



ENVIRONMENTAL, SOCIAL, AND GOVERNANCE POLICY

Introduction

Cineplex believes that Environmental, Social, and Governance (ESG) are important factors in how we execute our strategy and live our culture and values.

As a commitment to our guests, employees, shareholders and future generations, Cineplex endeavours to be a leading retailer in ESG.

This ESG Policy outlines our company wide approach to integrating ESG in our business and investment activities which include:

Environment

Cineplex's environmental initiatives used across its ecosystem are aimed at reducing our 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, and manage its resources and waste to minimize the impact it has on the communities in which it operates. Cineplex has adopted, among other initiatives, the following:

- **Waste:** Cineplex is taking steps to reduce the amount of waste generated at its theatres, location-based entertainment venues and corporate offices by increasing its landfill diversion rate Cineplex works with a third party to recycle and repurpose all 3D glasses and ensures the safe disposal of electronic waste. Where routinely supported by municipal waste facilities, Cineplex separates organic waste.
- **Energy Efficiency:** Cineplex acknowledges the importance and is taking steps to reduce greenhouse gas emissions from its operations. Cineplex has programs in place, to reduce energy use from its venues, including LED lighting retrofits and building automation systems.
- **Eco-Friendly Materials:** Cineplex strives to limit harmful chemicals in the products it uses and offers, through efforts like maximizing its use of Forest Stewardship Council (FSC) certified paper in its popcorn bags and drink cups, and purchasing environmentally friendly cleaning supplies, among others.

Social

Cineplex's dedication to being a good corporate citizen and partner in the communities in which it operates was made all the more evident this year, through its ongoing support of local communities across

the country. Even with its network of theatres and entertainment venues closed for the majority of the year, contributions were made from across the Cineplex ecosystem, including support for local initiatives, regional activations that assist communities in times of need, and support for the Canadian entertainment and media industries.

- **Charitable Activities:** Cineplex, its employees and partners helped contribute tens of millions of dollars through a variety of partnerships with non-profit charity organizations across Canada including those that support families, physical activity, and healthy living. In 2021, Cineplex was proud to contribute to food donation campaigns to support families in need and provided over 20,000 meals to those who needed them 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 always helped Canadian communities when they need it most. In addition to using corporate resources for communities in need, Cineplex has also leveraged its network of theatres and offices to help fundraise for not-for-profit organizations.
- **Industry Support:** Cineplex has a long history of supporting the Canadian entertainment and media industries. 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.
- **Inclusion and Diversity:** In addition to inclusive hiring practices across the Cineplex ecosystem and being a leader in spearheading employment opportunities for individuals with special needs, the Cineplex leadership team participates in comprehensive inclusion and diversity training and makes regular training courses available to interested employees. Under the guidance of its cross-functional Inclusion Committee, Cineplex has been recognized for its initiatives in diversity and inclusion both with its employee contingent as well as with its guests.

Cineplex has a history of supporting Canada's Black storytellers through initiatives like the Reelworld Film Festival, signing the Black North Pledge, and curating a collection of important films and resources for Black History Month. Our ongoing curated collection, which included films that elevate Black history, artists and filmmakers and spark discussion, continues to be showcased on the Cineplex Store and in theatres (where open) 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 imagineNATIVE – the world's largest presenter of Indigenous screen content. 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.

Cineplex was an early adopter to sign the Catalyst Accord and is a proud member of the international Catalyst-affiliated “30% Club.” Cineplex 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 the diversity policies do not have any set targets regarding the representation of women or other minorities in management appointments, Cineplex, the Board and the Compensation, Nominating and Corporate Governance Committee consider the level of representation of women and diversity of the Board and in management when making those appointments. As at December 31, 2021, 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 minorities, 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 senior management, including the major subsidiaries of the Corporation, are women.

- **Accessibility:** Cineplex 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. Cineplex 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, providing free or significantly reduced admission to support persons accompanying a person with a disability. Cineplex is proud to have been recognized by the Canadian Foundation for Physically Disabled Persons for its work in supporting Canadians with disabilities. Cineplex also is proud to offer 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.
- **Award-Winning Culture:** Guided by the *Cineplex Values* of Teamwork, Innovation and Excellence, Cineplex believes in the power of working together and recognizes that its employees are its greatest asset. 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.

Governance

Cineplex is committed to sustainable growth and good stewardship in the communities that it serves, guided by the 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 the Company’s corporate website.

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 that will ensure full compliance with laws as well as reaffirm Cineplex’s commitment to integrity, honesty and respect when dealing with its team, partners, suppliers and the community.

Cineplex also values its relationships with suppliers because they help it achieve its business objectives and contribute to the overall success as a Corporation. To that end, the Corporation has a Supplier Code of Conduct, which sets forth the principles and ethical standards that the Corporation expects all its suppliers to work toward achieving throughout the course of its business relationship with Cineplex. It 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
- Provision of a diverse and inclusive corporate culture
- Good stewardship

Cineplex's board, leadership team and employees across Canada and the United States 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 and stewardship including compliance, reporting, and disclosures.

Work to Date

Cineplex adopted a position on sustainability in 2011 that focused on 3 key issues – Waste, Global Warming and Energy Consumption. Since that time, we have implemented many programs and changes to address these environmental concerns. Below is a summary of some of the key initiatives in recent history:

- **Paper Procurement:** We use as much recycled content as possible, sourced from sustainable suppliers. Our practices have been endorsed by Canopy Planet, a Canadian not-for-profit that helps industry use more sustainable forest products. Our practices will help mitigate the decline of our ancient forests, lower water consumption in processing and saving energy in production.
- **LED Retrofits:** Cineplex has converted 80% of its locations to LED lighting with 95% done using rebates. LED lighting not only lowers energy consumption, but it also drastically lowers landfill waste and reduces labour resources used to replace bulbs.
- **Building Automation Systems:** Cineplex has integrated building automation systems into 45% of its theatres, including Rec Rooms. These systems, which are integrated with our point-of-sale systems, control temperature and lighting based upon need, thus saving energy in lighting, heating and cooling.
- **Other Initiatives:** Other programs include a National E-Waste recycling partner, cooking oil recycling program, use of biodegradable straws, use of drink and popcorn containers using FSC certified paper and the installation of high velocity hand dryers. We are also testing the fan circulation system and other new environmentally friendly approaches to management of large buildings.

Short-Term Initiatives

- Identification of industry and investor standards with which to align
- Conduct peer review of existing sustainability program
- Refine and expand key pillars
- Establish base line metrics to develop targets
- Create strategy, objectives and targets in each of the key pillar areas

Long-Term Initiatives

- Develop and implement policies to ensure compliance
- Continuous evaluation based on scorecards and targets
- Prepare annual Sustainability Report

Confirmed March 2023