## Reminder

## Important Payroll Frequency Change for Canadian and US Employees

At IMAX, we have a Total Rewards mindset that informs our employee programs – financial and nonfinancial compensation, benefits, well-being, and career opportunities. With this mindset, we offer our employees market-competitive programs, opportunities and experiences, which evolve over time.

As announced in September, one of the changes we're making to modernize our programs is pay frequency: we're moving from a bi-weekly payroll to a semi-monthly payroll, effective January 1, 2021.

This change will offer you a predictable flow of income with pay dates known well in advance. This approach also simplifies the paycheck transition from year to year, eliminates an unexpected reduction in pay in leap years, and allows you to easily see your annual salary on your year-end pay slip.

## What this Change Means for You

- There will be 24 payroll dates each year instead of 26
- Payroll will be issued twice each month – on or around the 15th and the last business day of the month.
- Your costs for 2021 benefits will be shown on a semi-monthly basis, so they will look different than they have in the past. Keep in mind, even though the costs per payroll look different, there is no change to your cost for 2021 coverage
- All pre-tax and post-tax deductions and allowances will be prorated over 24 payments/deductions rather than the bi-weekly cycle
- You will find 2021 tax rates on the ADP homepage once they are published and made available.
- The first payroll of each year will be taxed using updated tax rates provided to IMAX by local government agencies for the current tax year.

A payroll calendar that shows pay dates for 2021 is attached to this email.

## Transition from 2020 to 2021

You will receive your paycheck for the last full two-week pay period covered in 2020 on December 31. Starting with January 15, you will receive your paycheck semi-monthly, as shown in the attached payroll schedule.

Have a question? Email us at payroll@imax.com.