



OTTAWA CONVENTION CENTRE CORPORATION

ANNUAL BUSINESS PLAN 2021/22

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1. EXECUTIVE SUMMARY

On March 11, 2020, the World Health Organization declared a pandemic which immediately changed our outlook and the year ahead. We lost significant revenues with our first cancellations being the Ottawa Gatineau International Car Show, CUPE 2020 meeting, Travel and Vacation Show, Fisheries and Oceans Canada Symposium, and Science Students Annual Ball. Most difficult, was the temporary lay-off notices delivered to our 271 unionized team members and permanent staff reductions of our salaried team members by 60%. Expenses were curtailed and non-health and safety maintenance projects placed on hold. With the exception of the annual Christmas Cheer Breakfast and the Ottawa Hospital Breakfast fundraisers, all other sponsorship activations were cancelled. The OCC was mandated by the Ottawa Department of Health to close operations for a portion of 2020/2021 and subsequently implemented gathering restrictions allowing the centre to open the building for groups of 50 or less.

Sales and Marketing efforts for the year forward and well into 2021 will focus on recovery, rebuilding, and reopening. Building confidence and assurance that we can deliver safe events will be paramount as we look to our recovery. Working closely with our clientele to salvage requests to cancel have been the main focus of 2020. We have worked diligently to “postpone” conferences and events and move them to future years. The pipeline initially for 2021 reflected this; however, as we look to close the calendar for 2020, the pandemic is far from over and will be long reaching into 2021/2022.

The initiatives detailed in this business plan will reflect the current situation of working through the pandemic as well as the outlook for the next three years. While we may have been thrown off track, we have been nimble in our approach to creative views, to new business opportunities, and a robust recovery plan. It is important to look forward to welcoming our clients back, our valued colleagues back and to rebuilding the spirit of customer excellence which has been a main pillar of our tremendous success over the past years.

2020/2021 would have been the centre’s best and strongest year of convention business with more citywide conferences than previous years. Our sales and marketing team continue to fill the pipeline into the future. As the pandemic looks to continue into 2021, we have observed our clients’ hesitation to reschedule for the future with so many unknowns. While our immediate efforts will be local and national, we are well poised to enter the international arena with our close and most strategic partner, Ottawa Tourism, when the time comes. It is anticipated that the international market will take 3-4 years to rebound.

Restrictions on gatherings and social distancing place our centre in an advantageous position as it relates to open and large spaces; however, current restrictions during the pandemic also have us evaluating profit and loss assessments on small groups. It is anticipated that food and beverage spending in 2021 and 2022 will take a hit with social receptions, food handling protocols and costs associated with delivering events adhering to COVID-19 protocols resulting in fewer social networking events which have historically driven food and beverage revenues. Fundraising events will be delivered virtually as we saw with the Ottawa Hospital Mental Health annual fundraiser.

Leadership has never been challenged as it has and will be during this pandemic. Optimism for the future is as important to project as is the ability to manage the limited resources, both people and financial. Colleagues will require motivation and engagement in ways new to all of us given personal interaction has been replaced by video conferencing.

We wish to thank and acknowledge our closest partners, Aramark Entertainment Services Canada Inc. and Encore. Our established vision of *Inspired People Creating Extraordinary Events* remains part of our culture and DNA. We also wish to thank our colleagues' ongoing commitment to customer service and delivering excellence. These individuals are the lifeblood of our business and no matter how busy they are, they make magic happen every day and help the OCC continue to be a genuinely wonderful place to work! We are very appreciative of the support from Ontario's Minister of Heritage, Sport, Tourism and Culture Industries, The Honourable Lisa MacLeod, and her dedicated staff as well as our Board of Directors for providing strategic guidance as we continue to build on our successes leading into our 11th year of operations.

2020/2021 RESULTS

2020/2021 was to have been the centre's most successful year with 49 conventions spanning across the calendar with international and national association conferences and many high-profile corporate conventions. Due to the pandemic, our forecasted revenues of \$19.1M will drop by 95% to annual revenues of \$1.4M.

Our marketing efforts were reduced to updates on social media around safety protocols and recovery plans. All other marketing efforts were halted due to cash flow and the unknowns around reopening and business returning to normal. We also acknowledge that meetings are currently not top of mind to associations and corporations during an unprecedented financial downturn.

The OCC is an integral player in our city and as such, we continue to pay it forward as a good corporate citizen and support our efforts at home. While the centre has hosted limited events in 2020/2021, food donations to the local mission continued at a time needed most.

LOOKING AHEAD TO 2021/2022

Our focus for this fiscal year remains honed-in on crisis management working with postponements, staff reductions, cancellations and recovery. Equally important is keeping our valued colleagues engaged during this pandemic through on-going communication and touch points.

Extending flexibility on cancellation fees in return for definite future business has proven fruitful and, in some cases, has returned multiple year contracts. An example of this is AMO (Association of Municipalities of Ontario). This association cancelled for August 2020. We were able to leverage waiving our cancellation fee into signing the same program for 2024 and 2025 without going to RFP.

2. MANDATE AND VISION

VISION

Inspired people creating extraordinary events.

Our vision is supported by the following four pillars:

1. Generate economic impact through incremental growth from the external visitor economy
2. Deliver extraordinary customer experience
3. To operate sustainably
4. To be the best convention centre in Canada

CORE PURPOSE

We are Canada's Meeting Place. The Ottawa Convention Centre provides the stage where Canadians and guests from around the world come together in Ottawa, our Capital, to learn and grow by sharing their knowledge, views and practices.

ECONOMIC MANDATE

The Ottawa Convention Centre operates profitably, and in cooperation with our tourism industry partners, generates positive economic impact for all three levels of government.

SHARED VALUES

WE always treat each other with respect and fairness

WE strongly celebrate innovation and initiative

WE act upon our responsibility to our government and are responsive to our community and the environment

WE contribute as a team to our shared success and collective passion to grow our business

WE go the extra mile to deliver extraordinary experiences

LEGISLATIVE AUTHORITY AND MANDATE

OCC is an Agency of the Government of Ontario governed by the Ottawa Convention Centre Corporation Act (1988). OCC is operated by a twelve-member Board of Directors with nine provincial and three municipal appointees. The Centre opened in 1983, was demolished in 2008 and re-opened in 2011. Its legislated mandate is to “operate, maintain and manage an international-class convention centre in a manner that will promote and develop tourism and industry in Ontario”.

OCC is an operational enterprise agency of the Ministry of Heritage, Sport, Tourism, and Culture Industries. OCC is committed to providing excellent, high calibre bilingual customer service, and to ensuring that services are timely, responsive, accessible and accountable.

The Memorandum of Understanding (MOU) between the Ottawa Convention Centre Corporation and the Ministry of Heritage, Sport, Tourism, and Culture Industries, provides an accountability and governance framework, including the following accountability relationship:

- a) The Minister is accountable to the legislature and Treasury Board/Management Board of Cabinet for the Centre’s fulfillment of its mandate, its compliance with government and Ministry policies and for reporting and responding to the Legislature on the Centre’s affairs.
- b) The Chair is accountable to the Minister for the performance of the Centre in fulfilling its mandate for carrying out the roles and responsibilities assigned to the Chair by the governing Act, MBC directives and the MOU.
- c) The Deputy Minister is accountable for advising and assisting the Minister regarding the Minister’s responsibilities for the Agency.
- d) The President & CEO is accountable to the Chair and the Board for the management of the Centre, the supervision of the Centre’s staff, and for carrying out the roles and responsibilities assigned by the Board, Management Board directives, the Act, MOU and other relevant legislation.
- e) Staff of the Centre is accountable to the President & CEO for carrying out the roles and responsibilities as assigned to the staff by the President & CEO.

3. ENVIRONMENTAL SCAN

GENERAL OBSERVATIONS

This plan outlines OCC's revenue opportunities, financial projections and strategic and tactical sales and marketing plans for the year. As 2021 will reflect an unprecedented challenge, there is some optimism as we look forward to a vaccine and the travel industry beginning to rebound in 2022. Industry experts forecast it will take 2-3 years for the national meetings and exhibition industry to rebound and 3-4 years for international congresses to return to pre-pandemic times.

As we enter our 11th year of operations, we will have addressed our growing need to replace capital, furniture, fixtures and equipment to ensure the stewardship of our facility and the competitiveness of our offerings. While a portion of upgrades have taken place in 2019/2020, significant projects such as carpet replacement will be deferred to future years. Currently, capital upgrades will be prioritized around health and safety. With the pandemic a continuing concern, we will require protective equipment as a component of our capital plan. We are continuing to work with the Ministry to determine how to address capital investment with very limited reserves. An ongoing future obligation will be the \$1M payable to the Ontario Finance Authority each year. With our reserves being utilized to fund the centre during its closure, our previous reserves may not allow for payment through to 2022/2023.

Our international efforts have been placed on hold. ThinkOttawa is currently not being resourced given our international efforts will take years to rebuild and travel not scheduled to rebound for at least 3-4 years or until a vaccine has been found. The pandemic has also resulted in several international flights being discontinued to Ottawa which will place us in a less favourable position when competing against other Tier 1 and 2 cities. While ThinkOttawa is currently on hiatus, we continue to work with Ottawa Tourism on our international efforts albeit not in person via tradeshows or missions.

Physical distancing will require a complete re-set of how we conduct meetings safely. New floor plans and capacity charts will decrease our ability to host events with significant attendance numbers.

Ottawa was experiencing a positive trajectory in our market share in the Convention and Meetings Sector. With hotels running below 20% occupancy, the Municipal Accommodations Tax will not generate enough marketing dollars to significantly increase sales and marketing when we are provided the opportunity to re-open and resume hosting events.

4. RISK ASSESSMENT STRATEGIES 2021 -2022

| Risk category: Operational | |
|-----------------------------------|--|
| Health & Safety (Guests & Staff) | |
| Description | OCC recognizes its obligation to provide and maintain a safe, a healthy and secure workplace for our employees and for our occupants that visit the facility such as clients, delegates, third party suppliers, contractors and members of the public. We must have strong processes and procedures in place to protect the facility and our tangible and intangible assets and resources from internal and external threats. Our goal is to function efficiently, mitigate risks and reduce liability. |
| Related strategic priority | Financial Sustainability |
| Impact and scope | High The impact is risk to our reputation and financial stability, health risk, risk of injury and/or damage to assets and the facility. |
| Mitigation | Continue to ensure health and safety is a priority by remaining compliant with all government legislations, standards and acts. Provide refresher trainings for Occupational Health & Safety, Emergency Response & Fire, Life, Safety as well as all department specific Standard Operating Procedures. Review processes annually updated as required with current data and new requirements. Develop and introduce a <i>Pandemic Recovery Plan</i> . Implement Covid-19 processes and procedures that include Covid-19 specific training, visual aids and signage, contract tracing protocols and adjustments to building flow and capacities as required. Continue to monitor and act on recommendations from the Health and Safety Committee. Continue to schedule bi-monthly facility walks with the Senior Leadership Team. Continue to participate in food quality and safety audits, monitored through a safety portal and reviewed and audited by a third party. Provide training and update protocols for a new advanced leading-edge security camera software installed in 2020 to improve protection. |

| Risk category: Operational | |
|-------------------------------------|---|
| Limited Access to Hotel Room Blocks | |
| Description | Ottawa has a robust hotel community resulting in limited availability for blocks of rooms committed to convention business leading into 2021. Through the pandemic, this has changed significantly. Several smaller hotels have closed their doors reducing Ottawa's overall guestroom count. With physical distancing a priority when business resumes, the OCC is at an advantage due to its open spaces. |
| Related strategic priority | Financial Sustainability |
| Impact and Scope | Medium The OCC anticipates business levels resuming in Fall of 2021 with the majority of this driven from the local market. This segment has little requirement for guestrooms. |
| Mitigation | No. Immediate mitigation strategies required |

| Risk category: Operational | |
|-----------------------------------|---|
| Emergency & Crises | |
| Description | OCC has a comprehensive Emergency Preparedness Plan which is shared with our clients. A major destination's strength has been and continues to be the safety and security of the asset, contents and most importantly guests and personnel. It is the expectation of clients, guests and colleagues that we provide a safe and secure environment. It is incumbent upon the Centre to communicate our plan to our clients and colleagues and continually prepare for emergencies. Accordingly, we have plans in place to resume business as quickly as possible if an emergency were to occur. |
| Related strategic priority | Client & Colleague Satisfaction |
| Impact and Scope | Moderate It is impossible to predict an emergency or the intensity of the occurrence; however, planning and preparation to manage an issue is important in order to minimize the threat and build leadership skills to take control of the issue and to ensure business continuity. |
| Mitigation | We continually improve our emergency preparedness planning by reviewing and updating our information and procedures. Going forward, we continue with floor warden training to ensure everyone has the knowledge and confidence to respond effectively to all emergencies. We continue to conduct risk assessments of the facility and our practices to ensure we are minimizing the impacts of an emergency and responding effectively. We will also continue our collaborative efforts with our neighbouring facilities (Westin Ottawa and Rideau Centre and TD Place) to assist each other during emergencies and whenever possible our team will participate in seminars and workshops offered by the City of Ottawa Emergency Management division as well as other outside organizations. |

| Risk category: Information Technology & Infrastructure | |
|--|---|
| Cyber Risk | |
| Description | <p>Cyber Risk is defined as any risk of financial loss, disruption, or damage to the reputation of an organization from a failure involving its technology systems.</p> <p>The most common risks we are currently facing are ones which involve e-mail spam and spoofing, in which the user utilizes the name of a Manager to try and obtain funds through a wire transfer, infection through a virus through downloadable content, or by asking for account information.</p> |
| Related strategic priority | Financial Stability, Client & Colleague Satisfaction |
| Impact and Scope | Low |
| Mitigation | <p>Monthly, weekly, and incremental daily backups of all data are performed. Weekly and monthly backups are stored offsite to ensure data protection in case of a fire or similar structural event which could impact the servers and data stored in the building, as well as to aid in the protection against viruses and ransomware. Anti-virus software is kept current on all PC's, and a strict policy is in place to help manage the threat of unlawful malware/software from infecting our systems which can often occur through employees connecting remotely. An online security course will be taken by all employees upon orientation. yearly internet online security course to be taken by all employees who have access to a computer and data within the centre.</p> |

| Risk category: Operational | |
|-----------------------------------|--|
| PANDEMIC | |
| Description | Globally, a pandemic was declared in March 2020 which will likely remain through to mid 2021 and potentially beyond. While vaccines have been introduced in 2020/21, it will take time before all Canadians are vaccinated and confidence in the meetings and events sector returns. . |
| Related strategic priority | Financial Sustainability |
| Impact and Scope | The pandemic has affected the business events sector. Although the association market continues to meet annually, it has greatly reduced operating budgets with revenues declining significantly with the restriction of exhibitions which can be a significant revenue source for associations. The corporate sector, however, will likely rebound somewhat slower until the vaccine has been administered throughout the country likely late 2021. |
| Mitigation | Complete multi-year contracts with the association market to ensure the sales pipeline is strong. Develop a sales and marketing offer with Ottawa Tourism to incent meetings and conventions to stay in Ottawa vs. circulating throughout the country. |

5. ANNUAL GOALS & METRICS

In the upcoming year, OCC will focus on the strategic priorities outlined below. The Executive Leadership Team (ELT) has identified strategies and performance measures to achieve these goals. The ELT meets on a weekly basis to review financial goals and performance goals as well as client satisfaction and human resources updates.

| Strategic Goal #1: Financial | |
|------------------------------|--|
| Goal | <p>OCC's long-range financial imperative is to generate the revenues to support a surplus and maintain cash flows sufficient to provide for lifecycle requirements.</p> <p>OCC's mandate is to generate economic benefits to the City of Ottawa and the Province of Ontario.</p> <p>OCC will generate the following financial results in 2021/22:</p> <ul style="list-style-type: none"> • Gross revenue of \$ 3.3M; • Economic impact of \$ 12M; • Booking pace target of \$ 12.4M • Net operating loss of \$ (4.53)M |
| Strategies | Our current year's strategy is to cut expenses where possible, while maintaining our building and continuing to communicate with our clients. We continue to re-book events in the future as the re-opening timeline shifts. |
| Performance measures | OCC will monitor progress utilizing financial statements and internal reports which are reviewed with senior management on a monthly basis and with the Finance & Audit Committee of the Board of Directors quarterly. |

| Description | ACTUAL 2019-20 | REFORECAST 2020-21 | BUDGET 2021-22 | PLAN 2022-23 | PLAN 2023-24 |
|---------------------------------|-------------------|-----------------------|-------------------|-----------------|-----------------|
| Economic impact (\$M's) | 150 | 0 | 12 | 62 | 118 |
| Gross revenue (\$M's) | 18.1 | 6.01 | 3.3 | 11.9 | 16.7 |
| Net operating income (\$M's) | 1.34 | (161) | (4.53) | (1.95) | 0.34 |
| Booking pace (\$M) | 18.7 | 10 | 12.4 | 17.8 | 19.5 |

| Strategic Goal #2: Occupancy | | | | | |
|------------------------------|--|---------------------------|-----------------------------|-------------------------|-------------------------|
| Goal | Occupancy is based on the number of square feet sold compared to the number of square feet of available space in a given year. No allowance has been made for holidays or down periods between events. Under regular circumstances, full occupancy at the OCC would be approximately 70%. | | | | |
| Strategies | In light of capacity restrictions and government regulations, the OCC will need to rely heavily on the local market in order to generate occupancy for Q1 and Q2. As distribution of the incoming vaccine becomes more widely accessible, we can reasonably anticipate a slow transition back to what used to be a primarily convention business base. | | | | |
| Performance measures | Occupancy is tracked for each event, then summarized and reported quarterly. | | | | |
| Description | Actual 2019-20 | Actual 2020-21 | Forecast 2021-22 | Plan 2022-23 | Plan 2023-24 |
| Occupancy rate | 47% | 0% | 11% | 38% | 45% |

| Strategic Goal #3: Customer Service | | | | | |
|-------------------------------------|--|----------------|--------------------|----------------|--------------|
| Goal | <p>Customer service in an integral component of business success. Our goal is to maintain a client satisfaction score of 4.5 or better.</p> <p>With the approval of capital funds in 2019-2020 we have been able to increase equipment inventories and invest in some new equipment to remain an innovative and leading-edge facility. As we enter the post pandemic period where funds will be limited, this has positioned us favorably.</p> <p>Our efforts, in 2021-22 will now be to ensure the pandemic does not affect the confidence of our clients hosting events within the facility or our staff working within the facility.</p> <p>Many of our clients are repeat annual clients and as a result we are anticipating some client fatigue with response rates.</p> | | | | |
| Strategies | <p>We will continue to ensure adherence to exceptional service in all phases of the sales and service cycle by initiating and engaging client focus groups, employing impromptu inspections, providing uncompromising leadership, elevating training and coaching to all colleagues. We will continue to build a culture of customer service with campaigns to deliver the extraordinary through employee engagement.</p> <p>Based on the pandemic, our investment will change from upgrading our equipment to remain innovative to an investment in safety and security technology and processes. In 2021-2022 we will develop and implement new Covid-19 safety and security protocols and standards, and we will reinforce occupant understanding with improved communication, upgraded signage and Covid-19 specific colleague training. This will be necessary to maintain client confidence and ensure a safe experience for our facility occupants.</p> <p>We have updated our current client survey with pandemic specific questions to monitor occupants experience and confidence levels during this unprecedented time.</p> <p>Further to this, in 2021-2022 we will launch a new delegate/attendee survey to gain a broader perspective.</p> | | | | |
| Performance measures | <p>Client satisfaction surveys are sent electronically following each event in the building. Results are reviewed by the General Manager and Director of Events and then circulated to the management team weekly for review and action as required. We will develop metric goals for the new delegate survey once launched.</p> | | | | |
| Description | Actual 2018-19 | Actual 2019-20 | Reforecast 2020-21 | Budget 2021-22 | Plan 2022-23 |
| Overall satisfaction | 4.57 | 4.8 | 4.5 | 4.5 | 4.6 |
| Response rate | 36% | 23% | 20% | 23% | 25% |

| Strategic Goal #4: Human Resources | | | | |
|---|---|-----------------------|-------------------------|---------------------|
| Goal | <p>OCC colleagues continually provide exceptional customer service which is supported through our client satisfaction scores. OCC is committed to working with our colleagues to provide the best work environment and tools necessary to help them succeed within their roles. By engaging employees, we empower employees and create loyalty. Most of our workforce has experienced a disruption in their employment due to the pandemic. Continuous support for employees who have not been recalled will be important to maintain connection and to increase the likelihood of employee’s returning to work in the future. In year’s past, we would utilize a colleague survey to gain employee’s perspectives, but due to the unforeseen circumstances, this survey will be postponed until 2022. It is estimated only a small portion of our colleagues will return to work in 2021, therefore the survey would be disproportionate of our employee population.</p> | | | |
| Strategies | <p>In the interim, the centre will focus its efforts on continually elevating our safety protocols and procedures in response to the pandemic and Public Health guidelines. As well we are assessing the value of an employee intranet that will be available for access through our website. This will allow an employee one prominent, virtual, location that is easy to access. Given the change to remote workplaces and environments, this access will provide innovation and a place for our colleagues to find out what is occurring with the centre. Despite the colleague survey being postponed, the leadership team is committed to ensuring a respectable and healthy workplace at all times and in encouraging an open-door policy.</p> <p>In 2022, colleague surveys will be reviewed by ELT, who with department heads, discuss strategies and follow up. Working groups consisting of colleagues from various departments are formed with the goal of addressing all concerns and recommendations. OCC management is committed to providing effective leadership, training, and coaching to colleagues.</p> | | | |
| Performance measures | <p>The survey is conducted on a biennial basis. We were scheduled to conduct our next survey in the Spring of 2020-2021 but have postponed until 2022-2023 due to the layoffs in March 2020 because of the pandemic.</p> | | | |
| Description | Actual 2018-19 | Actual 2020-21 | Budget 2022-2023 | Plan 2024-25 |
| Overall satisfaction | 6.8/10 | Postponed | 6/10 | 6.5/10 |

Strategic Goal #5: Corporate Social Responsibility

| | |
|-----------------------------|--|
| Goal | <p>OCC recognizes the role we play in the life and economy of our host community and that the community plays in supporting and enhancing the event experience of our clients. In doing so, we undertake to demonstrate ongoing corporate responsibility and maintain a positive community interface. While many organizations now practice some form of social responsibility programs, at the OCC we have decided to make it a core of our operations. Undertaking socially responsible initiatives not only allows us to appeal to socially conscious consumers but it also makes a tangible difference in the world.</p> |
| Strategies | <p>We continue to offer three flexible CSR programs that enable clients to have a positive impact with minimal effort, all of them facilitated by the OCC team. These programs not only help those less fortunate in our neighbourhood, but they are also aimed at reducing waste destined for landfills.</p> <ul style="list-style-type: none"> • Leave a legacy Program: clients may donate anything left after their event including obsolete marketing collateral, promo items, and non-perishable food. • Mealshare: clients can help put an end to youth hunger by donating a lump sum to Mealshare. In exchange, OCC will create tent cards to share how many meals the donation provided to youth in need. • FoodRescue.ca: allows us to donate unused food to charities such as the Ottawa Mission which issues the surplus to people in need. <p>To reduce our requirement for green bins, OCC uses ORCA (Organic Refuse Conversion Alternative). ORCA takes all organic waste and breaks compost waste down into environmentally safe grey water, which then flows out to the sewage system. OCC continues to be part of Carbon 613, a network of Ottawa businesses committed to working towards a reduction in greenhouse gases. This program provides us with educational support and direction as the OCC keeps sustainability top of mind.</p> <p>The new procedures (gloves, masks, prepackaged foods) implemented to ensure the safety of our occupants through the global pandemic will negatively impact our diversion. We will source products with the least impact to the environment.</p> |
| Performance measures | <p>Review participation in the three CSR programs noted above at year end. OCC participates in a very rigorous food waste program and monthly food quality audits whereby the entire kitchen area is critiqued with results being reviewed by senior leadership. Waste diversion reports are produced and reviewed monthly and any anomalies are addressed immediately.</p> |

| Description | Actual 2018-19 | Actual 2019-20 | Reforecast 2020-21 | Budget 2021-22 | Plan 2022-23 |
|-----------------|----------------|----------------|--------------------|----------------|--------------|
| Waste diversion | 59% | 55% | 20% | 40% | 55% |

6. ANNUAL GOALS & METRICS

STATEMENT OF OPERATIONS

| | Actual 2019-2020 | Reforecast 2020-2021 | Budget 2021-2022 | Plan 2022-2023 | Plan 2023-2024 |
|---|-----------------------------------|---------------------------------------|-----------------------------------|---------------------------------|---------------------------------|
| Food & Beverage | 10,880,270 | 13,252 | 1,732,000 | 7,258,340 | 10,156,446 |
| Facility Rental | 4,830,877 | 762,149 | 768,500 | 2,922,810 | 4,241,192 |
| Commissions | 1,423,612 | 104,219 | 201,500 | 973,672 | 1,407,279 |
| Advertising | 628,144 | 470,483 | 494,000 | 565,425 | 743,170 |
| Other Income | 315,927 | 4,662,129 | 104,000 | 132,525 | 150,026 |
| TOTAL GROSS REVENUE | 18,078,830 | 6,012,233 | 3,300,000 | 11,852,772 | 16,698,113 |
| Revenue Growth | 0.90% | -66.74% | -45.11% | 259.17% | 40.88% |
| COST OF SALES | 7,894,859 | 9,938 | 1,299,000 | 5,442,257 | 7,510,495 |
| NET REVENUE | 10,183,971 | 6,002,295 | 2,001,000 | 6,410,515 | 9,187,618 |
| Net Revenue Growth | 1.87% | -41.06% | -66.66% | 220.37% | 43.32% |
| EXPENSES | | | | | |
| Facilities | 4,653,952 | 2,580,612 | 3,289,500 | 4,290,946 | 4,699,118 |
| Utilities | 1,003,037 | 451,632 | 733,500 | 1,021,800 | 1,037,127 |
| Sales & Marketing | 1,455,337 | 645,324 | 893,000 | 1,398,188 | 1,426,152 |
| General & Administration | 1,736,386 | 1,433,553 | 1,610,000 | 1,653,202 | 1,686,266 |
| TOTAL EXPENSES | 8,848,712 | 5,111,121 | 6,526,000 | 8,364,136 | 8,848,663 |
| Percent of Gross Revenue | 48.9% | 85.0% | 197.8% | 70.6% | 53.0% |
| OPERATING SURPLUS | 1,335,259 | 891,174 | (4,525,000) | (1,953,621) | 338,955 |
| Percent of Gross Revenue | 7.39% | 14.82% | -137.12% | -16.48% | 2.03% |
| Interest expense | (1,060,452) | (1,052,356) | (1,043,880) | (1,034,995) | (1,025,687) |
| Amortization of deferred contributions | 3,284,667 | 3,404,300 | 3,457,200 | 3,457,200 | 3,457,200 |
| Gain on Debt restructuring | | | | | |
| Amortization of property, plant and equipment | (5,396,600) | (5,571,400) | (4,927,400) | (4,870,000) | (4,830,000) |
| Excess of revenue over expenses | (1,837,126) | (2,328,282) | (7,039,080) | (4,401,416) | (2,059,532) |

STATEMENT OF FINANCIAL POSITION

| | Actual as at Mar 31, 2020 | Reforecast as at Mar 31, 2021 | Budget as at Mar 31, 2022 | Plan as at Mar 31, 2023 | Plan as at Mar 31, 2024 |
|--|---------------------------------|-------------------------------------|---------------------------------|-------------------------------|-------------------------------|
| ASSETS | | | | | |
| Current | | | | | |
| Cash | 5,441,803 | 3,748,456 | (1,700,238) | (4,165,364) | (5,051,945) |
| Accounts receivable | 1,304,241 | 349,235 | | 0 | 544,788 |
| Prepaid expenses | 93,821 | 99,365 | 97,509 | 99,014 | 94,550 |
| Total Current Assets | 6,839,865 | 4,197,057 | (1,602,729) | (4,066,350) | (4,412,607) |
| Property, Plant & Equipment | 137,515,138 | 133,001,738 | 128,074,338 | 123,204,338 | 118,374,338 |
| Total Assets | \$ 144,355,003 | \$ 137,198,794 | \$ 126,471,609 | \$ 119,137,988 | \$ 113,961,731 |
| LIABILITIES & NET ASSETS | | | | | |
| Current | | | | | |
| Accounts payable and accrued liabilities | 2,503,373 | 643,783 | 648,996 | 648,997 | 643,786 |
| Deferred revenue and customer deposits | 2,676,737 | 1,596,821 | 1,346,821 | 2,066,821 | 2,766,821 |
| Current portion of long term debt | 177,647 | 186,120 | 195,005 | 204,314 | 214,065 |
| Total Current Liabilities | 5,357,757 | 2,426,724 | 2,190,822 | 2,920,132 | 3,624,672 |
| Deferred revenue and deposits | 611,085 | 500,000 | 700,000 | 700,000 | 550,000 |
| Long-term debt | 28,607,020 | 28,420,906 | 28,225,902 | 28,021,588 | 27,807,523 |
| Deferred Contribution - capital assets | 95,492,872 | 93,146,572 | 89,689,372 | 86,232,172 | 82,774,972 |
| Total Liabilities | 124,710,977 | 122,067,478 | 118,615,274 | 114,953,760 | 111,132,495 |
| Net Assets (deficit) | 14,286,269 | 11,957,987 | 4,918,908 | 517,491 | (1,542,041) |
| Total liabilities and net assets | \$ 144,355,003 | \$ 136,452,189 | \$ 125,725,004 | \$ 118,391,383 | \$ 113,215,126 |

STATEMENT OF CASH FLOW

| | Actual as at Mar 31, 2019 | Actual as at Mar 31, 2020 | Reforecast as at Mar 31, 2021 | Budget as at Mar 31, 2022 | Plan as at Mar 31, 2023 | Plan as at Mar 31, 2024 |
|--|---------------------------------|---------------------------------|-------------------------------------|---------------------------------|-------------------------------|-------------------------------|
| Cash flows provided by (used in) | | | | | | |
| Operating Activities | | | | | | |
| Excess of expenses over revenue for the year Items not affecting cash | 22,274,219 | (1,837,126) | (2,328,282) | (7,039,080) | (4,401,416) | (2,059,532) |
| Amortization of property, plant and equipment | 5,271,804 | 5,396,600 | 5,571,400 | 4,927,400 | 4,870,000 | 4,830,000 |
| Amortization of deferred contributions related to property, plant and equipment | (3,217,867) | (3,284,667) | (3,404,300) | (3,457,200) | (3,457,200) | (3,457,200) |
| Gain on debt extinguishment | (24,045,319) | | | | | |
| Capitalization of interest to long-term debt | | | | | | |
| | 282,837 | 274,807 | (161,182) | (5,568,880) | (2,988,616) | (686,732) |
| Net changes in non-cash working capital | 1,724,879 | (1,305,313) | (1,746,679) | (48,144) | 718,495 | 4,464 |
| | 2,007,716 | (1,030,506) | (1,907,861) | (5,617,024) | (2,270,121) | (682,268) |
| Capital Activities | | | | | | |
| Purchase of property, plant and equipment | 49,358 | (871,626) | (354,450) | 354,450 | | |
| Deferred costs | | | | | | |
| | 49,358 | (871,626) | (354,450) | 354,450 | 0 | 0 |
| Financing Activities | | | | | | |
| Increase (decrease) in long-term debt Line of Credit | (161,823) | (169,548) | (177,641) | (186,120) | (195,005) | (204,313) |
| Contribution Payment to Ministry of Tourism | | | | | | |
| | (161,823) | (169,548) | (177,641) | (186,120) | (195,005) | (204,313) |
| Net cash inflow (outflow) | 1,895,251 | (2,071,680) | (2,439,952) | (5,448,694) | (2,465,126) | (886,581) |
| Cash April 1 | 5,618,232 | 7,513,483 | 5,441,803 | 3,001,852 | (2,446,843) | (4,911,969) |
| Cash, March 31 | 7,513,483 | 5,441,803 | 3,001,852 | (2,446,843) | (4,911,969) | (5,798,549) |

7. HUMAN RESOURCES

SUMMARY OF STAFF NUMBERS

With exception of management and administration staff, the OCC has been unionized since December 1995, represented by the United Steelworkers of America (Locals 8327 and 5297).

The collective agreement for Local 8327 expired on September 30, 2017 and was ratified on February 2, 2018 for a three-year period ending in September of 2020. The current Collective Agreement in effect was extended for another year, due to the pandemic. Bargaining will now commence for this Local on September 30, 2021. Local 8327 represents service personnel and reports to the Facility Services Provider, Aramark Entertainment Services Inc.

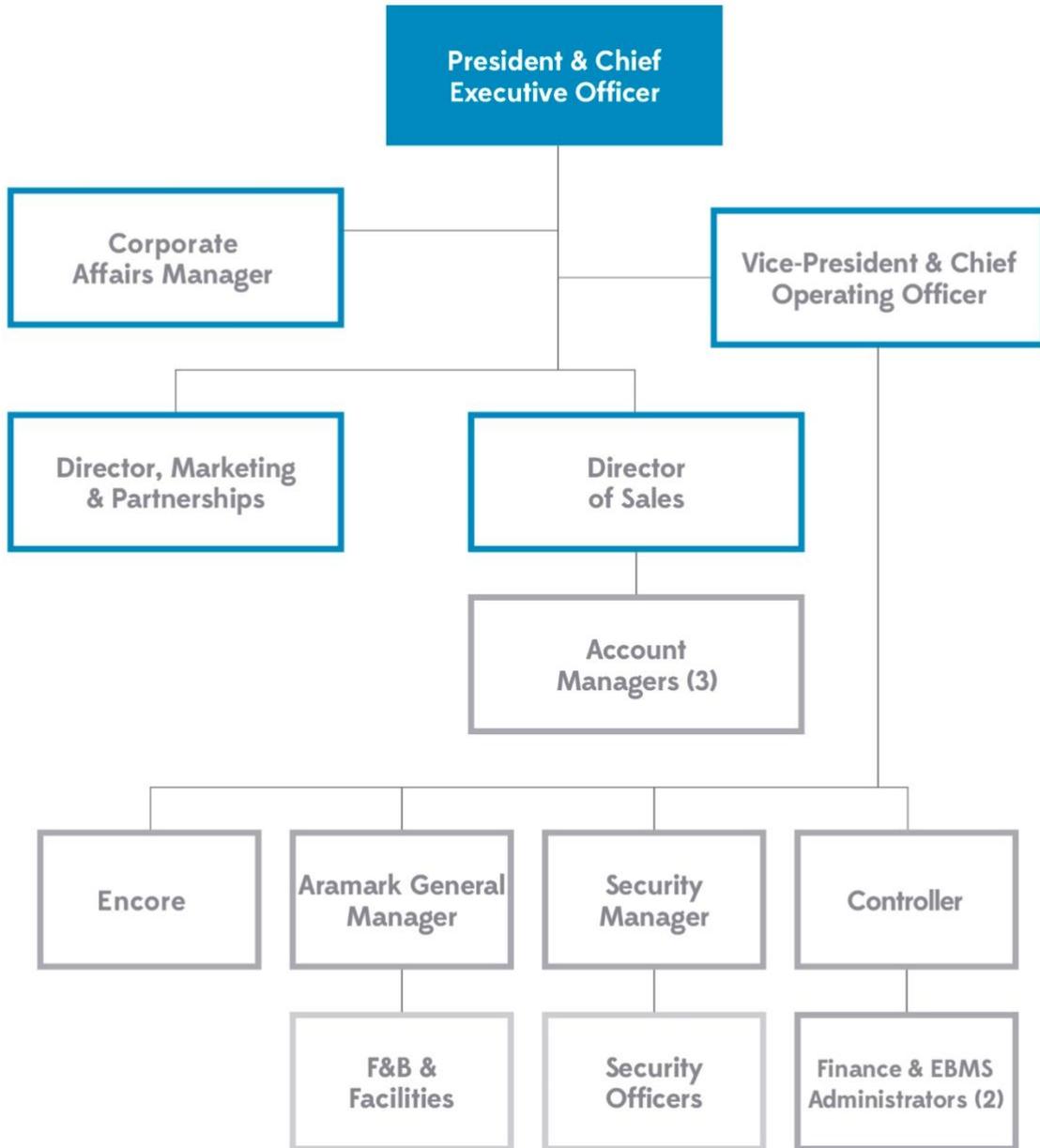
Local 5297 represents security personnel and reports to OCC. The collective agreement for Local 5297 expired on September 30, 2019 and was ratified on November 2, 2020 for a three-year period ending in September of 2022.

The following is a current overview of personnel as of November 2020. As a result of the global pandemic, 6 fulltime non-union management positions have been eliminated and 7 have been terminated with the Aramark team. A further 6 non-union OCC management positions were terminated. The chart below has been updated to reflect these changes.

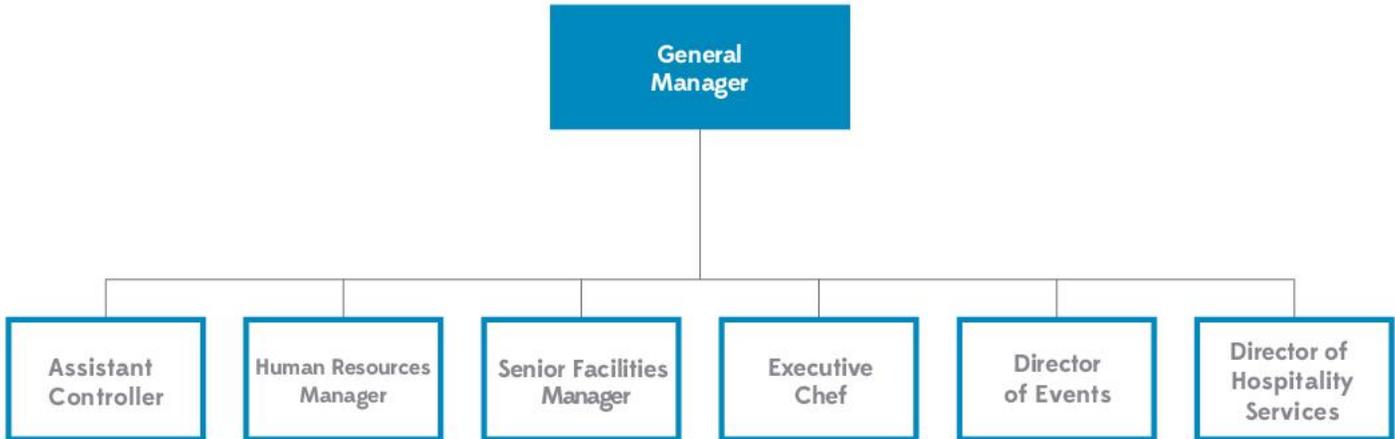
| CLASSIFICATION | OCC | ARAMARK | TOTAL |
|--|-----------------------------------|------------------------------------|-------------------|
| Fulltime union | 8 | 65 | 73 |
| Part time union | 0 | 104 | 104 |
| Casual union | 8 | 82 | 90 |
| <i>Subtotal union personnel</i> | <i>16 (Local 5297)</i> | <i>251 (Local 8327)</i> | <i>267</i> |
| Fulltime non-union | 12 | 16 | 28 |
| Part time non-union | 0 | 3 | 3 |
| <i>Subtotal non-union personnel</i> | <i>12</i> | <i>19</i> | <i>31</i> |
| TOTAL | 28 | 270 | 298 |

Note: Of the existing chart, 11 non-union Aramark employees, 2 non-union OCC employees and 246 union employees (local 8327) are on a temporary layoff.

OTTAWA CONVENTION CENTRE ORGANIZATIONAL STRUCTURE



OCC FACILITY SERVICES PROVIDER ORGANIZATIONAL STRUCTURE



8. INITIATIVES INVOLVING THIRD PARTIES

STRATEGIC PARTNERSHIP WITH OTTAWA TOURISM

A cohesive approach between the Destination Marketing Organization (DMO) and the Centre is critical as resources become fewer, and the competition emerging out of COVID-19 will be fiercer than ever before. Re-emergence from this pandemic will also require new and innovative approaches to safe meetings and the path forward.

With hotel occupancy below 20% and announcements of hotel closures, the Municipal Accommodations Tax will generate lower revenues for Ottawa Tourism. Collectively, we acknowledge that the first market to rebound will be the local market and not likely until Fall 2021.

Given our limited resources, we will work closely with Ottawa Tourism to ensure we are not duplicating efforts and utilizing our resources wisely. Sales activities will be limited in 2021 to on-going touch points, verbal calls and Zoom calls. The meetings industry has moved from trade shows to virtual and hybrid events. International efforts will be incorporated into the mandate of our Senior Account Manager responsible for the National Corporate sector. ThinkOttawa has been placed on pause until late 2021 or potentially 2022.

ARAMARK – FACILITY SERVICE PARTNERSHIP

OCC and Aramark entered into a 15-year partnership in 2010 in which Aramark provides comprehensive support services for the centre. OCC's reputation as a world class convention centre is strengthened by our extraordinary customer service delivery and exceptional product offerings which are managed by Aramark. A key metric in monitoring this outcome is our customer satisfaction survey. The OCC has held steady year over year at 4.6 out of 5 on our key client survey responses related to overall satisfaction, loyalty and value received for price paid. It is clear that OCC continually delivers quality and consistency in an industry held to exacting standards. The pandemic has affected the services and revenues of our partners resulting in Aramark downsizing its management team to recognize these challenging times both in the OCC and corporate wide.

Looking forward, our goal will be to continue to exceed customer expectations and increase our scores and to win "Best Convention Centre in the World" through AIPC. Our challenge is to maintain these scores in an ever changing and competitive market as client expectations are becoming more demanding and service standards will be adjusted to reflect the era we will be operating in when business resumes and future pandemics are a strong reality.

OCC and Aramark are recognized for having comprehensive service recognition programs, such as the "Encore! Encore!" and "WEST" (Welcome, Engage, Smile, Thanks) programs. These programs are complimented by our highly regarded client service acknowledgement Golden Pin and Star programs.

OCC continues to be rated as Aramark's top performer in their North American convention centre business segment.

Mentoring leaders in the hospitality industry is a common goal for both OCC and Aramark. It is with this in mind that Aramark, with the support of OCC, is providing developmental leadership opportunities for managers and supervisors across their "sister" properties in order to gain valuable experiences in much larger facilities than the OCC or in producing events of a greater scale than would be accommodated in Ottawa. This is a reciprocal opportunity as occasionally OCC utilizes managers and supervisors from other "sister" facilities where additional requirements are necessary due to heavy event demand

ENCORE – AUDIO VISUAL, INFORMATION & COMMUNICATIONS TECHNOLOGY

In 2010, OCC and Encore entered into a 15-year partnership in which they provide the primary event service offerings for our events, including audio visual (AV), information communications and technology (ICT).

In January 2019, The Freeman Company (Encore's parent company) and PSAV entered in a purchase agreement for PSAV to acquire Encore Event Technologies including Encore AV Canada. In October 2019, the deal was approved and moved forward. While this represents no current change to the relationship between the OCC and Encore, it is anticipated that this merger and acquisition could enhance the technology options on site.

Technology is a critical factor in securing conventions. It is extremely competitive and there is a high demand requirement to obtaining bookings. Encore provides a turnkey service for conventions and events and OCC earns a commission on service sales which is an important revenue source. The effectiveness of this provided solution is demonstrated through our customer satisfaction surveys and in our negotiated bookings. Without these services being available at such a professional level, our ability to sell events in the facility would be impaired. Encore AV has provided our clients with audio visual and ICT necessities of event production since April 2011. On average, they service 95% of the events taking place in the facility. Our partnership objectives are two-fold: i) to maximize Encore market share of events and increase revenues and ii) maintain client service levels and standards.

To achieve these goals, Encore and OCC maintain a Service Partner Program. This program has sustained our client survey scores at 4.5 out of 5. To address market share and more importantly increase the share of events currently not using our service partner, OCC and Encore have engaged in a collaborative sales and service cycle. This collaborative sales approach has allowed Encore to service 95% of our clients.

Our ability to address the ever-changing needs of our client base is a key tenet of our partnership with Encore. There are shorter booking windows, more detailed and vigorous negotiations, greater technology demands and higher demands of quality and service expectations. As a result of our agreement, Encore can easily step outside of a rigid proposal system and provide flexible risk

appropriate offerings to exceed client needs that are not only domestic but international in scope. This approach is very healthy and conducive in an environment where being seen as easy to do business with is an essential ingredient in fostering a solid reputation.

Encore continually innovates to provide cutting edge solutions to its customers and venue partners and recently launched a global customer relationship management software, Compass that allows the venue and Encore's global teams to work seamlessly together by integrating the venue business system to a robust sales funnel functionality that will provide a level of integration, visibility, and reporting unique in our industry. This exclusive tool is a collaborative technology solution that is currently being used by Encore and OCC to grow mutual revenues and market share and has been funded solely by Encore. Encore has recently developed and integrated a new event operating sales system, Polaris that is fully integrated with Compass. This will provide real time two-way data, financial reporting, and customer insights from the start of the sales cycle to the post event follow up.

Encore also provides a series of Virtual and Hybrid Platforms, whether it's due to global travel restrictions or personal circumstances, Encore can help the show go on even if a key presenter or some of the attendees are unable to attend in person. Chime Live, Content1 are solutions that help everyone stay connected without losing audience engagement and interaction. In fact, virtual and hybrid events offer many benefits including sponsorship opportunities and the increased ability for audience engagement.

Due to the COVID-19 pandemic, Encore downsized its team at the OCC. Further reductions may be imminent however currently uncertain with the OCC closed.

SHAW COMMUNICATIONS – NAMING RIGHTS PARTNER

On October 16th, 2014 The Ottawa Convention Centre and Shaw Communications Inc. announced a 10-year naming rights agreement. Together with renaming the facility as the Shaw Centre, the partnership also provides the opportunity to showcase Shaw Communications products, such as Wi-Fi to clients and guests. In particular, visitors to the Shaw Centre have access to Shaw Go Wi-Fi – Shaw's carrier-grade Wi-Fi network – throughout the building with complimentary access available to all guests in the Level 1 foyer and Trillium ballroom. This relationship will continue to position the OCC/Shaw Centre and our city for continued growth in the lucrative national and international meetings and conventions marketplace. OCC/Shaw Centre will leverage the strength of one of Canada's leading brands and media organizations to enhance and increase its profile and standing as a world class convention facility.

9. MARKETING AND COMMUNICATIONS STRATEGY OVERVIEW

Continuing previous years initiatives but adapting to the current climate, our main marketing and communication goal will be to maintain brand awareness in the marketplace by highlighting our facility's distinctive features, superb staff and benefits to our market segments. We do so while continuing to communicate with existing customers, responding to queries, anticipating/answering their needs and engaging them for retention purposes. Throughout the year, we will be conscious that our targeted industries may need to be adjusted to potential new industries as the most recent health crisis has left some stronger than others and those who previously did not require our services may now. All marketing and communication will be developed keeping in mind the current health and safety climate and communicating when only appropriate.