



POWER FINANCIAL
CORPORATION

Corporate Social Responsibility website

This document is a PDF copy of Power Financial's Corporate Social Responsibility (CSR) website, which can be found at www.PowerFinancialCSR.com. This document has been specifically designed to meet some of our stakeholders' requests to be able to consult, in this format, the information that we publicly disclose on our CSR website.

The information on our CSR website is subject to change without notice, with the timing of the most recent review and update of the website being noted at www.PowerFinancialCSR.com/en/about-website/ under the heading "Timing of Reviews". At the time of publication of this document, our CSR website had last been reviewed and updated in October 2016 and contained qualitative information that covered content up until such date and quantitative information that reflected the calendar year 2015.

While we do our best to ensure the currency and accuracy of the information contained on our CSR website, this document has necessarily been created as at a point in time and may no longer be current or accurate. For the most up-to-date information, please consult our CSR website.

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Corporate Social Responsibility at Power Financial

Created in 1984, Power Financial Corporation holds interests in a number of leading financial services companies in Canada, the United States and Europe. Through its investment in the Pargesa Group, Power Financial has significant shareholdings in leading European-based multinationals. Power Financial is controlled by Power Corporation of Canada.

For Power Financial and our subsidiaries, responsible management and citizenship are integral to our efforts to create long-term value for our shareholders and our stakeholders at large. We have developed this website as a narrative on our CSR philosophy, commitments and activities.

[A message from our CEO](#)



Today's corporations must play a role in society larger than serving solely as a center for profit creation, though that function enables all else. We feel that we also have an obligation as corporate citizens to take actions that have a broad positive impact on society. And we embrace that obligation because – quite simply – it is the responsible thing to do.

[Learn more](#)

[United Nations Global Compact](#)



At Power Financial, we have strengthened our commitment to responsible management by becoming a signatory to the United Nations Global Compact.

[Learn more](#)



Responsible Management:

Our Commitment to Corporate Social Responsibility

[Welcome to Power Financial's website on Corporate Social Responsibility.](#)

Created in 1984, Power Financial Corporation holds interests in a number of leading financial services companies in Canada, the United States and Europe. Through its investment in the Pargesa Group, Power Financial has significant shareholdings in leading European-based multinationals. Power Financial is controlled by Power Corporation of Canada.

Corporate Social Responsibility is fundamental to the way we, and our group of companies, do business — what we refer to as responsible management. It has been at the core of our investment philosophy, enabling us to build a resilient and sustainable business, through our role as an investor, employer and contributor to the communities where we operate.

AS AN INVESTOR

Our belief in responsible management has long influenced our investment and management decisions. We invest in quality companies with sustainable franchises and attractive growth prospects that demonstrate they are managed in a responsible manner. We take a prudent approach to risk and incorporate the analysis of environmental, social and governance (ESG) factors into our investment process which leads us to invest in companies that have sustainable business models.

[Learn more](#)

AS AN EMPLOYER

Responsible management defines the manner in which we recruit and develop our workforce. We provide our employees with challenging and rewarding careers, give them the resources to develop their expertise and leadership skills, and support their volunteer efforts within the communities where we operate.

[Learn more](#)

AS A CONTRIBUTOR TO COMMUNITIES

Responsible management has led us to be good corporate citizens, to be environmentally conscious, to support our communities, and above all else, always to behave ethically and with integrity, enabling us to earn the confidence of all our stakeholders.



Power Financial: Responsible Management and Citizenship

We believe we must live up to our responsibilities, honour our commitments and be accountable to those we serve and to the communities in which we operate. For Power Financial and our subsidiaries, responsible management and citizenship are integral to our efforts to create long-term value for our shareholders and our stakeholders at large.

We invest in high-quality businesses and bring the approach of an active and committed owner and a long-term investor. The vast majority of our investments are in financial services companies; these companies represent a positive force in society by helping our clients achieve financial security through life and health insurance, retirement savings programs and a suite of investment vehicles, including socially responsible investment funds. By building unique relationships with clients, our companies are making a difference for millions of individuals and families in all age and income groups. Our group companies are committed to serving our customers at every stage of their lives. The breadth of our service offerings speaks to that commitment.

As long-term investors, we ensure our investments are managed consistent with our responsible management philosophy, our [Code of Business Conduct and Ethics](#), our [CSR Statement](#) and our commitment to the [United Nations Global Compact](#) (UNGC).

Over the course of 2015, Power Financial continued to strengthen its commitment to responsible management through various initiatives, including our engagement with our different stakeholders, as well as with CSR rating organizations. We also developed a [Responsible Procurement Policy Statement and a Third Party Code of Conduct](#), published our first [Communication on Progress](#) as part of our UNGC commitment and implemented the [Board and Senior Management Diversity Policy](#). In addition, we responded to the [CDP](#) for a fifth consecutive year, receiving a score of B.

In 2015, we also launched this CSR-dedicated microsite as a means of publicly documenting and disclosing our responsible management commitments, programs and performance. You will see examples throughout this website of how responsible management allows us to generate long-term sustainable growth, pursue excellence and innovation in our products and services, empower our employees, strengthen our relationships with stakeholders, and improve our environmental

performance.

Today's corporations must play a role in society larger than serving solely as a center for profit creation, though that function enables all else. We feel that we also have an obligation as corporate citizens to take actions that have a broad positive impact on society. And we embrace that obligation because – quite simply – it is the responsible thing to do.

Sincerely,

R. Jeffrey Orr

PRESIDENT AND
CHIEF EXECUTIVE OFFICER



Our Commitments

Our commitment to CSR is underpinned by our Code of Business Conduct and Ethics, our CSR Statement, our Responsible Procurement Policy Statement, and our endorsement of the United Nations Global Compact.





Code of Business Conduct and Ethics

Our Code of Business Conduct and Ethics provides guidance in conducting our business activities in accordance with the highest legal, ethical and professional standards.

The Code of Business Conduct and Ethics (the Code) is approved by the CEO and the Board of Directors. It is made available to all our employees in both English and French and covers a broad range of topics, including compliance, responsible management, conflicts of interest, anti-corruption and anti-bribery, respect at work, human rights, and the environment.

Implementing the Code

Each director, officer, and employee is provided with a copy of the Code and is required to sign an annual acknowledgement of compliance. In 2015, all our people acknowledged compliance with the Code.

The implementation of the Code is the responsibility of the Vice-President and General Counsel, who provides an annual report to the Audit Committee of the Board.

Furthermore, as part of our Code of Business Conduct and Ethics training sessions, we educate our employees on the application of our policies and procedures.

Reporting Mechanisms

Mechanisms for seeking advice and reporting concerns can be directed to the appropriate supervisor, to the Vice-President and General Counsel, and to the Audit Committee of our Board. Confidentiality of reports made in good faith regarding alleged violations is maintained.

2015 Achievements

- All our employees acknowledged compliance with the Code.

- No breaches of the Code were reported.
- Developed a Third Party Code of Conduct.

Code of Business
Conduct and Ethics



[Download](#)

Third Party Code of Conduct



[Download](#)



CSR Statement

Responsible management has always been an intrinsic corporate value at Power Financial and is a constant priority that we believe is essential to long-term profitability and value creation.

The Corporation has a deeply rooted tradition of acting in a responsible and ethical manner, and of being actively and positively present in the communities where it is established. This Corporate Social Responsibility Statement (the CSR Statement) reflects the core values that have guided, and continue to guide, Power Financial.

The objective of this CSR Statement is to provide guidance to management when interacting with our portfolio companies on corporate social responsibility issues.

As part of our active ownership approach, we engage with senior management of our portfolio companies, both formally and informally, on a regular basis and when questions or issues may arise, through our representation on their respective boards. In all of these interactions, we have an open and constructive dialogue in order to ensure that we have a proper understanding of how the management teams of our portfolio companies manage corporate social responsibility in a manner consistent with our core values.

We invest in companies that share the same philosophy and commitment to acting responsibly and ethically, and to serving the larger community in general. Building on their strong foundation of corporate social responsibility, our major operating subsidiaries are responsible for developing their own policies and programs, specific to their circumstances.

Meeting Our Responsibilities

In addition to complying with applicable laws and regulations and meeting ethical standards in accordance with its [Code of Business Conduct and Ethics](#), Power Financial strives to:

- incorporate environmental, social and governance issues into its active ownership approach;
- support and respect the protection of internationally proclaimed human rights;
- minimize our environmental impact with a focus on continuous improvement; and
- make a positive contribution in the communities where the Corporation is established.

Formal Responsibility

Formal responsibility for Corporate Social Responsibility has been assigned to the Vice-President and General Counsel, who is responsible for overseeing the implementation of the Statement.

Power Financial reviews the implementation of this CSR Statement on an ongoing basis, as appropriate.

The Statement was approved by the Board of Directors of Power Financial Corporation on November 14, 2013.

2015 Achievement

- Continued to meet regularly with our group companies to align our commitments and to share knowledge on CSR initiatives.



[Download our
CSR Statement](#)



United Nations Global Compact

At Power Financial, we have strengthened our commitment to responsible management by becoming a signatory to the United Nations Global Compact.

The [United Nations Global Compact](#) is a voluntary strategic policy initiative for businesses committed to establishing a consistent approach to corporate social responsibility within ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption. We are committed to continuing to make the Global Compact and its principles part of the culture and day-to-day activities of our business. These activities and strategies are presented below.



WE SUPPORT

CEO Statement of Continued Support

Our Commitment

As a diversified management and holding company, we have a strong commitment to ensure our businesses and our investments are managed in a responsible fashion wherever we operate. Our responsible management philosophy is consistent with our commitment to the United Nations Global Compact's (UNGC) ten principles on human rights, labour rights, environment and anti-corruption. We are pleased to reiterate our continued commitment to support the UNGC principles in 2016.

Management Approach

At Power Financial, we seek investments in companies that have sustainable business models with the potential over time to provide long-term value. Our companies have a long and proud history of being responsible employers, and consistently demonstrate integrity and high ethical standards. They also understand the need to protect the environment, and to contribute to economic prosperity and to the communities where they operate. This is the essence of responsible

management. It is not merely the right thing to do socially; it is the right thing to do from a business perspective.

We take an active ownership approach in the companies in which we invest and we ensure that our investments continue to be managed in a manner consistent with our responsible management philosophy, including our [Code of Business Conduct and Ethics](#), our [Corporate Social Responsibility \(CSR\) Statement](#) and our commitment to the UNGC.

Statement of Continued Support

Since joining the UNGC in September 2014, we have continued to build upon our responsible management policies, programs and performance. To demonstrate the progress we have made over the past year, we have developed our 2016 Communication on Progress in alignment with the Advanced Level criteria for reporting.

We welcome the launch of the [United Nations 17 Sustainable Development Goals](#) (SDGs). Inspired by both the SDGs and the UNGC principles, we have prepared this Communication on Progress to provide tangible examples of the contribution our group of companies is making to advance social and economic progress.

Throughout this document we reference our websites and other relevant corporate disclosures, which provide a means of publicly documenting and disclosing our approach and practical examples of how responsible management is implemented within our business and at the Power Financial group of companies

R. Jeffrey Orr

PRESIDENT AND
CHIEF EXECUTIVE OFFICER

Read our Communication on Progress



[2016](#)



[2015](#)



Responsible Procurement

We are committed to working closely with our third parties to ensure good ethical practices and business integrity, while managing potential environmental and social risks to our business.

Corporate social responsibility – what we refer to as responsible management – is fundamental to the way we, and our group of companies, do business, and reflects our commitment to conduct our business in a legal, ethical, and responsible manner. Our responsible management philosophy not only applies to our own conduct as a holding company, but also to the behaviour of third parties with whom we conduct business, including suppliers, consultants, advisors and other business partners.

As set out in our Third Party Code of Conduct, third parties are expected to conduct their activities in accordance with the highest legal, ethical, and professional standards, and in a manner consistent with our values and responsible management philosophy, which align with the ten principles of the [United Nations Global Compact](#).

Our Responsible Procurement Policy Statement

As part of our responsible procurement approach, and in accordance with our CSR commitments, we strive to:

- Work with third parties that deliver quality, cost-effective and responsible products /services that help us achieve value for money while enabling positive environmental and social impacts;
- Ensure that the minimum business standards in our Third Party Code of Conduct are communicated to our third parties and that they attest their compliance;
- Ensure third-party risks are identified and mitigation measures established during the selection process, taking into consideration reputational, financial, governance, economic, social, and environmental risks;
- Work with third parties to encourage sustainable products, including environmentally friendly technologies;
- Monitor performance of higher-risk third parties, where relevant; and,
- Report our progress on the implementation of our responsible procurement commitments.

Implementation

Formal responsibility for our responsible procurement commitments has been assigned to the Vice-President and General Counsel, who provides oversight on the implementation of our Responsible Procurement Policy Statement and Third Party Code of Conduct.

Third Party Code of Conduct



[Download](#)

Responsible Procurement Policy Statement



[Download](#)

Green Procurement



[Read more](#)



Governance

We believe that sound corporate governance is essential to the well-being of our business and our ability to generate long-term sustainable returns. We are committed to the highest standards of governance.

Board Oversight

Our Board of Directors is composed of 12 Directors, including nine independent non-executive Directors. There are currently two women on the Board. The Board is supported by four Board committees: Audit, Compensation, Related Party and Conduct Review, and Governance and Nominating.

Responsibility for CSR at the Board level is assigned to the Governance and Nominating Committee, whose responsibilities include:

- Oversee the Corporation's approach to governance issues;
- Recommend to the Board corporate governance practices consistent with the Corporation's commitment to high standards of corporate governance;
- Assess the effectiveness of the Board of Directors, of Committees of the Board and of the Directors; and
- Recommend to the Board candidates for election as Directors and for appointments to Board Committees.

Nomination and Assessment of the Board

The Governance and Nominating Committee of the Board is responsible for monitoring the composition of the Board and identifying potential board members taking into account a broad range of criteria. This includes skills and experience, independence, and diversity. In order to fulfill its responsibility, the Committee maintains a skills matrix to assist with reviewing the skills and experience of director candidates and of the Board as a whole. The matrix includes industry-specific and business experience, as well as other areas of expertise, such as public sector and corporate social responsibility, in order to ensure that the Board includes members with a broad range of complementary experience, knowledge and skills.

The Committee is also responsible for assessing the performance and effectiveness of the Board, Board Committees and

individual Directors from time to time to ensure that they are fulfilling their respective responsibilities and duties. A general evaluation is conducted at least annually to assist in assessing the overall performance of the Board and the Board Committees in order to recognize areas for improvement. While the scope and focus of the review may vary from year to year, the review includes a confidential Board effectiveness survey, which is administered by our external legal counsel. The survey solicits feedback from the Directors on matters including the operation of the Board and its Committees, the adequacy of information provided to the Directors, Board structure and agenda planning for Board and Board Committee meetings. The aggregated, anonymous survey results are reviewed by the Governance and Nominating Committee and presented to the entire Board. Please refer to the [Governance section of our corporate website](#) for more information.

CSR Strategy Execution

While the CEO plays an active role in reviewing and approving the CSR strategy, performance and reporting, formal responsibility for CSR has been delegated to the Vice-President and General Counsel, who is our CSR Lead.

The CSR Lead is responsible for executing our CSR strategy, engaging with stakeholders and providing performance reports to the Governance and Nominating Committee. Through the oversight of the CSR Lead, we also meet regularly with our group companies to align our commitments and share knowledge on CSR initiatives.

Progress reports on our CSR initiatives are provided annually to the Governance and Nominating Committee, or more frequently if deemed material. In 2015, there were no CSR issues of concern to report to the Committee. For more information on the composition of the Board and its committees, please refer to the [Governance section of our corporate website](#).

Active Ownership

As an active owner of the companies in which we invest, we strive to ensure that our governance practices preserve and enhance shareholder value in a manner consistent with our responsible management philosophy.

By having our executives sit on the boards of our portfolio companies, we exercise active ownership through regular engagement with their senior management. This governance model, which has been developed over a long period of time, allows us to ensure that our investments are being managed in a manner consistent with our responsible management philosophy, including our [CSR Statement](#) and our [Code of Business Conduct and Ethics](#).

Risk Management

We view responsible management, and all that it entails, as an effective means to mitigate risk and as a catalyst for long-term value creation.

At the Power Financial level, the Board has the overall responsibility for monitoring the implementation and maintenance by management of appropriate policies and controls to manage risks. Each Committee of the Board also has general oversight responsibilities for risk management, focusing on the specific risks related to the Committee's respective mandates. Responsibility for addressing risks related to CSR is assigned to the Governance and Nominating Committee of the Board. CSR risks and opportunities are reviewed annually by the Committee through the CSR updates provided by the Vice-President and General Counsel.

As a holding company, one of our main risks is associated with being a significant shareholder in our subsidiary operating companies. To mitigate these risks, officers of Power Financial sit on the boards and board committees of our subsidiaries, and therefore participate in the oversight function at these companies.

Our prudent risk culture is firmly embedded in the core competencies and responsibilities of our investment teams, which includes having in place processes to proactively identify, assess, and manage risks. These processes include the

Corporation's standard due diligence procedures, which enable us to take a precautionary approach to risk management.

Governance Practices



[Read more](#)



Human Rights

As a diversified management and holding company, we recognize the role we have to play in supporting and respecting the protection of internationally proclaimed human rights. We believe that respecting and protecting human rights is fundamental to creating long-term sustainable value.

Commitment

As a matter of principle, respect for human rights has always been embedded in our responsible management philosophy as defined by our [Code of Business Conduct and Ethics](#) and our [CSR Statement](#). Building on this strong foundation of acting responsibly, we became signatories to the [United Nations Global Compact](#), formalizing our commitment to support and respect the protection of internationally proclaimed human rights.

Responsibility

Upholding our commitment to respect human rights is the responsibility of our entire company. The Vice-President and General Counsel is responsible for providing oversight on our human rights commitments, as reflected in our CSR Statement.

Implementation

Human rights are considered during our dealings with business partners and within our own investment analysis process, when relevant. We also collaborate with group companies to share knowledge on human rights management practices and to identify areas of opportunity.

In recent years, we undertook a review of the human rights initiatives at Power Financial's main subsidiaries and investments. Consistent with the United Nations Framework and Guiding Principles on Business and Human Rights (the Ruggie Framework), we assessed our exposure to potential human rights risks, the policies and programs to avoid adverse human rights impacts, and the processes to enable remediation measures.

We continue to engage with the senior management of our group companies, both formally and informally, and as needed, to ensure a proper understanding of how their management teams are addressing human rights when questions or issues

arise. In addition to being strongly committed to respecting and supporting human rights, many of our group companies are taking a leadership position on human rights management programs.

Monitoring and Review

Our progress on corporate social responsibility, including human rights, is reported annually to the Board through its Governance and Nominating Committee.

2015 Achievement

- Extended our human rights commitment to third parties that work for/on our behalf, through our Third Party Code of Conduct. We require our third parties to attest their compliance to our Third Party Code of Conduct.

Highlights from our Group Companies

INVESTMENT ANALYSIS

IGM Financial integrates human rights considerations in the investment process through the Investors Group Summa SRI™ Fund. The Fund aims to provide moderate income and long-term capital growth by making socially responsible investments primarily in the Canadian equity markets. The Fund follows a socially responsible approach to investing. To achieve the Fund's investment objective, the Fund seeks to invest primarily in the common shares of Canadian companies that have adopted progressive standards and practices towards the environment, human rights and other social issues. The Fund does not invest in companies whose revenues are primarily derived from alcohol, tobacco, gambling, pornography or critical weapons systems. The Fund uses third-party global SRI screening services to assist with the evaluation of companies against these socially responsible criteria and to assess suitability for inclusion in the Fund's investable universe.

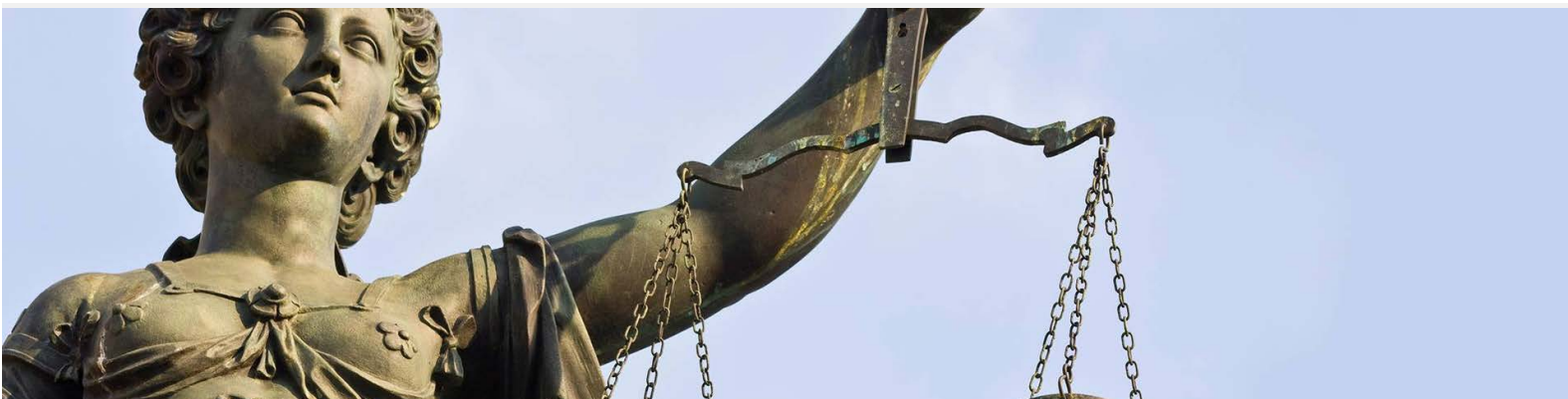
CANADIAN MUSEUM FOR HUMAN RIGHTS

The Canadian Museum for Human Rights in Winnipeg, Manitoba was established by an Act of Parliament in 2008 and officially opened its doors in September 2014. The museum's mandate is to explore the subject of human rights in order to enhance the public's understanding of human rights, to promote respect for others, and to encourage reflection and dialogue. Power Financial's parent company **Power Corporation**, and our subsidiaries **Great-West Life**, **London Life** and **Canada Life**, as well as **Investors Group**, collectively made a significant commitment to the launch of the Canadian Museum for Human Rights.

INTERNAL VERIFICATION

Imerys supports human rights as defined in the Universal Declaration of Human Rights and requires that they are respected in its operations worldwide. The group verifies that these principles are observed through audit assignments carried out by internal auditors. Imerys complies with the Universal Declaration of Human Rights and monitors the risk associated with the group's swift growth in emerging countries. The group has placed special importance on awareness and prevention of child

labor since 2009: Operations managers on all Imerys operations in zones where vigilance is particularly recommended by indices such as FTSE4Good are trained in the relevant regulations. In 2015, Imerys implemented a new procedure according to which if more than 2.5% of a division's spend comes from a supplier whose manufacturing facilities are located in one of the "countries of concern", that given supplier will need to confirm compliance with the international Labour Organization Conventions on Child Labor and Forced Labor.



Anti-Corruption

As a diversified management and holding company, we are committed to carrying out business worldwide ethically and in accordance with all applicable laws.

Many countries have anti-bribery and anti-corruption laws or are a party to international conventions dealing with combating bribery and corruption. These laws and conventions prohibit making payments or providing goods or services of value, directly or indirectly, for the purpose of getting or retaining business or otherwise procuring a competitive advantage.

Commitment

We have formalized our commitment to anti-corruption compliance by establishing an Anti-Bribery Policy Statement and corresponding Global Anti-Bribery Policy, which were approved by the Board of Directors. These documents set out our expectations with respect to anti-bribery and prohibit our people from receiving, promising, giving, providing, or authorizing the provision of anything of value to obtain or retain business, an advantage, or favoured treatment from anyone. The term “anything of value” is broadly defined in this context and includes not only obvious bribes and kickbacks, but also indirect benefits and any financial or other advantage.

This prohibition applies to dealings with individuals and corporate entities, public officials, candidates for public office, employees of state-owned enterprises, and any other person with whom we anticipate doing business.

Furthermore, we have set up specific rules with respect to giving and receiving gifts and hospitality. Specifically, hospitality and gifts are not only required to be legal, but also consistent with the recipient’s policies and procedures and with the social and business customs in the recipient’s country. They must not influence an upcoming decision, approval or contract award, nor create a sense of obligation on the part of the recipient. Finally, gifts and hospitality provided or received are required to be objectively reasonable and must not be provided so frequently that, when aggregated, they become lavish or unreasonable.

We are also committed to fostering compliance with anti-bribery laws by our wholly owned subsidiaries.

Implementation

We have implemented an anti-corruption compliance program that includes training, due diligence of third parties and

mandatory reporting. We have conducted a training program with all our personnel. We maintain books and records that accurately reflect our transactions, the use of our assets, and other similar information, and a reasonable system of internal controls. We have also implemented a pre-approval mechanism for gifts and hospitality, in order to ensure compliance with the policy.

To maintain awareness, we send our personnel periodic reminders of their duties and responsibilities under the policy. We also require all our directors, officers and employees to certify their compliance with the policy at least annually by attesting their compliance with our [Code of Business Conduct and Ethics](#).

We apply similarly high ethical standards to third parties dealing with us by conducting risk-based due diligence on consultants or potential acquisitions. Third parties who work for/on our behalf are required to attest their compliance to our business standards, including with respect to anti-bribery, via our [Third Party Code of Conduct](#).

Responsibility

The success of our commitment to anti-corruption and anti-bribery relies on the diligence of all our personnel. The implementation of the policy is the responsibility of the Vice-President and General Counsel, who provides annual reports to the Audit Committee of the Board.

Monitoring and Review

We have implemented a pre-clearance requirement for relevant types of gifts and hospitality received or provided by our employees. We require our personnel to report any suspected violation of the policy to the Vice-President and General Counsel, who is in charge of investigating and taking remedial action where appropriate. The Vice-President and General Counsel must report suspected violations, if any, to the Audit Committee.

2015 Achievements

- No violations related to corruption and bribery were identified.
- Furthered our commitment to anti-corruption by covering this aspect in our Third Party Code of Conduct.

Anti-Bribery Policy Statement



[Download](#)



Diversity

We believe in having diversity on the Board, and in business in general, and will continue to strive in that direction. Diversity is important to ensure that the profiles of Board members and senior management provide the necessary range of perspectives, experience and expertise required to achieve effective stewardship and management of our business.

Commitment

We are committed to increasing diversity on the Board, within senior management, and in our overall business. As part of this commitment, we recognize the important role of women in contributing to diversity of perspective in the Boardroom and senior management roles.

Our approach to diversity is articulated through our [Code of Business Conduct and Ethics](#) and our Board and Senior Management Diversity Policy.

Responsibility

The Board's Governance and Nominating Committee is responsible for recommending to the Board candidates for Director nominations, and the Chief Executive Officer of the Corporation is responsible for making senior management appointment decisions. As part of these responsibilities, we are committed to ensuring that the nomination and selection of candidates for Director and senior management roles is based on merit and in consideration of our diversity commitments.

Implementation

As part of our nomination and selection process, we:

- Consider candidates for both Director and senior management roles that are highly qualified based on their experience, education, expertise, judgment, personal qualities, and general and sector specific knowledge;
- Consider diversity criteria, among other relevant criteria, when determining the optimum composition and balance for the Board;

- Review potential candidates for both Director and senior management roles from a variety of backgrounds and perspectives, having in mind the Corporation's diversity objectives;
- In order to support the specific objective of gender diversity, ensure that appropriate efforts are made to include women in the list of candidates being considered for a Board position.

Monitoring and Review

On an annual basis, the Governance and Nominating Committee of the Board, and the Chief Executive Officer of the Corporation, assess the effectiveness of the Director and senior management nomination and selection process, respectively, at achieving the Corporation's diversity objectives.

2015 Achievement

- Implemented our Board and Senior Management Diversity Policy.

Diversity and Inclusion



[Read more](#)



Stakeholder Engagement

Stakeholder dialogue is an integral part of our responsible management approach as a means of promoting understanding and trust. It lets us stay connected to the parties who have an active or potential interest in our business. We take the necessary time to understand and consider our stakeholders' views.

Process of Engagement

We engage with a broad range of stakeholders, which include our group companies, shareholders, employees, suppliers, local communities, and responsible investment organizations, as well as corporate social responsibility and governance rating organizations. The stakeholders with whom we choose to engage will depend on their interests and the relevance of their issues to our business. For more information, please refer to [Engagement Methods](#).

Engagement takes place both formally and informally through a collaborative and open dialogue. In preparing this website, we incorporated the perspectives of those stakeholders who had expressed a direct interest in our CSR performance. We recognize the importance of stakeholder perspectives and will continue to engage with stakeholders to inform our continuous improvement efforts and the content of our reporting.

Addressing CSR Interests

Over the past years, CSR interests were mainly expressed by CSR rating organizations.

What We Heard	How We Responded
Improve disclosure on climate change management and performance	We provide information on our climate change management and performance through our public response to the CDP questionnaire . We have been recognized for our efforts and have continued to demonstrate strong performance within the Canadian financial services sector.

Strengthen commitment to human rights

We strengthened our [CSR Statement](#) to support and respect internationally proclaimed human rights and became a signatory to the [United Nations Global Compact](#). We also engaged with our group companies on their human rights commitments and conducted a high-level due diligence review to inform our management approach.

Formalize commitment to environmental management

We formalized our commitment to environmental management by developing and implementing our [Environmental Policy](#).

Improve disclosure on corporate social responsibility programs

We launched this corporate social responsibility website to better inform our stakeholders of our governance, strategy, programs and performance.

Strengthen responsible procurement program

We extended the scope of our commitment to ethical business practices to our third party suppliers and business partners, by developing and implementing a [Responsible Procurement Policy Statement and Third Party Code of Conduct](#).



Engagement Methods

We engage with our stakeholders to identify and address issues of mutual interest. By engaging with a broad range of stakeholders through open dialogue, both formally and informally, we gain a better understanding of key topics and make better decisions on important matters, including environmental, social and governance (ESG) matters.

GROUP COMPANIES	
Frequency and Approach	Engagement Focus
Regular meetings through a CSR Committee with representation from Power Corporation, Power Financial, Great-West Lifeco and IGM Financial as well as regular informal CSR meetings with other group companies on an as needed basis.	Engagement with group companies enables us to collaboratively and proactively identify potential CSR issues that may have an impact on the business, understand group interests, share best practices and communicate performance. In 2015, key topics of interest related to climate change, CSR reporting, responsible investing and community impact.

SHAREHOLDERS	
Frequency and Approach	Engagement Focus

Ongoing engagement on a broad range of interests.

Shareholder interests are mainly addressed at Power Financial's annual meeting, where shareholder proposals are voted on and results made publicly available.

From time to time, shareholders may raise specific topics, typically through letters addressed to our senior management team.

EMPLOYEES

Frequency and Approach

Ongoing engagement through various feedback mechanisms, training programs, and performance reviews.

Engagement Focus

Our performance and career management program provides a forum that encourages ongoing conversations between employees and their supervisors on a host of topics including career development and training.

SUPPLIERS

Frequency and Approach

Ongoing engagement with suppliers and contractors to influence the provision of products and services for our business.

Engagement Focus

We continue to encourage the use of sustainable materials by our suppliers and contractors, including computer equipment, certified sustainable paper, non-toxic cleaning products, sustainable building materials, and pesticide-free ingredients, as well as locally sourced products.

SOCIAL DEVELOPMENT ORGANIZATIONS

Frequency and Approach

Ongoing dialogue on issues that have an impact on society.

Engagement Focus

We engage with these organizations on a broad range of topics, including poverty, empowerment of women, environmental stewardship, health, education, social

entrepreneurship, and arts and culture. For more information, please refer to our parent company Power Corporation's [Community Investment microsite](#).

RESPONSIBLE INVESTMENT AND CSR RATING ORGANIZATIONS

Frequency and Approach

Ongoing dialogue with a globally diverse range of investment organizations and CSR rating organizations.

Engagement Focus

These organizations have expressed interest in climate disclosure, human rights, environmental policies and CSR reporting. To learn more on how these issues have been addressed, please refer to the section on [Addressing CSR Interests](#).



CSR Priority Issues

As a diversified management and holding company, we keep track of a broad number of social, ethical, economic and environmental issues that have an impact on our business.

An integral part of our responsible management philosophy is to ensure that we are focusing on the right corporate social responsibility priorities for our business. The following factors were taken into consideration to define our corporate social responsibility priorities:

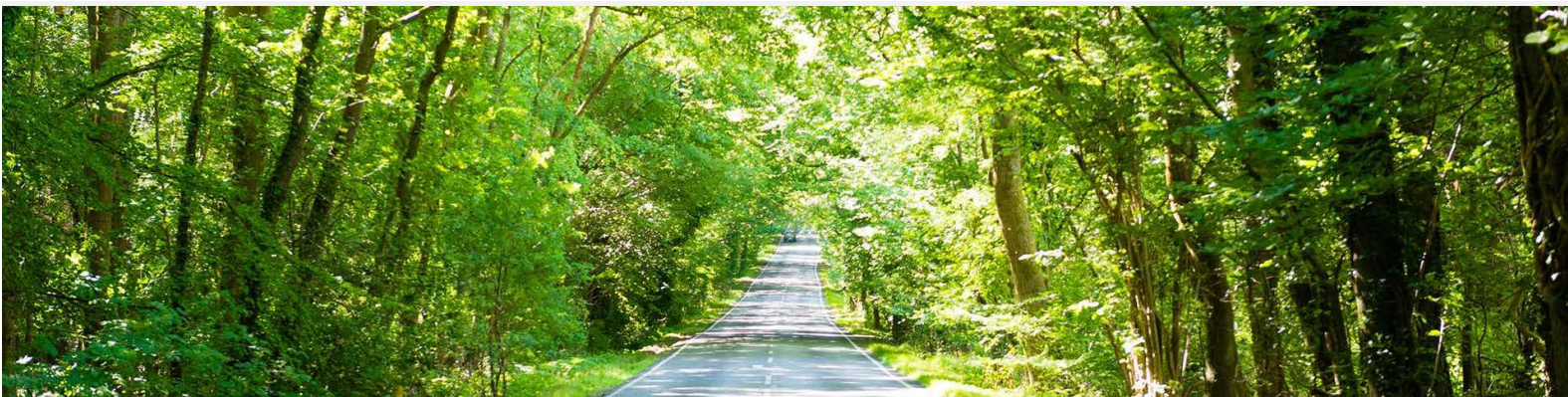
- Generate long-term, sustainable growth
- Enable new revenue streams from investments that benefit both the business and society
- Mitigate investment risks associated with environmental, social, economic and governance issues
- Attract and retain a skilled workforce
- Reflect the interests of our stakeholders
- Contribute positively to the communities where we operate
- Build trust and reputational value

Based on these considerations, we established our CSR priorities within five themes:

GOVERNANCE

- Anti-corruption
- Human rights
- Diversity of the Board and executive management
- Responsible Procurement

INVESTMENTS	<ul style="list-style-type: none">Investing responsibly
EMPLOYEES	<ul style="list-style-type: none">Talent development and engagementDiversity and inclusionHealth, safety and well-being
ENVIRONMENT	<ul style="list-style-type: none">Energy and carbon efficiencyClimate change adaptationGreen procurement
SOCIETY	<ul style="list-style-type: none">Shared value creationFinancial well-being and economic prosperity



Performance and Future Commitments

We measure and monitor the progress of our strategic initiatives against internal objectives. We are committed to continuously improving our performance.

GOVERNANCE

Priorities

Through our active ownership approach, ensure highest ethical standards are maintained including respecting and protecting human rights and compliance with our Global Anti-Bribery Policy.

2015 Achievements

- Launched a CSR-dedicated microsite to report on our progress on the various aspects of CSR.
- Implemented a Board and Senior Management Diversity Policy.
- Developed a Responsible Procurement Policy Statement and a Third Party Code of Conduct.
- Submitted a first Communication on Progress to the United Nations Global Compact.
- Continued to report and engage with CSR rating organizations.
- All employees acknowledged compliance with the Code of Business Conduct and Ethics and no breaches were reported.

2016 Commitments

- Continue to report and engage with a number of CSR rating organizations.
- Continue to share knowledge on CSR initiatives through regular group company meetings.
- Develop web-based employee training program for the Code of Business Conduct and Ethics and associated corporate policies.

- Continued to meet regularly with our group companies to align our commitments and to share knowledge on CSR initiatives.

INVESTMENTS

Priorities

Invest in quality companies with sustainable franchises and attractive growth prospects that demonstrate they are managed in a responsible manner.

2015 Achievement

- Continued to engage with our group companies and investments on environmental, social and governance (ESG) issues through our active ownership approach.

2016 Commitments

- Continue to integrate ESG considerations into decision-making through our active ownership approach.
- Continue to share knowledge within our group companies on integrating ESG factors into investment analysis process.

EMPLOYEES

Priorities

Develop people and manage talent, support a diverse and inclusive workforce, and promote health and well-being.

2015 Achievements

- Completed the first full year of the performance and career management program.
- Started to compile human resources related metrics.
- Provided access to Best Doctors Program available to all our employees. Best Doctors provides a free and confidential access to a global database of 50,000 peer-ranked medical specialists who can help understand medical conditions and treatment options.

2016 Commitments

- Develop web-based employee training program for the Code of Business Conduct and Ethics and associated corporate policies.
- Continue to compile and communicate information on human resources related metrics.

ENVIRONMENT

Priorities

Reduce our environmental footprint, adapt our business to a changing climate and support responsible procurement.

2015 Achievements

- Reduced GHG emissions and energy associated with electricity and natural gas consumption by 7.2%, using 2011 as a baseline, exceeding the 5% reduction target we had established.
- Received a score of 90C on the 2015 CDP, and scored B in 2016.
- Maintained green building certification through BOMA BEST® at our leased corporate head office.
- No environmental incidents were reported.
- Engaged with suppliers to procure sustainable products and services.

2016 Commitment

- Reduce GHG emissions from the use of electricity and natural gas by 8% by 2020, using a 2011 baseline.

SOCIETY

Priorities

Make a positive contribution to society, improve financial well-being and increase participation in employee community programs through our parent company Power Corporation.

2015 Achievement

- In 2015, Power Financial and its group companies employed 25,700 individuals and contributed \$3.4 billion in employee salaries and benefits.

2016 Commitment

- Explore potential measures to better quantify Power Financial's economic value added.



Investing Responsibly

As a long-term and active investor, Power Financial believes that value can be best achieved when environmental, social and governance (ESG) considerations are integrated into our investment process.

As part of our active ownership approach, we recognize that the effective management of ESG factors can have a positive impact on the Corporation's profitability, long-term performance and ability to create value in a sustainable manner.

We view responsible investing as a means to mitigate potential risks and identify valuable investment opportunities. Responsible investing ensures we invest in quality companies that have sustainable franchises and attractive growth prospects, and that are managed in a responsible manner.

ESG Factors We Consider:

GOVERNANCE

- Ethics and Integrity
- Robust Corporate Governance Framework and Practices
- Anti-Corruption and Anti-Bribery
- Board Diversity

ENVIRONMENT

- Resource Management
- Sustainable Materials
- Climate Change
- Supply Management

- Biodiversity and Conservation

SOCIAL

- Community Well-Being
- Health and Safety
- Diversity and Inclusion
- Human Rights
- Labour Relations

2015 Achievement

- Continued to engage with our group of companies and investments on environmental, social and governance (ESG) issues through our active ownership approach.

Highlights from our Group Companies

COMMITMENTS

Many of our group companies are signatories to the Principles for Responsible Investment, including Great-West Lifeco subsidiaries **GLC Asset Management Group**, **Putnam Investments** and **Irish Life Investment Managers**, and IGM Financial subsidiaries **Investors Group** and **Mackenzie Investments**, integrating ESG factors into their investment processes.

ESG INTEGRATION

IGM Financial analyzes the risk of each investment with a focus on identifying, monitoring and mitigating ESG risks and opportunities that are, or could become, material to long-term performance.

Irish Life Investment Managers has appointed a dedicated ESG resource to oversee its responsibilities with respect to responsible investing. They have also established an ESG Governance committee responsible for reviewing and monitoring adherence to the company's ESG Policy. The company works with external experts to analyze its fund companies to identify those with the highest exposure to sustainability risks, and analyze responses to determine whether ESG failings are being addressed.

ACTIVE OWNERSHIP / PROXY VOTING

IGM Financial's approach to active management of its investments includes engagement with company management as well as proxy voting, which are important value-added practices within their investment processes.

Irish Life Investment Managers monitors company boards for their performance on ESG issues.



Investment Process

Our responsible investment philosophy is anchored in our CSR Statement. The Statement articulates our commitment to incorporate environmental, social and governance (ESG) issues into our investment analysis process and active ownership approach. ESG factors are considered when we identify and evaluate potential investments. ESG factors also inform our ongoing dialogue with our portfolio companies through our active ownership approach.

Investment Analysis

As a long-term investor in the financial services sector, we make relatively few new investments. Our investment analysis process includes a robust due-diligence assessment of all potential acquisitions, focusing on factors such as corporate strategy, people management, capital structure and risk. When potential investments are being considered, we conduct an in-depth analysis that evaluates both financial and non-financial factors. ESG factors are analyzed through this process, enabling us to identify potential risks and opportunities that could have an impact on the overall value of potential investments.

Active Ownership Approach

As part of our active ownership approach, we oversee our investments by having our executives sit on the Boards of Directors of the companies we control. In other core investments in which we do not have control, we exercise our influence as a significant shareholder.

Our executives engage with the senior management and Boards of our controlled companies on a regular basis. In the course of this engagement, questions or issues may arise on a wide range of topics such as corporate strategy, risk management (including ESG risks), corporate governance and human resources.

In these interactions, we have an open and constructive dialogue to ensure that we have a proper understanding of how each management team handles ESG issues. This allows us to ascertain that our investments are being managed in a manner consistent with our responsible management philosophy, including our [CSR Statement](#) and our [Code of Business Conduct and Ethics](#).

We have conducted an assessment of the ESG commitments of our controlled companies and core investments. This analysis covered environmental, social and economic topics, including a human rights management review.

The results of these assessments direct our ongoing dialogue with our group companies. Through this dialogue, we share knowledge, best practices, and identify areas for improvement. We regularly engage with our controlled companies on ESG issues through a group-wide Corporate Social Responsibility Committee and through other informal communications channels.



Sustainable Products and Services

We invest in quality companies with sustainable franchises and attractive growth prospects that are managed responsibly and provide sustainable products and services.

For us, sustainable products and services are those that generate measureable social or environmental benefits alongside financial returns, creating long-term value for shareholders and society at large.

Given the mainstay of our investments are in financial services, we believe we represent a positive force in society by providing our customers with affordable and accessible life and health insurance, retirement savings programs, and a suite of investment products, including socially responsible investment funds. Our group's 14,400 financial consultants and advisors are also contributing to financial literacy by providing financial advice and guidance to our clients. These services are helping to make a real difference for a broad spectrum of society in all age and income groups – including those with lower incomes.

We are also helping finance renewable energy projects, through our subsidiary Great-West Life. These types of investments are supporting the transition to a low carbon economy, while positively impacting society and the environment.

Highlights from our Group Companies

AFFORDABLE AND ACCESSIBLE FINANCIAL SERVICES

Great-West Lifeco continues to innovate regarding its products and services to provide access to finance for a broad range of underserved markets, including younger people, small- and medium-sized enterprises (SMEs), as well as the growing retired population. Recent innovations include a savings plan for SMEs, product solutions for workers who do not have

registered retirement savings plans, financial security products for younger customers and ensuring its more than 27,000 advisors, brokers and consultants are available in hundreds of rural and urban communities across Canada. Their local services approach enables Great-West Lifeco to tap into local talent and keep in touch with local markets and needs.

IGM Financial is leading initiatives to ensure ongoing access to valuable financial planning and advice for Canadians from all age groups and income levels. Their mutual funds are available at very low investment minimums, making it possible to provide much-needed access to financial products and services to all households, regardless of income or wealth levels.

SOCIALLY RESPONSIBLE INVESTMENT FUNDS

GLC Asset Management Group, a subsidiary of Great-West Lifeco, has had socially responsible investment mandates for more than 15 years, providing clients with a meaningful way to ensure their investments promote a high level of environmental sustainability, social responsibility and corporate governance. Clients benefit from professional portfolio management services as well as screening and review processes for socially responsible investing.

IGM Financial has a suite of socially responsible products and services to meet the evolving needs of its clients, including the Investors Group Summa SRI™ Fund, charitable giving funds, Registered Disability Savings Plans and retail mutual funds in Canada that abide by the Principles for Responsible Investment.

SUSTAINABLE PROPERTY MANAGEMENT SERVICES

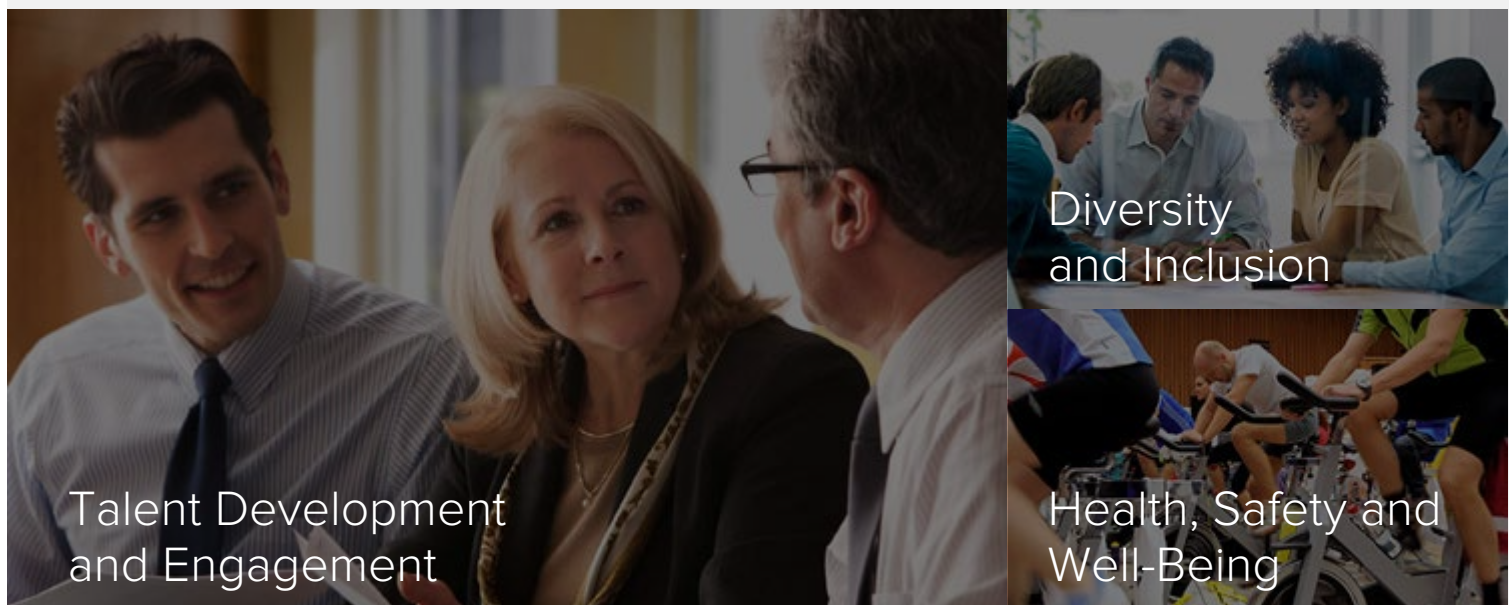
GWL Realty Advisors, a wholly owned subsidiary of Great-West Lifeco, manages a multi-client portfolio of nearly 300 office, multi-residential, light industrial and retail properties in Canada, including the corporate campuses of Great-West Life, London Life and Canada Life. Sustainability principles are integrated into the management of these properties. In 2016, GWL Realty Advisors has achieved a “Green Star” ranking from the Global Real Estate Sustainability Benchmark (GRESB) survey for a second consecutive year. GWL Realty Advisors improved its position from the top 15% of 707 global participants in 2015 to the top 10% of 759 global participants in 2016. The company also scored well above the global average and the average for its North American peer group in each of the assessed categories.

Irish Life Investment Managers have integrated sustainability into their property funds. Their focus is to ensure property environmental impacts are managed effectively and environmental building efficiencies are optimized.

RENEWABLE ENERGY INVESTMENTS

Great-West Lifeco's Canadian bond group investments in infrastructure include green energy projects covering solar, wind, and hydro energy.

IGM Financial provides mortgages for energy-efficient homes and renovations that are eligible for mortgage insurance premium savings.



Empowering People

As an employer and investor, we believe the hallmark of great, value-creating companies is their ability to attract and retain a talented and diverse workforce. Our responsible management philosophy guides the way in which we manage and develop our people and enables the growth of our group of companies. Such growth, we maintain, is driven by the quality, integrity and dedication of the directors, officers, financial advisors, and employees of our group companies.

We strive to create an environment where our people feel connected and supported, and where they can thrive both professionally and personally. Many of our group's workforce fulfil the role of trusted advisor to our customers, helping them address their financial and insurance needs. We hire individuals who are skilled at building these "relationships of trust" and creating bonds of professionalism and mutual respect. In turn, our group companies provide them with challenging and rewarding careers, give them the resources to develop their expertise and leadership skills, and support their volunteer efforts within the communities where we operate. We act on these imperatives because we believe that a well-balanced, involved and motivated workforce gives us a significant competitive advantage.

Strategic Focus

We are committed to building teams of truly exceptional people, individuals who represent diverse educational backgrounds, with a sound moral and ethical foundation. We work diligently to ensure that our group of companies' workforce is valued, supported and empowered to be successful both personally and professionally. We actively support a culture of development and performance and create flexible, balanced workplaces that recognize the value of diversity and personal well-being. These values and commitments are reflected in our [Code of Business Conduct and Ethics](#). The Code provides guidance to our employees on how they should conduct our business activities. We reinforce these commitments

and values through training and an ongoing dialogue.

Power Financial's policies, commitments and people programs are overseen by the Vice-President, Human Resources and Administration. We have 48 full-time employees who work at our offices in Montréal, Toronto and Winnipeg. We are committed to their advancement through a focus on:

- talent development
- employee engagement
- diversity and inclusion
- health, safety and well-being

We also engage with our group companies on their people management strategies. Overall, our group of companies employs more than 25,700 people and has 14,400 advisors located mainly in Canada, the United States, Europe and China.

2015 Achievements

- We completed the first full year of the performance and career management program, which includes a career development component.
- Started to compile human resources related metrics.
- Provided access to Best Doctors Program available to all our employees. Best Doctors provides a free and confidential access to a global database of 50,000 peer-ranked medical specialists who can help understand medical conditions and treatment options.



Talent Development and Engagement

Attracting and developing employees with the right skills and aptitudes remains a constant priority for our organization and the companies in which we invest. We believe that to meet our business goals we must continue to attract and retain the most talented people through progressive development and performance reward programs.

The quality and depth of our management teams, advisors and employees – at both the holding company level and within our group companies – has been built over a long time. It has always been a key priority and an important factor behind our success in creating long-term shareholder value.

Our Commitment

We commit to developing a highly skilled and performance-based workforce. We empower our people to develop their teams in ways that reinforce our responsible management culture within a tradition of strong and disciplined leadership. Our objective is to create positive working relationships for our employees and to provide them with opportunities for growth in their careers, as they contribute to the success of our business and of society as a whole.

Programs

Our talent development strategy is based on building leadership capabilities, creating a responsible management culture, and recognizing and rewarding performance.

Talent Development Focus	Programs
Building Leadership Capabilities	Skills development programs are offered through relevant internal and external training sessions stressing specific competencies and job responsibilities, including professional development, continuing

education courses, seminars and conferences.

On-the-job coaching and development opportunities are provided within our group companies so that employees can broaden their perspectives, gain a better understanding of our diverse businesses, and share their experiences.

Opportunities are offered to work with executives and leadership teams to gain knowledge through exposure to leadership practices and strategies and to develop individual talent to its fullest potential.

Creating a Responsible Management Culture

Our staff receives regular reminders of our responsible management philosophy and core values as espoused in our Code of Business Conduct and Ethics, and is required to annually attest their compliance.

Awareness sessions are given on various sustainability-related topics at Board and management levels. Topics include sustainability awareness, responsible investing, disclosure and carbon management, among others.

Rewarding Performance

Our performance and career management program focuses on three performance development pillars:

- Results-based goals – we established individualized, results-based goals that align with our core business levers towards long-term value creation, quality of execution and risk management.
- Competencies – we defined clear competencies that we believe are important to execute our strategies.
- Individual development plans – we work with our employees to align their aspirations with business needs. Through these plans, we support employee career growth initiatives consistent with organizational needs. We provide third-party training programs and on-the-job training.

We offer progressive compensation packages, comprised of a balance between fixed and variable remuneration programs and competitive pension, savings and benefits programs.

Engaging Employees

We engage employees through communications, training and awareness sessions.

We encourage our employees to share their experience and expertise by getting involved with non-profit organizations of their choice, for instance by being active members of such organizations' board of directors.

Highlights from our Group Companies

EMPLOYEE ENGAGEMENT

Great-West Life conducts a biennial nationwide employee engagement survey as a way to measure their progress in ensuring the company is a rewarding and engaging place to work, and where further opportunities lie. A total of 88% of its employees took part in the most recent survey. The first edition of that survey, in 2013, led to a number of company-wide enhancements, such as a new training program for leaders, the introduction of a wellness account and personal days for all employees.

GWL Realty Advisors, Great-West Lifeco's real estate subsidiary, also regularly conduct employee engagement surveys to learn employees' views on what matters to them.

IGM Financial has a strong culture of engagement and regularly seeks employees' opinions to understand what matters to them, how the companies are doing, and how to continuously improve. The results are shared with employees and are used to influence programs and initiatives. In addition, individual performance reviews, regular employee forums and other opportunities to engage with employees also help IGM Financial to understand if each operating company is achieving its goal to attract and retain top talent.

LEADERSHIP DEVELOPMENT

Great-West Lifeco laid the groundwork with employees and leaders for a more robust performance management program. Take the Lead is a foundational leadership program introduced in 2014 which proposes five core courses to help ensure leaders have a common baseline of leadership competence. More than 1,000 leaders took the Take the Lead courses in 2015. Further modules will be offered in 2016.

IGM Financial's operating companies offer extensive support for developing the skills and capabilities of its employees:

- At **Investors Group**, all leaders are required to complete three mandatory training programs that cover policy knowledge, people skills, and an in-depth look at the company vision, values and commitments. Senior leaders also attend leadership roundtables to build capabilities in the areas of strategy, critical thinking, innovation, and change.
- **Mackenzie Investments** held two significant senior leadership events in 2015 for the company's top 100 leaders: Strategy-Connect and The Leadership Summit. The goal was to build capability around strategy delivery and change leadership. Targeted resources were developed in 2015 to accelerate the effective on-boarding of leaders new to Mackenzie, to help them transition into their new roles.
- At **Investment Planning Counsel**, leadership training is provided through the Extraordinary Leader Program for executive and senior leaders and the Manager Training Program for new leaders.

In 2015, **Imerys** redefined its management model, named the Imerys Leadership Behaviors. All activities related to talent management, including recruitment, evaluation of performance and potential, and individual career development plans, are

based on this management model.

ENCOURAGING TRAINING

Great-West Lifeco's employees have access to training opportunities, including e-learning, in-house workshops and financial support for industry, post-secondary and continuing education programs. An important focus in 2015 was on supporting professional development of their employees.

In addition to external training opportunities, **Investors Group** employee training is also provided through the in-house Employee Development Centre to strengthen business and financial planning skills, career development, and health and wellness. Approximately 70 courses are offered throughout the year through e-learning and classroom programs. Participation increased by 22% to a record 1,303 in-class and 2,872 online participants in 2015.

Investors Group is well known for its industry-leading training that provides the company's consultants with the financial competencies and skills to run a successful business. Over the past eight years, Investors Group finished first in the "Ongoing Training" category of the Investment Executive Dealers' Report Card among full-service dealers.

In 2015, **Imerys** furthered its training initiatives through its Learning Centre, which mission is to strengthen in-house skills and foster best practice sharing:

- 49 training modules have been organized by their Learning Centre and a total of more than 260,000 hours of training have been provided across the company, which is 18% more than the previous year.
- More than 1,000 employees of Imerys took advantage of the online training solution IM-Pulse, which offers customized learning paths emphasizing professional efficiency, diversity, management and safety.

In addition, as part of their community relations approach, Imerys supported 18 projects related to basic skills development, young adults' professional integration and women's and girls' education in 2015.

EMPLOYER OF CHOICE

Great-West Life was recognized as one of Canada's Top 100 Employers in 2016 and one of the Top 25 employers in Manitoba, where the company is headquartered. For the first time, it was also chosen among Canada's Top Employers for Young People.



Diversity and Inclusion

We believe that being an inclusive employer enables us to understand the diverse factors that have an impact on our business, allowing us to make better decisions and best motivate our workforce. As workforce demographics change, diversity has become a business imperative and a key ingredient of success.

Our Commitment

Diversity is an important priority for us as an employer and as an active owner in a variety of companies operating in numerous geographic locations. Our group companies attract a diverse team of employees, all with unique expertise, from different backgrounds, age groups, genders and nationalities. Attracting and retaining a workforce that reflects the communities where we operate and the breadth of experience we need underpins our goal to be a great employer and to achieve our business objectives.

Programs

We have focused our strategy on supporting a diverse and inclusive work environment through the following programs:

Diversity and Inclusion

We support diversity at all levels of the organization. This commitment, as it relates to our Board and senior management, was formalized through our policy relating to [Board and Senior Management Diversity](#). The women in our business represent:

- 17% at the Power Financial Board level
- 20% at the executive officer level, including the Corporation's group companies

Through our [Code of Business Conduct and Ethics](#), we reinforced our commitment to provide equal opportunities in employment,

appointments and advancement and our commitment to support an inclusive workforce.

We have provided training on our Code of Business Conduct and Ethics, which emphasizes our commitment to provide a respectful and equitable workplace.

Highlights from our Group Companies

COMMITMENTS

Our operating subsidiaries, **Great-West Lifeco** and **IGM Financial**, have adopted Board and Senior Management Diversity policies.

Imerys' Diversity Charter outlines its commitment to achieving greater diversity, as well as its commitment to antidiscrimination and equal opportunities. Diversity plans and series of measures have been set up in most of the major countries since 2013, including a women's mentoring program and several projects to support inclusion of people with disabilities. At the end of 2015, there were 20 different nationalities in the Imerys headquarters in Paris and the company had 220 employees with disabilities.

EMPOWERING WOMEN

In 2015, **Great-West Life** supported the launch of Women@Great-West Life, a networking and mentoring group for up-and-coming female leaders. The group held an intimate and informal chat with five female executives offering their unique points of view on their career paths and personal journeys.

Investors Group supported its women in leadership by sponsoring a number of leaders to attend the 2015 and 2016 SHE Day, a Winnipeg conference focused on leadership development. The company enhanced its leadership development programs, including unconscious bias training and planning for a women's leadership pilot program in 2016.

Mackenzie Investments also continued to focus on supporting women in leadership by holding networking opportunities with internal and external events such as the Women of Influence and an internal panel discussion.

DIVERSE EMPLOYEES

IGM Financial promotes a respectful, diverse and inclusive workplace – 59% of its employees are women exceeding the national average of 51.2%¹ for the business and finance professions. In addition, 44% of managers and executives are women, exceeding the national average of 37%¹.

Investors Group also focuses on diversity among its financial advisors, to better reflect Canada's diverse population. In 2015, Investors Group enhanced its recruitment tools, creating videos and written profiles of people from a diversity of backgrounds who have achieved great success either as a consultant or in field management. A committee of senior managers, including field leadership, was also formed to review internal practices surrounding recruitment, training and

promotion to continue to foster a culture inclusive of a diversity of people. Investors Group has been successful in recruiting a larger proportion of women consultants into its growing network. In 2015, 35% of new Investors Group consultants were women. Through this increased recruitment, the percentage of women consultants overall grew to 30% in 2015.

In 2015, both **Mackenzie Investments** and **Investment Planning Counsel** continued to support organizations that help immigrants to gain employment. Mackenzie continued supporting the Toronto Region Immigrant Employment Council (TRIEC) Mentoring Partnership, also encouraging its employees to volunteer with the organization to further enhance their cross-cultural abilities and develop leadership skills. Investment Planning Counsel established partnerships with both the TRIEC and the Federal Internship for Newcomers (FIN) to build recruitment strategies for new immigrants.

Great-West Life is actively seeking new ways to reach out to a diverse range of potential employees. For instance, the company formed a partnership with Amik.ca, an initiative connecting qualified Indigenous workers with employers across Canada. Just in the Fall of 2015, 16 individuals were hired in Winnipeg as part of this program.

To strengthen its teams and prepare to the next generation of managers, **Imerys** launched its Graduates Program in 2015, an international program for recruiting and nurturing recent graduates. A total of 25 employees of 13 different nationalities joined Imerys through this program.

1. Statistics Canada, *Women in Canada: a Gender-based Statistical Report: Paid Work*. December 2010, Page 23.



Health, Safety and Well-Being

The health, safety and well-being of our workforce is important to us. Health and wellness promotes employee satisfaction, enhances our appeal as an employer, and ensures we attract and retain motivated and productive people.

Our Commitment

As a company with major holdings in the life insurance business, we are especially sensitive to the day-to-day stressors our employees experience in both their personal and professional lives. We are committed to creating a workplace that allows people to perform and develop in a safe and healthy environment. We believe our employees must have the necessary support to reduce their stress at work and at home, and to improve their health and personal performance.

Programs

Our approach to workplace health and wellness focuses on providing a wide range of preventative health and well-being services for our people.

Health, Safety and Well-Being

Programs

Health Assistance and Support

Access to an Employee and Family Assistance Program. This program provides support and assistance to employees and their families facing sensitive issues related to work, health and life including: workplace challenges, nutrition and health, physical health, addiction concerns, stress, depression and anxiety, family and parenting, relationships, and other situations.

Access to the Best Doctors Program, which provides our employees with a free and confidential access to a global database of 50,000 peer-ranked medical specialists who can help understand medical conditions and treatment options.

Employer paid life insurance, short-term and long-term disability, medical, vision, and dental care coverage for its employees and retirees.

Access to on-site flu vaccinations.

Wellness Programs and Incentives

Subsidized fitness memberships are provided to employees.

We ensure our building meets all requirements related to occupational health, including ergonomic considerations.

Highlights from our Group Companies

UNDERSTANDING AND SUPPORTING MENTAL HEALTH IN THE WORKPLACE

Great-West Life has various initiatives in place to address mental health matters:

- In 2015, it participated in various initiatives, such as the *Not Myself Today* campaign and the Mental Health Week to raise awareness on mental health issues and encourage all leaders to open a dialogue with employees about these issues.
- The Great-West Life Centre for Mental Health in the Workplace (the Centre) launched in 2015 an expanded, improved version of the Supporting Employee Success (SES) tool along with a new SES web page on the Centre's website. Averaging 5,000 visits a month to its website, the Centre is a leading source of free, practical tools and resources designed to help Canadian employers with prevention, intervention and management of workplace mental health issues.
- Great-West Life is also one of approximately 40 companies in Canada participating in a three-year case study research project to implement the "National Standard of Canada on Psychological Health and Safety in the Workplace," which offers a valuable framework for considering mental health in the workplace.

IGM Financial's three operating companies conduct regular confidential employee surveys which include many factors related to workplace psychological health and safety. The results from these surveys help guide enhancements to workplace programs. For instance, in 2015, Investors Group launched an enhanced wellness program built on an approach that is focused on four pillars: Physical, Mental, Social, and Financial. This program includes increased training and

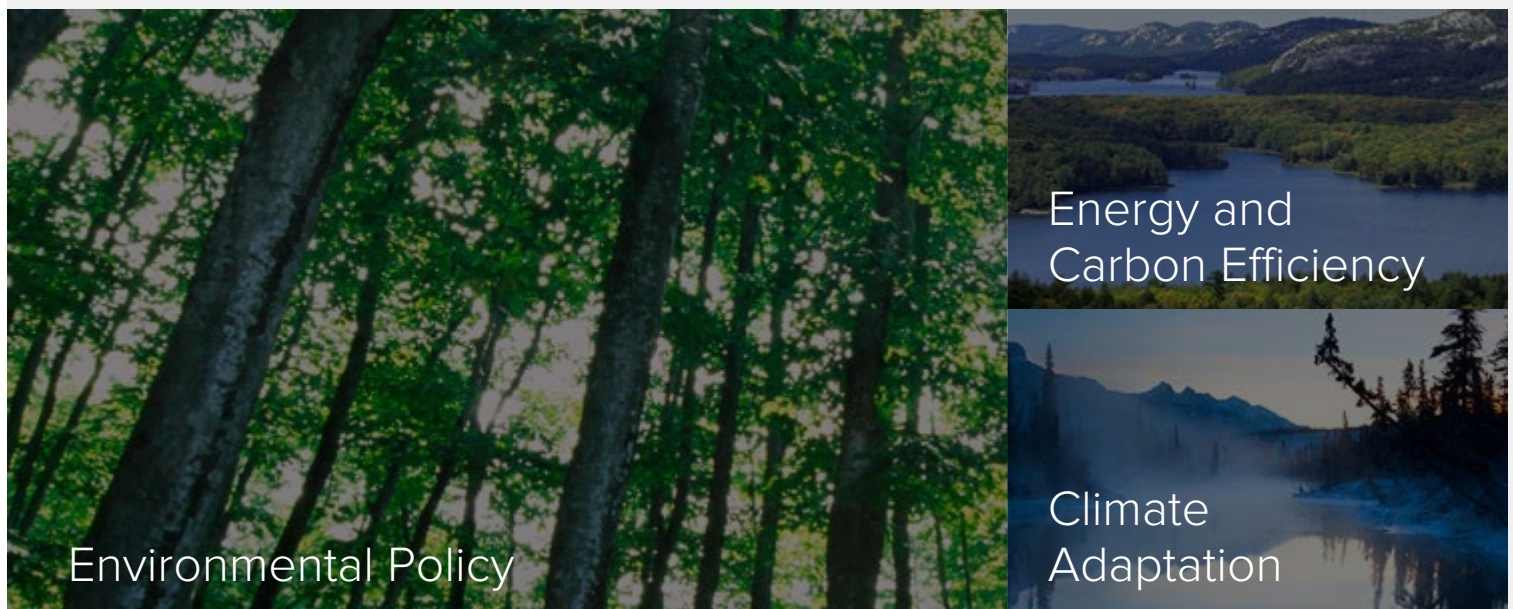
communications about recognizing problems and tips on how to stay healthy in these four areas. More than 650 employees attended and took in wellness information from over 30 exhibitors at a Wellness Expo in 2015.

HEALTHY WORK ENVIRONMENTS

As outlined in its Safety and Health Charter, **Imerys** takes safety and health as core values for all of its operations, regardless of where an operation is located in the world or what role an employee or contractor performs. Since 2005, Imerys has implemented a number of programs to provide the operations with tools and training for continuous, long-term improvement of workplace safety, including the Imerys Safety University, the Safety Summit and the Take 5 program to raise risk awareness amongst employees. In 2015:

- The company's Environment, Health & Safety (EHS) Department implemented a targeted onboarding process that introduces new site directors and EHS managers to the main elements of the safety system.
- A total of 18 safety protocols matching the new industrial standards were identified.

Great-West Life's employees can access a range of supports to help manage their financial, physical and mental well-being, such as onsite fitness centres in some of their major Canadian locations, wellness accounts, as well as tools and resources supporting their global health. For instance, in 2015, registered nurses located in all the company's major centres in Canada provided care to employees over 28,000 times, including support for physical and mental health issues, requests for accommodation in the workplace due to a medical issue, workplace wellness programs and initiatives and flu shots.



Environment

Our commitment to environmental responsibility is underpinned by the importance we place on preventing and minimizing the impact of our activities on the environment. Sound environmental practices and behaviours are entrenched in our approach to business activities; we remain committed to conducting our activities in an environmentally responsible manner by focusing on continuously improving our practices.

As a holding company, our direct environmental impact is limited to the operations of our head office, which has no production or manufacturing functions. Despite this limited impact, we work diligently to reduce our environmental footprint, while working with our group companies to support their environmental management initiatives.

Our management approach to the environment is further reinforced through our [Environmental Policy](#), which sets out our commitment to conduct our activities in an environmentally responsible manner. Our leased head office building has an environmental management system based on the Building Owners and Managers Association (BOMA) Go Green Certification Management System. Every three years, an audit is conducted to assess compliance with the management system criteria. This includes resource consumption, waste management and recycling, and materials management. Ongoing monitoring of these programs is conducted to continuously improve performance.

Our environmental management activities are overseen by the Vice-President, Human Resources and Administration, and the Vice-President and General Counsel.

We have focused our environmental priorities on:

REDUCING	Energy and carbon footprint
INCREASING	Use of renewable resources
PREVENTING, REDUCING AND DIVERTING	Waste from landfills
PROCURING	Products and services responsibly

2015 Achievements

- Reduced GHG emissions and energy associated with electricity and natural gas consumption by 7.2%, using 2011 as a baseline, exceeding the 5% reduction target we had established.
- Received a score of 90C on the 2015 Carbon Disclosure Project.
- Maintained green building certification through BOMA BEST® at our leased corporate head office.
- No environmental incidents were reported.
- Engaged with suppliers to procure sustainable products and services.



Environmental Policy

Power Financial has a long-standing commitment to conducting its activities in an environmentally responsible manner. Despite its limited environmental impact as a holding company, the Corporation recognizes its environmental responsibilities in its own operations, as well as through its procurement practices.

The purpose of this policy is to articulate the Corporation's environmental commitment. It applies to all officers and employees of the Corporation and its wholly owned subsidiaries.

Specific Commitments

The following outlines the Corporation's environmental commitment:

- Comply with applicable environmental laws and regulations.
- Assess and address, where relevant and applicable, the foreseeable environmental impacts associated with its activities, and its procurement practices, with a view to avoiding and preventing or, where unavoidable, mitigating these impacts.
- Establish objectives, targets and initiatives, where appropriate and relevant.
- Measure, monitor and review environmental performance associated with its activities with a focus on continuous improvement.
- Integrate potential environmental considerations into the Corporation's active ownership approach.
- Encourage environmentally friendly and cleaner technologies.
- Communicate on its environmental policy, performance and management.
- Contribute to the development of sound environmental public policy and to the enhancement of environmental awareness and protection through community contributions.

Implementation

Officers and employees are expected to be mindful of the above guidelines and are also reminded of the provisions of the Corporation's [Code of Business Conduct and Ethics](#) and the [CSR Statement](#).

Monitoring, Review and Approval

Formal responsibility for the policy has been assigned to the Vice-President and General Counsel and to the Vice-President, Administration and Human Resources, who are responsible for overseeing the implementation of the policy on an ongoing basis.

This policy was reviewed and approved by the President and Chief Executive Officer of the Corporation in November 2013.



[Download the Environmental Policy](#)



Energy and Carbon Efficiency

We work to reduce the energy use and carbon emissions associated with our activities, and collaborate with our group companies in their efforts to likewise reduce their impact. Finding ways to reduce energy consumption is essential to operating an efficient business. It enables the reduction of GHG emissions that contribute to climate change, while helping our businesses address the rising demand for, and cost of, energy.

Our Strategy

The majority of our business activities are undertaken at our location in Montréal, Québec. Our limited energy and carbon footprint is mostly tied to administration services relating to business travel and the use of electricity and natural gas in our office buildings. Our energy and carbon efficiency strategy is mainly focused on reducing the energy consumption and emissions from our leased office buildings.

Our Objectives

2011-2015 OBJECTIVE¹

5% reduction in energy consumption and GHG emissions from the use of electricity and natural gas by 2015, using 2011 as a baseline.

2011-2020 OBJECTIVE²

8% reduction in energy consumption and GHG emissions from the use of electricity and natural gas by 2020, using 2011 as a baseline.

1. Reference: 2016 CDP/Q.CC3.1a/Abs 1

2. Reference: 2016 CDP/Q.CC3.1a/Abs 2

Achievement

7.2% reduction in 2015, using 2011 as a baseline.

Steps Taken to Achieve our Objectives

Our leased corporate head office, which represents 100% of our operational footprint, has been upgraded to the Building Owners and Managers Association (BOMA) Go Green Certification. We maintained our BOMA BEST® certification in 2015.

Energy-efficient equipment was installed across our building, including a chiller and drive, controls optimization, lighting retrofits, ventilation systems, and capacitor bank. Once these upgrades and retrofits are completed, additional initiatives will be undertaken, including the development of a new energy management system, which will provide an effective means of tracking and thus better understanding energy usage and costs.

Read our response
to the CDP's questionnaire



[2016](#)



[2015](#)



[2014](#)

Highlights from our Group Companies

CARBON PERFORMANCE

Great-West Lifeco has a strong commitment to minimizing its environmental impact. Since 2007, Great-West Lifeco's Canadian operations have reduced their GHG emissions by 41.3% at their corporate buildings in Winnipeg, London, Toronto and Regina. Participating in the annual CDP Climate Change program for a fourth consecutive year, Great-West Lifeco has earned a position on CDP's 2016 Climate A List, placing it in the top 10% of companies globally.

IGM Financial is committed to transparency and accountability on climate issues, which is reflected in the many initiatives underway. These initiatives contributed to a 72% reduction in Scope 1 and 2 GHG emissions from 2014 to 2015. 2016 was the fourth year that IGM Financial has participated in the CDP survey, obtaining a score of A-.

SUSTAINABLE BUILDINGS

GWL Realty Advisors is committed to improving the performance and sustainability of new and existing buildings within its managed portfolio. Between 2013 and 2015, the company achieved an 8.8% GHG reduction in its real estate managed portfolio. In 2015, BOMA Canada and BOMA Toronto awarded its managed properties with eight awards in recognition of

excellence in multiple areas of property management. Among these was The Outstanding Building of the Year award, for one of its properties in Toronto.

In 2016, **GWL Realty Advisors** has achieved a “Green Star” ranking from the Global Real Estate Sustainability Benchmark (GRESB) survey for a second consecutive year. GWL Realty Advisors improved its position from the top 15% of 707 global participants in 2015 to the top 10% of 759 global participants in 2016. The company also scored well above the global average and the average for its North American peer group in each of the assessed categories.

As part of their commitment to increasing their use of low-carbon, renewable energy and their objective of finding a sustainable way to heat **Investors Group** and **Mackenzie Investments** primary corporate offices with renewable natural gas, they made an agreement with Bullfrog Power, Canada's leading green energy provider. It is also worth noting that 94% of **IGM Financial**'s corporate office space is green-certified buildings.

HIGH EFFICIENCY DATA CENTRE

IGM Financial and **Great-West Lifeco**'s state-of-the-art data processing facility in Winnipeg integrates industry best practices to limit its environmental footprint while maintaining stringent data security and availability requirements. The data centre has significant environmental features and high-efficiency systems that reduce power consumption and GHG emissions.

EMPLOYEE ENGAGEMENT

2015 saw the launch of **Investors Group**'s Green Committee, an employee-led committee which aims to promote initiatives in four key areas: waste management and recycling, paper reduction, travel and commuting, and energy conservation. In its start-up year, the committee helped employees to get involved in Winnipeg's Earth Day clean-up and the city's annual Commuter Challenge, and launched an in-house Business Recycling Centre.

A Corporate Properties Sustainability Working Group was also established at **Great-West Life** to help direct sustainability initiatives with a particular focus on GHG reductions through various building retrofits at its multiple locations, but also best practices sharing and employee engagement events.



Climate Adaptation

Global warming and the impact it is having on our changing climate is one of the most pressing sustainability challenges we face today. This phenomenon has the potential to have a significant impact on ecosystems, economies and communities. We are an investor, employer, and contributor to the communities where we are established. As such, we recognize our responsibility to help create a future where prosperity is harmonized with addressing the critical challenges of climate change. Growing our business profitably in a way that supports a low-carbon economy will be an important issue for the Corporation and our stakeholders.

Our Strategy

Our strategy for adapting to climate change is focused on positioning our business positively within the context of a low-carbon economy and supporting policies that advance solutions to address climate change impacts.

Our Objectives	Steps Taken to Achieve our Objectives
Minimize Investment Risks	Continue to integrate economic, environmental and social factors into our investment process and active ownership approach, which includes climate change risks and opportunities, where relevant.
Invest in Sustainable Businesses	We invest in sustainable companies that are proactively adapting to the impacts of climate change on their businesses through products, services, markets and operations. We engage with our major subsidiaries through a group-wide CSR committee on a range of corporate social responsibility initiatives, including GHG emission and

climate change strategies.

Support Policies

Through our parent company, Power Corporation, we support collaborative policies and frameworks that advance growth within a low-carbon economy, including the David Suzuki Foundation and the One Drop Foundation.

Climate Advocacy and Outreach

In line with our contributions to community projects and initiatives that increase awareness and knowledge on climate change impacts and management, our parent company, Power Corporation, supports various organizations that are focused on issues related to climate change. The following provides examples of the research organizations we support:

David Suzuki Foundation – Through our parent company, Power Corporation, we support the Foundation’s work with governments, businesses and individuals to conserve the environment by providing science-based education, advocacy and policy work, and by acting as a catalyst for social change.

One Drop Foundation – Through our parent company, Power Corporation, we support the Foundation’s work in developing countries to provide access to water, ensure food security, and to use arts and culture to educate local communities on issues concerning water and climate change.

Carbon Disclosure

We have been responding to the CDP Climate Change Program for the past five years and support the organization’s endeavours to increase transparency and disclosure on climate change governance, risks and opportunities, management and performance. In 2016, we obtained a score of B.

Read our response
to the CDP’s questionnaire



[2016](#)



[2015](#)



[2014](#)

Highlights from our Group Companies

As part of our strategy, we invest in sustainable companies whose products and services contribute to a low-carbon economy and societal well-being.

In addition to supporting organizations that are focused on issues related to climate change, our major publicly traded subsidiaries encourage their staff to get involved with environmental causes they support. **Great-West Lifeco** examples include the World Wildlife Fund, Habitat for Humanity, Pollution Probe (Healthy Communities Campaign), the International Institute for Sustainable Development, as well as the Canadian Institute for Energy Training. **IGM Financial** examples include the EcoPass/Allego/VIP Public Transit Incentive Program, the Nature Conservancy of Canada Forces of Nature Campaign, the Commuter Challenge and Earth Day Canada.

SUSTAINABLE MATERIALS

IGM Financial's subsidiary Investors Group offers mortgages that incentivize energy-efficient homes and renovations.

Imerys continued to develop carbon efficient products and is increasing research and innovation spend into new cleaner products. In 2015, it introduced more than 90 new products. About 18 of them offer an environmental benefit, while others improve ease of use. For Imerys, a product is environmentally friendly if it meets one of the following three criteria: high efficiency, green alternative, or lower carbon footprint. The product may help reduce resource consumption during its use by the customer, replace existing solutions that are potentially harmful to health or the environment, increase recyclability, or reduce the environmental impact during the life cycle of the materials. Imerys also improved its carbon efficiency from 1.5% in 2015 from the 2014 base year, for a total reduction of 39,000 tons in CO₂ emissions.

RENEWABLE ENERGY

Great-West Lifeco's Canadian bond group invested approximately \$400 million in green energy projects including investments in solar, wind and hydro energy projects.



Green Procurement

We recognize the important role we can play in advancing more sustainable business practices through the influence we have on our suppliers and business partners. Procurement decisions are taking a prominent role in the sustainability agenda, having become an important mechanism to create a greater impact on achieving environmental benefits.

Our Strategy

The decisions we make on the procurement of products and services are based on our sustainability commitments and are aligned with organizations which share our values on this topic. Our commitment to green procurement focuses on integrating environmental considerations into our decision-making processes in a way that creates environmental benefits.

Our Objectives	Steps Taken to Achieve our Objectives
Sustainable Paper	We established a partnership with our paper suppliers to source only environmentally responsible paper. That means such paper has earned responsible forestry certification through the Sustainable Forestry Initiative (SFI) and/or the Forest Stewardship Council (FSC), and contains recycled content.
Non-Toxic Building Cleaning Products	We continue to work with our building managers to source sustainable products, including non-toxic cleaning products and building materials.

Energy-Efficient Products

When sourcing Information Technology (IT) equipment, including computers, printers and computer networks, we work with suppliers to purchase equipment that is energy efficient. All of Power Financial's IT equipment is "Energy Star" certified.

Local Sourcing

We support local small- and medium-sized businesses by purchasing their products and services. For example, our local food catering service is encouraged to use only natural and pesticide-free ingredients, and to purchase local products.

Responsible Procurement



[Read more](#)

Responsible Procurement Policy Statement



[Download](#)

Third Party Code of Conduct



[Download](#)

Highlights from our Group Companies

SUSTAINABLE PAPER

IGM Financial looks for ways to increase the use of recycled paper and paper from responsibly managed forests; 100% of their office paper used in photocopiers and printers is from responsibly managed forests.

PROCUREMENT PRACTICES

As part of the process followed by **Great-West Life** when determining potential suppliers' suitability to work with them, questions are asked about their strategy and activities related to the environment, sustainability and other facets of corporate social responsibility. When deemed applicable, suppliers must also agree to abide by the appropriate elements of their Code of Business Conduct and Ethics.



Our Performance

2011–2015 Environmental Performance Profile

The following table provides an overview of Power Financial’s environmental impact at its head office building, which serves as an administrative office only.

SUMMARY OF THE OVERALL ENVIRONMENTAL FOOTPRINT

ENVIRONMENTAL IMPACT	2011	2012	2013	2014	2015	% CHANGE (2014–2015)
GREENHOUSE GAS EMISSIONS (in tonnes of CO ₂ equivalent)						
Scope 1	2,291.22	2,658.55	2,017.53	2,176.72	2,562.16	+17.71% ¹
Scope 2	1.93	1.84	3.04	2.87	2.08	-27.75%
Scope 3	138.34	135.90	151.15	176.29	202.92	+15.10% ¹
Total	2,431.49	2,796.30	2,171.72	2,355.88	2,767.15	+17.46%¹
WASTE (in metric tonnes)						
Waste (non-hazardous)	8.27	8.15	6.75	6.72	7.69	+14.45%¹

¹ The increase is the result of growth in business activities in 2015.

Performance vs Objectives

2011-2015 OBJECTIVE²

5% reduction in energy consumption and GHG emissions from building sources (use of electricity and natural gas) by 2015, using 2011 as a baseline.

2011-2020 OBJECTIVE³

8% reduction in energy consumption and GHG emissions from building sources (use of electricity and natural gas) by 2020, using 2011 as a baseline.

PERFORMANCE

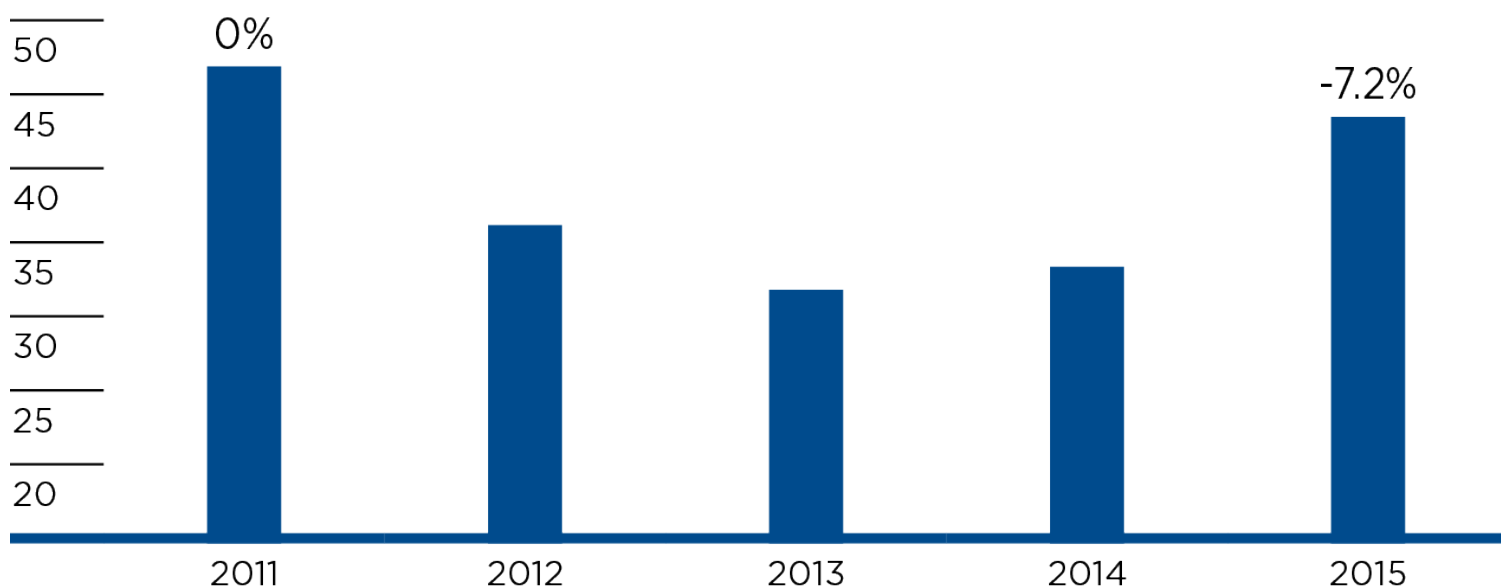
7.2% reduction in 2015, using 2011 as a baseline.

² Reference: 2016 CDP/Q.CC3.1a/Abs 1

³ Reference: 2016 CDP/Q.CC3.1a/Abs 2

GHG EMISSIONS FROM ELECTRICITY AND NATURAL GAS USE⁴

(Based on 2011 baseline; in tonnes of CO₂ equivalent)



⁴ The increase in GHG emissions from electricity and natural gas use from 2014 to 2015 was mainly due to increased natural gas consumption as a result of a colder than normal winter and a change in building equipment.



[Download our Environmental Performance Profile](#)



Shared Value Creation

Responsible management allows us to generate long-term sustainable value for our enterprise, the economy and society at large. In our view, we can be successful as a business and create shareholder value only if we seek to serve all of our stakeholders and create value for them as well. This involves conducting our business in a way that benefits the communities where we operate, while providing products and services that benefit society.

Customers

Given the mainstay of our investments are in financial services, we represent a positive force in society, creating indirect financial benefits for customers of our group companies. We effectively enable these customers to manage their retirement and healthcare needs, accumulate wealth and achieve financial security through prudent investments. In the course of providing customers with financial advice, our companies foster financial literacy. This provides an important contribution to a prosperous, empowered society.

Shareholders

Our mission is to enhance shareholder value by actively and responsibly managing our investments so they generate long-term, sustainable growth in earnings and dividends.

Employees

We depend on the people in our group of companies for the success of our business. Together with our subsidiaries, we count on approximately 25,700 employees and 14,400 advisors, many of whom fulfil the role of trusted advisor to their customers, helping them address their financial and insurance needs, creating bonds of professionalism and mutual respect.

In turn, we provide our employees with competitive compensation and rewarding careers, and give them the resources to develop their expertise and leadership skills. In 2015, we contributed \$3.4 billion in employee salaries and benefits. These funds flow through the economy impacting hundreds of communities across Canada in which our employees live and work.

We also support their volunteer efforts within the communities where we operate. Given the breadth of our employee base,

we recognize the impact we have on local employment and talent development, and in creating a prosperous economy.

Business Partners

Our group companies source an array of goods and services from a broad spectrum of suppliers. We encourage these providers to offer environmentally and socially responsible products and services. This allows us to build a strong and sustainable supply chain that collectively plays a responsible role in society. For instance, **Great-West Lifeco's** Canadian operations annually purchase more than \$400 million in products and services across Canada, ranging from office supplies, computers and cellphones to courier services, fresh produces for their cafeterias, cleaning supplies and janitorial services. In 2015, **IGM Financial** committed \$465 million to local and national organizations for goods and services.

Communities

We strive to do our part to make a positive contribution to the communities where we are established and, where relevant, integrate our core values and competencies to build a better society with better opportunities for all Canadians.

Through our parent company, Power Corporation, and our subsidiaries we make contributions to numerous organizations through both corporate donations and investments, and our support of employee volunteering initiatives.

As business entrepreneurs, we especially value and support the role that social entrepreneurs play in helping to build strong and connected communities, guiding us to seek partnerships and investments that have a lasting impact on our communities. Social entrepreneurs are driven to champion their cause and devote their lives to the service of others. They use their knowledge and experience to forge change in their communities and to bring comfort and healing to those in need. We are also drawn to smaller initiatives that deliver broad social benefit because of their entrepreneurial, innovative spirit.

In 2013, **Power Corporation** established a community investment microsite, [Power Corporation in the community](#), to showcase some of the exceptional work being done by the organizations that it supports financially. These organizations, many run by innovative social entrepreneurs, work in the areas of health, education, arts and culture, community development and the environment.

Power Financial group companies also work diligently to make a difference in the communities they respectively serve, through their respective community programs and initiatives. Through its *Stronger Communities Together* Canadian program, **Great-West Life** addresses issues at a national level while addressing many more regional and local concerns. Each of **IGM Financial's** operating companies implements its own philanthropic programs, supporting local and national activities and organizations. Their community giving programs are a balance between centralized giving directed from their corporate head offices and decentralized decisions made by their people.

Over the years, our substantial commitment to philanthropy across the country has earned companies in our group the designation of "Caring Company" from Imagine Canada, having consistently exceeded the minimum donation guideline of 1% of pre-tax domestic profit to charitable causes.



Financial Well-Being and Economic Prosperity

Financial services, the mainstay of our business, make a positive contribution to society by providing financial security to virtually millions of people. In short, we protect and improve the long-term financial position of individuals, and offer programs to help them manage their healthcare needs.

A 2014 study released by the Conference Board of Canada, *Boosting Retirement Readiness and the Economy Through Financial Advice*, found that investors who work with a financial advisor have a higher savings rate on average than those who do not. For example, over a 15-year period, households working with an advisor had 2.7 times the assets of a household without a financial advisor. The study highlights the value advisors add by encouraging more disciplined saving and investment behaviour.

With more than 30 million customer relationships in Canada, the United States and Europe, our financial services companies represent a positive force in society by enabling financial security through life and health insurance, retirement savings programs, and a suite of investment products.

Highlights from our Group Companies

FINANCIAL SECURITY AND RETIREMENT

In 2015 alone, **Great-West Lifeco**'s Canadian operations helped more than 40,000 families cope with loss, paying out more than \$2 billion in life insurance claims, provided income for over 75,000 people who became disabled and could no longer work, and made over \$800 million of annuity payments, helping Canadians fund their retirement with a secure income stream. Also in 2015, Great-West Life held \$95 billion in retirement and other investment holdings for Canadians and paid

\$8.6 billion in benefits.

As investment managers, **IGM Financial**'s group companies contribute to the economy through the efficient allocation and professional management of investment funds – across countries, industries and asset classes. Their largest impact comes from responsibly managing their business and generating long-term value and profitability, which enables them to distribute economic value to their many shareholders and other stakeholders in Canada. Through its advisors, IGM Financial helps Canadians build an integrated financial plan to meet their short- and long-term goals. Financial advisors are trained to recommend products that are suitable for each client's individual situation.

FINANCIAL INCLUSION

IGM Financial is making a difference for Canadians in all age groups and income levels – including those in lower income ranges who were not financially secure when they sought help from an advisor. IGM Financial also provides mutual funds at very low investment minimums, making it possible to provide much-needed access to financial products and services to all households, regardless of income or wealth levels.

Launched in 2013 to help employers encourage their employees to take advantage of their workplace savings plans, **Great-West Life**'s *smartPATH 2.0* interactive online resource was expanded in 2015 to reach individuals across Canada. Offering free online learning for all stages of retirement planning through games, calculators, videos and text-based learning, the website makes retirement planning easier.

Great-West Lifeco also offers product solutions to meet the needs of workers who do not have registered retirement savings plans.

FINANCIAL LITERACY

Our group companies' commitment to improving financial literacy also represents a means to further expand their positive impact on the financial security of their clients.

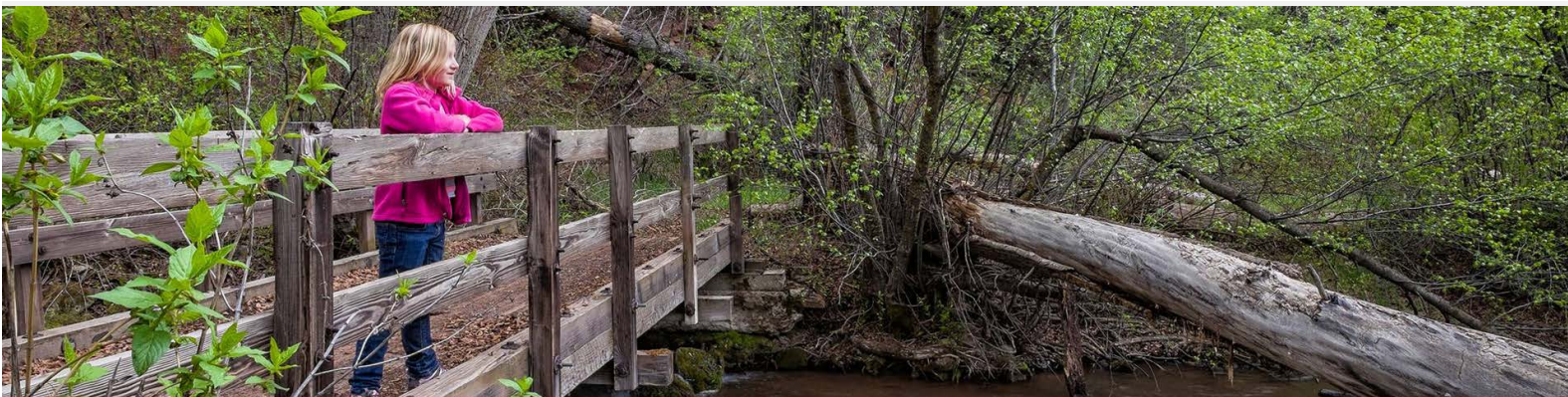
2015 marked the second year of **Great-West Lifeco**'s commitment as national sponsor of CPA Canada's suite of outreach programs. Through this support, it helps meet the financial literacy needs of community organizations, underserved groups like new Canadians and Indigenous Peoples, post-secondary students and individuals of all ages.

Investors Group's ongoing collaboration with the Canadian Foundation for Economic Education (CFEE) continued to make a real contribution in 2015 to improving financial literacy – of our youth and their parents. The company continued to support CFEE's *Building Futures* program, which helps provinces integrate financial education into the core curriculum for grades 4 to 10.

INVESTMENTS TO SPUR GROWTH

Through its investment activities, **Great-West Lifeco** provides long-term capital, contributing to economic growth, and helping Canadians reach their financial goals. The company's commercial mortgages, public bond and private placement investments provide opportunities for businesses and governments to help create employment, fund research and development, and support infrastructure, healthcare and renewable energy projects. In 2015, their Canadian bond group invested more than \$1.9 billion in infrastructure, including investments in green energy projects, airports, port terminals, hospitals, transit, highways, utilities, schools and universities. They also funded more than \$2 billion in new private debt and commercial mortgages across Canada.

Great-West Lifeco also provides a suite of investment offerings, including socially responsible investing mandates, giving clients a meaningful way to help ensure their investments promote a higher level of environmental sustainability, social responsibility, and corporate governance.



About this website

Objective

This website is intended to provide our stakeholders with select information concerning Power Financial Corporation's (Power Financial) approach to Corporate Social Responsibility (CSR) – what we refer to as responsible management.

Content Scope and Global Reporting Initiative Alignment

The selection of content for the microsite was guided by the Global Reporting Initiative (GRI), providing an overview of our responsible management policies, governance processes, and programs related to issues facing our business. The GRI is a leading international organization that provides a Sustainability Reporting Framework, offering guidance to organizations on how to measure, understand and communicate sustainability information.

This website covers both qualitative and quantitative information for Power Corporation, supported by relevant qualitative examples from our group's major holdings - Great-West Lifeco Inc. and its subsidiaries, IGM Financial Inc. and its subsidiaries, as well as Imerys.

Timing of Reviews

The content of this website was last reviewed and updated in October, 2016. The qualitative information covers content up until the last content review, while the quantitative information reflects the calendar year 2015. Information contained in this website will be reviewed and updated on an annual basis or as deemed appropriate.

Additional Information

For additional information on Power Financial, please consult our website at: www.powerfinancial.com.

Forward-Looking Statements

Certain statements in this website, other than statements of historical fact, are forward-looking statements based on certain assumptions and reflect the Corporation's current expectations, or with respect to disclosure regarding the Corporation's

public subsidiaries, reflect such subsidiaries' disclosed current expectations. Forward-looking statements are provided for the purposes of assisting the reader in understanding the Corporation's financial performance, financial position and cash flows as at and for the periods ended on certain dates and to present information about management's current expectations and plans relating to the future and the reader is cautioned that such statements may not be appropriate for other purposes. These statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of the Corporation and its subsidiaries, as well as the outlook for North American and international economies for the current fiscal year and subsequent periods. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "plans", "believes", "estimates", "seeks", "intends", "targets", "projects", "forecasts" or negative versions thereof and other similar expressions, or future or conditional verbs such as "may", "will", "should", "would" and "could".

By its nature, this information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. A variety of factors, many of which are beyond the Corporation's and its subsidiaries' control, affect the operations, performance and results of the Corporation and its subsidiaries and their businesses, and could cause actual results to differ materially from current expectations of estimated or anticipated events or results. These factors include, but are not limited to: the impact or unanticipated impact of general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, management of market liquidity and funding risks, changes in accounting policies and methods used to report financial condition (including uncertainties associated with critical accounting assumptions and estimates), the effect of applying future accounting changes, business competition, operational and reputational risks, technological change, changes in government regulation and legislation, changes in tax laws, unexpected judicial or regulatory proceedings, catastrophic events, the Corporation's and its subsidiaries' ability to complete strategic transactions, integrate acquisitions and implement other growth strategies, and the Corporation's and its subsidiaries' success in anticipating and managing the foregoing factors.

The reader is cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements. Information contained in forward-looking statements is based upon certain material assumptions that were applied in drawing a conclusion or making a forecast or projection, including management's perceptions of historical trends, current conditions and expected future developments, as well as other considerations that are believed to be appropriate in the circumstances, including that the list of factors in the previous paragraph, collectively, are not expected to have a material impact on the Corporation and its subsidiaries. While the Corporation considers these assumptions to be reasonable based on information currently available to management, they may prove to be incorrect.

Other than as specifically required by applicable Canadian law, the Corporation undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results, or otherwise.

Additional information about the risks and uncertainties of the Corporation's business and material factors or assumptions on which information contained in forward-looking statements is based is provided in its disclosure materials, including its most recent Management Discussion & Analysis and its most recent Annual Information Form, filed with the securities regulatory authorities in Canada and available from the Corporation's website at www.powerfinancial.com or at www.sedar.com.

Abbreviations

The following abbreviations are used throughout this website: Great-West Lifeco Inc. (Great-West Lifeco); IGM Financial Inc. (IGM Financial); Investors Group Inc. (Investors Group); London Life Insurance Company (London Life); Mackenzie Financial Corporation (Mackenzie Investments); Power Energy Corporation (Power Energy); The Canada Life Assurance Company

(Canada Life); The Great-West Life Assurance Company (Great-West Life).