



ENVIRONMENT AND SUSTAINABILITY POLICY

Mission Statement: *As a commitment to our guests, employees, shareholders and future generations, Cineplex endeavours to be a leading retailer in corporate environmental sustainability.*

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, being 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, it drastically lowers the 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 (GEEP), cooking oil recycling program, use of paper straws, use of drink and popcorn containers using FSC certified paper and the installation of high velocity hand dryers. We are also testing destratification fans at a few theatre locations and other new environmentally friendly approaches to building management. .

The Case for Sustainability

In 2017, Cineplex commissioned a study to evaluate our sustainability program along with a comparison with other retailers and peer group. Key findings of the study show that Cineplex could do a better job of disclosing our sustainability initiatives to the public and investors. It was further suggested that the Corporation consider implementing specific targets on initiatives. To that end, we have transitioned our programs to have direct board oversight with the intent of establishing meaningful targets, thus allowing our cast members, our investors and the general public better insight into our key environmental issues.

Current Sustainability Key Pillars

Sustainability is a key pillar over the corporation's overall Corporate Social Responsibility framework. We continually examine upon our policies and actions with a goal to addressing environmental issue, focusing upon the following key pillars:

- 1. Waste Management:** Cineplex take steps to reduce the amount of waste generated at its theatres, location-based entertainment venues and corporate offices by increasing its diversion rate from landfills and taking steps to operate more efficiently. The Corporation has recycling programs for various materials and participates in the GEEP E-Waste recycling national program. The Corporation also reuses 3D glasses and ensures the safe disposal of electronic waste. Where supported by municipal waste facilities, the Corporation uses compostable packaging and separates organic waste in select locations.
- 2. 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 all of its venues. Through efforts like our Canopy Planet-endorsed Paper Procurement Policy, Cineplex has reduced our overall emissions by preserving ancient forests and using recycled paper where possible as well as limiting the resources required to produce our paper requirements. Cineplex operates two Leadership in Energy and Environmental Design (LEED) certified theatre locations.
- 3. Eco-Friendly Materials:** Cineplex prioritizes the purchasing of eco-friendly goods and services and regularly reviews the materials it uses throughout its operations. Through efforts like ensuring the drinking straws are paper based, Cineplex strives to limit harmful chemicals in the products it uses and offers, whether it be packaging or cleaning supplies.

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: June 2020