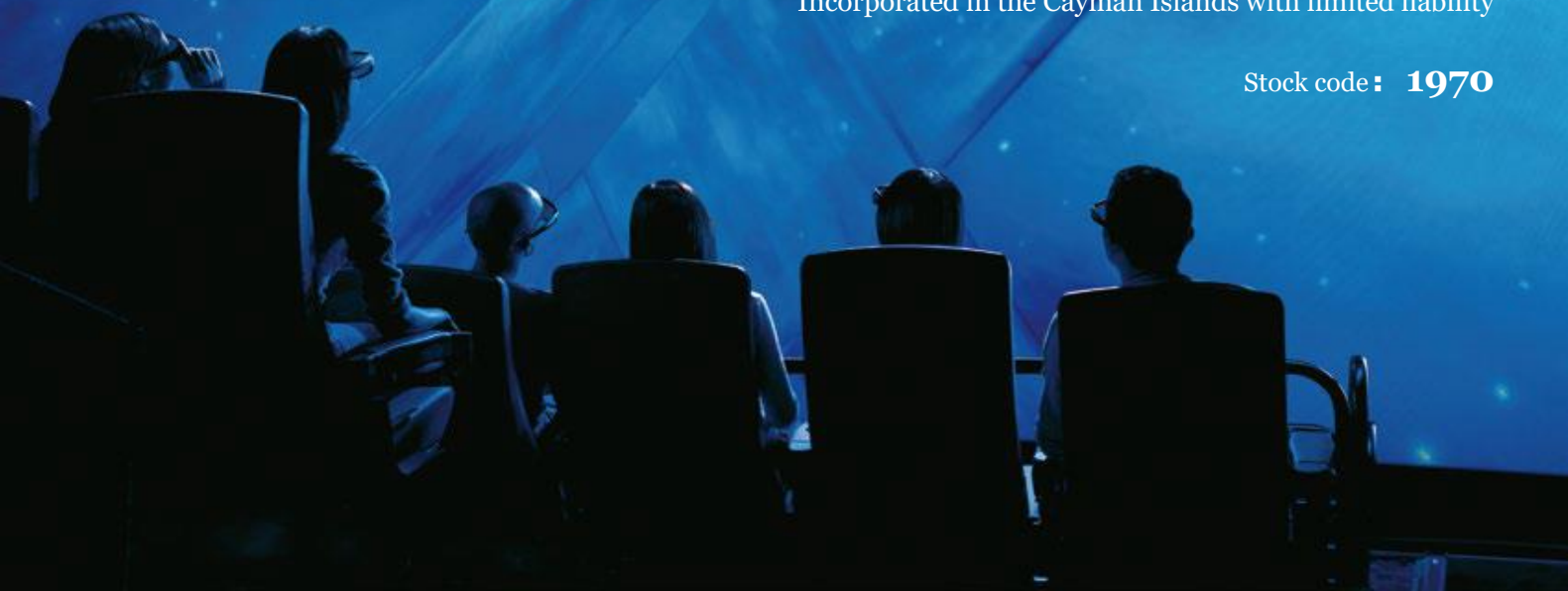




IMAX China Holding, INC.

Incorporated in the Cayman Islands with limited liability

Stock code: **1970**



2019 Environmental, Social and Governance Report

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Preface

About the Report

IMAX CHINA HOLDING, INC. (hereinafter referred to as “IMAX China”, “the Group” or “We”, Stock code: 1970) hereby issues the Group’s 2019 Environmental, Social and Governance Report (hereinafter referred to as “ESG report”) for the purposes of assisting all its stakeholders in understanding its concept and practices of sustainable development. This ESG report describes the Group’s policies and activities in 2019 that were designed to fulfil the Group’s obligations with respect to sustainable development and social responsibilities areas, as required by the “Environmental, Social and Governance Reporting Guide” (“ESG Guide”) in Appendix 27 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

This ESG report includes IMAX China and all of its subsidiaries covering the period from January 1 to December 31, 2019. There are no significant changes in the scope of this ESG report from that of the 2018 ESG report published in March 2019. This ESG report is prepared in accordance with the reporting principles of ESG Guide that include:

- **Materiality:** The Group identifies key ESG issues through stakeholder engagement and materiality assessment;
- **Quantitative:** The ESG report discloses the key environmental and social performance indicators in quantitative terms;
- **Balance:** The ESG report provides an unbiased picture of the Group’s performance on ESG management following the principle of balance;
- **Consistency:** Methodologies used in the ESG report are consistent with those used in the prior years in terms of data statistics and calculation to ensure the comparability of information.

This ESG report has complied with all the “comply or explain” provisions set out in the ESG Guide and has included explanations for provisions which are not applicable to the Group.

This ESG report is available in electronic copies which can be viewed on the Group’s official website at <http://www.imax.cn>.

ESG Policies

As a leading entertainment technology group across the world, IMAX China is engaged in creating an immersive theatre viewing experience, so as to drive the breakthrough and development of film technologies. As we are well aware of the importance of improving our environmental and social benefits for the sustainable operation of the Group, the ESG related risks and opportunities have been incorporated in the business strategy of the Group to direct the Group’s daily operation.

We have established an ESG management system. The Board of IMAX China supports the Group's commitment to fulfilling corporate social responsibility by annually reviewing the Group's ESG performance, identifying, evaluating and handling important ESG-related issues (if any), as well as supervising and approving the annual ESG Report. The Board takes full responsibility for the Group's ESG strategies and reporting.

The senior management is responsible for the evaluation and identification of ESG risks of the Group, ensuring that the Group sets up an appropriate and effective ESG risk management and internal control system, reporting ESG related risks and opportunities to the Board, as well as providing the confirmation on the effectiveness of the ESG system.

To fully implement ESG management, we have set up an ESG working group composed of major departments of the Group, with the responsibilities of implementing the ESG Management Policy approved by the senior management, conducting ESG management and reporting as well as briefing the work progress to the senior management.

Communication with Stakeholders

Adhering to the concept of sustainable development, IMAX China values communication with stakeholders, including governments and regulators, shareholders and investors, employees, partners, fans and consumers, suppliers, society and communities, and industry associations. The Group has established multiple effective communication channels to understand stakeholders' expectations and concerns in relation to the Group's ESG issues. These channels provide important references for formulating and implementing ESG strategies, and for determining the materiality of ESG issues.

2019 Environmental, Social and Governance Report

Stakeholders	Expectations and concerns	Communication channels	Communication frequency
Governments and regulators	Compliance with laws and regulations Paying taxes	Compliance management Voluntary taxation Complying with national policies	Multiple times per year
Shareholders and investors	Return on investment Corporate governance Information disclosure	Announcements and circulars Annual and interim financial reports Shareholders' meetings Roadshow Investor meetings	Multiple times per year
Employees	Protection of employees' rights Career development channel Healthy and safe working environment	Employee satisfaction survey Regular meetings and trainings Employee care Intranet website Enterprise WeChat	Multiple times per month
Partners	High-quality products and services Product innovation, research and development Protection of customers' rights and interests	Face-to-face meetings Site visit Technical training Marketing communications Service hotline Complaint mailbox	Multiple times per week
Fans and consumers	High-quality content Immersive movie-watching experience Responsible content Satisfaction of customers' diversified needs	Face to face interviews Media activities Customer satisfaction surveys Consumer complaint mailbox Interactive platforms such as WeChat and Weibo	Multiple times per week
Suppliers	Fair and impartial procurement Win-win cooperation	Business visits Regular meetings Supplier questionnaire survey	Multiple times per month
Society and communities	Community engagement Business compliance Environmental awareness	Company's official website Activities for public good Social science and education publicity Employees' participation in volunteer activities	Multiple times per year
Industrial association	Responsible content Positive social influence	Face-to-face communication Industry forum	Multiple times per year

Materiality Assessment

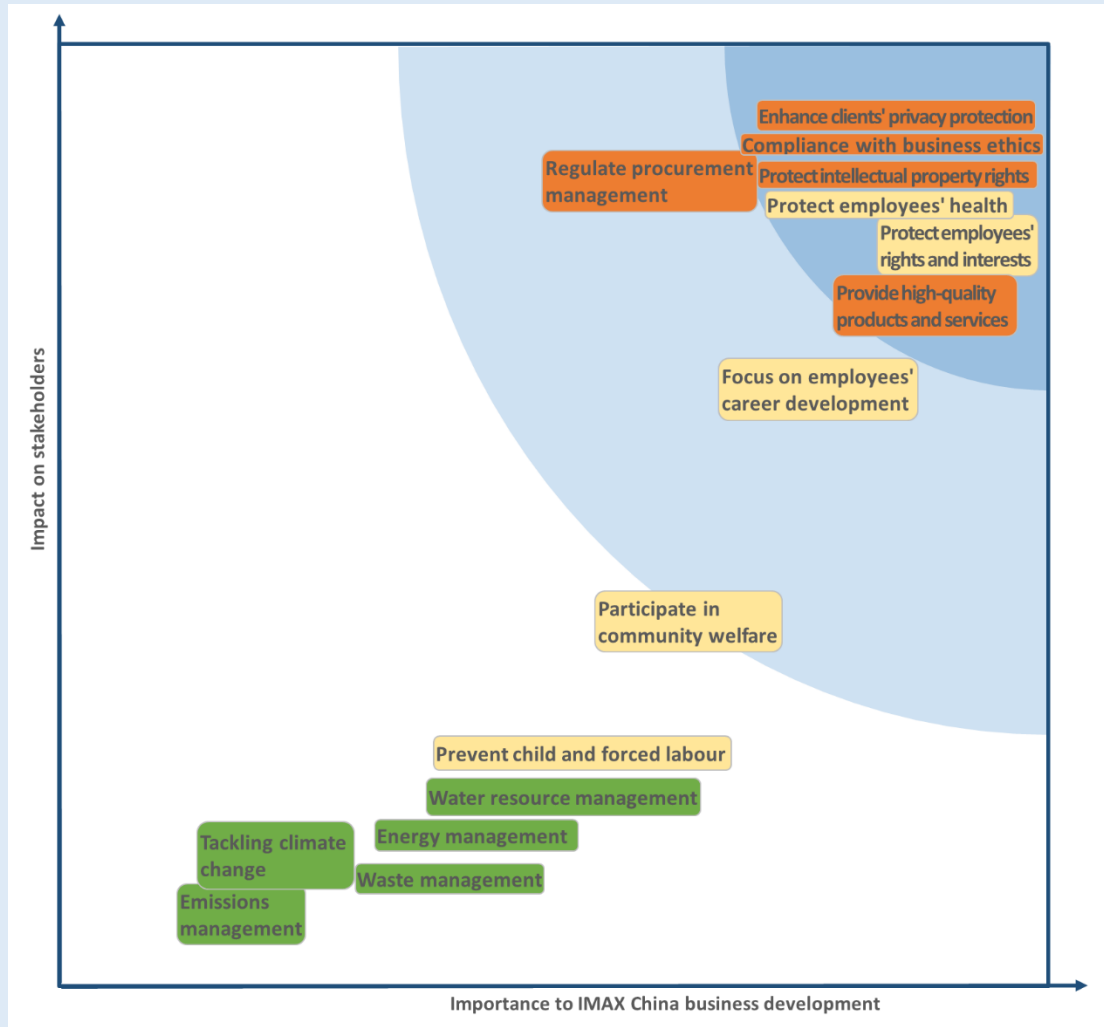
To further clarify the Group's ESG priorities and to enhance the relevance and responsiveness of this ESG report, in 2019, we cooperated with third-party consulting companies to conduct an assessment on the materiality through the following steps:

Step 1: Identifying ESG issues: According to the requirements of the ESG Guide and the actual business and industrial characteristics of the Group, we identified 15 ESG issues relevant to the Group and classified them as social, economic and environmental issues.

Social issues	Economic issues	Environmental issues
<ul style="list-style-type: none"> • Protect employees' rights and interests • Protect employees' health • Focus on employees' career development • Prevent child and forced labour • Participate in community welfare 	<ul style="list-style-type: none"> • Provide high-quality products and services • Enhance clients' privacy protection • Protect intellectual property rights • Regulate procurement management • Compliance with business ethics 	<ul style="list-style-type: none"> • Energy management • Water resource management • Waste management • Emissions management • Tackling climate change

Step 2: Assessing the materiality: We invited internal stakeholders to assess the "importance to IMAX China business development" and "impact on stakeholders" of each issue through questionnaires. Based on the results of the survey, we carried out a materiality assessment and generated a materiality assessment matrix;

Step 3: Verifying the assessment results: The senior management of the Group and the ESG working group are responsible for reviewing and confirming the materiality assessment matrix. Based on the materiality assessment matrix, we identified 6 issues that are extremely critical to the Group, including enhancing clients' privacy protection, abiding by business ethics, protecting intellectual property rights, protecting employee's health, protecting employees' rights and interests as well as providing high-quality products and services.



Materiality Assessment Matrix

1 Product Responsibility

We strictly comply with the laws and regulations concerning health and safety, product quality, intellectual property, labelling, advertising, protection of consumers' rights and interests and privacy protection, including *Law of the People's Republic of China on the Protection of Consumer Rights and Interests*, *Advertising Law of the People's Republic of China* and *Trademark Law of the People's Republic of China*, etc. In addition, we strictly ensure the compliance of business operation and effectively fulfil relevant product responsibilities and legal obligations of the Group. In 2019, there were no confirmed non-compliance incidents in relation to product responsibility that would have a significant impact on the Group's operations.

Responsible Content

In film selection, we attach great importance to how films impact society and the public in a positive way. *The Bravest*, as one of the Summer Movies in 2019, was released to pay tribute to fire-fighters, educating the public on fire protection and raising their fire safety awareness. We also released three patriotic movies namely *My People, My Country*, *The Captain* and *The Climbers* during the 2019 National Day of the People's Republic of China to salute PRC national heroes. In addition, we are committed to identifying and supporting young Chinese film-makers with high potential. By participating in the production of *Nezha: Birth of the Demon* and *The Wandering Earth*, we helped film talents specialising in photography and post-production to enter the international platform and acquire more opportunities, and also helped push Chinese films to a new era of international first-line industrial film creation and market.



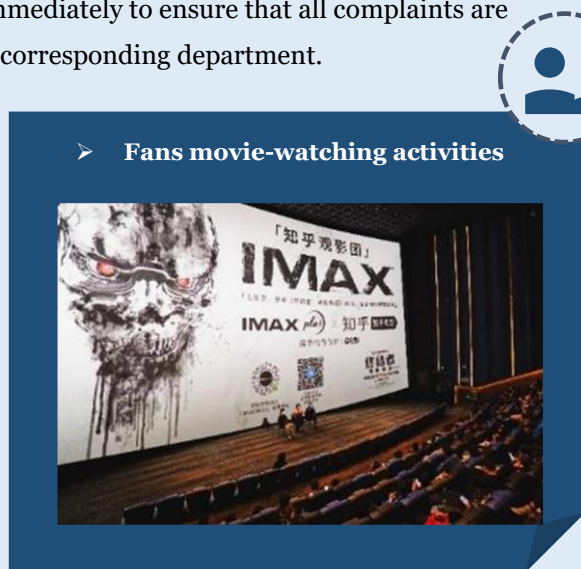
Immersive Viewing Experience

Positioning in providing the best viewing experience for audience, IMAX China brings the audience breathtaking audio-visual effects and immersive experiences. Our remastering process fully transforms every frame of a film to produce the best possible version of a filmmaker's vision. With perfectly tuned integrated sound system and precise speaker

orientation, the audio overseen of each IMAX movie is carefully reviewed for the presentation of perfect soundtrack.

IMAX China puts a premium on communication with consumers and customers. Apart from interactive platforms such as WeChat and Weibo, we have created an email address cqo@IMAX.com, which would appear on the screen when a movie ends. Audiences can email IMAX China their feedback or opinions about viewing experience. Our business affairs and operations department records and assesses the received emails in accordance with the *IMAX Customer Complaint Tracking Workflow Policy* immediately to ensure that all complaints are answered and processed in a timely manner by the corresponding department.

We work with major platforms to provide a range of generous benefits to IMAX China's fans. For examples, IMAX China and Maoyan APP jointly established the IMAX PLUS WeChat platform in 2019, enabling the members to buy tickets more conveniently online, enjoy benefits and stay up to date on the latest movies and various movie-watching activities. IMAX China also joined hands with Zhihu and KFC to promote movie-watching activities. Fans from different cities also enjoy movie-watching benefits and acquire spin-off products through our monthly movie-watching activities.



Excellent Theatre Services

We provide services including system installation, equipment maintenance and operation training to IMAX theatres. Our excellent services speak for our brand value and create win-win cooperation with clients.

- ❖ **System Installing:** IMAX China maintains various internal policies including the *IMAX Pre-installation Checking List* and *Client & Contractor Guide to Installing an IMAX Digital System* to ensure the efficient installation of the IMAX projection systems as well as to improve customer service. To maximize the efficiency of the installation process, we follow strict supplier selection procedures and technical specifications when purchasing equipment such as screens, screen frames, audio equipment and projection equipment.
- ❖ **Equipment Maintenance:** Regular maintenance is conducted at least once a year to ensure the best viewing experience. In addition, IMAX China offers its clients maintenance services via a 7 days × 24 hour phone service center as well as remote network guided by the *IMAX Technical Service Phone Support Manual*. IMAX China maintenance technicians are located in eight cities in the PRC so that for the equipment requiring on-site repair, IMAX China is able to send a technician located in more convenient proximity to the relevant

theatre. Customers' calls for emergency services are answered within 3 hours by phone. If required, emergency personnel will arrive at the theatre within 24 or 48 hours as stipulated in the term of sale agreements. According to the *IMAX China's Customer Satisfaction Survey Workflow Policy*, customer feedback is collected via e-mail after every routine maintenance service is provided to continuously track customer satisfaction.

❖ **Operation Training:** IMAX China provides customers with training for theatre operation, including operation training and technical training. We communicate with theatre circuits on subjects such as box office performance and marketing plan, and carry out thematic training projects, including IMAX brand publicity and movie marketing. For our operators, we conduct training to senior technicians of theatres on projection system maintenance and emergency repair on a regular basis according to the *IMAX Operator Training Checklist* and various training courses, so as to promote equipment maintenance efficiency; for laser theatre systems, theatre operators need to take relevant safety knowledge and awareness trainings to deal with the unique safety issues around laser. We also established an online video training platform, which will be integrated with physical training to provide better services for all theatre customers.

On 6 September 2019, IMAX China conducted training on marketing operation of theatre, elaborating on the key to our success in marketing for the partner studios, and also systematically reviewing our practise on equipment maintenance, daily operations and box office issuance profile, so as to help the studios to go into operation smoothly.



➤ **Theatre Training**



Operation Compliance

IMAX China has been in compliance with the relevant laws and regulations concerning advertising, intellectual property right, and privacy protection.

❖ **Advertising:** IMAX China complies with the *Advertising Law of the People's Republic of China* and requires suppliers to do likewise.

- ❖ **Intellectual Property Right:** IMAX China encourages all employees and clients to engage in the protection of the IMAX brand. Employee and clients are encouraged to report any suspected infringement to the Group's legal department, which in turn reports any suspected infringement to IMAX Corporation. After confirmation of any infringement, a formal cease and desist letter is sent to the infringing party requesting that the infringement be discontinued.

In addition, specified trademark provisions are included in cooperation agreements, requiring theatres to protect the IMAX trademark, specifying appropriate trademark usage and including obligations to report any suspected trademark infringement to IMAX China.

- ❖ **Privacy protection:** The appropriate handling of confidential information of the Group as well as its customers and suppliers is critical to the Group's business. IMAX China employees are obligated to retain in confidence any and all information obtained in connection with their employment, including but not limited to, trade secrets, know-how, client information, supplier information and other proprietary information. In 2019, we formulated the *Basic Guidelines for the Application of Social Media*, to regulate employees' behaviour on various social media. It prohibits employees from disclosing confidential information about the company, customers and others through social media without authorization. We will terminate labour contracts of employees who seriously violate the guidelines.

2 Workplace

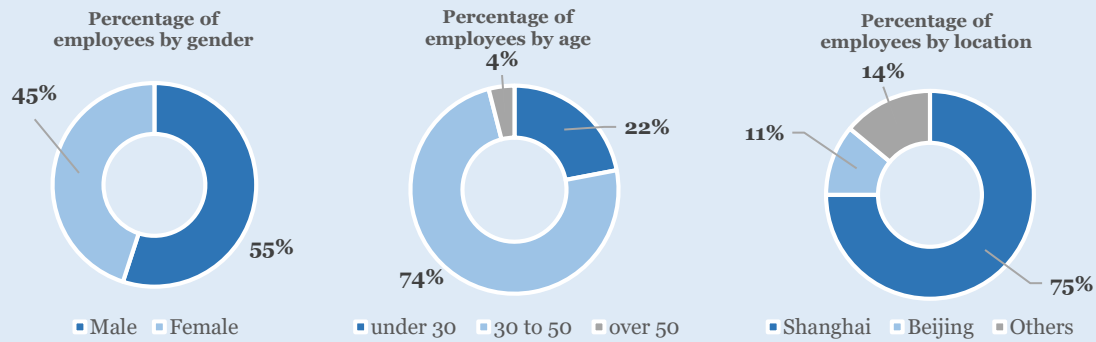
IMAX China strives to create a fair, comfortable and diverse workplace for its employees. We provide employees with competitive employee benefits and inclusive working environment to encourage employees to achieve their full potentials; we provide systematic programs for learning and training to build professional career development paths for our employees; we also enhance employees' sense of belonging and create friendly and harmonious working environment through employee activities and welfare care. In 2019, there were no confirmed non-compliance incidents in relation to employment, labour standards, working environment, workplace safety and human rights that would have a significant impact on the Group's operations.

Employment and Labour Standards

In accordance with the *Labour Law of the People's Republic of China*, *Labour Contract Law of the People's Republic of China* and other relevant laws and regulations, the Group has adopted the *IMAX China Employee Handbook*, which contains information regarding compensation, resignation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other policies for the benefit of its employees. In accordance with the applicable labour laws and regulations and *IMAX China Employee Handbook*, IMAX China tolerates neither recruitment of minors nor forced labour. IMAX China's HR department affirms candidates' age by checking valid identification during interviews and hires a third party to conduct reference checks on all applicants. Individuals under 16 years of age are disqualified from employment at the Group.

IMAX China recruits and promotes personnel without regard to age, national origin, race, religion, sexual orientation, marital status, pregnancy, disability and political beliefs, thus putting the principle of fairness into practice. All employees of the Group in the PRC are entitled to an employment contract at the start of their employment. We advocate an equal and fair working environment and provide assistance and support for employees with special needs, including providing nursing rooms and corresponding care for employees with young children. IMAX China does not tolerate sexual harassment, attack or abuse in the workplace in any form, which is a violation of PRC law.

As of 31 December 2019, the Group has 108 employees, all full-time employees.



IMAX China has introduced the Employee Referral Program, where an employee can earn bonuses if an individual referred for employment is hired for select positions. We conduct satisfaction survey with employees from time to time and implement improvement plans for information communication, learning & development and management responsibilities based on the opinions of employees for the purpose of creating high quality working atmosphere for employees.

Wage and salary distribution conforms to the principle of equal pay for equal work. Wages and salaries are paid in a full and timely manner. The Group generally formulates employees' remuneration based on one or more elements such as salaries, bonuses, long-term incentives and benefits, subject to applicable rules and regulations. Through its remuneration policies, the Group aims to attract and retain talent, motivate performance and achievement and to reward superior performance. To achieve these goals, the Group has established an incentive system that links remuneration with the annual performance of the Group, taking into account the Group's performance, as well as the objectives of individual departments.

IMAX China also strictly follows relevant PRC labour regulations relating to working hours, rest and holidays to ensure the physical and mental health of all employees. The Group's employees work under a standard 40 hours per week. Employees are not forced to work overtime. Employees are entitled to overtime pay if they obtain prior approval from their manager.

IMAX China also maintains a *Holiday Policy* and *Travel Policy*, under which employees are entitled to paid days off from work for national public holidays and company holidays, as well as annual vacation leave, compassionate leave, marriage leave, maternity leave, personal leave, sick leave, etc.

Health and Safety

IMAX China works hard to provide a safe, healthy and comfortable working environment in accordance with *the Labour Law of the People's Republic of China* and other applicable regulations.

❖ **Installation Safety:** Employees are asked to stringently abide by all safety rules and regulations, and utilize available and applicable protection measures at all times to avoid accidents and protect themselves and co-workers from safety risks. IMAX China has formulated *Client & Contractor Guide to Installing an IMAX Digital System* to ensure safe installation of its projection systems. IMAX China also provides protective equipment including helmets, safety belts, masks and protective clothing to all employees or consultants working on the installation of projection systems.



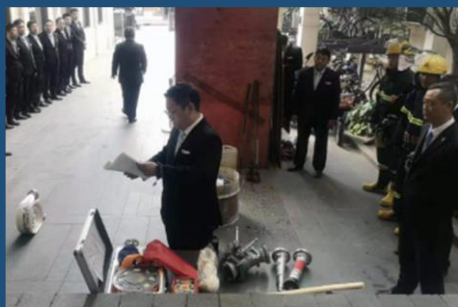
➤ **Safety training for climbing operation**



In addition, we periodically provide safety training to the technicians covering potential safety hazards, prevention methods and safety specifications in laser related jobs, operation at height, and electrical operation.



➤ **Fire Training**



❖ **Safety at workplace:** With the aim of protecting the health and safety of the employees, IMAX China provides first aid kits and over-the-counter medicine in the offices. IMAX China performs annual fire drills and has in-house fire wardens who maintain, inspect firefighting equipment and coordinate quarterly safety meetings. Fire safety packs have been prepared for each office which consist of helmets, flashlights, a loudspeaker, emergency

escape masks, a whistle, a roster of employee names, etc. In 2019, we developed gas fire-extinguishing procedures and trainings specifically for the fire safety of IT computer rooms.

❖ **Health supporting:** IMAX China offers its employees health care coverage which includes inpatient treatment, outpatient treatment, and maternity care; the Group also provides insurance coverage including accident insurance, critical illness insurance, and group health insurance for children. In 2019, we have increased our insurance coverage and provided female employees with health insurance that covers childbirth and infant care. Moreover, we have expanded and upgraded health insurance to include more forms of medical care and types of medicines.



➤ **Table Tennis Competition**



We provide employees with annual fitness reimbursement to encourage the employees' involvement in workout programs to improve physical fitness. From July to August 2019, we held the first IMAX China table tennis competition with 8 teams consisting of 27 players from management and employees. This competition not only gives a chance to employees to relax physically and mentally after work, but also creates a more interesting and positive working atmosphere.

Development and Training

To help employees advance their careers and to encourage their development, IMAX China provides human resource trainings, including customized training courses. Efforts have also been made to establish an appraisal system where the effectiveness of training programs is subject to monitoring and assessments, as set out in the *IMAX China Training Management Policy*. The Group has established both online as well as offline learning platforms and established a “Brainstorming Corner” in its headquarters in Shanghai, which is a comfortable and dedicated space for employees to avail themselves of training programs offered.

We established the IMAX training center and installed an IMAX digital projection system to facilitate technical trainings. Moreover, an experienced internal trainer was nominated to be responsible for orientations for new technicians, technician on-job trainings, trainings on evolving IMAX projection systems and service process optimization, as well as senior theatre exhibitor trainings.

- ❖ **On-Board Training for New Employees:** We arrange on-board training for all new employees to help them get an understanding of IMAX China's culture, business and operation. These trainings include an IMAX introduction, a review of relevant policies, guidelines, a review of HR-specific policies and procedures.
- ❖ **Pre-job Trainings:** For technical posts such as technical support and projection system installation, every newly-hired employee would accept pre-job training to enhance the professional skills necessary for the job. Training sessions are also accessible on both online and offline platforms to ensure technicians are able to stay up-to-date with the latest evolution of IMAX technology.
- ❖ **E-learning Platform:** To provide trainings which are more flexible and broader in scope, IMAX China launched a new program called *IMAX Learning Series*. The purpose of the

program is to make available to employees training materials covering topics focused on developing key competencies and skills that can contribute to employee' performance and ongoing success. As a part of the program, IMAX China has made available online libraries including training content consisting of topics such as strategic thinking, career planning and employee management.



➤ Career Shaping in VUCA times



❖ **Lunch and Learn:** Lunch and Learn, as an interesting medium for knowledge management and internal communication, allows employees to learn and share knowledge over lunch break in an informal way. In 2019, we invited the Group's management and external lecturers to share various topics that attract employees to attend Lunch and Learn sessions, including career sharing, advanced PPT preparation,

career shaping in VUCA times, perceiving happiness at Thanksgiving Day and modern technology development trends. In this way, we upskilled employees with advanced skills for career success in a free and relaxing atmosphere.

Anti-corruption

IMAX China maintains a high standard of business integrity throughout its operations and tolerates no form of corruption or bribery in compliance with *the Anti-Unfair Competition Law of the People's Republic of China*, *the Company Law of the Peoples Republic of China* and other relevant laws and regulations relating to anti-corruption, bribery, extortion, fraudulent behavior and money laundering. As a majority-owned subsidiary of IMAX Corporation, all directors, officers and employees of IMAX China are required to abide by IMAX Corporation's *Code of Business Conduct and Ethics (the "Code")* and eliminate any form of corruption and bribery. In 2019, there were no confirmed non-compliance incidents in relation to anti-corruption and bribery, extortion, fraud or money laundering.

The Group adheres to a high standard of integrity management in operation. All employees are required to sign a statement acknowledging receipt of the Code and agreeing to abide by its terms. IMAX China has also adopted a formal policy for reporting violations of *the Code* in its *Protocol for Reporting Suspected Violations of the IMAX Code of Business Conduct and Ethics* and *Anti-Bribery and Anti-Corruption Policy China Addendum*. We set up multiple effective communication channels, and the employee may report a suspected violation of *the Code*.

All new employees are required to sign the employee commitment undertaking to comply with the *Employee Handbook* and its appendixes and with all other rules and regulations applicable to IMAX China employee, including business ethics & code of conduct and duty of

confidentiality. Anti-corruption trainings materials are uploaded to the Group's online learning platform. Employees are required to sign a compliance statement after finishing the relevant courses.

For suppliers and customers, we incorporate compliance obligations pertaining to anti-corruption and anti-bribery contractually to request that all parties comply with relevant laws and regulations while performing contracts entered into with us.

3 Supply Chain Management

As stipulated in the *IMAX China Supply Chain Management Policy*, IMAX China has set up a strict supply chain management system to ensure high quality service to the Group's clients.

IMAX Corporation, the Group's controlling shareholder, has implemented a strict selection process on its suppliers and sub-contractors taking into considerations such elements as supplier qualification, past performance, financial strength and price. IMAX China only works with qualified suppliers approved by IMAX Corporation and, for the duration of any arrangement with a supplier, IMAX China closely supervises supplier performance and provides feedback where necessary.

Committed to social responsibility in its supply chain, IMAX China conducts factory inspections and trainings and offers guidance on IMAX product quality standards.

For the local suppliers selected by IMAX China, the Group formulates strict requirements: For screen frame suppliers, they must be accredited by ISO9001 Quality Management System. Apart from that, IMAX China establishes stringent technical and service criteria to ensure product and service quality. We carry out load-bearing test on screen frame every year to ensure safety; for logistics providers, IMAX China requires appropriate vehicle and qualified drivers. IMAX China also requires the suppliers to adopt GPS system to monitor and manage all the logistics vehicles.

In order to lead suppliers to take the road of sustainable development, IMAX China pays active attention to the sustainability in supply chain management and urges suppliers to take measures to reduce their environmental and social risks. The Group performs an annual assessment on environmental and social risks of the supply chain. We prepared the *Supplier Environmental and Social Risk Assessment Form* with the supplier's self-review and IMAX China's evaluation adopted to assess the supplier on its management of environmental and social risks and provide a quantitative rating for its environmental and social risks, which would be referred to when selecting and evaluating supplier. The assessment scopes include environmental risks such as the establishment of environmental risk system, process management of procurement, raw materials and production, publicity and training on environmental risk awareness, as well as the social risks such as supplier's maintenance for labour rights and interests, its maintenance for labour health and safety.

As of 31 December 2019, all four local suppliers of IMAX China have completed the 2019 annual environmental and social risks assessments, and no material environmental and social risks were found for each of the suppliers.

4 Community Investment

With social responsibility in mind, IMAX China is expanding its efforts in the area of charity work. We have formulated the *IMAX China Community Investment Management Policy*. An annual assessment is conducted to assess the relationship between our business and the interests of the surrounding communities, and we actively give back to society by launching and participating in various public welfare activities.

Engaged in Public Welfare Activities

We devote ourselves to public welfare activities and fulfil our commitment to corporate social responsibility. With corporate social responsibility in mind, we improve the public welfare of our community and contribute to the society.

Together with Meituan, Maoyan and New Sunshine Charity Foundation, IMAX China held a public movie-watching event named “Heroes Assemble, Power Gathers” in May 2019, inviting hundreds of children with leukemia and their parents to watch the IMAX version of *Avengers: Endgame* and providing each child with relevant spin-off gifts. This interactive movie-watching event conveys our hope to bring happiness to children diagnosed with leukemia who have been hospitalised for a long time.



Tribute to Social Workers

When IMAX versions of three patriotic movies namely *My People, My Country*, *The Captain* and *The Climbers* were released during the 2019 National Day of the People's Republic of China, 7 extraordinary people including Chinese mountain climber Qing Cai, Chinese kick boxer Kehan Wang and Beijing Olympic volunteer Rui Shang were filmed by IMAX China to tell stories of ordinary social workers who have made unconditional contributions to making great history. We collated their stories into a special collection of “Interviews with Extraordinary People” and published it on IMAX China’s official Weibo and WeChat public account. At the same time, different media such as Douban Film and China Daily joined to promote this campaign and

finally it was viewed by 1.5 million users. This event themed by “Honouring Extraordinary with Reality” allows more of us to become familiar with those “ordinary” but “extraordinary” people and pay tribute to them, thus remembering the extraordinary moments during the thousands of years of history, and finally promoting the positive energy of society.

➤ Pay Tribute to Extraordinary People



Focus on the Power of Women

During the Shanghai International Film Festival in 2019, IMAX China and the Shanghai International Film Festival organiser jointly held a “Women Dialogue: Persistent Dreams” event to commemorate film-maker Toni Meyers, while inspiring women in all fields to persist in their dreams and be brave in pursuit of their dreams. We invited more than 200 movie fans and media to watch one of Tony Meyers’s classics *Hubble 3D* (IMAX 3D version). Moreover, we also invited five outstanding women from different fields to discuss their persistent dreams, who shared their insights on women’s pursuit of dreams and realisation of the value of life, as well as their valuable experience in discovering, persisting and ultimately achieving their dreams in their careers.



➤ Women Dialogue: Persistent Dreams



5 Environmental Protection

We strictly follow the *Environmental Protection Law of the People's Republic of China* and other applicable laws and regulations, as we understand the importance of environmental protection and resource conservation for the sustainable development of IMAX China. Considering the very limited energy consumption and emission caused from operation at workplace and travels of employees, the Group's business operation has little impact on the environment and natural resources. Nevertheless, we take multiple energy saving measures and promote green working style to maximize resource utilization and fulfil our responsibilities for environmental protection.

In 2019, there were no confirmed non-compliance incidents in relation to environmental protection that would have a significant impact on the Group's operations.

Emission Reduction

We formulated *IMAX China Environmental Protection Management Policy* according to relevant laws and regulations to standardize the management of emissions generated during the Group's operation, so as to meet relevant emission standards. IMAX China conducts data collection and analysis on greenhouse gases that have substantial impact generated at workplace, and takes effective measures to reduce or avoid emissions. Based on the Group's evaluation, IMAX China does not generate significant air emissions or hazardous waste. Limited workplace effluents and wastes are attributed to the operation of IMAX China offices. All workplace effluents are managed by the property management companies and discharged into the municipal sewer systems for collective treatment in accordance with the *Integrated Wastewater Discharge Standard (GB 8978-1996)*. Workplace wastes of IMAX China offices are treated by the property management companies. There is no material impact on the environment and natural resources.

Due to the Group's business nature, the Group's main greenhouse gas emissions are the indirect emissions resulting from electricity consumed at the Group's workplace as well as from business travel by employees. The Group has adopted green office measures to reduce the impact on the environment, e.g., teleconference and internet-meeting practices are encouraged to avoid unnecessary travel. The Group's technical service center gives customers instant technical support via phone or remote access which increases efficiency and reduces the impact on the environment since less travel is required to service systems.

Theatre operators in cooperation with the Group are responsible for the operation and management of IMAX theatres, as well as for the management of environmental influences caused by such theatres. As part of our cooperation with theatre operators, we also actively encourage the theatre operators to take actions for energy saving and environmental protection.

Use of Resources

In order to better manage the use of resources and improve resource utilization, we collect and analyse annual energy consumption data every year in accordance with *IMAX China Environmental Protection Management Policy* and solve the identified problems in time.

The Group has adopted green office measures to reduce resource consumption:

- For workplace with fewer employees and higher personnel mobility, we adopt the emerging shared office model to maximize resource utilization;
- Employees are encouraged to adopt water and electricity-saving habits; A table card is placed on each employee's desk to remind them to turn off the lights and power when not in use; and the lights shall be kept off for one hour during the lunch break;
- By default, all office printers are set to print double-sided to reduce paper use, and to print in black-and-white to conserve printing inks. Recycled papers are placed beside the printers to encourage employee to use.
- We organise public education activities about waste classification, encouraging employees to use their own tableware and cups, thus reducing the use of disposable utensils;

In the process of goods transportation, we use electronic customs declaration documents, and make full use of appropriate transportation space. Marine instead of air transportation is preferred when time permits in order to reduce carbon emissions and waste of resources during transportation; we also actively encourage logistics companies to reuse shipping packing materials including pallets, paper packing boxes and special aluminium parts packing cases.

With the goal of ensuring service quality in mind, we adopt multiple ways to improve energy efficiency while providing customer services. Services requiring no on-site overhaul are provided by the technology service center via telephone or remote control. Besides, IMAX China establishes after-sales service sites in Shanghai, Hangzhou, Beijing, Chengdu, Chongqing, Guangzhou, Shenyang and Wuhan. Where on-site services are required, on-site service engineers nearby would be appointed, so that unnecessary travels of employee could be avoided.

Overall, the total emission of greenhouse gases has increased by 17.43% from 444.49 tCO₂e in 2018 to 521.96 tCO₂e in 2019. The energy indirect greenhouse gas emission (Scope 2) increased by 6.26% and the indirect greenhouse gas emission (Scope 3) from air travels of employees increased by 21.59% from 2018 to 2019. The Group's total emission of greenhouse gases per capita has slightly increased by 2.11% from 4.73 tCO₂e/employee in 2018 to 4.83 tCO₂e/employee in 2019. The total energy consumption has increased slightly from 2018 to 2019 with the total energy consumption per capita has reduced by 7.14% from 1.82 MWh/employee to 1.69 MWh/employee.

Environmental key performance indicators:

	2019	2018	%
Total emission of greenhouse gases (Scope 2 and Scope 3) (in tCO ₂ e)	521.96	444.49	17.43
Energy indirect greenhouse gas emission (Scope 2) (in tCO ₂ e)	128.15	120.60	6.26
Including: purchased electricity in tCO ₂ e	128.15	120.60	6.26
Other indirect greenhouse gas emissions (Scope 3) (intCO ₂ e)	393.81	323.89	21.59
Including: air travels of employee (in tCO ₂ e)	393.81	323.89	21.59
Total emission of greenhouse gases per capita (tCO ₂ e/employee)	4.83	4.73	2.11
Total energy consumption (MWh)	182.16	171.43	6.26
Total indirect energy consumption (MWh)	182.16	171.43	6.26
Including: purchased electric power (MWh)	182.16	171.43	6.26
Total energy consumption per capita (MWh/employee)	1.69	1.82	-7.14

**Notes:**

1. Based on the operating characteristics, our greenhouse gas emissions mainly comprise the energy indirect greenhouse gas emission caused by purchased electricity (Scope 2) and other indirect greenhouse gas emissions caused by air travels of employee (Scope 3). We do not produce any material amount of direct greenhouse gas emission (Scope 1).
2. The accounting of greenhouse gas is presented in terms of carbon dioxide equivalent, and energy indirect greenhouse gas emission is accounted in accordance with the *Guidelines on Accounting Methods and Reporting of Greenhouse Gas Emissions of Public Building Operators* issued by the National Development and Reform Commission. Air travel greenhouse gas emission data are provided by the ticket agency.
3. The reported scope of environmental data is adjusted as follows compared with 2018: two offices in Shanghai are merged into one and a new training center is added.
4. As minimum environmental impact results from the Group's operation, KPIs A1.1 (types of direct emissions and emissions data), A1.4 (total non-hazardous waste produced) and A1.6 (description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved) are immaterial to the Group's operation and have not been disclosed in this ESG report. The Group will continue to monitor the environmental impact of its operations and will include the relevant environmental data in future reports when appropriate.

5. As there is no hazardous waste produced from the Group's operation, KPI A1.3 (total hazardous waste produced) is not applicable to the Group and has not been disclosed in this ESG report.
6. As only a minimum amount of water was used in the office, KPIs A2.2 (water consumption in total and intensity) and A2.4 (description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved) are immaterial to the Group's operation and have not been disclosed in this ESG report.
7. As no packaging material was used in the Group's operation, KPI A2.5 (total packaging material used for finished products) is not applicable to the Group and has not been disclosed in this ESG report.
8. As the Group's operation is immaterial to the environment and natural resources, Aspect A3 (The Environment and Natural Resources) and KPI A3.1 (Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them) are not applicable to the Group and have not been disclosed in this ESG report.

Appendix: Environmental KPIs Disclosure Index

KPI	Description	Disclosed or not	Explanation
A1.1	The types of emissions and respective emissions data.	Not Disclosed	The KPI is immaterial to the Group's operation, see page 22
A1.2	Greenhouse gas emissions in total and, where appropriate, intensity.	Disclosed	Page 22
A1.3	Total hazardous waste produced and, where appropriate, intensity.	Not Disclosed	The KPI is not applicable to the Group's operation, see page 23
A1.4	Total non-hazardous waste produced and, where appropriate, intensity.	Not Disclosed	The KPI is immaterial to the Group's operation, see page 22
A1.5	Description of measures to mitigate emissions and results achieved.	Disclosed	Page 20
A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Not Disclosed	The KPI is immaterial to the Group's operation, see page 22
A2.1	Direct and / or indirect energy consumption by type in total and intensity.	Disclosed	Page 22
A2.2	Water consumption in total and intensity.	Not Disclosed	The KPI is immaterial to the Group's operation, see page 23
A2.3	Description of energy use efficiency initiatives and results achieved.	Disclosed	Page 21
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Not Disclosed	The KPI is immaterial to the Group's operation, see page 23
A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced.	Not Disclosed	The KPI is not applicable to the Group's operation, see page 23
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Not Disclosed	The KPI is not applicable to the Group's operation, see page 23

The background is a deep blue with several bright, glowing light rays emanating from the top center, creating a sense of depth and focus. The rays are slightly blurred, giving a dynamic feel. The IMAX logo is centered in the middle of the frame.

IMAX[®]