ensuring that the Corporation has the talent it needs to fulfill its goals and objectives. The Directors are knowledgeable, experienced and independent. The Board oversees significant corporate actions and makes decisions relating to, among other things, strategic planning and objective setting, capital allocation, succession planning, talent management and development, planning for growth (organic and acquired), financial reporting, the development of fundamental policies and systems, the control environment, the management of enterprise risk and the safeguarding and enhancement of the Corporation’s brands.

Measures enacted to promote good governance include:

- The independence of the Chair of the Board and all Directors (except the CEO);
- The independence of the Board’s committees;
- The CEO does not sit on any Board committee;
- The separation of the roles of Board Chair and CEO;
- The full authority of the Board to retain independent external advisors;
- The annual election of all directors;
- Voting for directors is on an individual basis - and not as a slate;
- The Corporation has a Majority Voting Policy for Director elections;
- Guidelines regarding Director equity ownership;
- Disclosure of Directors’ equity holdings;
- Directors not serving on numerous other boards;
- No public company interlocking directorships;
- The entitlement of all shareholders to vote equally;
- A robust Director orientation program and ongoing Director education;
- An annual Director peer and committee assessment; and
- Directors speaking with each other in-camera during each Board meeting.

Environmental Sustainability

The Corporation takes steps to integrate sustainability initiatives across its ecosystem by managing its environmental footprint and demonstrating to employees, guests, partners and shareholders an ongoing commitment to a sustainable future. Cineplex is taking steps across its business through three inter-connected environmental issues: waste, energy consumption and eco-friendly materials. Generally, Cineplex works to reduce its greenhouse gas emissions, use less paper and manage its resources and waste to minimize the impact it has on the communities in which it operates. The Corporation has adopted, among other initiatives, the following:

- **Waste:** Cineplex takes steps to reduce the amount of waste generated at its theatres, location-based entertainment venues and corporate offices by increasing its landfill diversion rate and taking steps to operate more efficiently. Cineplex proudly recycles paper and plastic, participating in the Electronic Recycling Association national program. The Corporation also works with a third party to recycle and repurpose all 3D glasses. Where supported by municipal waste facilities, the Corporation uses compostable packaging and separates organic waste. By using less paper, including moving away from printed movie tickets, the organization is reducing its impact on forests by removing paper waste from its lifecycle.
- **Energy Efficiency:** To meet global warming targets, Canada has committed to reducing its greenhouse gas emissions and Cineplex is committed to doing its part in seeing those targets met. The Corporation has multiple programs in place, including LED lighting retrofits and building automation systems, that seek to improve the energy efficiency at its venues. Through efforts like maximizing its use of Forest Stewardship Council certified paper in its popcorn bags and drink cups, Cineplex takes steps to reduce the amount of greenhouse gases emitted in its operations.
- **Eco-Friendly Materials:** Cineplex prioritizes the purchasing of eco-friendly goods and services and regularly reviews the materials it uses throughout its buildings. Through efforts like ensuring the drinking straws are either paper or fully biodegradable, Cineplex strives to limit harmful chemicals in the products it uses and offers, whether it be packaging, receipts or cleaning supplies.

Business & Social Responsibility

Cineplex is dedicated to good stewardship in the communities that it serves and acts in accordance with and is guided by its *Cineplex Values*, the Corporation's *Code of Business Conduct and Ethics* and its *Supplier Code of Conduct*. A copy of each of these documents can be found on Cineplex's corporate website by visiting corp.cineplex.com.

The *Code of Business Conduct and Ethics* addresses the ethical business standards and practices for its Board, leadership team, employees and contractors; each individual must read, understand and re-commit to the Code each year with training and sign-off. It outlines behaviours and practices to promote full compliance with laws as well as reaffirms Cineplex's commitment to integrity, honesty and respect when dealing with its team, partners, suppliers and the community. Cineplex values its relationships with suppliers because they help the Corporation achieve its business objectives and contribute to its overall success. To that end, the Corporation has a *Supplier Code of Conduct* which sets forth the principles and ethical standards that it expects all

its suppliers to work toward achieving throughout the course of their business relationship with Cineplex. The document provides, among other things:

- Ethical business practices;
- Responsible sourcing of its products;
- Responsible subcontracting;
- Responsible information security and adherence to best practices in privacy;
- Maintenance of human rights and labour standards;
- Provision of safe and healthy work environments; and
- Good stewardship.

Even with its network of theatres and entertainment venues experiencing varying levels of closures and capacity restrictions for the majority of the year, Cineplex's dedication to being a good corporate citizen and partner in the communities in which it operates remained of the utmost priority. This was demonstrated through its ongoing commitment to health and safety, its focus on inclusivity and diversity, its attention to corporate culture, and support for charitable groups and local communities during the COVID-19 pandemic.

- **Health and Safety:** Guided by public health directions at the federal, provincial and municipal level, in 2021, Cineplex introduced VenueSafe™, a set of policies and operational procedures designed to ensure our employees and guests have a safe and comfortable experience in our locations.
- **Inclusivity and Diversity:** In addition to inclusive hiring practices across its ecosystem and being a leader in spearheading employment opportunities for individuals with special needs, the Cineplex leadership team participates in comprehensive inclusivity and diversity training and makes regular training courses available to employees interested in learning. Under the guidance of Cineplex's cross-functional Inclusion Committee, the Corporation has been recognized for its initiatives in diversity and inclusion for its employees and guests.

In 2020, on behalf of the Corporation, Mr. Jacob signed the Black North Initiative CEO Pledge to acknowledge the existence of anti-Black systemic racism in Canada and committing to ensuring that inclusion is core to Cineplex's workplace culture and that our businesses are representative of the communities we serve. This pledge includes a commitment to hire a minimum of one Black leader to fill an executive or Board member role by 2025.

In addition to its history of supporting Canada's Black storytellers through initiatives like the Reelworld Film Festival, in 2021, in recognition of Black History Month, Cineplex curated a collection of important films and resources. The collection, which included films that elevate Black history, artists and filmmakers and spark discussion, was showcased on the Cineplex Store and in theatres, where able, during the month of February. For every Cineplex Store transaction or theatrical ticket purchased for one of the titles in the collection, Cineplex donated \$1 to The Black Academy to foster opportunities for young and emerging Black talent in Canada's entertainment industry.

Also in 2021, in recognition of National Indigenous Peoples Day on June 21, Cineplex donated \$1 from every movie ticket sold, as well as purchases on the Cineplex Store, at

The Rec Room and Playdium to the Orange Shirt Society. On September 30, in honour of National Day for Truth and Reconciliation, Cineplex created a pro bono Pre-Show and media spot for the Orange Shirt Society to help raise awareness for their charity, and also donated to the Society on behalf of its employees to mark the day. The Company also extended its support for imagineNATIVE and The imagineNATIVE Film + Media Arts Festival, the world's largest Indigenous film and media arts festival, held annually in Toronto in the month of October.

The Corporation was also an early adopter to sign the Catalyst Accord and is a proud member of the international Catalyst-affiliated “30% Club”. The Corporation has a *Board Diversity Policy* as well as an overall corporate *Diversity Policy* for employment across its businesses, both of which are available on the corporate website. While these diversity policies do not have any set targets regarding the representation of women or other under-represented groups in management appointments, Cineplex, the Board and the Compensation, Nominating and Corporate Governance Committee consider the level of representation of women and under-represented groups, and diversity of the Board and in management when making those appointments. As at the date hereof, Cineplex is proud to note that the Board includes four women, who together represent 44% of the Directors or 50% of the independent Directors. The Board also currently includes four members of under-represented groups, who together represent 44% of the Directors. As at year end, three members of executive management of the Corporation, including its major subsidiaries, are women, representing 30% of executive management; 28% of all of senior management, including the major subsidiaries of the Corporation, are women.

- **Accessibility:** The Corporation strives to make its offices, theatres and location-based entertainment venues accessible to everyone, whether it be a guest, employee or partner. This commitment is, first and foremost, about doing the right thing – and Cineplex is proud of its position as a Canadian retail leader in accessibility. The Corporation offers programs that accommodate guests who are deaf, deafened, hard of hearing, visually impaired or live with physical or mobility challenges. Cineplex is a founding partner of and proud participant in the ‘Access 2’ program, administered by Easter Seals Canada, providing free or significantly reduced admission to support persons accompanying a person with a disability. The Corporation is proud to have been recognized by the Canadian Foundation for Physically Disabled Persons for its work in supporting Canadians with disabilities. In partnership with Autism Speaks Canada, Cineplex presents Sensory Friendly Screenings, providing a sensory-friendly environment for individuals with autism spectrum disorder or sensory-sensitivities and their families to view new release films in theatres across the country.
- **Charitable Activities:** Cineplex, its employees and partners have helped contribute tens of millions of dollars through a variety of partnerships with non-profit charitable organizations across Canada, including worthy organizations like the Boys and Girls Clubs of Canada. In 2021, Cineplex was proud to once again partner with Food Banks Canada in an employee fundraising campaign to support families in need. Food banks were severely impacted by COVID-19 and continue to face increased public demand for support while their operational capacity is strained. Cineplex exceeded its goal and provided over 20,000 meals to those who needed them the most.

- **Local Community Support:** Cineplex employees across the country have their finger on the pulse of their communities and regularly support local events to benefit the neighbourhoods in which they operate. When disaster strikes, Cineplex has a long history of helping Canadian communities when they need it most. In addition to using corporate resources for communities in need, the Corporation has also leveraged its network of theatres and offices to help fundraise for the Canadian Red Cross.
- **Industry Support:** Cineplex has a long history of supporting the Canadian entertainment and media industries. While many of the country's film festivals were postponed in 2021 because of COVID-19 pandemic, Cineplex traditionally supports upwards of 35 film festivals every year from Nova Scotia to British Columbia. These festivals range in size from local community events like the Whistler Film Festival or Cinefest Sudbury, to week-long celebrations of film like the world-class Toronto International Film Festival. Cineplex also proudly supports the Canadian Film Centre, Academy of Canadian Cinema and Television, Reel Canada, Canada's Walk of Fame, Canadian Picture Pioneers and Ciné Québec.
- **Award-Winning Culture:** In 2018, Cineplex was proudly named, for the third time, one of Canada's Most Admired Corporate Cultures by Waterstone Human Capital, with each honour held for a three-year term. The program celebrates organizations across four categories that have cultures that drive performance and contribute to the bottom line. Cineplex was recognized for its dedication to employee engagement initiatives, passion for the community and strong leadership.

Cineplex's Board, leadership team and employees across North America all work under the guidance of the *Cineplex Values* of Teamwork, Innovation and Excellence, which are closely aligned and ultimately reaffirmed by its approach to corporate governance, environmental sustainability and business and social responsibility.

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