



# IMPROVING LIVES, ENDING PROHIBITION, AND STRENGTHENING COMMUNITIES

2021 ESG Report

As the cannabis industry becomes more established, we recognize the role we must play to ensure that progress is achieved **responsibly** and **sustainably**. We are committed to realizing our vision of unleashing the power of cannabis to **improve lives** by building an organization that is made with intention and defined by **purpose**, reflecting the **shared values** of our customers, employees, partners, and investors.

– David Klein, Chief Executive Officer

# CONTENTS

## ABOUT CANOPY GROWTH 4

About This Report	4
A Message from Our CEO	5
About Canopy Growth	6
2020 Highlights	11
Response to COVID-19	12
Our ESG Approach	14

## CORPORATE GOVERNANCE 19

Board of Directors	20
Ethical Conduct & Compliance	20
Regulatory Compliance	21
Risk Management	21
Cybersecurity	21
Public Policy & Advocacy	21
Community Relations	21

## PRODUCT SAFETY & RESPONSIBLE USE 22

Product Safety	23
Our Approach	23
Research & Development	24
Production & Distribution	26
Pharmacovigilance	26
Responsible Use	28
Our Approach	28
Protecting Youth	28
Increasing Access	28

## OUR PEOPLE 29

Training & Career Development	30
Compensation & Benefits	31
Engagement & Recognition	32
Workplace Health & Safety	33
Workforce Demographics	34
Diversity, Equity & Inclusion	35

## SOCIAL JUSTICE & COMMUNITY IMPACT 39

Q&A with Torie Marshall and Hilary Black	41
Community Reinvestment	45
Access to Criminal Justice Reform	48
Cannabis Education, Destigmatization & Advocacy	51

## ENVIRONMENTAL IMPACT 54

GHG Emissions & Energy	56
Waste Management & Recycling	57
Water Management & Conservation	57
2020 Performance	58

## APPENDIX 62

2020 Performance Data	62
SASB Index	63
Social Impact Partners	69
Greenhouse Gas Emissions Inventory Methodology	70





# ABOUT THIS REPORT

In this inaugural environmental, social, and governance (ESG) report, we describe our progress from January 1, 2020 to December 31, 2020, as well as qualitative details on some key activities that occurred in 2021. The content is based on those ESG issues deemed most important and influential to Canopy Growth and our stakeholders through our materiality assessment, as well as a review of relevant reporting standards and frameworks including the Sustainability Accounting Standards Board (SASB) Biotechnology & Pharmaceuticals, Agricultural Products, and Non-Alcoholic Beverages Sustainability Accounting Standards and the UN Sustainable Development Goals.

All our business operations, affiliated brands, and strategic business units worldwide are in scope unless otherwise stated.

Throughout this report, we guide readers to additional sources of information. All monetary units presented, unless otherwise stated, are in Canadian dollars. It is our intention to continually review the Company's ESG progress. We plan to publish our next report in 2022.

We value and welcome engagement from all stakeholders. Please send comments or questions about this report to [esg@canopygrowth.com](mailto:esg@canopygrowth.com).

## Cautionary Note Regarding Forward-Looking Statements

This report contains "forward-looking statements" and "forward-looking information" within the meaning of applicable U.S. and Canadian securities laws (collectively, "forward-looking statements"), which involve certain known and unknown risks and uncertainties. Forward-looking statements predict or describe our future operations, business plans, business and investment strategies and the performance of our investments. These forward-looking statements are generally identified by their use of such terms and phrases as "intend," "goal," "strategy," "estimate," "expect," "project," "projections," "forecasts," "plans," "seeks," "anticipates," "potential," "proposed," "will," "should," "could," "would," "may," "likely," "designed to," "foreseeable future," "believe," "scheduled" and other similar expressions. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statement was made. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to significant business, economic and competitive risks, financial results, results, performance or achievements expressed or implied by those forward-looking statements and the forward-looking statements are not guarantees of future performance. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. A discussion of some of the material factors applicable to Canopy Growth Corporation ("Canopy Growth" the "Company" or "we") can be found under the section entitled "Risk Factors" in Canopy Growth's Annual Report on Form 10-K for the year ended March 31, 2021, filed with the Securities and Exchange Commission and with applicable Canadian securities regulators, as such factors may be further updated from time to time in its periodic filings with the Securities and Exchange Commission and with applicable Canadian securities regulators, which can be accessed at [www.sec.gov/edgar](http://www.sec.gov/edgar) and [www.sedar.com](http://www.sedar.com), respectively. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this report and in the filings. Any forward-looking statement included in this report is made as of the date of this report and, except as required by law, Canopy Growth disclaims any obligation to update or revise any forward-looking statement. Readers are cautioned not to put undue reliance on any forward-looking statement. Forward-looking statements contained in this report are expressly qualified by this cautionary statement.



# A MESSAGE FROM OUR CEO

Since day one, Canopy Growth has set out to play a leading role in establishing the cannabis industry. Developing a new industry provides an incredible opportunity, but like any opportunity of immense potential, progress is rarely achieved in a straight line. This was certainly true of 2020, a year that challenged us all, requiring resilience and perseverance. It was a year that demanded that we, as a collective, evaluate the things that matter by concentrating on impact and progress, while best supporting our families, employees, and the communities where we work and live.

As a purpose-driven company, I believe the onus is on us to lead by example and create the just and equitable industry in which we seek to operate. Fundamental to this is developing and articulating our clear commitment to environmental, social, and governance (ESG) imperatives. With that, I am pleased to share with you our inaugural ESG report. This report recognizes where we are today and outlines our approach to ESG through stakeholder engagement, materiality, and roadmaps to support performance in our areas of focus:

- Product Safety and Responsible Use;
- Diversity, Equity, and Inclusion;
- Social Justice; and
- Environmental Impact.

As an expression and extension of our purpose and to further the impact of our ESG strategy, Canopy Growth:

- Continues to set a high standard for product safety through our pharmacovigilance program;
- Remains focused on building a diverse and inclusive workplace, and has devoted time and resources to gain a better understanding of our processes and the experience of our employees;
- Maintained and strengthened our commitment to social justice reforms through strategic investments in equity-deserving communities; and
- Undertook our first environmental inventory and footprint assessment, which evaluated our energy consumption, greenhouse gas (GHG) emissions, and use of resources and materials across our business.

As the cannabis industry becomes more established, we recognize the role we must play to ensure that progress is achieved responsibly and sustainably. We are committed to realizing our vision of unleashing the power of cannabis to improve lives by building an organization that is made with intention and defined by purpose, reflecting the shared values of our customers, employees, partners, and investors.

We look forward to sharing this work with you.

**David Klein**  
Chief Executive Officer



**“We are committed to realizing our vision of unleashing the power of cannabis to improve lives.”**

**– David Klein, Chief Executive Officer**

# ABOUT CANOPY GROWTH

Canopy Growth (TSX:WEED, NASDAQ:CGC) is a world-leading cannabis and cannabinoid-based consumer product company, driven by a passion to improve lives, end prohibition, and strengthen communities by unleashing the full potential of cannabis. Leveraging consumer insights and innovation, we offer product varieties in high-quality dried flower, oils, softgels and edibles (including infused beverages and gummies), and topical formats, as well as vaporizer devices by Canopy Growth and industry-leader STORZ & BICKEL. Our global medical brand, Spectrum Therapeutics, sells a range of full-spectrum products using a colour-coded classification system to easily identify products of different potency and is a market leader in Canada. Through our award-winning owned and franchised Tweed and Tokyo Smoke retail locations, and

through third-party retailers, we reach adult-use consumers and have built a loyal following by focusing on top-quality products and meaningful customer relationships.

Canopy Growth has entered into the health and wellness consumer space in key markets including Canada, the United States, and Europe through BioSteel sports nutrition and This Works sleep, skincare, and wellness solutions; and has introduced additional hemp-derived cannabidiol (CBD) products in the United States through the Quatreau, First & Free and Martha Stewart CBD brands. Canopy Growth has an established partnership with Fortune 500 alcohol leader Constellation Brands.

## Vision

To unleash the power of cannabis to improve lives.

## Mission

To build an organization made with intention and defined by purpose, serving as a new model for a transformational industry.

## Purpose

Improving lives, ending prohibition, and strengthening communities.



**As the first publicly traded, federally regulated, and licensed cannabis producer in North America, Canopy Growth embraces the opportunity and responsibility to lead the cannabis industry forward with integrity and intention.**

# Guiding Principles

From product and process innovation to in-market execution and everything in between, we are driven by a passion for leadership, a commitment to drive the industry forward, and, above all else, providing exceptional experiences to our consumers.

## Canopy Growth at a Glance

Headquarters: Smiths Falls, Ontario, Canada

Employees\*: 3,259

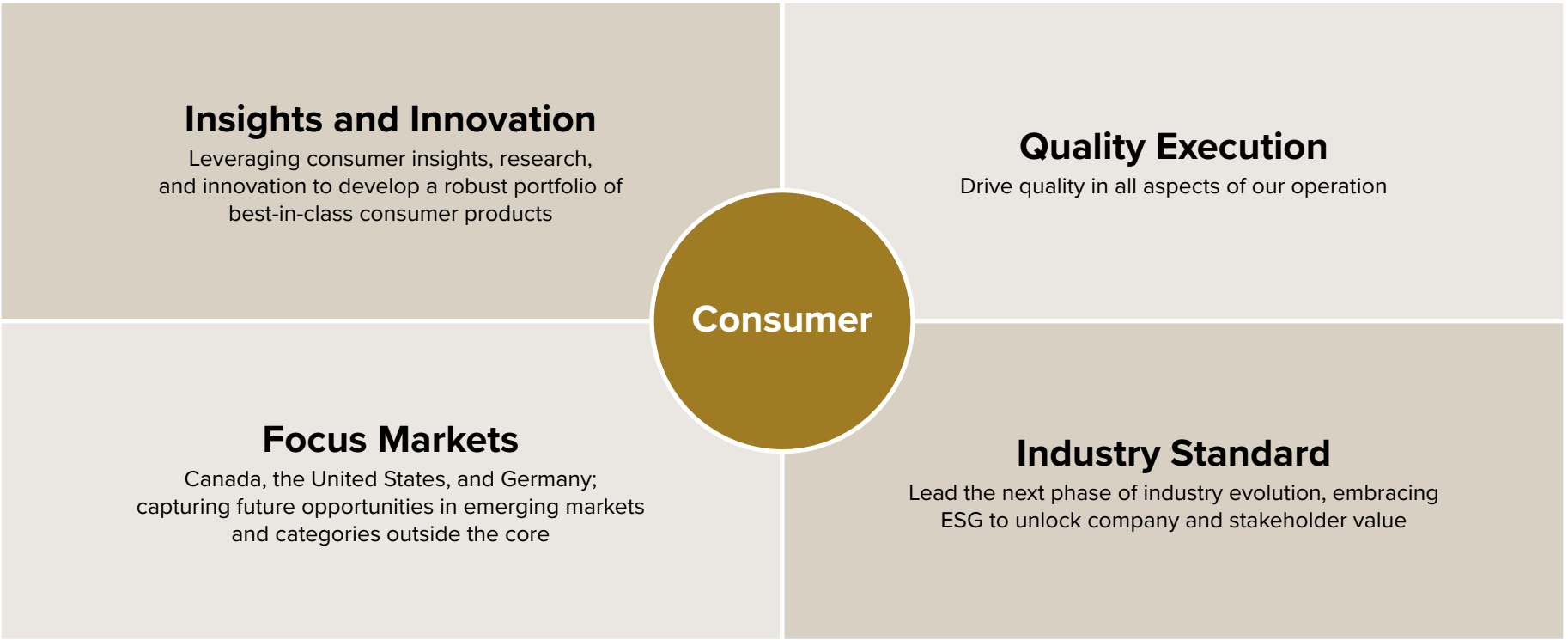
Revenue\*\*: \$546.6 million

Listed on the Toronto Stock Exchange (WEED) and the Nasdaq Stock Market (CGC), and part of the S&P/TSX Composite Index.

\*As of March 31, 2021  
\*\*FY2021 (April 1, 2020 to March 31, 2021)

# Strategy

We will achieve our vision by harnessing the power of the cannabis plant, building a best-in-class consumer product goods (CPG) company, and fostering a purpose-driven culture. Our approach involves operating with integrity, intention, and values, with a business focus on insights, innovation, and brands.





# UNLEASHING THE POWER OF CANNABIS

We believe lives can be enhanced from the tailored use of cannabis. At Canopy Growth, we are focused on delivering innovative brands and products that meet these needs while redefining consumers’ relationships with cannabis.

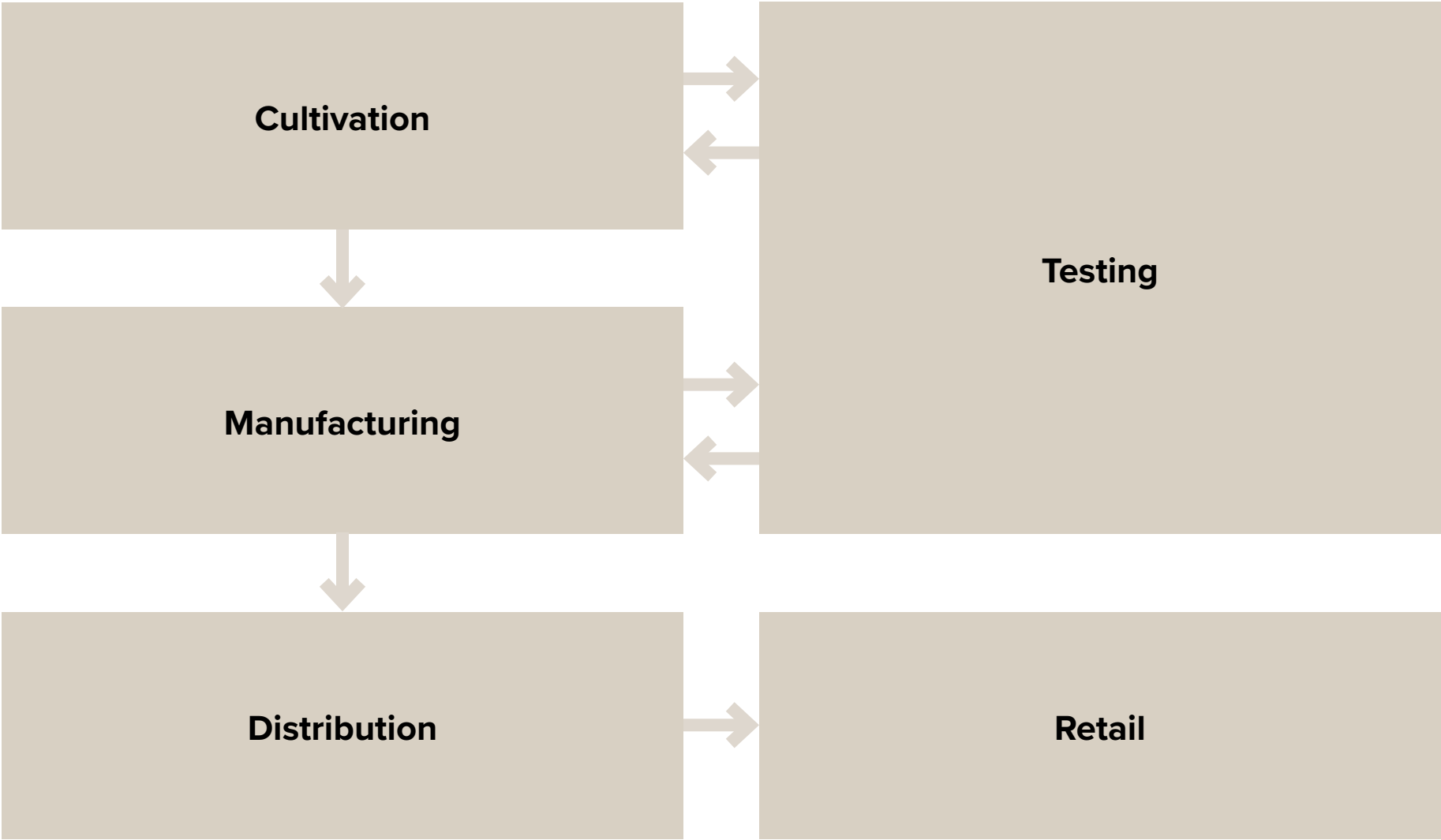
## Our Brands (as of September 2021)

Cannabis and Hemp Brands		Affiliated Brands	Medical Brands	Other Consumer Brands
7ACRES	Quatreau	DNA Genetics	Spectrum Therapeutics	BioSteel
7ACRES Craft Collective	Simple Stash	Martha Stewart CBD	Truverra	STORZ & BICKEL
Ace Valley	sugarleaf			This Works
Blissco	Tokyo Smoke			
Deep Space	Twd.			
Doja	Tweed			
First & Free	Vert			
Hiway	whisl			

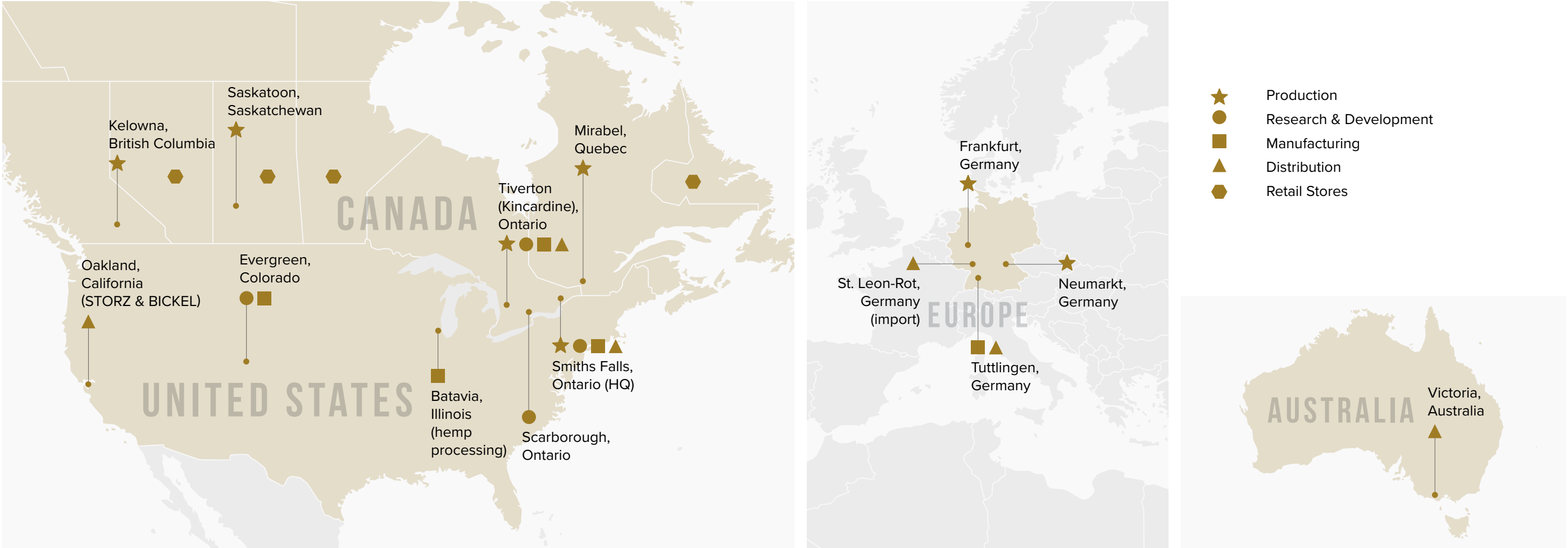
# OUR SUPPLY CHAIN

We work in-house and with third-party contract manufacturers (CMOs) to process the extract required to supply and sustain the broad portfolio of Tetrahydrocannabinol (THC) and hemp-derived (CBD) products.

All of our production facilities are operated in accordance with applicable labour and employment laws.



# WHERE WE OPERATE (as of November 2021)<sup>1</sup>



<sup>1</sup> In 2020 through 2021, we rightsized our production footprint to better align with market demand, resulting in the closure of nine facilities in Canada.



# 2020 HIGHLIGHTS

75,000

Pieces of PPE donated to hospitals, municipalities, and the Ontario provincial government in Canada

>\$1.8M

of support invested in record-clearing, wrap-around, and ancillary services for people impacted by the war on drugs

48%

Achieved near gender parity of women in our global workforce

\$2M

Value of our BioSteel Hydration Mix donated to frontline healthcare workers in the United States

23,000

Number of patients registered for our Compassionate Pricing Program through Spectrum Therapeutics

FIRST-EVER

Conducted our first-ever baseline assessment of our Scope 1 and Scope 2 energy use and GHG emissions

93%

of Canopy Growth employees trained on our pharmacovigilance program

ZERO

Number of safety-related product recalls globally

4 ERGs

Consistent with our commitment in 2020, in 2021 we hired our first senior leadership role for Diversity, Equity, and Inclusion (DE&I) Bringing in our VP of DE&I led to the establishment of four enterprise-wide Employee Resource Groups (ERGs) representing Indigenous, Black, and LGBTQ2S+ employees, and employees living with disabilities

# RESPONSE TO COVID-19

The COVID-19 pandemic changed the way we work and live, in ways that will have long-term impacts.

In March 2020, we assembled a COVID-19 management committee with representatives from Health & Safety, Human Resources, our Executive Management Committee, Manufacturing, Legal, and Retail. It met daily to monitor and put in place plans to mitigate the impact of the pandemic on the health of our employees, our business, patients, and the communities in which we operate.

## Protecting Our Employees

Our top priority was employee health and safety.

We implemented various measures to reduce the spread of the virus including requiring that our non-production employees work from home. More than 40% of our employees were deemed essential and remained in the workplace. Due to the nature of our operations, Canopy Growth production workers already wear respirators or medical masks in our facilities and follow strict handwashing protocols. We added to this existing safety regime a new six-feet social distance requirement and additional cleaning of facilities, bathrooms, and break spaces. Employees also received a daily COVID-19 screening via email which they were required to complete before being admitted on site. Once on site, they received temperature checks at facility entrances. Since the pandemic began, there have been no reported outbreaks at Canopy Growth facilities.

To support our employees during this time of increased stress and anxiety, we initiated a number of new mental health programs and offered supplemental resources such as wellness seminars and meditation. For parents, we provided resources to help with childcare and homeschooling.

As we look forward to returning to work post-pandemic, we are putting in place a new flexible hybrid approach for non-essential workers (see [page 31](#) for more information).

## Delivering for Patients

During the early phases of the pandemic, we temporarily closed all our corporate retail stores to protect employees and customers.<sup>1</sup> However, we continued to ensure supply of products to patients, with a focus on those using our products for medical treatment, and experienced minimal disruption to our production and supply chain. In Canada, patients could access medical products through our e-commerce channels. In Europe, patients had ongoing access to our medical products through our pharmacy partners, which were deemed essential businesses throughout the pandemic.



### Webinar



Ashleigh Brown  
Founder and CEO  
SheCann Cannabis Inc.



Hilary Black  
Chief Advocacy Officer  
Canopy Growth Corporation

## Medical Cannabis Access & COVID-19:

We are in this together

Tuesday, April 7th- 4:30pm EST

Sign up for access: <http://tiny.cc/SheCann>

You must be 19+ to attend



We remained steadfast in our support to the patient community by addressing issues related to COVID-19 and its impact. During an online webinar in 2020, Ashleigh Brown, Founder of SheCann, a Canadian female-focused patient group, and Hilary Black, Chief Advocacy Officer at Canopy Growth, discussed patient care and medical cannabis access during COVID-19.

<sup>1</sup> The majority of our corporate stores re-opened by August 2020 and continue to operate in adherence with public health guidelines.

# SUPPORTING OUR COMMUNITIES

As COVID-19 hit local communities across the globe, it exacerbated existing challenges in healthcare, social connectivity, and food security. We responded, pivoting our community support to where the need was greatest.

75,000

Donated more than 75,000 pieces of PPE to hospitals, municipalities, and the Ontario provincial government in Canada

\$180,000

Donated 7,550 units of This Works hand sanitizer, moisturizer, aromatherapy mists, and shower gel to frontline workers, food banks, and shelters in the United Kingdom valued at \$180,000

\$2M

Provided in-kind donation of our BioSteel Hydration Mix, worth an estimated \$2 million, to frontline healthcare workers in the United States

\$2.2M

Donated 14,000 First & Free CBD products to U.S. hospitals and nursing homes valued at \$2.2 million



## Acting as a Good Neighbour in the Communities We Call Home

Through our Good Neighbour program (see [page 32](#)), we addressed the growing challenge of food security during the pandemic through partners such as the Lethbridge Soup Kitchen, which supports individuals and families with very limited income or who simply need a hot meal.



## Helping Seniors Stay in Touch with Family and Friends

In response to the increasing isolation facing many residents of long-term care homes during COVID-19, Canopy Growth’s medical division, Spectrum Therapeutics, donated 57 iPads to 21 Ontario long-term care homes to help residents remain connected to their family and friends. We are partnering with the homes in an ongoing study examining the potential of medical cannabis as an alternative to other potentially less-desirable therapeutics for pain, sleep, and behavioural and psychological symptoms of dementia in long-term care settings.



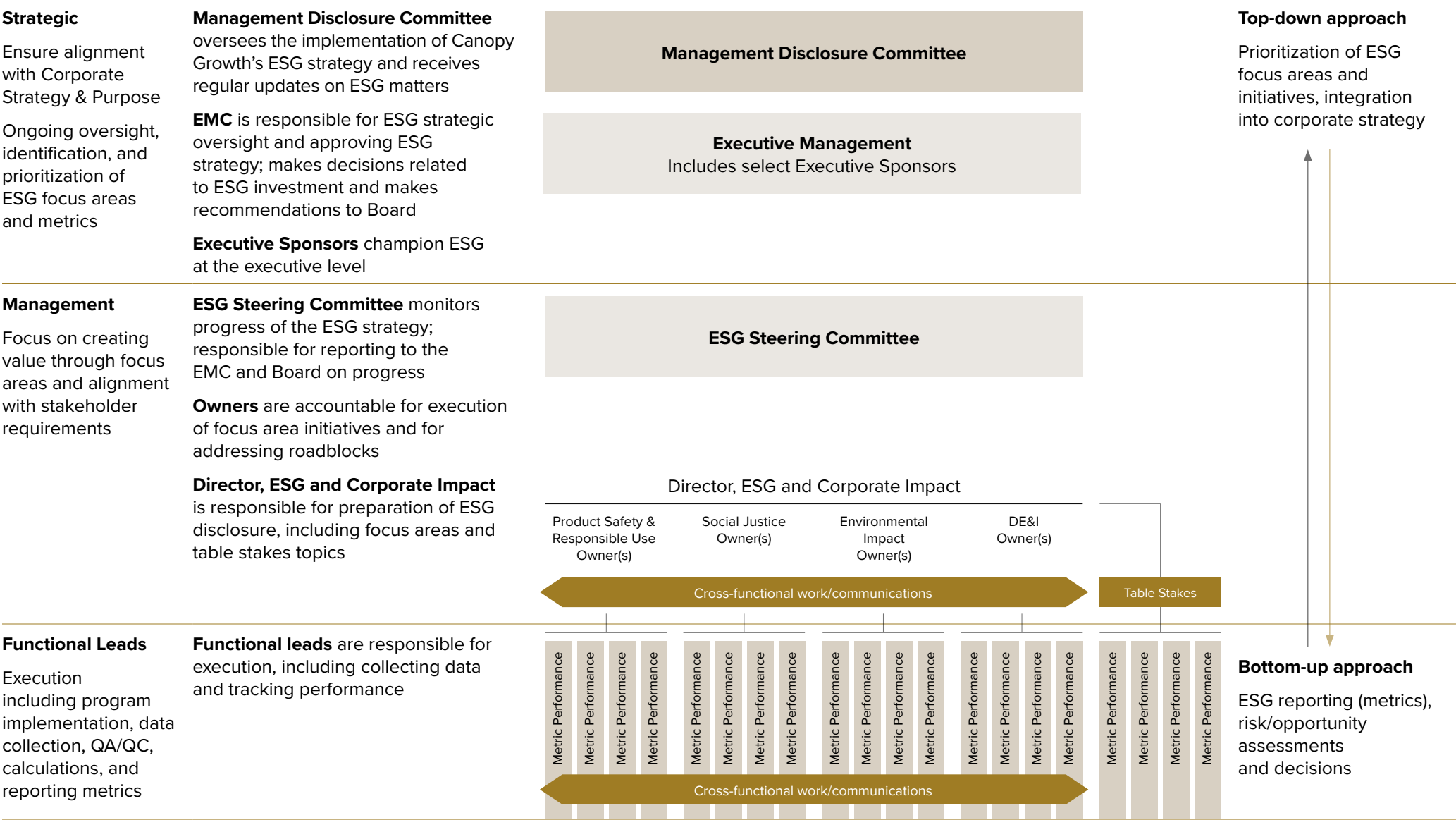
# OUR ESG APPROACH

## ESG Governance

In 2021, the Executive Management Committee (EMC), in conjunction with the Chief Advocacy Officer and the Director of ESG and Corporate Impact, engaged individual EMC members to monitor implementation of the ESG strategy in their respective areas of responsibility and oversight. These EMC members constitute the ESG Steering Committee which will report progress to the EMC and work to ensure cross-functional integration and alignment on ongoing ESG strategy. The ESG Steering Committee will be chaired by a member(s) of the EMC and support focus area owners and functional leads. In respect of annual ESG reports, the ESG Steering Committee will present the draft report to the Corporate Governance, Compensation, and Nominating Committee (“CGC&N Committee”) of the Board.

This inaugural ESG report was reviewed and approved by the Board.

To embed ESG through our business, Canopy Growth integrated ESG metrics in our 2021 corporate and cascading business unit scorecards which support driving performance against company strategic goals and objectives. As we move forward, we are working to raise awareness and understanding of our ESG strategy and priorities across the organization.



# ESG Priorities

## Materiality Assessment

Materiality, in the context used for this report, refers to the relative significance of ESG and economic priorities and their impacts (both positive and negative) on our business and stakeholders. To help define those topics most urgent and relevant for our business, we initiated a materiality assessment in 2020 with third-party consultant Ernst & Young (EY). Our materiality approach follows established best practice and was informed by the value creation approach of SASB.

We began by analyzing priorities within ESG ratings and rankings and conducting a benchmark review to identify the issues on which our direct and indirect peers report, as well as an assessment of emerging ESG issues in our sector. We then interviewed members of Canopy Growth’s senior management and external stakeholders including community partners, investors, non-governmental organizations, and customers. The findings from the assessment resulted in a prioritized list of issues, with those considered most important to Canopy Growth and our stakeholders forming our four focus areas moving forward. For each, we are in the process of developing strategies and key performance indicators to measure our progress. Beyond these four areas, we will continue to focus on the eight other issues (to the right) deemed important, which we currently manage through existing processes and programs. Out of all the issues identified, our Executive Management Committee identified eight high-priority issues and four focus areas. We provide information on key issues in this report. The results of the assessment will inform our ESG objectives, strategies, and reporting moving forward.

Improving lives, ending prohibition, and strengthening communities

### Focus Areas

Product Safety & Responsible Use



Diversity, Equity & Inclusion



Social Justice & Community Impact



Environmental Impact



### Material Issues

Talent Management

Employee Health, Safety & Wellbeing

Community Relations

Business Ethics & Integrity

Regulatory Compliance & Leadership

Crisis & Risk Management

Board Quality & Governance

Climate Risk & Opportunity Management



## Linkage to UN Sustainable Development Goals

As a company focused on improving lives and strengthening communities, we recognize the powerful role we play in not only supporting but also contributing to achieving the United Nations Sustainable Development Goals (SDGs). Through our core business and social investments, we believe we can contribute in a meaningful way to the following goals.

### SDG 3: Good Health and Well-Being



Improving lives is a core part of our purpose. We support this goal through our research, products, commitment to responsible use, and social impact investments. Read more on [pages 24–28](#).

### SDG 13: Climate Action



We are working to reduce our energy use, where our environmental impact is greatest. Read more on [pages 55–61](#).

### SDG 10: Reduced Inequalities



Through our social impact investments, we are working through partnerships to address systematic and institutional barriers that continue to disproportionately harm communities affected by the war on drugs and limit individuals from prospering in their lives and communities. We also recognize the opportunity we have as an organization to reduce inequalities at work by seeking to create positive impact for historically excluded people through newly established diversity, equity, and inclusion initiatives. Read more on [pages 35–38](#), and [40–53](#).

### SDG 16: Peace, Justice and Strong Institutions



Through our social impact investments and public advocacy efforts, we are working to increase access to criminal justice reform, including support for expungement and other record-clearing services. Read more on [pages 40–44](#), and [48–50](#).

### SDG 17: Partnerships for the Goals



Much of what we accomplish is through partnerships. We remain committed to working with diverse stakeholders to address responsible use, social justice, and other critical imperatives. Read more on [pages 21, 28, 32, 37–38, 44–53](#).

# Stakeholder Engagement

Our stakeholders influence our business in a variety of ways and are impacted either directly or indirectly by our operations and activities. We seek to embed our purpose of improving lives, ending prohibition, and strengthening communities into how we engage with our stakeholders and communities, as shown below.

Stakeholder	How We Engage	Topics of Interest
Employees	Meetings Training sessions Lunch and learns Emails, phone Engagement surveys	Employee safety Equitable treatment and equal opportunity Positive work culture Equitable and fair pay Benefits Wellbeing Environmental practices
Consumers & Patients	Product education Marketing initiatives	Cannabis education and responsible use (i.e., occasions for use and suggestions on dosage)
Investors & Shareholders	Quarterly earnings calls Investor events Annual General Meeting Emails, phone	Business performance and planning Cannabis reform (U.S.) Corporate governance Ethical and compliant behaviour Research pipeline
Government, Regulators & Intergovernmental Organizations (i.e., utility providers, U.S. Food and Drug Administration, Health Canada, World Health Organization)	Meetings Industry groups Public consultations Written correspondence	Product safety Pharmacovigilance Research studies Employee health and safety Regulatory compliance GHG emissions and energy use Eco-friendly packaging New construction planning
Suppliers & Contractors	Meetings Audits Contracting process	Health and safety Ethical and compliant conduct Product quality

# Stakeholder Engagement (continued)

Stakeholder	How We Engage	Topics of Interest
Customers – Retailers, Distributors & Government Boards	In store Phone Meetings Email (where permitted by law) Social media	Product safety and quality Product roadmap and innovation Product availability and delivery Responsible consumption Product affordability Eco-friendly packaging Social justice efforts
Medical Professionals	Phone Meetings Medical education activities	Product safety and quality Pharmacovigilance Product dosing and administration Responsible use Research on cannabis for medical purposes
Research & Scientific Community	Scientific conferences Peer-reviewed publications	Scientific discovery Product research Responsible use
Local Communities	Community consultations	Impacts from production facilities Employment Economic development Community support initiatives Social impact and grant-making
Cannabis Advocacy Groups, Non-Governmental Organizations & Equity-Seeking Groups	Direct engagement	Social justice efforts Affordability and availability Cannabis policy liberalization and reform



# CORPORATE GOVERNANCE

## Topics covered

- Board of Directors
- Ethical Conduct & Compliance
- Regulatory Compliance
- Risk Management
- Cybersecurity
- Public Policy & Advocacy
- Community Relations

## UN SDGs in this section:

3 GOOD HEALTH AND WELL-BEING



10 REDUCED INEQUALITIES



16 PEACE, JUSTICE AND STRONG INSTITUTIONS





## Board of Directors

Effective corporate governance is critical for both our long-term performance and maintaining stakeholder trust.

Our board of directors (the “Board”) is governed by [Canopy Growth articles, by-laws, mandates, and policies](#). Maintaining a high standard of corporate governance is a priority for the Board and the Company’s management, as both believe that effective corporate governance will help create and maintain shareholder value in the long term. The Board is responsible for the stewardship of the Company, supervising the management of our business and our affairs, and acting in the best interests of the Company and shareholders.

The Board’s main duties involve: (i) strategic planning and monitoring corporate performance against the strategic and business plans; (ii) identifying the principal risks of our business and ensuring we implement appropriate systems to manage such risks; (iii) ensuring appropriate standards of corporate conduct; (iv) establishing a communications policy for communicating with investors and other interested parties; (v) overseeing the integrity of our internal controls and management information systems; and (vi) assessing the effectiveness of the Board, its committees, and the contribution of individual directors.

We have two standing Board committees: 1) the Audit Committee and 2) the CGC&N Committee. Our Board includes two women (including the chair of the Board and the chair of the CGC&N Committee). For more information, please visit the Governance section of our website at [www.canopygrowth.com/investors/governance/](http://www.canopygrowth.com/investors/governance/).

## Ethical Conduct & Compliance

Canopy Growth is committed to conducting its business in compliance with all applicable laws, statutes, rules, regulations, and stock exchange policies and expects its directors, officers, and employees acting on its behalf to do the same.

### Code of Business Conduct and Ethics

Canopy Growth conducts its business consistent with both the letter and spirit of applicable laws and with the highest standards of business integrity and ethics. Our [Code of Business Conduct and Ethics](#) (the “Code”) is intended to promote that conduct and applies to all Canopy Growth directors, officers, and employees (including consultants and contractors). Failure to comply with the Code may result in disciplinary actions up to and including termination. The Board is responsible for the periodic review and revision of the Code.

All our employees complete annual training on applicable corporate policies including the Code, as well as our [Whistleblower Protection Policy](#), [Insider Trading Policy](#), [Anti-Bribery and Anti-Corruption Policy](#), and [Disclosure Policy](#). In 2021, we provided additional training to employees in our Human Resources and Legal departments to help them better support and investigate workplace reports of harassment and discrimination.

Employees are responsible for immediately reporting any incident they believe violates the Code or constitutes wrongdoing under the Code to their immediate supervisor and/or Human Resources. Employees can also report to the next level of management and/or Human Resources, to any member of the Compliance Committee (constituted by the Chief

Legal Officer and Chief Financial Officer), or by phone or online through a third-party whistleblower program. Employees may report an incident either on-the-record or anonymously. Employees can also report any incidents or suspected incidents of discrimination or harassment directly to [harassmentreports@canopygrowth.com](mailto:harassmentreports@canopygrowth.com). Canopy Growth is committed to investigating and dealing with all concerns, complaints, or incidents of wrongdoing in a fair and timely manner while respecting the confidences and sensitivities of all persons involved, except where disclosure is required to investigate the incident or to take appropriate action, including disciplinary measures.

### Whistleblower Protection Policy

Canopy Growth is committed to providing a work environment where employees are dedicated to working with integrity and supporting ethical behaviour. Through our Whistleblower Protection Policy, administered by our internal audit group, we provide a confidential and anonymous avenue for employees to report concerns that may lead to accounting irregularity, illegal activity, or a violation of company policies.

The Whistleblower Protection Policy establishes procedures for: (i) the receipt, retention, and treatment of complaints received by the Company regarding accounting, auditing, and other financial matters (collectively, “Accounting Irregularities”), any illegal acts or violations of the Code or any other policy of the Company, or applicable laws and regulations (collectively, “Wrongdoings”); and (ii) the submission by employees, officers, and directors of the Company, on a confidential and anonymous basis, of concerns regarding any Accounting Irregularities and Wrongdoings.



# Regulatory Compliance

The regulatory landscape which governs our operations is vast and evolving. We rely on dedicated teams of experts throughout our organization to remain abreast of regulatory requirements and to promote and maintain compliance in all jurisdictions in which we operate. Through robust cross-functional processes, we undertake appropriate levels of review and approvals. Employees are provided training and education on an ongoing basis to support a culture of compliance and responsible behaviour.

# Risk Management

We encounter a diverse set of risks, including new emerging risks, as part of the normal course of our business, and risk management governance is integrated in our strategic decision making, policies, and processes. We have an enterprise risk management program that identifies and provides specific additional attention to select key risks to our business. The Audit Committee of the Board (the “Audit Committee”) is responsible for overseeing the process by which the Company assesses and manages risk. In furtherance of this responsibility, the Committee identifies risks inherent in the Company’s business; maintains policies and procedures that address the risks; in conjunction with management, reviews, on an annual basis, all aspects of CGC’s risk management program, including all significant policies and procedures relating to insurance coverage, foreign exchange exposures, and investments (including the Company’s use of financial risk management instruments); and monitors compliance with environmental codes of conduct and legislation as well as compliance with safety codes of conduct and legislation. The Audit Committee reports periodically to the Board on risk management.

# Cybersecurity

Canopy Growth relies heavily on information systems to operate its business, including the collection and retention of employee information.

We employ an in-depth, layered, defensive approach that leverages people, processes, and technology to manage and maintain cybersecurity controls. Our Chief Information Officer oversees our enterprise-wide IT security program and policies, which are based on the National Institute of Standards and Technology (NIST) standards and ISO 27001 for information security policies.

We also employ a variety of preventative and detective tools to monitor, block, and provide alerts regarding suspicious activity, as well as to report any suspected advanced persistent threats. The Company’s information security program, policies, and standards are periodically reviewed and apply to all business lines, employees, and contractors. All employees are required to complete an annual Security Awareness Training Program. We also conduct routine internally focused exercises to help raise employee awareness of the risks associated with cybersecurity.

Our Disaster Recovery Policy has processes in place designed to support business continuity in the event of a natural disaster or cyber-related attack.

# Public Policy & Advocacy

We are committed to participating constructively and responsibly in the political process and to providing clarifying analysis and information regarding the issues that affect our business and our stakeholders. We support public policies that promote the interests of patients, improve public health, promote social justice, and accelerate legal access to cannabis.

Canopy Growth is a member of the following industry trade groups, which help the industry reach consensus on policy issues. The Company is also represented on each group’s board of directors.

- U.S. Cannabis Council (USCC)
- U.S. Hemp Roundtable
- Cannabis Council of Canada (C3)

# Community Relations

By engaging with the stakeholders who live near, or have an interest in, our operations, we seek to foster understanding and trust, and to lay the foundation for mutually beneficial relationships. Our approach is founded on respect, transparency, and a goal of developing enduring relationships that recognize the unique circumstances of individual communities and stakeholder groups.

Our actions are guided by our values, internal standards, and operating culture. Our engagement practices cover a range of activities, including direct meetings and dialogue with community members and other stakeholders.

We offer stakeholders multiple options for contacting us, including direct contact with our staff, as well as toll-free phone lines and email channels, which are provided on our website.



# PRODUCT SAFETY & RESPONSIBLE USE

## Topics covered

Research & Development

Production & Distribution

Pharmacovigilance

Protecting Youth

Increasing Access

## UN SDGs in this section:





# Commitment Statement

We are committed to science-based development and high-quality production of cannabis products that consider the safety of human and animal product consumption. We are equally committed to helping medical professionals responsibly authorize, and consumers to responsibly use, our products.

# Why Is this Important?

Our commitment to addressing the safety and effectiveness of our products is a critical strategic imperative which also helps to differentiate us in the growing cannabis market. To remain successful, we must provide consumers with confidence in our products and the information they need to use them appropriately. We must also maintain the trust of regulatory authorities through our leadership in product safety and responsible use.

# PRODUCT SAFETY

# Our Approach

Canopy Growth’s Chief Medical Officer is responsible for overseeing product safety and leads the organization’s Product Safety and Pharmacovigilance teams. The Company’s Product Safety Policy helps guide our approach throughout the product lifecycle and is designed to help ensure that our processes and standards meet or exceed all industry and regulatory requirements.

We listen carefully to consumers and stay in close communication with regulatory agencies, governments, and other stakeholders to identify new opportunities to deliver on consumer needs, enhance safety, and support the growing industry.



**“We place safety at the core of everything we do. We’re not just making cannabis products and selling them. We are committed to monitoring the safety of our products from the start and educating consumers on how to use them.”**

**– Dr. Mark Ware, Chief Medical Officer**



## Setting the Standard for Safety

At Canopy Growth, product safety is based on science and rigorous research.

## Research & Development

Our Human and Animal Research and Development (R&D) division acts as a cannabis research incubator, focusing on researching cannabinoids and terpenes and developing cannabis formulations. Their work includes product design and ingredient selection, formulation safety assessments, and efficacy testing. They also focus on furthering the science of cannabinoids and providing evidence through pre-clinical and human studies on the therapeutic applications of both individual cannabinoids as well as more complex cannabinoid formulations.

### Examples of current\* Canopy Growth-sponsored studies

- Randomized placebo-controlled trial of the impact of CBD on biological and psychological fear reactions
- Phase 1 clinical trials of the safety, pharmacokinetics, and pharmacodynamics of Spectrum Yellow oil and Spectrum Red softgels

\*As of March 2021

## The Product Safety Cycle



# Research & Development (continued)

When developing a new product, Canopy Growth’s Product Safety teams work closely with our new product developers to actively take steps to meet safety guidelines and requirements.

Our process includes a review of ingredients that go into any new product by analyzing our own data as well as third-party research.

All Canopy Growth-sponsored clinical research projects are designed to meet our high standards, in accordance with or exceeding all applicable local laws, along with applicable international regulatory standards. Our approach to clinical research is based on fundamental ethical standards, such as those listed below:

- All Canopy Growth research is designed to answer a legitimate scientific question or need;
- We select clinical investigators based on qualifications, training, research, clinical expertise in relevant fields, the potential to recruit research participants, and the ability to conduct studies consistent with Canopy Growth policies;

- Canopy Growth-sponsored trials undergo an ethical review, as required, by a qualified independent committee (Institutional Review Board/ Independent Ethics Committee) prior to study initiation;
- Canopy Growth requires voluntary informed consent from research participants, where needed, prior to carrying out any protocol-specified procedures;
- We only conduct studies in countries in which we intend to market our products; and
- Our practice is to register Canopy Growth-sponsored studies, where required, on public registries before they start or within 21 days after they start.

Our studies are also guided through frequent engagement with regulatory authorities including Health Canada and the U.S. Food and Drug Administration (FDA). We conduct the majority of our studies with academic partners.



## Same High Standards for Our Pets

As a leader in pet CBD research and science, we conduct studies into the safety and efficacy of cannabinoids in dogs. We follow all National Animal Supplement Council guidelines, which require independent lab testing to confirm CBD concentration and the absence of pesticides, solvents, microbes, and heavy metals that can be detrimental to a pet’s health.

## Production & Distribution

Our commitment regarding the safety and quality of our products continues beyond the research phase and is built into our product development and processing models. Our process provides us with the confidence that ingredients used in the manufacture or formulation of our stock keeping units (SKUs) are vetted through our Quality Assurance (QA) department and processes to meet applicable regulatory requirements for human and animal consumption.

Our process requires ingredient shipments to be reviewed by our QA team to meet quality parameters to ensure adherence. We also validate processing lines to help create reproducible product quality. We have identified critical control points for safety and efficacy in manufacturing lines, as well as the manufacturing environment. In addition, we have implemented risk mitigation strategies to help us meet quality standards.

We use in-process testing to monitor product efficacy throughout the production cycle and test finished products per regulatory requirements. We vet all third-party laboratories for product testing and validate their testing methods. As a final check, our QA department reviews and approves a Certificate of Analysis before any product is released for sale.

Our internal audit program regularly monitors compliance against our manufacturing processes and standards. We are also inspected and audited by regulatory agencies, including Health Canada and the FDA, against protocols for Good Production Practices (GPP), product specifications, labelling, and childproof packaging.

We distribute cannabis products only to licensed entities using carriers that have undergone due diligence. Product transfer documents are reviewed for accuracy at shipment and receipt. All product is tracked from grow through to the consumer, which allows end-to-end auditability. Transfers are also documented monthly in the Health Canada Cannabis Tracking and Licensing System.

## Pharmacovigilance

During development and after launch, we monitor our products for safety via our global pharmacovigilance and product safety program. Through this program, we capture, document, and evaluate adverse events reported from the worldwide use of our medical cannabis products and our Canadian recreational cannabis brands. Data collected from various sources (including spontaneous reporting, studies, literature, and health authorities' databases) are processed and analyzed in a centralized global safety database by our Pharmacovigilance team, in compliance with global and local regulatory requirements. The information gathered informs the development of new products and can result in changes to product labelling and communications. We share all serious adverse events with regulatory authorities, as required by law. We also share our serious adverse event data on a quarterly basis with a Data Safety Monitoring Board, an independent panel of scientists and clinicians who review the events and help interpret any safety signals.

In 2020, more than 90% of Canopy Growth employees received training on how to identify and report an adverse event through our pharmacovigilance program. Our goal in the 2021 calendar year is to train 100% of our employees.



### Cannabis Vape Product Safety

Canopy Growth has made cannabis vape safety a core focus of its pharmacovigilance initiatives. It has undertaken a number of initiatives, including conducting research to monitor the safety of our cannabis vape products. Canopy Growth is also working with regulators and research organizations, as well as vape pen manufacturers and other industry players, to stay informed on this evolving area of scientific and medical research. We comply with applicable regulations for vape pen devices in the jurisdictions in which we operate.

## 2020 Performance

	2020
Number of safety-related product recalls globally	0
Good Clinical Practice (GCP) inspections by regulatory agencies of the Company or study investigators that led to significant fines, penalties, warning letters, or product seizures	0
% of required employees receiving Good Manufacturing Practice (GMP) training	95
% of required employees receiving pharmacovigilance training	93

## LOOKING FORWARD

As the cannabis industry continues to grow and evolve, we will continue to monitor, comply, and engage with applicable cannabis industry regulators to help guide our processes while instituting new quality and testing standards as required to promote industry-wide safety best practices.





# RESPONSIBLE USE

We are equally committed to helping medical professionals responsibly authorize, and consumers to responsibly use, our products.

## Our Approach

We are committed to selling high-quality, tested, and reliable products only where we believe such sales are permissible under state, provincial, or federal law. Where we do make our products available, we do not make claims unless they are substantiated. We also work to make our marketing, sales, advertising, and education materials accurate, legally compliant, and adhere to Canopy Growth’s standards.

We support the education of healthcare providers on the medical use and benefits of cannabis through medical training programs, at medical conferences, and by supporting peer-to-peer education with regional, national, and international key opinion leaders. We also work closely with patient educators at specialty medical cannabis clinics. From January through September 2021, our Medical Affairs team hosted 10 events for more than 500 healthcare providers.

## Protecting Youth

Canopy Growth does not market or advertise its recreational cannabis products to youth by adhering to minimum age requirements in the jurisdictions within which it operates and by adopting responsible marketing practices. Canopy Growth complies with strict regulatory requirements applicable to cannabis packaging including child resistant packaging, imaging that is not appealing to youth, and the display of health warnings which inform the public about the risks of consuming cannabis.

We are proud to support the decision by our leading trade association in the United States, the USCC, in May 2021, to become a member of Responsibility.org, a national non-profit that aims to reduce impaired driving and prevent youth cannabis use, and empowers adults to make a lifetime of responsible choices as part of a balanced lifestyle. Through our membership, USCC will work with Responsibility.org to prevent underage cannabis consumption and substance-impaired driving.

## Increasing Access

We believe that everyone with a legal right to receive medical cannabis should have access to it, regardless of their income.

We provide an income-tested Compassionate Pricing Program whereby eligible low-income patients can obtain a 20% discount off regular prices. Spectrum Therapeutics was the first in our industry to provide a compassionate pricing program. Today, we have several programs to improve access to medical cannabis for authorized patients. As of July 2021, more than 23,000 registered patients were accessing the program.

We also offer support for our Veterans of the Canadian Armed Forces, including a team of customer care agents dedicated to assisting Veterans with registration, ordering, pre-approval, and direct billing to Veterans Affairs Canada (VAC) to ensure uninterrupted access to medical cannabis; full coverage for vaporizer devices; and topped-up coverage for any Spectrum Therapeutics medical cannabis product that VAC covers, which means that Veterans do not have to pay out of pocket for any Spectrum Therapeutics product. Spectrum Therapeutics also gives back to the Veteran community by supporting organizations<sup>1</sup> that focus on program delivery and services for Veterans and their families.

In Canada, we are beginning to work more closely with organizations that support individuals who are marginally housed or experiencing homelessness to help them access low-cost cannabis and connect to healthcare providers. Two community health centres that we have worked with are The Alex (Assisted Self-Isolation Site) in Calgary, Alberta, and Ottawa Inner City Health in Ottawa, Ontario – community health centres that work with equity-deserving populations on access to a range of health services.



1 <https://www.spectrumtherapeutics.com/canada/en/patients/veteran-community-programs>



# OUR PEOPLE

## Topics covered

- Training & Career Development
- Compensation & Benefits
- Engagement & Recognition
- Workplace Health & Safety
- Workforce Demographics
- Diversity, Equity & Inclusion



## UN SDGs in this section:



## Commitment Statement

We are committed to providing our employees with the skills and business acumen they need to build a meaningful career and tools to support their total health and wellness, while creating an inclusive workplace culture where all employees can thrive and be their authentic selves.

## Why Is this Important?

Our future growth is dependent on the ability to attract, retain, and promote a diverse workforce of talented and engaged employees who believe in the vision and purpose of Canopy Growth.

## Our Approach

Canopy Growth’s Chief Human Resources Officer is responsible for our human capital management priorities and oversight of the Company’s compliance with all related policies, codes, regulations, and reporting procedures. We provide applicants equal opportunity for employment without regard to sex, race, colour, national origin, religion, age, disability, veteran or current military status, sexual orientation, gender identity, or any other status or characteristic protected by applicable law. We have a clear policy prohibiting discrimination and harassment of all forms.

## Training & Career Development

We believe that continuous learning is critical to the success of Canopy Growth and each of its employees. That is why we invest in employee education and skills development through Canopy Growth Learning, our online learning management system. Our goal is to provide development for all employees related not only to regulatory requirements and corporate policies, but ongoing learning opportunities to help our employees build their professional skills and capabilities necessary to meet customer needs and advance their careers.

In 2021, we put in place a formalized process of objective-setting that allows our employees to focus their work on, and understand how their work supports, our organizational priorities. To support our employees and help ensure they are focusing on what matters most, we encourage frequent performance check-ins between supervisors and their employees.

### 2020 Performance<sup>1</sup>

\$552,581

Investment in training

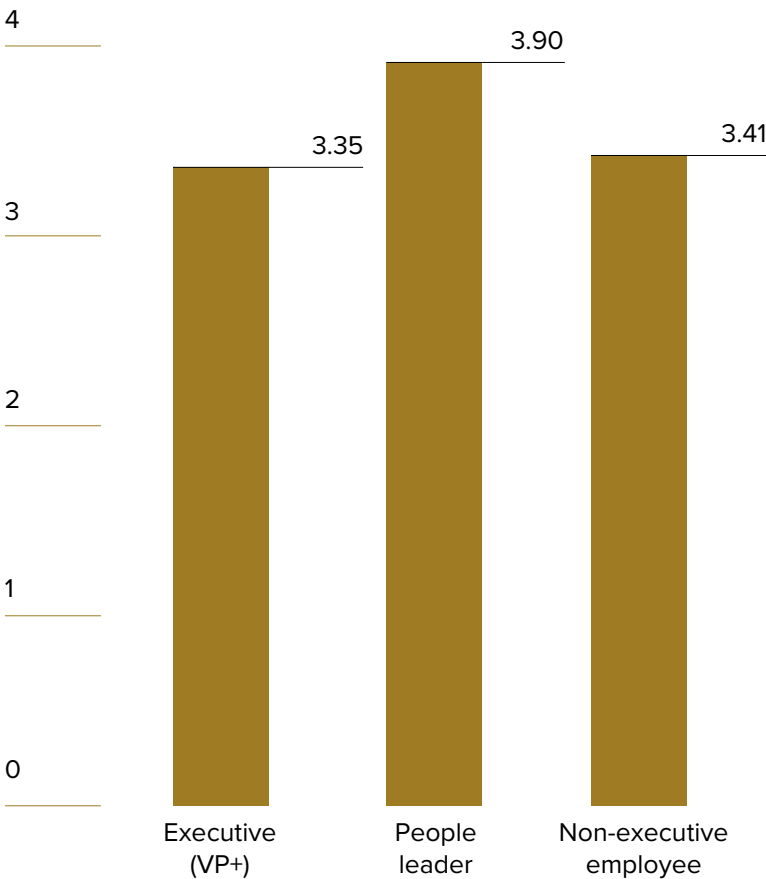
\$120

Investment in training  
per employee

ONE

Average number of days  
of training per employee

### Average Hours of Training in 2020



<sup>1</sup> Training data only reflects training in Canopy Growth Learning, which represents a small portion of overall training and excludes training outside North America. Currently, we do not have a centralized method to track training and development globally.

## Compensation & Benefits

Our Total Rewards Program is designed to attract, motivate, reward, recognize, and retain the talent we need to realize our vision and deliver on our growth expectations, while taking a holistic view of employee wellbeing, including financial, emotional, physical, and social wellness.

The Board considers and assesses, as necessary, any risks associated with the Company’s compensation policies and practices and devotes such time and resources as it believes are appropriate given the Company’s current stage of development. During 2021, the Board did not identify any risks arising from the Company’s compensation policies and practices that it believed were reasonably likely to have a material adverse effect on the Company.

### Financial Benefits

We offer market-competitive wages and top-tier benefits designed to motivate employees and reinforce our values and business priorities. Employees are eligible to participate in our 401K plan (U.S.), a Registered Retirement Savings Plan (Canada), and an Employee Stock Purchase Plan (Canada and U.S.). We also offer financial workshops to help employees manage their personal finances and strengthen their financial literacy.

### Medical Benefits

We provide comprehensive medical benefits that offer flexibility for the diverse and changing needs of our employees and their family members. Benefits include:

- Healthcare savings accounts
  - Flexible spending accounts
  - Paramedical coverage
  - Virtual tele-health services
- Dental and vision benefits
  - Employee Assistance Program
  - Life and Accident Insurance
  - Disability Insurance

### Other Benefits

- Weekly virtual meditation and yoga sessions
  - Mental health, wellness, and resilience resources
  - Fitness discount (Canada)
  - Corporate discount programs for various businesses and services (Canada)
- Canopy Growth product discounts (Canada and U.S.)
  - Paid holiday, vacation, and sick leave – and, new in 2020, all employees get paid leave on their birthday
  - Parental leave
  - Bereavement leave

For more information on our compensation and benefits practices, please refer to our [Proxy Statement](#) filed in advance of the 2021 Annual General Meeting.



### Our Return-to-Office Strategy

We take the health of our employees, customers, and communities seriously. We have continued to monitor the rapidly evolving COVID-19 pandemic and continue to make decisions based on the guidance of public health authorities.

During COVID-19, the way we work changed fundamentally with the majority of our workforce shifting to remote work for more than 18 months. Through pulse surveys, our employees told us they liked the flexibility to work from home but still wanted opportunities to engage with colleagues in the office. This feedback, and an enhanced IT infrastructure put in place during the pandemic to support productivity and collaboration, led to our new office strategy.

In response to the needs of our employees and in an effort to comply with the guidance of public health authorities, we enacted a Working from Home Policy in order to define the terms under which Canopy Growth employees might work from home and to provide employees with options for more flexible working arrangements, to guide managers in considering employee eligibility for such arrangements, and to define the rights, obligations, and liabilities that arise while working from home.

Under our new approach, eligible employees can work remotely three days a week. We will continue to look for other ways to increase flexibility for employees while meeting the objectives of our business and we will continue to monitor local public health guidance.



## Engagement & Recognition

We conduct regular formal and informal surveys to proactively seek employee feedback and ideas and collect data on the employee experience. In 2021, we launched our first company-wide employee engagement survey, in partnership with Gallup, to capture an engagement baseline for our organization from which to action-plan. We also recognize our employees for excellence and hard work through divisional and corporate awards. Employees can recognize one another through our “Catching People Doing Things Right” program, with monthly recognitions posted on the Canopy Growth intranet.



**Canopy Growth Tweed retail employees participate in a community clean up as a part of the Good Neighbour program**

We empower our retail-based employees to give back to the many local communities that have welcomed us through our Good Neighbour program and other employee-led giving campaigns. Among the groups we have supported through the program are:

- Workman Arts in Toronto, a multidisciplinary arts organization that supports artists living with mental health and addiction issues through peer-to-peer arts education, public presentations, and partnerships with the broader arts community.
- In Edmonton, the National Association of Friendship Centres, which support Indigenous newcomers with referral services and social and recreational programs.
- In Winnipeg, the Sunshine House is a community drop-in and resource centre focusing on harm reduction and social inclusion.
- In Saskatchewan, the Melville Food Bank has provided neighbours facing food insecurity with assistance since 1995. Annually, it provides thousands of meals with its “Pick-What-You-Will-Eat” grocery store-style food hampers.
- Operating in five cities across Alberta and British Columbia, The Mustard Seed is a supportive haven where people can have their physical, mental, and spiritual needs met and grow towards greater health and independence.
- In Happy Valley-Goose Bay, Newfoundland, the Mokami Status of Women Council is an equality-seeking, feminist organization that links women by sharing ideas, resources, skills, experience, and knowledge.

## Employee-led Campaign Supports Veterans

To honour Canadian Veterans in 2020, employees from Spectrum Therapeutics launched a one-month fundraising campaign to support Wounded Warriors Canada. Through a combination of employee and Spectrum Therapeutics patient contributions, matched by Canopy Growth, and a \$50,000 grant, we contributed more than \$90,000 to Wounded Warriors Canada’s mental health programming for Veterans, their families, and first responders.

Our contributions helped to support the Couples Overcoming PTSD Everyday (COPE) program and the creation of a new five-day, clinically facilitated program called “Surviving Spouses” for individuals who have lost their spouse in combat or to suicide.

“This is the first time I’ve been in an environment that felt safe for me to share important pieces of my traumatic loss experience while remaining connected and aware of my body, my emotions, with the surviving spouses in the group.” – Angela Gevaudan, participant in the Surviving Spouses program who lost her husband, RCMP Constable Fabrice Gevaudan, in the line of duty.





# Workplace Health & Safety

Canopy Growth has a clear goal when it comes to health and safety: Zero injuries.

At Canopy Growth, employee health and safety are guided by our global Health & Safety (H&S) Policy, which applies to all employees and contractors, and our Global H&S program, which is based on standards set by the International Organization for Standardization (ISO), Canadian Standard Association (CSA), and the U.S. Occupational Safety and Health Administration (OSHA) standards. All production employees receive annual training on our H&S Policy and Health, Safety, and Environment (HSE) program elements relevant to job tasks and business processes.

Employee health and safety is led by our Director of HSE, who reports to our Vice President of Manufacturing. Each Canopy Growth site has an appointed H&S specialist or subject matter expert who works directly with a regional H&S manager. Together, they are responsible for implementing and monitoring Canopy Growth’s H&S program locally and following Health Safety Production Integration documents when installing new machinery.

We monitor compliance through site safety audits. We also use Gemba walks, a lean manufacturing management process during which all managers observe work processes, engage with employees to gain knowledge about the processes, and explore opportunities for continuous improvement. Site managers meet monthly to exchange learnings from their sessions and work to identify and resolve issues proactively.

In 2021, we established a contractor H&S compliance program requiring contractors to provide safety documentation before their workers can come onto a Canopy Growth site. We conduct periodic audits of our contractors and identify areas where improvement is needed. Ongoing violations may result in contractors being removed from Canopy Growth sites.

## 2020 Performance

452

Number of health and safety audits performed<sup>1</sup>

<sup>1</sup> Data only available in Canada.

ZERO

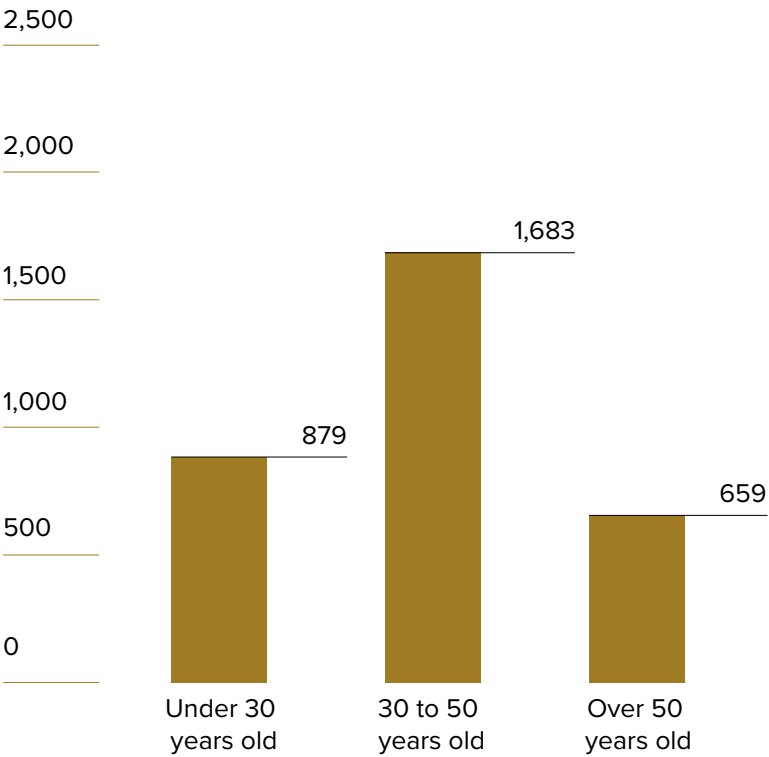
Fatalities



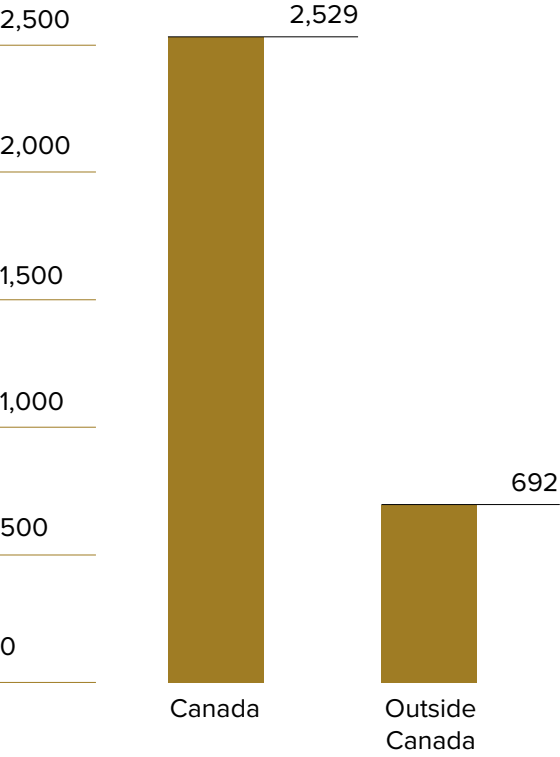


# Workforce Demographics<sup>1</sup>

Total Number of Employees by Age



Total Number of Employees by Region



## Employee Turnover

In 2020, our total employee turnover rate was 67%. Involuntary turnover was 47%, while voluntary turnover was 20%.

A key factor contributing to our turnover rate in 2020 was rationalization of our production footprint in Canada, including the closure of several sites (see [page 10](#)). This action was a necessary part of a comprehensive approach we’re taking to safeguard our financial flexibility and firmly establish a cost structure we believe will set us up to outperform our peers.

<sup>1</sup> Total number of employees as of December 31, 2020: 3,221.

# DIVERSITY, EQUITY & INCLUSION

## Commitment Statement

We are committed to embedding equity into every part of the organization and to creating an inclusive environment where individuals from underrepresented groups feel welcomed, respected, and valued, and a workforce that reflects the communities and consumers we serve. We are also committed to supporting diversity within the communities in which we operate and within the cannabis sector overall through social investments and innovative partnerships.

## Why Is this Important?

We understand and acknowledge that harm has been done specifically to Black, Indigenous, and people of colour (BIPOC) communities through the history of racial inequities surrounding cannabis prohibition. We believe we have an opportunity to create equity by working to help proportionally represent these groups in our workforce, including at leadership levels. We are at the beginning of this journey and understand that diversity, equity, and inclusion (DE&I) is about making space for all historically excluded groups.

**“I was proud to join an organization that had already conducted such an extensive DE&I audit, which provided me with the bones I need to build a multi-year DE&I roadmap. Although this is a new journey for Canopy Growth, we have the executive support and employee will to become a stronger, more diverse workplace that reflects our core values and purpose. We are committed to sharing our progress as we move forward.”**



– Sumayyah Emeh-Edu, Vice President, DE&I



# Our Approach

In 2020, recognizing the need for more rapid progress, our Executive Management Committee elevated DE&I to a business imperative and one of four stand-alone strategic focus areas within the Company’s ESG strategy. In the same year, we established a DE&I Committee and engaged with the Canadian Centre for Diversity and Inclusion to conduct an enterprise-wide DE&I audit of our policies, practices, and employee sentiments. Based on the results of the audit, we created executive bootcamps to build DE&I readiness and DE&I foundational training for all people leaders. We also are using the audit findings, complemented by further feedback from employees and senior leaders, to develop programs designed to:

- 1 Improve HR systems and accountability to mitigate biases.
- 2 Improve the culture of inclusion so that employees from underrepresented groups feel welcomed and respected.
- 3 Provide additional education and awareness training to people leaders to address exclusive behaviours.
- 4 Increase representation and advancement for underrepresented groups.

To develop and execute our DE&I strategy, in 2021, we hired a Vice President of DE&I who reports to our Chief Human Resources Officer. This position will also serve as a strategic advisor and partner to our Executive Management Committee and functional leaders throughout the organization.



**Our corporate Guiding Principles have been adapted for our DE&I journey. Below are examples of the principles we plan to follow to guide us on this journey:**

- Own It: Inclusion is every leader’s and employee’s responsibility
- Listen & Share: Engage with an open mind to support, and be willing to be uncomfortable
- Grow Good Together: Be willing to learn and unlearn, allowing for grace
- Catch People Doing Things Right: Celebrate everyday acts of inclusion
- Shatter Barriers: Recognize and remove barriers for underrepresented groups

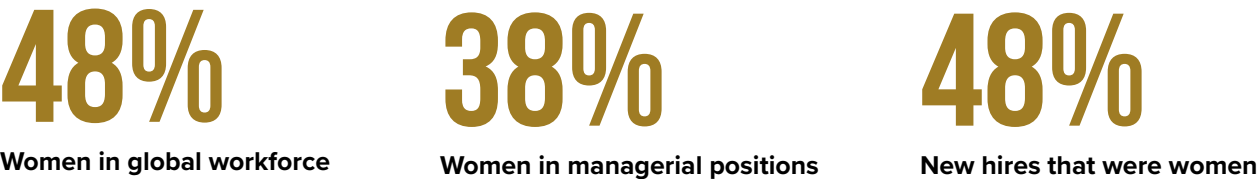
# Attracting, Recruiting, Advancing & Retaining a Diverse Workforce

In 2021, we took several incremental steps to increase our attraction and talent-sourcing capabilities, including reviewing where jobs are posted. In addition, all Canopy Growth Talent Acquisition Specialists, HR business partners, and members of our Talent Management team received training on how to manage bias in hiring. We also remained committed to the BlackNorth Initiative CEO pledge, which we signed in 2020 with a pledge to fill at least 3.5% of top executive and Board roles with Black leaders by 2025.

We also rolled out DE&I and anti-bias training to all managers; the course will be mandatory for new managers starting in 2022. We also provided our people leaders with resources to help them evaluate employees equitably during performance reviews. In addition, all employees were required to attend a two-hour webinar on DE&I fundamentals and provided access to a new DE&I online resource centre.

**In 2021, we established four enterprise-wide Employee Resource Groups (ERGs) representing Indigenous, Black, and LGBTQ2S+ employees, and employees living with disabilities.** Each group is sponsored by a member of our Executive Management Committee. Working with our new LGBTQ2S+ ERG, we launched an internal campaign to encourage all employees to add gender pronouns to their email signatures and held a webinar on how to use inclusive language.

## Employee Data (as of December 31, 2020)



Many groups, including women and people of colour, have been historically underrepresented and some excluded entirely in the cannabis industry. We currently can only report gender demographics of our workforce globally. We understand this is only one dimension of diversity and are working to put in place an enterprise-wide system to capture and report on more aspects of diversity moving forward. We recognize that only by understanding where we are can we improve.

At the end of 2020, women represented approximately 44% of our Canadian workforce, equivalent to the average from the Canadian Labour Force Statistics. We believe we have fairly good representation of women in leadership roles globally at 38% but that we can do better as we strive to achieve gender parity, particularly for women of colour.



### Building a Diverse Candidate Pipeline

In the summer of 2021, we participated in an internship program through the Congressional Black Caucus Foundation, hosting an intern for three months in our Government Relations department. Internships such as this are an integral part of our strategy to build a more diverse pipeline of candidates for Canopy Growth and the sector.

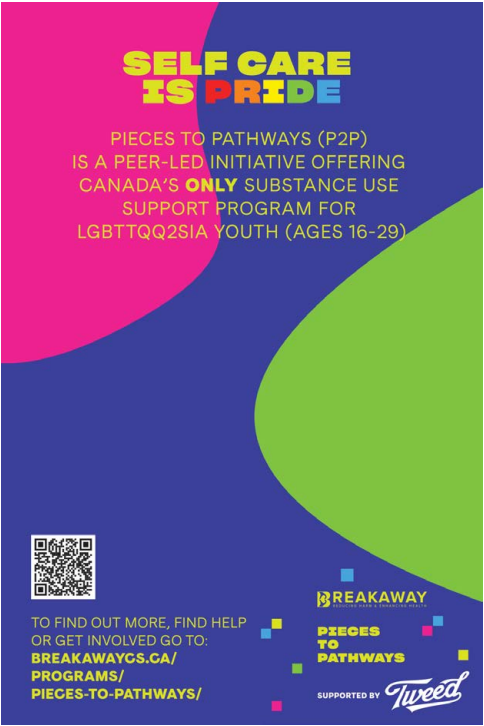
# Supporting Inclusion Through Pride in Our Communities

At Canopy Growth, we believe that all people, of every gender and sexual orientation, have a right to exist in a world and workplace that is inclusive, supportive, and free from discrimination.

In 2021, we partnered with Breakaway Community Services (“Breakaway”) and its substance use support program by and for the LGBTTTQQ2SIA community, Pieces to Pathways. The program is Canada’s only peer-led substance use support program for LGBTTTQQ2SIA youth (ages 16–29). Through an innovative multi-channel campaign, we worked together to spread the word on self-care and used our unique platform to raise awareness of Breakaway’s harm-reduction programming. We also provided Breakaway with a \$40,000 grant to produce a series of harm-reduction resources. For more information on the campaign, visit our social impact site on [Tweed.com](https://www.tweed.com).

We also supported local LGBTQ2S+-owned and operated businesses via our Tokyo Smoke stores. According to Canada’s LGBTQ2S+ Chamber of Commerce, Canada is home to more than 28,000 LGBTQ2S+-owned businesses, generating over \$22 billion annually and employing an estimated 435,000 Canadians. Our goal was to elevate awareness of some of these businesses by sharing space in our retail and digital channels during a time when many small businesses were hit hard by COVID-19.

To show our support, from June through September 2021, Tokyo Smoke featured local LGBTQ2S+ businesses through digital signage in our retail locations, as seen above, and invited LGBTQS+-owned businesses into our stores to pop-up at the Community Table. In all, we highlighted 18 LGBTQ2S+ businesses through the campaign across Ontario, Alberta, and Manitoba, such as Planet Botanix in Ottawa, which provides natural health and wellness solutions.



# LOOKING FORWARD

We recognize we are at the start of our journey and there is much work that remains. Below are future steps we are planning:

- Finalizing the Company’s enterprise-wide DE&I strategy and implementation plan;
- Developing tools and programs to foster a more accessible and inclusive workplace for people with disabilities;
- Rolling out a new data collection system that will improve our ability to measure, track, and report key performance indicators in future reports; and
- Strengthening our relationship with Indigenous communities and developing a formal reconciliation plan by the end of 2022 aligned with the Truth and Reconciliation Commission of Canada.





# SOCIAL JUSTICE & COMMUNITY IMPACT

## Topics covered

- Community Reinvestment
- Access to Criminal Justice Reform
- Cannabis Education, Destigmatization & Advocacy

## UN SDGs in this section:





# Commitment Statement

We are committed to contributing to real change and improving lives by supporting equity-deserving<sup>1</sup> communities impacted by the war on drugs. We seek to do this by actively supporting organizations that serve these groups and who work to increase access to expungement and record-clearing services, as well as other wrap-around and ancillary support services (e.g., job skills training). Cannabis prohibition has also stigmatized the use of cannabis and consumer education and hindered research into its therapeutic utility. We are committed to reducing knowledge gaps and supporting organizations with similar objectives.

In 2020 through 2021, we have invested over \$1.8 million in social justice, patient advocacy, and community impact activities as broken down across our strategic pillars:

\$768,000

invested in Community Reinvestment

\$911,000

invested in Access to Criminal Justice Reform

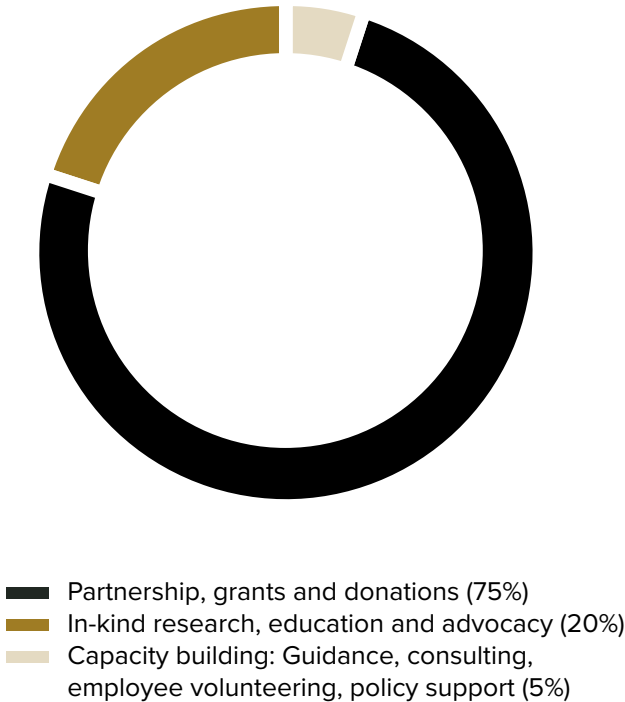
\$133,000

invested in Cannabis Education and Destigmatization<sup>2</sup>

# Why Is this Important?

As one of the first fully legal cannabis companies, we are in a position of great power and privilege. It is incumbent on us to contribute to undoing the harms of cannabis prohibition. Criminalization has intergenerational impacts on equity-deserving communities and has fuelled the overrepresentation of BIPOC communities in the carceral justice system. We have focused our social purpose strategy to support long-term, innovative programs aimed at contributing to meaningful impact for equity-deserving communities.

# How We Invest in Social Justice and Community Impact



<sup>1</sup> Equity-deserving groups are those that identify barriers to equal access, opportunities, and resources due to disadvantage and discrimination and actively seek social justice and reparation. Groups include, but are not limited to, incarcerated and formerly incarcerated populations; Black, Indigenous, people of colour, and other racialized groups; medical cannabis patients; LGBTQ2S+ groups/organizations; and people living with disabilities.

<sup>2</sup> Represents the investment made by Canopy Growth in cannabis education and destigmatization in partnership with external community organizations and does not include internal resources.

# A DISCUSSION ON PARTNERSHIP, HEALING THE WRONGS OF THE PAST, AND HOPE FOR THE FUTURE WITH **TORIE MARSHALL AND HILARY BLACK**



**LaTorie (Torie) Marshall** is a social equity advocate, cannabis reform visionary, and founder of National Expungement Works (N.E.W), which provides free legal services and resources to those who have been impacted by the criminal justice system. Torie’s involvement and passion for expungement relief began when discovering the over 50,000 existing barriers<sup>1</sup> for those who have been impacted by the criminal justice system. Through her advocacy, Torie works to amplify the benefits of cannabis and repair the damage done by the subjugation and criminalization of people of colour.



**Hilary Black** is the Chief Advocacy Officer at Canopy Growth. Hilary is a cannabis industry pioneer. Since starting Canada’s first civil disobedient medical cannabis clinic in 1997 – armed with a pager and a bicycle – Hilary has been at the forefront of advancing access to medical cannabis while breaking down barriers. In her current role, Hilary advances global patient advocacy efforts, including work around cannabis’ role in addressing the opioid overdose crisis and other substance use disorders. She also leads Canopy Growth’s social purpose work, including support for initiatives focused on undoing the harms of prohibition that have disproportionately impacted communities of colour. In 2021, Hilary is spearheading Canopy Growth’s first ESG report and strategy.



<sup>1</sup> <https://naacp.org/resources/criminal-justice-fact-sheet>

“I see thousands of people incarcerated for non-violent drug offenses. And, for those who were formerly incarcerated but still living with a criminal record, I see over 50,000 barriers to prosperity.”

– Torie Marshall

**Q: Hilary, for many years you were an activist focused on breaking down barriers so that patients could access medical cannabis. What drove your decision to join the private sector?**

**Hilary:** We are committed to using our position and privilege in a rapidly evolving legal industry to repair the ongoing harms of prohibition. I realized that commerce is going to be the greatest driver of repealing cannabis prohibition, and being part of that is the greatest positive impact I can contribute to this world in my lifetime.

When I transitioned from the British Columbia Compassion Club Society, we were serving 10,000 patients with high-quality care. I was having an impact. Yet, I knew if I changed from my activist outfit to a corporate suite, I would have a different, more powerful ability to improve access to medical cannabis. By moving to Canopy Growth, I had an opportunity to take a seat at the table and have influence where power was converging.

**Q: How do you react when people say the war on drugs is over, it’s time to move on?**

**Torie:** I say that is not the truth I see on the ground. I see thousands of people incarcerated for non-violent drug offenses. And, for those who were formerly incarcerated but still living with a criminal record, I see over 50,000 barriers to prosperity. Barriers that make it virtually impossible to get a federal grant or loan for college or to get a job with the federal government; even picking up debris on federal land is impossible – if you can’t pass a background check, you’re not going to get that job. There are also barriers to getting a federally funded loan for rent or a new home, which means you end up homeless or sleeping on the couch of friends and family who don’t understand why you can’t find your own place – they don’t understand that all you hear is ‘no.’ No home. No well-paying job. No business ownership. No access to higher education. For some, it means not even being able to retire in peace because people with convictions are often barred from retirement homes.

**Hilary:** Medical cannabis may be legal in Canada, but millions of patients globally still do not have access to it. Even here in Canada, access is an issue for many because medical cannabis is not reimbursed as are other medicines in our universal health coverage, and there is still considerable stigma attached to its use. I think of the cancer or MS (multiple sclerosis) patient, or the baby struggling with seizures, whose life could be dramatically improved if their physicians were informed about the benefits of cannabis and if they had access to it through insurance. So, there is still a tremendous amount of work left to be done.

“We need to work with partners on the ground, who are doing work on the front lines, and who have lived experience, not only to have authenticity in this space but, more importantly, to have impact.”

– Hilary Black,  
Chief Advocacy Officer

**Q: Many who qualify for record expungement do not apply for it. Why is this?**

**Torie:** When people leave prison they often say, “I’m home, leave me alone, and let me get on with my life.” They just want to mind their own business and never go back to prison, so they don’t pursue expungement, they just keep their head down – avoiding any further interaction with the legal system. Another problem is that many formerly incarcerated people become homeless – again, this goes back to the over 50,000 barriers. Even if you are sleeping on someone’s couch, that is considered homeless – you don’t have an address to even start the record-clearing process in many states and there is no way for the system to contact you to let you know that you are eligible for record expungement. Post-conviction, people may just not know about expungement or that they may be eligible. As a society, we need to do a better job of outreach to bring them in or they will continue to be lost.

**Q: Why was it important for Canopy Growth to join forces with N.E.W.?**

**Hilary:** Partnerships are very important, especially with community organizations. We need to work with partners on the ground, who are doing work on the front lines, and who have lived experience, not only to have authenticity in this space but, more importantly, to have impact. What we saw in N.E.W. when we met them in 2019 was the only record-clearing organization working nationally in the United States and a group that understood the regulations state by state and how to navigate the system cohesively.

**Q: What have you gained from the experience of working together?**

**Torie:** Canopy Growth has never tried to restrain us with their funding to focus on one area of record-clearing or additional services. They understand that addressing the wrongs of prohibition requires us to heal a lot of obstacles that stand in between formerly incarcerated people and prosperity. They are not only willing to have the conversation about what oppression looks like but also understand we don’t have a choice; we have to address all of the issues that surround it to truly heal individuals.

**Hilary:** Torie has taught me so much about being a social justice activist inside a corporation. She taught me about the over 50,000 barriers that impact a person, and why wrap-around services – such as resume writing, interview skills, housing resources, brake light clinics, and HIV and COVID testing – are in direct response to those barriers, and how they are all tied back to the responsibility of Canopy Growth.



## Our Approach

In 2020 and through 2021, in consultation with our stakeholders, Canopy Growth pursued an evolution of our social impact journey. We recognized that to contribute to meaningful, longer-term impacts we needed to be more focused and deliberate in our approach, and clearer about the problems we are trying to help solve.

Using a theory of change approach, we developed a new social impact strategy that will guide our investments and efforts moving forward. We will focus on three areas: community reinvestment, access to criminal justice reform support, and cannabis education and destigmatization. Within these areas, we plan to invest in four core activities, as shown in the table on the right.

Many of our partnerships that pre-date this new framework already fall within these focus areas. We will continue to strengthen our collaboration with non-profit and community partners who share our vision and are working towards the same goals. We will also place greater emphasis on data collection and measurement through defined key performance indicators to provide visibility of our impact and inform future efforts.

The Problem			
Systemic and institutional barriers continue to disproportionately harm communities affected by the war on drugs and hinder individuals from prospering in their lives and communities.			
Our Pillars			
Where we will focus	<div><div>10REDUCED INEQUALITIES</div><div>Community Reinvestment</div></div>	<div><div>16PEACE, JUSTICE AND STRONG INSTITUTIONS</div><div>Access to Criminal Justice Reform</div></div>	<div><div>3GOOD HEALTH AND WELL-BEING</div><div>Cannabis Education and Destigmatization</div></div>
Our Goals			
What we hope to accomplish	Develop social and economic supports to strengthen the communities where we live and work, and to create a more just and equitable cannabis industry.	Reverse the lifecycle of negative impacts produced by drug records, incarceration, and contact with the criminal justice system.	Create more equitable access to health and wellbeing for all by removing barriers to education, research, and the plant itself.
Our Activities			
How we will achieve our goals with our partners	Food security programs and wrap-around services <sup>1</sup> for equity-deserving groups, including job training, housing support, and voter rights.	Support for expungement and other record-clearing services.	Research, resources, and advocacy.
A Subset of Our Key Performance Indicators			
How we will measure impact	<ul style="list-style-type: none"><li># of individuals served</li><li>% of food supply that is self-sustaining</li><li># of people engaged in services and training</li><li># of individuals completing formal training or certifications and % employed as a result</li></ul>	<ul style="list-style-type: none"><li># of community consultations with equity-deserving groups</li><li># of events providing expungement services held</li><li># of individuals pardoned during events/ services supported</li></ul>	<ul style="list-style-type: none"><li># of assets, reports, and publications created</li><li># of people reached with resources</li><li># of people who participate or engage in advocacy-related activities and tools</li><li># of people with improved access to legal cannabis because of our efforts</li></ul>

1 The concept of wrap-around programming is used to describe any program that is flexible, family- or person-oriented, and comprehensive – that is, a number of organizations work together to provide a holistic program of supports. Source: <https://www.homelesshub.ca/solutions/systems-approach-homelessness/wrap-around-delivery-and-other-team-based-models>. In the case of Community Reinvestment, we mean services that holistically address the broader set of factors that determine health outcomes (beyond just clearing records). Put another way, we’re talking about the “social determinants of health,” including education, economic opportunity, housing, etc.



# COMMUNITY REINVESTMENT

There are many negative long-term impacts tied to cannabis prohibition and its related injustices that persist even after cannabis legalization. Individuals who have been convicted and/or incarcerated face significant barriers to employment and financial services and even exclusion from democratic processes such as voting in some geographies. The predicted 50,000 collateral consequences<sup>1</sup> – meaning the intended and unintended negative sanctions resulting from a criminal conviction – can perpetuate a cycle of poverty and exclusion that results in a lack of access to life’s necessities such as food and shelter. Through our Community Reinvestment pillar, we are partnering with organizations to improve the quality of life for individuals impacted by a range of key issues outlined in our social impact strategy.

## Our Impact

Food insecurity has become an ever-more pressing issue over the past 18 months. Many lack sufficient access to food – and the COVID-19 pandemic has exposed the urgency of this issue. In 2020 and 2021, we invested over \$180,000 directly into organizations across Canada whose primary mission is to tackle food insecurity.

## Our Partners



Wounded Warriors



Team Rubicon



Veterans Association



Post-Traumatic Growth Association



READ Saskatoon



Access Alliance



Building Roots



Sentier Urbain

1 Williams, Q., & Rumpf, C. (2020). [What's After Good?: The Burden of Post-Incarceration Life](#). *Journal of Qualitative Criminal Justice & Criminology*.



Building Roots' "Moss Park Market" located in the Moss Park neighbourhood of Toronto, ON

**“This partnership was essential in helping our organization alleviate some of the suffering our clients were experiencing during a very uncertain and volatile time.”**

**– Nadia, RD, Regent Park Community Health Centre, in reference to Building Roots' partnership with local communities**

## PARTNERSHIPS IN ACTION

### Nourishing Our Communities Through True Grassroots Efforts

Founded in 2013 in response to the lack of access to fresh food and agricultural growing space in Toronto, [Building Roots](#) partners with Toronto neighbourhoods to grow and distribute fresh food while creating social cohesion. When the COVID-19 pandemic hit in 2020, like many organizations, Building Roots was forced to find new ways to deliver its much-needed services. With support from Canopy Growth, it launched the food bag delivery program out of Moss Park Market. With a focus on seniors, community members living with emotional or mobility barriers, and those in self-isolation, the program provided much-needed access to fresh, healthy, and nutritious food. It also provided educational resources and activity kits for children home from school and information about COVID-19 and government support.

The results have been impressive, demonstrating the power of community collaboration. In 2020, the project was successful in providing crucial support to local communities in the Moss Park area in Toronto.

- 6,000+ food bags distributed to 300 households
- 500+ activity kits distributed to children and families
- 200 Veg2Grow Kits for Kids distributed to children and families





Team Rubicon Canada's grey shirt volunteers pack food stuffs for distribution

**“Canopy Growth enables us to help communities persevere and come back stronger than ever, and we’re extremely grateful for their support.”**

– Bryan Riddell, CEO of Team Rubicon Canada

## PARTNERSHIPS IN ACTION

### Team Rubicon Canada: Sustainable Cities and Communities

As climate change continues to perpetuate extreme weather conditions, disasters will continue to increase in frequency and severity. With support from Canopy Growth, Team Rubicon Canada (TRC) is combatting disasters by mobilizing trained, vetted, and skilled Veterans who volunteer across the country, with a focus on serving vulnerable and at-risk populations.

These hyper-localized teams help create greater resilience and local response capacity. During COVID-19, our funding also allowed TRC to provide support to food banks and mobile COVID-19 testing centres and provide incident management support to vulnerable communities.

Canopy Growth began working with Team Rubicon in 2020 and is honoured to continue our support into 2021.

#### Impacts in 2020:

- 195 Veteran volunteers assisted 64 homeowners impacted by disaster
- 6,414 volunteer hours served
- 90,000 meals packaged and 18,600 hampers of food delivered to families
- 70,000 COVID-19 tests facilitated

# ACCESS TO CRIMINAL JUSTICE REFORM

Canopy Growth takes a progressive approach in its support for record clearing based on our understanding that cannabis prohibition and a range of systemic injustices have led individuals and their families into a cycle of recidivism and continued contact with the criminal justice system. We support organizations that work towards expungement and record-clearing services for any eligible offense, to help break down barriers and allow individuals to prosper in their communities.

## Our Impact

From 2019 through 2021, we have invested more than \$1 million in organizations and programming that directly support access to record-clearing and ancillary services, helping thousands of people access record clearing and a range of wrap-around services that more holistically support justice-impacted communities.

## Our Partners



National Expungement Works



Cage-Free Cannabis



Cannabis Amnesty



John Howard Society



Community Justice Initiatives







**N.E.W. volunteers at a local expungement event**

**“Canopy Growth has never tried to restrain us with their funding to focus on one area of record-clearing or additional services. They understand that addressing the wrongs of prohibition requires us to heal a lot of obstacles that stand in between formerly incarcerated people and prosperity.”**

**– Torie Marshall**

# PARTNERSHIPS IN ACTION

## Partnering to Undo the Harms of Prohibition in the U.S.

An estimated 77 million<sup>1</sup> – or 33% – of the American population have criminal records, making it difficult for many to obtain family-sustaining jobs, educational scholarships, and financial loans or access to credit.

One of our main partners in this work is the non-profit, National Expungement Works (N.E.W.). N.E.W. holds events across the country providing free legal support for record-clearing and expungement services and critical wrap-around services, including financial literacy workshops, utility assistance, career development workshops, brake light clinics, and health and wellness checks.

N.E.W. is a collective of volunteers, individuals, and organizations whose work helps to ensure that communities most impacted by the criminalization of cannabis and the criminal justice system are empowered to participate fully in society. Importantly, N.E.W. is an organization by and for justice-impacted communities. Our support over the past three years has empowered N.E.W. to grow sustainably year over year – transforming from 18 events to more than 40, and building the capacity to provide year-round services, helping over 8,000 people to date.

Through a hybrid of in-person and virtual efforts, N.E.W. provided services to nearly 4,000 individuals in 2020 – an increase of more than 30% over the previous year.

<sup>1</sup> <https://www.ncsl.org/research/labor-and-employment/barriers-to-work-individuals-with-criminal-records.aspx>



Cannabis Amnesty staff and volunteers in Toronto, ON

# PARTNERSHIPS IN ACTION

## Creating a Pathway to National Pardon Clinics in Canada

Cannabis Amnesty, a Canadian non-profit, believes that the legalization of cannabis is not enough, particularly for racialized communities that have been most significantly impacted by cannabis prohibition – and we agree. That is why we are supporting Cannabis Amnesty work to make cannabis pardons more accessible to Canadians.

With an unrestricted grant from Canopy Growth in 2020, Cannabis Amnesty is creating a cannabis pardon toolkit informed through consultations with equity-deserving communities that will provide a roadmap to creating pardon clinics across Canada. Through future phases of the project, the team will create a national pardon clinic model and advocacy campaign.

**“The disproportionate impact of cannabis prohibition on vulnerable groups perpetuates systemic racism in Canada. It contributes to the marginalization, exclusion, and social stigma unfairly directed at racialized Canadians and Indigenous people.”**

**– Sameena Ibrahim, Cannabis Amnesty Spokesperson**

# CANNABIS EDUCATION, DESTIGMATIZATION & ADVOCACY

Cannabis and its use continue to be misunderstood and stigmatized in society, largely due to limited research and evidence-informed resources. This has contributed to continued prohibition in many parts of the world and barriers to accessing regulated cannabis.

To help destigmatize cannabis, we are working with respected researchers, organizations, and healthcare professionals to support education and advocacy around its benefits and use.

## Our Impact

We continue to provide evidence-informed education about cannabis to key stakeholders and support education and advocacy through our partnerships. For example, in 2021, Spectrum Therapeutics hosted more than 850 healthcare professionals and educators at 16 medical cannabis and research-related events.

## Our Partners



Wounded Warriors



Dr. Peter Centre



Cannabis for Harm Reduction



The University of British Columbia



Canadian AIDS Society



Canadian Students for Sensible Drug Policy



Parent Action on Drugs



Medical Cannabis Canada



Canadian Drug Policy Coalition





Dr. M-J Milloy, the first Canopy Growth Professor of Cannabis Science

# PARTNERSHIPS IN ACTION

## Canopy Growth Professorship of Cannabis Science

[Preliminary research suggests](#) that medical cannabis might have a beneficial role to play in the response to the overdose crisis, which has led to thousands of deaths worldwide. However, the therapeutic promise of medical cannabis for substance use disorders has rarely been rigorously evaluated through controlled trials, the gold standard of medical research.

Through a \$2.5 million grant to the University of British Columbia from Canopy Growth and a \$500,000 grant from the British Columbia Ministry of Mental Health and Addictions, the Canopy Growth Professorship of Cannabis Science was established in 2018.

Dr. M-J Milloy, a leader in the field of epidemiology and the inaugural Canopy Growth Professor of Cannabis Science, will lead clinical trials in Vancouver to explore the role cannabis can play in the overdose crisis and how cannabis-based therapy could better support people living with substance use disorders. While the COVID-19 pandemic delayed the start of trials, Dr. Milloy published 13 peer-reviewed studies on cannabis while preparing for the initiation of trials in 2022.

More information is available [here](#).

**“Opioid overdoses continue to increase across North America, demanding that we seek innovative responses to this crisis. Research emerging from our partnership with Canopy Growth has pointed to the possible lifesaving role of cannabis for those at highest risk of overdose. These studies have found that cannabis could help people reduce their reliance on unregulated opioids – findings that could have tremendous potential to improve public health.”**

**– Dr. M-J Milloy, Canopy Growth Professor of Cannabis Science,  
University of British Columbia**

Case Study





# Supporting Clinical Practice Guidelines

Canopy Growth, through its medical division Spectrum Therapeutics, supports a multi-year partnership with the Canadian AIDS Society (CAS), a national coalition of community-based AIDS organizations that have been working on issues related to cannabis access since 2004. Through this partnership, CAS is working to develop Canadian guidelines on the use of medical cannabis for the management of chronic pain and associated symptoms.

In June 2020, CAS published the protocol for this work in the *British Medical Journal*. The guidelines are for patients, healthcare professionals, researchers, policy makers, and community-based service providers. With a project task force of 16 Canadian experts, CAS will also develop resources for healthcare providers and patients.

“Our goal is to leverage our existing knowledge and expertise in both HIV and the use of cannabis for medical purposes to create a better quality of life for many Canadians facing debilitating health conditions – particularly in the area of chronic pain management,” said Gary Lacasse, Executive Director of CAS. “This project builds on a body of existing knowledge and research developed by CAS over several years.”

# Resources to Guide Sensible Cannabis Education

In the lead up to legalization of cannabis in Canada, Canopy Growth provided a \$50,000 arm’s-length grant to Canadian Students for Sensible Drug Policy (CSSDP), a national organization of youth, young adults, and students who advocate for evidence-based drug policy reform. With this grant, CSSDP worked to fill a critical gap by creating a [Sensible Cannabis Education Toolkit](#). The toolkit is designed to help adults working in the

youth sector, educators, and parents have informed and non-judgmental conversations about cannabis with youth. As a result of this high-impact resource, CSSDP was invited to present their work to the Senate of Canada and secured federal funding to develop a second phase of this work which focuses on a national, youth-led education campaign.

# Supporting Research and Advocacy for Medical Access to Cannabis in Canada

In 2020, we provided an arm’s-length unrestricted grant to Medical Cannabis Canada (formerly Canadians for Fair Access to Medical Marijuana or CFAMM), a national non-profit patient advocacy organization, to support the launch of the first medical cannabis patient survey in Canada. The results, announced in October 2020, found that systemic barriers in the legal medical cannabis system are pushing patients to unregulated and recreational markets without the support of a healthcare professional.

According to the survey results, most patients (83%) feel there is stigma among traditional medical practitioners surrounding medical cannabis use and 57% struggle to find a healthcare practitioner to speak to about getting a medical document necessary to assess legal cannabis. The survey also found that while 1 in 4 patients reported that increased medical cannabis use decreased their reliance on opioid pain relievers, 36% of these patients reported that barriers to accessing medical cannabis led them to return to opioid medications. These results highlight the continued barriers for medical cannabis patients and the importance of continuing investments in medical education, patients, and advocacy.

“As a volunteer-run organization, grant support like this is essential to empower us to execute bigger projects that allow us to advocate for and support patients further,” says Gerald Major, former Medical Cannabis Canada Board Chairperson.



# LOOKING FORWARD

Through our focus on community reinvestment, access to criminal justice reform supports, and education, destigmatization, and advocacy, we will continue to evolve our strategy to address the systematic and institutional barriers that continue to perpetuate the effects of cannabis prohibition.



# ENVIRONMENTAL IMPACT

## Topics covered

GHG Emissions & Energy

Waste Management & Recycling

Water Management & Conservation

## UN SDGs in this section:





# Commitment Statement

Growing and cultivating cannabis and manufacturing and distributing our products requires natural resources, including a significant amount of energy use. We recognize our responsibility to conserve and reduce the energy and natural resource intensity of our production, with the goal of cultivating cannabis and producing consumer products with the lowest energy, emissions, and waste footprint possible over the long term.

We are committed to understanding our use of natural resources across our enterprise, identifying ways to reduce it, and executing initiatives that lower our environmental impact.

# Why Is this Important?

Reducing our impact on the planet is not only our responsibility as a corporate citizen given the urgency of the climate crisis, but it will also be a critical cost-mitigation strategy as energy prices rise and the impacts of climate change further strain access to natural resources such as water, particularly in water-scarce regions. Addressing climate risk will help limit our exposure to future regulatory risks linked to carbon emissions. We also recognize that consumers increasingly demand brands that contribute to environmental protection.

# Our Approach

Our Director of Health, Safety, and the Environment (HSE) has operational responsibility for environmental management at Canopy Growth and chairs our Environmental Council composed of technical staff and senior leaders from our operations and energy systems group and site-based environmental managers. The Environmental Council meets to review the Company’s environmental performance and evaluate opportunities for improvement. The director also oversees two HSE specialists responsible for monitoring the organization’s ongoing compliance with applicable environmental laws and regulations, working closely with Canopy Growth’s Energy team, which is responsible for identification, evaluation, measurement, and verification of energy and water savings projects. Quarterly reports on the organization’s energy use and intensity and greenhouse gas (GHG) emissions are provided to Canopy Growth leadership.

Across Canopy Growth, our global Energy Management System (EMS) helps to enable the safe operation of our large-scale energy systems. We use data analysis tools to continuously improve energy efficiency. Our EMS also collects facility-level data on energy and water use and GHG emissions, and tracks invoiced energy commodities including electricity, natural gas, biomass, district heat, diesel, propane, compressed CO<sub>2</sub>, and water/sewer demand and consumption. We track and validate consumption, demand, and efficiency project savings throughout our facilities based on bills, internal meters, control systems, and production logs. Our EMS also allows us to benchmark energy use per gram or per can, by facility, on cost, consumption, and emissions key performance indicators.

In 2021, we are developing an Environmental Management Program that will include detailed strategies in the areas of pollution prevention and emissions reduction, wastewater and stormwater management, and waste management.

# Integrating the Environment into Construction Planning

In 2021, we had a number of new construction and retrofitting projects underway globally; a building addition for the STORZ & BICKEL manufacturing facility in Tuttlingen, Germany; and a gummies HVAC upgrade in Smiths Falls, Ontario. Within each new construction project, Canopy Growth Energy Management & Environmental teams work closely with designers and construction teams to identify opportunities for environmentally friendly processes and elements, such as energy efficient HVAC and bulk physical plant. All Canopy Growth office, retail office, retail, and facilities employ LED lighting and water-efficient fixtures. We also work with local governments and municipalities to access efficiency incentives, delivering value to shareholders, lowering emissions, and providing third-party verified emissions and resource savings.





# FOCUS AREAS

## GHG Emissions & Energy

**We are working to reduce our energy consumption at the facility level.**

Energy use comprises the largest portion of our footprint, with production of cannabis, beverages, and edibles accounting for 98% of our energy use.

Scope 1 GHG emissions make up the majority of our emissions and include emissions from generators, boilers, heaters, vehicles owned by Canopy Growth, refrigeration, air conditioning equipment, CO<sub>2</sub> enrichment, and extraction. Additionally, electricity, a Scope 2 emissions source, is a key input to cannabis and manufacturing. Electricity is used for elements such as lighting, irrigation, cooling, ventilation, air conditioning, dehumidification, and drying. Canopy Growth uses the electricity supply mix available from local utilities. Our production sites have multi-megawatt electricity peak demands and are large industrial electricity distribution customers.

As we work to reduce our energy intensity and emissions, we are starting at their source.

In 2020, we conducted our first-ever baseline assessment<sup>1</sup> of our Scope 1 and Scope 2 energy use and GHG emissions for our global operations.

We worked with a third-party consultant, Ernst and Young (EY), to produce our methodology and data inventory. Going forward, we will use the data to inform strategic decisions that guide our energy reduction plans, including continued investments in energy efficient infrastructure, agricultural LED lighting, production and process improvements, improvements to cultivation yield and quality, and analysis based on energy and emissions key performance indicators. For more information on our GHG emissions calculation methodology, please see [page 70](#).

**To date, in 2021, our energy conservation projects resulted in 2,974 MWh per year of electricity and 7,957 MWh per year of natural gas savings.**



### Taking Steps to Reduce Energy Intensity

In 2021, our energy conservation projects resulted in 2,974 MWh per year of electricity and 7,957 MWh per year of natural gas savings. This included efforts to incorporate energy efficiency measures in the building of new facilities where we saw process optimizations from previous years with the installation of high-efficiency air handlers; replacing lighting with LED lights in laboratories, offices, and non-grow production and manufacturing spaces; and replacing energy condensers in boilers.

We also continue to invest in boiler plant, insulation upgrades, and load shifting and balancing to take advantage of cooler, dryer nighttime make up air, variable frequency and notched belt drives on all new installations, preventative maintenance, and design standards that save energy.

Site examples of energy efficiency efforts include:

- At our Mirabel, Quebec, production facility, we use a biomass boiler fuelled by forestry industry waste; and
- In our indoor growing facilities in Canada, we use heat exchangers and free cooling, promoting waste heat recovery and utilizing temperature differences between winter and summer months.

<sup>1</sup> Assessment did not include Scope 3 emissions, which include contract manufacturing for Twd., BioSteel, and Martha Stewart CBD.

# Waste Management & Recycling

We manage waste reduction at each of our facilities. In 2021, we conducted our first waste baseline assessment at our Smiths Falls, Ontario, facility, which found that our diversion from landfill rate is 76%. We plan to carry out waste assessments at all sites by the end of 2021 and integrate assessment findings into our plans for 2022 and beyond.

We are actively working to reduce the environmental impact of our packaging, including opportunities to develop more eco-responsible packaging options. We also participate in the TerraCycle Cannabis Packaging Recycling Program, which accepts all cannabis containers from licensed producers. Since its debut, the free program has saved more than 9.5 million pieces of cannabis packaging from ending up in landfills. The program is currently active in all 34 corporately owned Tweed and Tokyo Smoke stores. In addition to drop-off points, consumers can register online for free pickup and recycling of their discarded containers.

In late 2020, we also joined a pilot for a national vape recycling program that will help consumers dispose of vape hardware safely and responsibly. The program continues to be rolled out to more than 200 retail stores across British Columbia, Alberta, and Ontario, where collection boxes for disposable vape pens, vape batteries, and cartridges from all brands are available.

# Water Management & Conservation

Cannabis operations are dependent on access to water for cultivation and production. We consider the impacts of our operations on water resources across our value chain in terms of quality and availability and seek to identify ways to improve water efficiency.

Within our cultivation facilities, we use on-demand drip irrigation systems, which apply water only where it is needed. [Research](#) shows that drip irrigation typically uses one-quarter to half the amount of water used by traditional overhead sprinklers, results in less water lost to evaporation, and significantly reduces runoff into area streams or rivers.

In addition, in all new construction or retrofitting, we use high-efficiency fixtures that exceed all local requirements.



# 2020 PERFORMANCE

In 2020, we achieved 239 tonnes of third-party verified GHG reductions and 2,974 megawatt hours per year of energy savings based on government incentive-eligible electrical and gas efficiency projects.

The following data reflects our first baseline assessment conducted in 2020. The scope of the assessment includes the following Canopy Growth operations: Canadian recreational and medical, international medical, BioSteel, This Works, STORZ & BICKEL, and U.S. CBD. It includes cultivation, post-harvest, and production, and office, clinic, and retail facilities.

Canopy Growth has committed to continue to provide annual data in future reports.



## Energy Consumption

Total Energy Consumption	All Facilities	Excluding Canadian Facilities Closed in 2020 <sup>1</sup>
Total direct energy consumed (kWh) by type		
Natural gas	149,346,765	88,175,613
Biomass	59,964,999	59,964,999
Fuel oil	2,609,526	2,609,526
Total direct energy consumed	211,921,290	150,750,138
Total indirect energy consumed (kWh) by type		
Electricity	179,193,205	173,115,715
District heat	14,728,210	14,728,210
Total indirect energy consumed	193,921,415	187,843,925
Total Energy Consumed (kWh)	405,842,705	338,594,063

<sup>1</sup> In 2020 through to 2021, we rightsized our production footprint to better align with market demand, resulting in the closure of nine facilities in Canada. Seven facilities, closed prior to September 2021, which are considered in the above exclusions list are:

- Aldergrove, British Columbia (greenhouse operating site)
- Birch Hills, Saskatchewan (outdoor grow operating site)
- Delta, British Columbia (greenhouse operating site)
- Edmonton, Alberta (indoor non-operating site)
- Bowmanville, Ontario (indoor operating site)
- Fredericton, New Brunswick (indoor operating site)
- St. John's, Newfoundland (indoor non-operating site)

## Energy Intensity (all facilities)

802

Energy intensity (kWh/total revenue in thousands CAD)

Our facilities primarily use natural gas, biomass, and fuel oil as sources of direct energy, including for heating, cooling, and transportation. The total direct energy consumed in 2020 was 211,921,290 kWh. The facilities closed in 2020 accounted for nearly 30% of direct energy consumed, mostly in the form of natural gas.

Electricity is a major input from an energy perspective, and we consumed 179,193,205 kWh in 2020. District heating is also a source of indirect energy consumption and totalled 14,728,210 kWh. Total indirect energy consumed was 193,921,415 kWh.



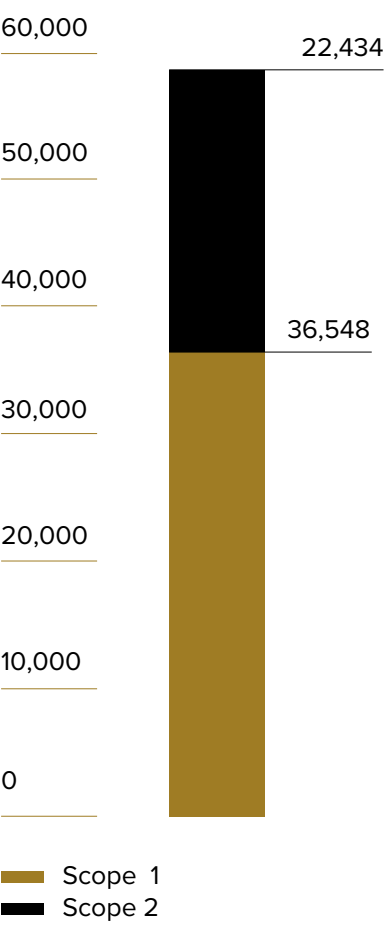
Greenhouse Gas Emissions

Total Greenhouse Gas Emissions (tCO <sub>2</sub> e)	All Facilities	Excluding Canadian Facilities Closed in 2020 <sup>1</sup>
Scope 1 emissions		
Natural gas	30,322	19,081
Biomass	410	410
Fuel oil	699	699
Fugitive emissions	5,118	5,118
Total Scope 1 emissions	36,548	24,198
Scope 2 emissions		
Electricity	18,655	18,556
District heat	3,780	3,780
Total Scope 2 emissions (market-based)	22,434	22,336
Total GHG Emissions (Scope 1 and Scope 2)	58,982	46,534

1 In 2020 through to 2021, we rightsized our production footprint to better align with market demand, resulting in the closure of nine facilities in Canada. Seven facilities, closed prior to September 2021, which are considered in the above exclusions list are:

- Aldergrove, British Columbia (greenhouse operating site)
- Birch Hills, Saskatchewan (outdoor grow operating site)
- Delta, British Columbia (greenhouse operating site)
- Edmonton, Alberta (indoor non-operating site)
- Bowmanville, Ontario (indoor operating site)
- Fredericton, New Brunswick (indoor operating site)
- St. John's, Newfoundland (indoor non-operating site)

Canopy Growth’s 2020 Total CO<sub>2</sub>e Emissions per Scope in Metric Tons



Greenhouse Gas Emissions Intensity (all facilities)

116.5

Scope 1 and 2 GHG emissions intensity (kg CO<sub>2</sub>e/total revenue in thousands CAD)



### Canopy Growth's 2020 CO<sub>2</sub>e Emissions per Country

Scope 1 emissions totalled 36,548 tCO<sub>2</sub>e in 2020. The majority of our Scope 1 emissions can be attributed to natural gas consumption with fugitive emissions being the next biggest source. Fugitive emissions can mainly be attributed to refrigerant degradation or small leaks. The facilities closed in 2020 accounted for nearly one-third of Scope 1 emissions in 2020.

Scope 2 emissions totalled 22,434 tCO<sub>2</sub>e in 2020. Electricity purchased from utilities accounted for 83% of total Scope 2 emissions. Total combined Scope 1 and 2 emissions in 2020 was 58,982 tCO<sub>2</sub>e, which can mainly be attributed to operations in Canada (86%) and, to a lesser extent, the European Union (12%) and the United States (2%). We plan to build on our GHG emissions inventory going forward.



- Canada (86%)
- European Union (12%)
- United States (2%)





Waste Management  
and Recycling

17.6%

Percentage of product units distributed with packaging that is 100% recyclable, reusable, or compostable<sup>1</sup>

Water Management  
and Conservation<sup>2</sup>

259,200

Total water withdrawn (m<sup>3</sup>)

0.51

Total water intensity (m<sup>3</sup>/total revenue in thousands CAD)



LOOKING FORWARD

While we made significant progress establishing our environmental roadmap in 2020 and 2021, we recognize that we are at the start of an ongoing journey. Future steps will include:

- Setting targets for reducing energy use and GHG emissions;
- Transitioning product packaging to eco-responsible options;
- Conducting a trial of LED lighting in cannabis grow rooms at our Smiths Falls, Ontario, headquarters;
- Conducting waste baseline assessments at all North American facilities and increasing waste diversion rates; and
- Strengthening our culture of climate responsibility throughout our organization.

1 Reflects packaging data for Canadian recreational and medical products, U.S. CBD, STORZ & BICKEL, This Works, and BioSteel products.

2 Reflects water withdrawal data where water usage is metered only.



# 2020 PERFORMANCE DATA

Topic	Performance Metric	Metric/Unit	2020
Environment			
Energy	Total direct energy consumed	kWh	211,921,290
	Total indirect energy consumed		193,921,415
	Total energy consumed		405,842,705
	Energy intensity	kWh/total revenue in thousands CAD	802
Greenhouse Gas Emissions	Scope 1 emissions	Metric tons (t) CO <sub>2</sub> e	36,548
	Scope 2 emissions		22,434
	Total GHG emissions (Scope 1 & 2)		58,982
	Scope 1 & 2 emissions intensity	kg CO <sub>2</sub> e/total revenue in thousands CAD	116.50
Water Management & Conservation	Water withdrawal	Cubic metres (m³)	259,200
	Water intensity	m³/total revenue in thousands CAD	0.51
Waste Management & Recycling	Landfill diversion rate	Percentage (%)	76% <sup>1</sup>
	Percentage of product units distributed with packaging that is 100% recyclable, reusable, or compostable		17.6%
Social			
Product Safety & Responsible Use	Safety-related product recalls	Number	0
	Employees trained on adverse event identification and reporting through our pharmacovigilance program	Percentage (%)	93%
Workforce Demographics	Total workforce	Number of employees	3,221
Community Relations, Investment & Impact	Investments in social justice, patient advocacy, and community impact activities	Millions CAD	1.8

1 Diversion rate relates to available data for the Smiths Falls facility only. Read more on [page 57](#).

# SASB INDEX

This SASB Index relates to items suggested for disclosure by the Sustainability Accounting Standards Board (SASB). Due to the diversified nature of our business, this index includes relevant disclosures from the Biotechnology & Pharmaceuticals, Agricultural Products, and Non-Alcoholic Beverages standards. All data covers calendar year 2020 (January 1 – December 31) unless otherwise stated.

Topic	Accounting Metric	Category	Unit of Measure	Code	Disclosure Response
Greenhouse Gas Emissions	Gross global Scope 1 emissions	Quantitative	Metric tons (t) CO <sub>2</sub> e	FB-AG-110a.1	36,548 tCO <sub>2</sub> e  2021 Canopy Growth ESG Report – Environmental Impact > 2020 Performance, <a href="#">page 59</a>
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	n/a	FB-AG-110a.2	2021 Canopy Growth ESG Report – Environmental Impact > Focus Areas, <a href="#">page 56</a>
	Fleet fuel consumed, percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	FB-AG-110a.3 FB-NB-110a.1	Data for fuel consumed by our fleet vehicles is not available for calendar year 2020. We look forward to disclosing this information in future reporting periods.
Energy Management	(1) Operational energy consumed, (2) percentage grid electricity	Quantitative	Gigajoules (GJ), Percentage (%)	FB-AG-130a.1 FB-NB-130a.1	(1) Operational energy consumed – 405,842,705 kWh  (2) Percentage grid electricity – 44.2%  2021 Canopy Growth ESG Report – Environmental Impact > 2020 Performance, <a href="#">page 58</a>

# SASB INDEX (CONTINUED)

Topic	Accounting Metric	Category	Unit of Measure	Code	Disclosure Response
Water Management	(1) Total water and freshwater withdrawn, (2) total water and freshwater consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic metres (m³), Percentage (%)	FB-AG-140a.1 FB-NB-140a.1	(1) Total freshwater withdrawn – 259,200 m³  (2) Total freshwater consumed – we do not currently track the amount of water removed for use that’s returned to its source  Percentage of freshwater withdrawn from regions with High or Extremely High Baseline Water Stress – 0%  Water withdrawal is tracked where facility water usage is metered.
Ingredient Sourcing	Identification of principal crops and description of risks and opportunities presented by climate change	Discussion and Analysis	n/a	FB-AG-440a.1	2021 Canopy Growth ESG Report – Environmental Impact > Our Approach, <a href="#">page 55</a>  2021 Canopy Growth ESG Report – Environmental Impact > Focus Areas, <a href="#">page 56</a>
Health & Nutrition	(1) Number of recalls issued and (2) total amount of food product recalled	Quantitative	Number, Metric tons (t)	FB-AG-250a.3	There were no recalls issued in 2020.



# SASB INDEX (CONTINUED)

Topic	Accounting Metric	Category	Unit of Measure	Code	Disclosure Response
Safety of Study Participants	Discussion, by world region, of management process for ensuring quality and patient safety during studies	Discussion and Analysis	n/a	HC-BP-210a.1	2021 Canopy Growth ESG Report – Product Safety & Responsible Use > Our Approach, <a href="#">pages 23–24</a>
	Number of FDA Sponsor Inspections related to study management and pharmacovigilance that resulted in: (1) Voluntary Action Indicated (VAI) and (2) Official Action Indicated (OAI)	Quantitative	Number	HC-BP-210a.2	There were no FDA, Health Canada or equivalent Sponsor Inspections related to study management and pharmacovigilance that resulted in VAI or OAI.
Affordability & Pricing	Number of settlements of Abbreviated New Drug Application (ANDA) litigation that involved payments and/or provisions to delay bringing an authorized generic product to market for a defined time period	Quantitative	Number	HC-BP-240b.1	Not applicable – this disclosure does not apply to Canopy Growth’s business model
	Percentage change in: (1) average list price and (2) average net price across U.S. product portfolio compared to previous year	Quantitative	Percentage (%)	HC-BP-240b.2	Not applicable – Canopy Growth did not sell pharmaceutical products in the U.S. in 2020

# SASB INDEX (CONTINUED)

Topic	Accounting Metric	Category	Unit of Measure	Code	Disclosure Response
Access to Medicines	Description of actions and initiatives to promote access to health care products for priority diseases and in priority countries as defined by the Access to Medicine Index	Discussion and Analysis	n/a	HC-BP-240a.1	2021 Canopy Growth ESG Report – Product Safety & Responsible Use > Responsible Use, <a href="#">page 28</a>
	List of products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Programme (PQP)	Discussion and Analysis	n/a	HC-BP-240a.2	Canopy Growth does not have any of its products on the WHO’s List of Prequalified Medicinal Products.
	Number of fatalities associated with products as reported in the FDA Adverse Event Reporting System	Quantitative	Number	HC-BP-250a.2	There were no fatalities reported in association with our products in any jurisdiction.
	Number of recalls issued, total units recalled	Quantitative	Number	HC-BP-250a.3	There were no product safety-related recalls in 2020.
Counterfeit Drugs	Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting	Discussion and Analysis	n/a	HC-BP-260a.1	2021 Canopy Growth ESG Report – Product Safety & Responsible Use > Production & Distribution, <a href="#">page 26</a>

# SASB INDEX (CONTINUED)

Topic	Accounting Metric	Category	Unit of Measure	Code	Disclosure Response
<b>Employee Recruitment, Development &amp; Retention</b>	Discussion of talent recruitment and retention efforts for scientists and research and development personnel	Discussion and Analysis	n/a	HC-BP-330a.1	2021 Canopy Growth ESG Report – Our People, <a href="#">pages 30–38</a>
	(1) Voluntary and (2) involuntary turnover rate for: (a) executives/ senior managers, (b) midlevel managers, (c) professionals, and (d) all others	Quantitative	Rate	HC-BP-330a.2	In 2020, our total employee turnover rate was 67%. Involuntary turnover was 47%, while voluntary turnover was 20%.  2021 Canopy Growth ESG Report – Our People > Employee Turnover, <a href="#">page 34</a>
<b>Workforce Health &amp; Safety</b>	(1) Total recordable incident rate (TRIR), (2) fatality rate, (3) near miss frequency rate (NMFR) for (a) direct employees and (b) seasonal and migrant employees, (4) average hours of health, safety, and emergency response training for (a) full-time employees and (b) contract employees	Quantitative	Rate	FB-AG-320a.1	(2) Fatality rate – 2021 Canopy Growth ESG Report – Our People > Workplace Health & Safety, <a href="#">page 33</a>  (4) Average hours of health, safety training for employees – 2021 Canopy Growth ESG Report – Our People > Training & Career Development, <a href="#">page 30</a>
<b>Ethical Marketing</b>	Description of code of ethics governing promotion of off-label use of products	Discussion and Analysis	n/a	HC-BP-270a.2	Not applicable



# SASB INDEX (CONTINUED)

Topic	Accounting Metric	Category	Unit of Measure	Code	Disclosure Response
Packaging & Lifecycle Management	(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials, and (3) percentage that is recyclable, reusable, and/or compostable	Quantitative	Metric tons (t), Percentage (%)	FB-NB-410a.1	17.6% of our products distributed had primary packaging (used to contain and/or protect Canopy Growth products) that was 100% recyclable, reusable, or compostable. The products included in this figure are: Canadian recreational and medical products, U.S. CBD, STORZ & BICKEL, This Works, and BioSteel products.
	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	Discussion and Analysis	n/a	FB-NB-410a.2	2021 Canopy Growth ESG Report – Environmental Impact > Waste Management & Recycling, <a href="#">page 57</a>
	Description of code of ethics governing interactions with health care professionals	Discussion and Analysis	n/a	HC-BP-510a.2	2021 Canopy Growth ESG Report – Product Safety & Responsible Use > Our Approach, <a href="#">pages 23–24</a>
Activity Metrics	Number of production and processing facilities	Quantitative	Number	FB-AG-000.B FB-NB-000.B	2021 Canopy Growth ESG Report – About Canopy Growth > Where We Operate, <a href="#">page 10</a>

# SOCIAL IMPACT PARTNERS

Organization
<a href="#">33rd Street Business Improvement District</a>
<a href="#">The 519</a>
<a href="#">A Greener Future</a>
<a href="#">Access Alliance</a>
<a href="#">Arts Etobicoke</a>
<a href="#">Breakaway Community Services</a>
<a href="#">Building Roots</a>
<a href="#">Cage-Free Cannabis</a>
<a href="#">Canadian AIDS Society</a>
<a href="#">Cannabis Amnesty</a>
<a href="#">Cannabis for Harm Reduction &amp; Dr. Peter Centre</a>
<a href="#">Clean St. John’s</a>
<a href="#">Comité d'Aide alimentaire des Patriotes</a>
<a href="#">Community Justice Initiatives of Waterloo</a>
<a href="#">Cultivate Canada Society</a>
<a href="#">Cultural Connections Institute</a>

Organization
<a href="#">Downtown Penticton Association</a>
<a href="#">Downtown Winnipeg BIZ</a>
<a href="#">Dravet Canada</a>
<a href="#">Fort la Reine Museum, Pioneer Village &amp; Tourist Bureau</a>
<a href="#">Friends of the Greenbelt Foundation</a>
<a href="#">Gathering Place</a>
<a href="#">Gimli Film Festival</a>
<a href="#">Glad Day Lit</a>
<a href="#">Hamilton Artists Inc</a>
<a href="#">Heritage Trail – Niagara-on-the-Lake</a>
<a href="#">Hives for Humanity</a>
<a href="#">The Local Community Food Centre</a>
<a href="#">MakeWay</a> (formerly Tides Canada Initiatives Society)
<a href="#">Medical Cannabis Canada</a>
<a href="#">National Expungement Works</a>
<a href="#">Nature Trust of New Brunswick</a>

Organization
<a href="#">Post-Traumatic Growth Association</a>
<a href="#">Rainbow Railroad</a>
<a href="#">READ Saskatoon</a>
<a href="#">Sentier Urbain</a>
<a href="#">Sioux-Hudson Literacy Council</a>
<a href="#">Smiths Falls Community Food Bank</a>
<a href="#">Teal Poppies/The Veteran Farmer</a>
<a href="#">Team Rubicon Canada</a>
<a href="#">Veterans Association Food Bank – Calgary</a>
<a href="#">Veterans Association Food Bank – Edmonton</a>
<a href="#">Wounded Warriors Canada</a>

\* We also distributed 57 iPads to the following Ontario-based long-term care homes: Frost Manor (3); Rosebridge Manor (2); Delhi LTC (2); Burloak (4); Eagle Terrace (2); Fenelon Court (4); Hallowell House (3); Northridge (4); Reachview (3); Cooksville Care Centre (4); Dundurn Place Care Centre (4); Grace Manor (4); Wellington Terrace (2); Deer Park Villa (2); Douglas H. Rapelje Lodge (2); Gilmore Lodge (2); Linhaven (2); Northland Pointe (2); The Meadows of Dorchester (2); The Woodlands of Sunset (2); Upper Canada Lodge (2).

# GREENHOUSE GAS EMISSIONS INVENTORY METHODOLOGY

Canopy Growth’s GHG emissions inventory comprises Scope 1 (direct) and Scope 2 (indirect) GHG emissions from facilities and activities under our operational control in Canada, the United States, and Europe.

Our GHG emissions calculation relies on company operating data collected from auditable corporate business, legal, and accounting records. Emissions factors and methodologies come from the following external sources:

- ISO 14064-1:2018, Greenhouse gases — Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals
- WRI/WBCSD GHG Protocol. The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (revised edition)
- WRI/WBCSD GHG Protocol. The Greenhouse Gas Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard
- WRI/WBCSD GHG Protocol. The Greenhouse Gas Protocol Agricultural Guidance: Interpreting the Corporate Accounting and Reporting Standard for the agricultural sector
- 2006 IPCC Guidelines for National Greenhouse Gas Inventories, Volume 2 Energy
- Quebec, Hydro-Québec’s electricity facts

- Environment and Climate Change Canada National Inventory Report 1990–2018: greenhouse gas sources and sinks in Canada (Part 3, Annex 13)
- U.S. Environmental Protection Agency (EPA), Emissions & Generation Resource Integrated Database (eGRID)
- Denmark, Energi Fyn (Utility) – General Declaration 2019
- Germany, N-ERGIE (Utility), Nuremberg, electricity labelling
- Germany, Mainova (Utility), Frankfurt/Main, electricity labelling
- Germany, ENTEGA (Utility), Darmstadt, electricity labelling
- Germany, SWT (Utility), Tuttlingen, electricity labelling
- Germany, e.optimum Utility, Offenburg, electricity labelling
- Association of Issuing Bodies (AIB), European Residual Mix
- European Environment Agency (EEA), EEA Indicators, greenhouse gas emission intensity of electricity generation in Europe
- Austria (Heating), Magistrate of the City of Vienna, Building Code Amendment 2018 (District heating conversion factors)
- Denmark (Heating), Danish Energy Agency
- Germany (Heating and Steam), Infraser GmbH (operator of industrial park)

The following types of facilities were excluded from the GHG and energy reporting boundary:

- Facilities for which utility data and facility square metre (m²) area information are unavailable and estimated energy use at the facility is considered de minimis <1% of total energy use;
- Facilities owned and/or operated by a non-CGC entity franchise partner (i.e., partner stores);
- Un-serviced facilities; and
- Facilities/sites under construction where utility services are under the control of a third-party contractor.

Fossil fuel consumption for fleet and other mobile equipment was not included in the inventory.





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