



POWER CORPORATION
OF CANADA

Corporate Social Responsibility website

This document is a PDF copy of Power Corporation's Corporate Social Responsibility (CSR) website, which can be found at www.PowerCorporationCSR.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.PowerCorporationCSR.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 August 2019 and contained qualitative information that covered content up until such date and quantitative information that reflected the calendar year 2018.

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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POWER CORPORATION
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Corporate Social Responsibility at Power Corporation

Incorporated in 1925, Power Corporation of Canada is a diversified international management and holding company with interests in companies in the financial services, asset management, sustainable and renewable energy, and other business sectors in North America, Europe and Asia.

For Power Corporation, Corporate Social Responsibility (CSR) is best achieved through its long-standing practice of responsible management. Throughout this dedicated website you will find how Power Corporation implements its CSR agenda, both through its commitments and through its actions.



[A Message from our Co-CEOs](#)

The first responsibility of business is to be profitable and sustainable. We have also long believed that business must also play a role within the broader society in which it operates.

[Learn more](#)



[United Nations Global Compact](#)

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

[Learn more](#)



[Community investment at the Power Group](#)

View a video illustrating our contribution to the communities in which we are established through the eyes of four community organizations receiving support from companies in our group.

[View the video](#)



POWER CORPORATION
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Responsible Management: Our Commitment to Corporate Social Responsibility

Welcome to Power Corporation's Corporate Social Responsibility website.

Incorporated in 1925, Power Corporation of Canada is a diversified international management and holding company with interests in companies in the financial services, asset management, sustainable and renewable energy, and other business sectors.

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 in which we operate.

AS AN INVESTOR

Our belief in responsible management has long influenced and guided 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 also take a prudent approach to risk and incorporate the analysis of environmental, social and governance (ESG) factors into our investment process. This, in turn, 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 in which we operate.

[Learn more](#)

AS A CONTRIBUTOR TO COMMUNITIES

An intrinsic tenet of our responsible management philosophy is to be a good corporate citizen, to be environmentally conscious, to support our communities, and above all else, to behave ethically and act with integrity, enabling us to earn the confidence of all our stakeholders.



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Power Corporation: Our Commitment to Responsible Management

Responsibility has always been a strong, guiding value at Power Corporation. Naturally, we take very seriously our responsibility to our shareholders, and our duty to build a strong, profitable and sustainable business. However, we also believe that businesses hold a particular responsibility to the communities in which they operate, towards fellow citizens, and towards the natural environment. We are deeply conscious of the fact that we do not operate in a vacuum: thriving businesses depend on a thriving, sustainable society.

Our responsible management philosophy is fundamental to our business success, enabling us to mitigate risk, create long-term value and earn the confidence of our customers, business partners, shareholders, employees and the communities in which we operate.

At Power Corporation, we seek investments in companies that have sustainable business models with the potential over time to provide long-term value.

Our group companies have a long and proud history of being responsible employers, demonstrating integrity and operating in an honest, principled and disciplined manner. We pride ourselves on treating employees fairly and respectfully, and providing them opportunities for advancement. In turn, they consistently demonstrate integrity and high ethical standards, as well as a keen understanding of the need to protect the environment and contribute to economic prosperity, social well-being and quality of life in the communities they call home.

We take an active ownership approach in the companies in which we invest to 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 [CSR Statement](#) and our commitment to the [United Nations Global Compact](#) (UNGC). As a signatory since 2014, we are deeply committed to the ten principles of the UNGC on human rights, labour rights, environment and anti-corruption, as well as the [United Nations 17 Sustainable Development Goals](#) (SDGs). Inspired by both the SDGs and the UNGC principles, in this website we present tangible examples of the contribution our group of companies is making to advance social and economic progress.

Power Corporation continues to strengthen its commitment to responsible management through various initiatives, including our engagement with our different stakeholders, as well as with CSR rating organizations.

Over the course of 2018 and since the beginning of 2019, we:

- Updated our [CSR data table](#), which presents consolidated governance and environmental data;
- Continued the deployment of our [Third Party Code of Conduct](#) with our key suppliers, consultants and business partners;
- Responded to the [CDP](#) for a seventh consecutive year, receiving a score of A (Leadership), earning us a place on the CDP A List. We are proud to highlight that among the 2018 CDP respondents in the financial services sector, four of the five top ranked Canadian companies were members of the Power group;
- Our environmental data included in our 2018 and 2019 CDP submissions was verified by PricewaterhouseCoopers;
- Published our fourth [Communication on Progress](#) as part of our UNGC commitment, our third one at an “Advanced Level”, providing information on our management policies and procedures and on the alignment of our programs to the United Nations’ SDGs;
- Maintained listing status on the [FTSE4Good Global Index](#) and were added to the [Euronext Vigeo Eiris World 120 Index](#).

This CSR-dedicated microsite is a means of publicly documenting and disclosing our responsible management commitments, programs and performance each year. Throughout this website, you will see examples of how responsible management allows us to generate long-term value and sustainable growth.

We believe that strong communities and thriving societies are the underpinning of successful, responsible businesses. For Power Corporation, the bond between community and business is symbiotic and mutually advantageous; one cannot exist effectively without the other. We are driven to strengthen that relationship through our responsible management approach to the benefit of all of our stakeholders.

Sincerely,

Paul Desmarais, Jr.

CHAIRMAN AND
CO-CHIEF EXECUTIVE OFFICER

André Desmarais

DEPUTY CHAIRMAN, PRESIDENT
AND CO-CHIEF EXECUTIVE OFFICER

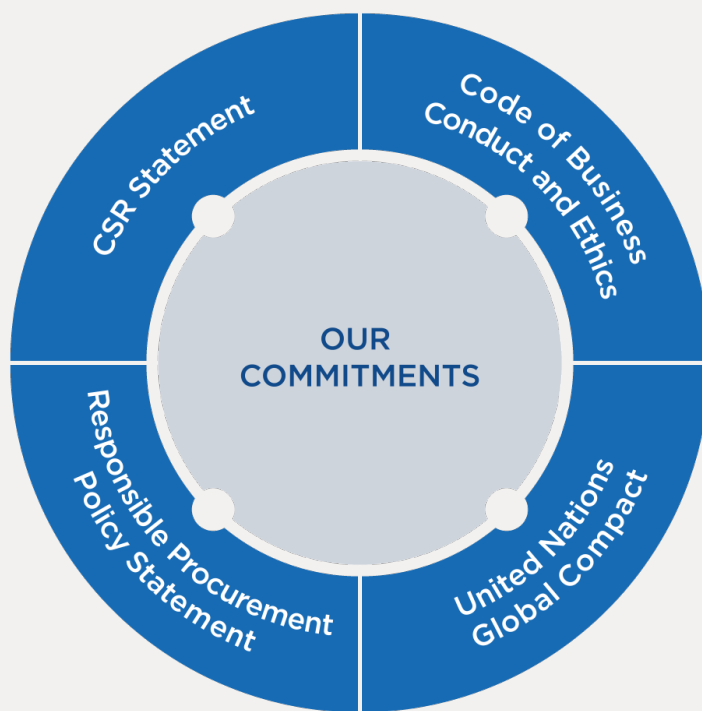


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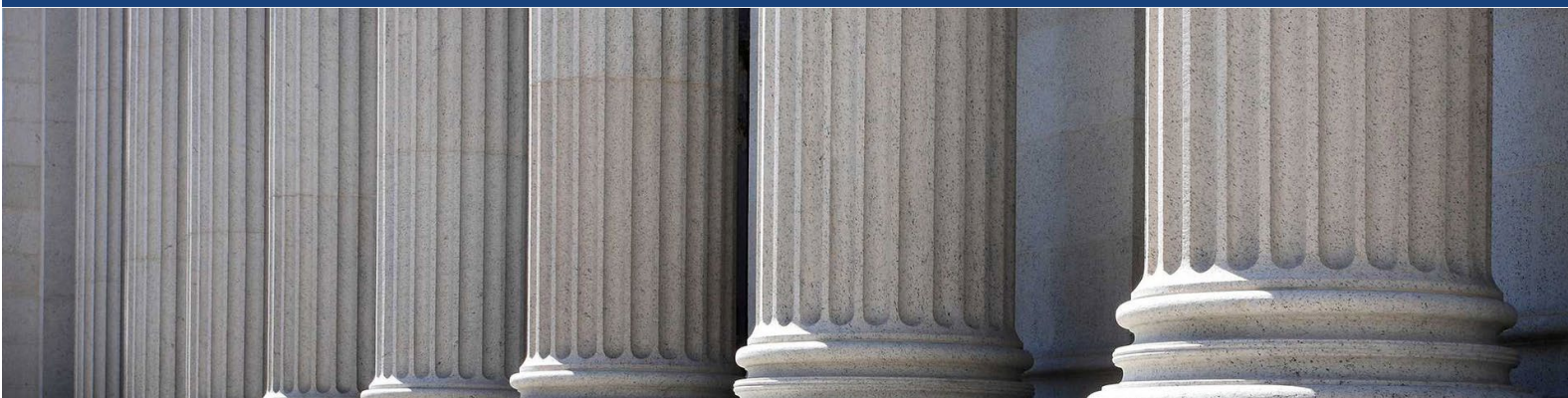
Our Commitments

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.





POWER CORPORATION
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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 Co-CEOs 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, data privacy, 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 2018 and 2019, 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. The training process is facilitated by a web-based platform, through which the mandatory training module covering Power's Code of Business Conduct and Ethics and key corporate policies is being conducted. At the end of the module, as part of our annual certification requirement, employees are required to certify their compliance with our Code of Conduct and key corporate policies.

Reporting Mechanisms

Mechanisms for seeking advice and reporting concerns can be directed to the appropriate supervisor, to the Vice-President and General Counsel, or to the Audit Committee of our Board. Confidentiality of reports made in good faith regarding alleged violations is maintained and reports are followed up through our Legal Department. For more information, please refer to the [Reporting Concerns Mechanisms](#) page of this website.

2018-2019 Achievements

- All our employees acknowledged compliance with the Code.
- No breaches of the Code were reported.
- Our Code was updated and approved by our Board of Directors in August of 2019.

Code of Business
Conduct and Ethics



[Download](#)

Third Party Code of Conduct



[Download](#)



POWER CORPORATION
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CSR Statement

Power Corporation has long considered responsible management an intrinsic corporate value. We consider it a constant priority essential to our 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 Corporation.

Its objective is to provide guidance to our investment professionals at the holding company, facilitating their consideration of potential corporate social responsibility issues when investments are made.

As part of our active ownership approach, we regularly engage with senior management of our portfolio companies, both formally and informally, 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 their management teams manage corporate social responsibility, ensuring it is in a manner consistent with Power Corporation's core values.

We invest in companies that share the same philosophy and commitment to acting responsibly and ethically, and to serving the wider 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 unique 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 Corporation strives to:

- Incorporate environmental, social and governance issues into its investment analysis process and 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 Corporation reviews the implementation of this CSR Statement on an ongoing basis, as appropriate.

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

CSR Statement



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United Nations Global Compact

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

The [United Nations Global Compact](#) (UNGC) 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. Power Corporation is committed to continuing to make the Global Compact and its principles part of the culture and day-to-day activities of its business. We have outlined our activities and strategies in our Communication on Progress.

In 2018, Pargesa's subsidiary Groupe Bruxelles Lambert also became signatory to the UNGC, allowing it to better structure and strengthen its environmental, social and governance (ESG) journey.



WE SUPPORT

Co-CEO Statement of Continued Support

OUR COMMITMENT

As a diversified international management and holding company, we believe our success as a business is deeply rooted in our strong commitment to responsible management. We understand the important relationship that exists between business and society: for the first to thrive, the second must also. This is not a point that we take lightly, and by carefully considering ESG factors in our business decisions, we focus on driving sustainable value in our operating businesses and investments, while enabling economic and social progress at large.

Responsible management has long been a strong, guiding value at Power Corporation and is a constant priority that we believe is consistent with our commitment to the UNGC's ten principles on human rights, labour rights, environment and anti-corruption, of which we have been a signatory since 2014. We have also supported the [United Nations 17 Sustainable Development Goals \(SDGs\)](#) since their launch in 2015. We are proud to renew our commitment of support in 2019 in alignment with the UNGC Advanced Level Criteria, which includes the ten principles as well as the UN 17 SDGs.

MANAGEMENT APPROACH

At Power Corporation, we invest in companies with sustainable business models that share the same philosophy and commitment to acting responsibly and ethically, and to serving the larger community in general. 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, as well as to contribute to economic prosperity and to the communities in which they operate.

As part of our active ownership approach, we engage both formally and informally with our portfolio companies to confirm they 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 Statement](#) and our commitment to the UNGC.

STATEMENT OF CONTINUED SUPPORT

Every year, we strive to strengthen our responsible management commitments, programs and disclosures in alignment with international standards. Our 2019 Communication on Progress has been prepared to demonstrate the progress we have made over the past year, providing information on the commitments, initiatives and performance of our group companies with the aim of contributing to social and economic progress and the betterment of our communities.

In this Communication on Progress we reference our websites and other relevant corporate disclosure, providing a means of publicly documenting and disclosing our approach and practical examples of how responsible management is implemented within our business and throughout the Power group of companies.

Paul Desmarais, Jr.

CHAIRMAN AND
CO-CHIEF EXECUTIVE OFFICER

André Desmarais

DEPUTY CHAIRMAN, PRESIDENT AND
CO-CHIEF EXECUTIVE OFFICER

Read our Communication on Progress



[2019](#)



[2018](#)



[2017](#)



[2016](#)



[2015](#)



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Responsible Procurement

We strive to constantly uphold high ethical standards, practices and business integrity, as well as manage potential environmental and social risks facing our business. As such, we are committed to working closely with our third parties to ensure that environmental, social and ethical considerations are taken into account in all our decisions.

Our commitment to managing our business in a responsible manner and acting as a good corporate citizen is fundamental to the way we, and our group companies, do business. We are determined to conduct our business in a legal, ethical, and responsible manner and expect the same level of commitment to this responsible management philosophy from 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.

2018-2019 Achievement

- Pursued the deployment of our Third Party Code of Conduct with our existing and new key suppliers and business partners. While this is a continuous process, to date, the vast majority of them have attested their compliance to the requirements of our Code.

Third Party Code of Conduct



[Download](#)

Responsible Procurement Policy Statement



[Download](#)

Green Procurement



[Read more](#)



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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. As such, 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, Governance and Nominating, and Related Party and Conduct Review.

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

- Monitoring the implementation of the Corporation's policies and strategy with respect to CSR;
- Overseeing the Corporation's approach to governance issues;
- Recommending to the Board corporate governance practices consistent with the Corporation's commitment to high standards of corporate governance;
- Assessing the effectiveness of the Board of Directors, of Committees of the Board and of the Directors; and
- Recommending 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 employs 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 qualifications, attributes, 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, with a view to ensuring that they are fulfilling their respective responsibilities and duties. An evaluation is conducted at least annually to assist in assessing the overall performance of the Board and the Board Committees. Although the scope and focus of such 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 adherence by the Board and the Governance and Nominating Committee to the Diversity Policy in nominating individuals for election to the Board, 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. The Chairman of the Committee reports the findings, including key recommendations, to the full Board for discussion. Please refer to our [Governance section of our corporate website](#) for more information.

CSR Strategy Execution

While the Co-CEOs play 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. A portion of the CSR Lead's performance incentives are tied to the progress we are making in integrating CSR into all facets of our business, including environmental, social and governance factors.

Progress reports on our CSR initiatives are provided annually to the Governance and Nominating Committee, or more frequently if deemed material. In 2018, 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, 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 and in line with 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 Corporation 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 Corporation 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](#)



POWER CORPORATION
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Human Rights

As a diversified international 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 Corporation. The Vice-President and General Counsel, our CSR Lead, 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.

We also 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.

In addition, we extend our human rights commitment to third parties that work for/on our behalf, through our Third Party Code.

Monitoring and Review

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

2018-2019 Achievements

- Published our fourth Communication on Progress, the third at an “Advanced Level”.
- Pursued the deployment of our Third Party Code of Conduct with our existing and new key suppliers and business partners. While this is a continuous process, to date, the vast majority of them have attested their compliance to the requirements of our Code.
- Formalized the adoption of a Respectful Workplace Policy.

Highlights from our Group Companies

COMMITTING TO HUMAN RIGHTS

All **Great-West Lifeco** Board members and employees acknowledge, on an annual basis, their commitment to the company’s code of conduct, which includes human rights aspects. Great-West Lifeco’s annual communication and online training program helps employees increase their level of knowledge about the code and its application in day-to-day business. Advisors and brokers must comply with specialized codes of conduct in all their interactions on behalf of Great-West Lifeco’s companies.

All **IGM Financial** employees acknowledged their commitment to the company’s code of conduct and respectful workplace policies. IGM Financial’s Corporate Responsibility (CR) statement includes human rights commitments.

Both **Great-West Life** and **IG Wealth Management** are signatories of Winnipeg’s Indigenous Accord, committing to fostering a workplace culture in which Indigenous Peoples and all employees can contribute to their fullest potential.

Each of the **Sagard Funds** (Sagard Europe, Sagard Holdings, Sagard China), Power Corporation’s equity investment funds, also formalized their respective CSR statements, which include their commitment to respecting human rights.

Pargesa and its subsidiary **Groupe Bruxelles Lambert (GBL)** have both developed a CSR Statement highlighting their support and respect of internationally proclaimed human rights. GBL’s decision, in 2018, to become signatory to the United Nations Global Compact (UNGC) also aligns with its overall commitment to human rights.

Also a signatory member to the UNGC, **Imerys** is committed to respecting internationally recognized human rights, as set out in the International Bill of Human Rights and the ILO's Fundamental Conventions. As such, Imerys requires that human rights are respected across its operations worldwide. Protocols on prohibition of child labour and forced labour have been in place at Imerys since 2009 and are used as the basis for internal audits.

Imerys also expects its business partners and suppliers to adhere to the same high standards. In fact, Imerys' Supplier ESG Standards, which were updated in 2018, are primarily based on the 10 UNGC principles. These standards, which must be formally acknowledged and complied with, are applicable to all their suppliers and are considered a prerequisite for doing business with the group.

INVESTMENT ANALYSIS

IGM Financial integrates human rights considerations throughout its investment process. The Investors Summa SRI™ Fund, one of the largest socially responsible investments funds in Canada with close to \$400 million in assets under management, invests primarily in companies that have adopted progressive standards and practices towards the environment, human rights and other social issues and does not invest in companies whose revenues are primarily derived from alcohol, tobacco, gambling, pornography or critical weapons systems. Third-party global SRI screening services are used to assist with the evaluation of companies against these socially responsible criteria and to assess suitability for inclusion in the Fund's investable universe. This approach is appropriate for clients who look for investments consistent with their financial goals and personal values.

Since 2017, **Mackenzie Investments** has also launched new funds designed to generate long-term competitive returns, while supporting positive environmental, social and governance change.

- The Mackenzie Global Sustainability and Impact Balanced Fund provides Canadian investors with a solution that helps their investments have a positive environmental and social impact. The fund selects companies that are willing to engage in or have incorporated strategies aimed at improving ESG practices.
- The Mackenzie Global Leadership Impact Fund and Mackenzie Global Leadership Impact ETF provide an opportunity for investors to impact social and governance change through a focus on companies that promote gender diversity and the benefits of women in leadership.
- The Mackenzie Global Environmental Equity Fund provides investors a product focused on opportunities in environmental sectors, notably in energy transition from fossil-fuels to renewable power.

The CSR Statements developed by **Pargesa**, **GBL** and by each of the **Sagard Funds** highlight their respective commitment to incorporate ESG considerations, including human rights, into their investment analysis process and active ownership approach.

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. Through films, interactive digital displays, artifacts and works of art, the Museum inspires visitors with the stories of human rights champions taking action for their rights and the rights of others. **Power Corporation**, **Great-West Life**, **London Life** and **Canada Life**, as well as **IG Wealth Management** collectively made a significant commitment to the launch of the Canadian Museum for Human Rights.





POWER CORPORATION
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Anti-Corruption

As an international management and holding company, we are committed to carrying out our business worldwide ethically and in accordance with all applicable laws, and without the use of bribery.

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 articulate our zero-tolerance approach to corruption, set out our expectations with respect to anti-bribery, prohibiting 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.

These prohibitions apply 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

At Power Corporation, we have implemented an anti-corruption compliance program that includes training, due diligence of third parties and mandatory reporting, and ensure that all our personnel undergo the training program. 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, and have 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 equally high ethical standards to our third parties 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. Formal responsibility for overseeing the implementation of the policy is assigned to the Vice-President and General Counsel, who provides an annual report to the Audit Committee of the Board.

Reporting Mechanisms

Any violations of our Code or of our Third Party Code, including violations or concerns related to our Global Anti-Bribery Policy, must be reported to an appropriate supervisor or to the General Counsel's office. All reports are taken seriously and treated with the utmost confidentiality and anonymity. We have processes in place to ensure reports are promptly investigated and addressed. The Corporation will not take any reprisal or retaliation measures, including any adverse employment measures, against any Director, officer, employee and/or third party who in good faith brings forward actual or potential violations or concerns. For more information, please refer to the [Reporting Concerns Mechanisms](#) page of this website.

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 oversees investigating and taking remedial action where appropriate. The Vice-President and General Counsel must report suspected violations, if any, to the Audit Committee.

2018 Achievements

- No violations related to corruption and bribery were identified.
- All our Directors, officers and employees acknowledged compliance with our Code of Conduct and related corporate policies, including our anti-corruption policy.

Anti-Bribery Policy Statement



[Download](#)

Global Anti-Bribery Policy



[Download](#)



POWER CORPORATION
OF CANADA



Board and Senior Management 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 promoting diversity on the Board, within senior management, and in our overall business. As part of this commitment, we recognize the important role of a greater diversity, including gender diversity, in contributing to a variety of perspectives in the Boardroom and senior management roles.

Our approach to diversity is linked to our mission and articulated through our Board and Senior Management Diversity Policy, as well as our [Code of Business Conduct and Ethics](#) and our [Respectful Workplace Policy and Procedures](#).

We are committed to provide a work environment of equal opportunities in employment, appointments and advancement, based on appropriate qualifications, requirements and performance, and to support an inclusive and diverse workforce. We will not tolerate discrimination on the basis of, among other things, age, sex, sexual orientation, race, national origin, religion or disability.

Responsibility

The Board's Governance and Nominating Committee is responsible for recommending to the Board candidates for Director nominations, and the Co-Chief Executive Officers of the Corporation are 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, with diversity of candidates being taken into consideration throughout the process.

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, as well as 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; and
- Ensure that appropriate efforts are made to include women in the list of candidates being considered for a Board position, in an effort to support the specific objective of gender diversity.

Monitoring and Review

On an annual basis, the Governance and Nominating Committee of the Board, and the Co-Chief Executive Officers of the Corporation, assess the effectiveness of the Board nomination and the senior management appointment process at achieving the Corporation's diversity objectives.

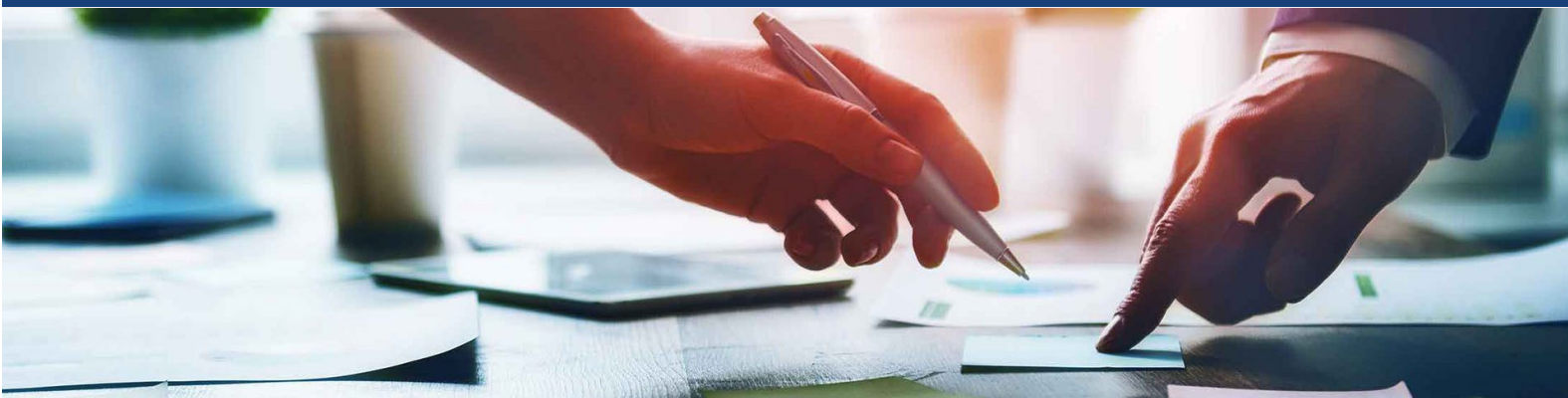
Diversity and Inclusion



[Read more](#)



POWER CORPORATION
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Reporting Concerns Mechanisms

We are committed to carrying out our business activities ethically and in accordance with all applicable laws. Accordingly, we maintain appropriate mechanisms for our stakeholders to report or raise concerns should they suspect or witness unethical or unlawful behaviour.

Commitment

Mechanisms to report or raise concerns over unlawful or unethical behaviour are formalized through our [Code of Business Conduct and Ethics](#), [Third Party Code of Conduct](#) and Accounting Complaints Handling Procedures. These documents outline the processes in place for Directors, officers, employees and third parties to promptly report any suspected violation of our Codes and policies, or of any law, rule or regulation, including possible concerns regarding accounting, internal accounting controls or auditing matters.

Additional reporting mechanisms are also described in other internal policies, such as our [Global Anti-Bribery Policy](#) and our Disclosure Policy, which provide for an obligation to report any suspected breach thereof. The [Respectful Workplace Policy](#) also outlines the procedures and mechanisms that are available for anyone believing they have been subject to or have witnessed any behaviour which is contrary to the policy, including a reporting hotline and web portal operated by a third-party provider which is available 24 hours a day, 365 days a year.

Implementation

Unless otherwise specified in a particular policy or procedure, concerns can be reported to Power Corporation's Vice-President and General Counsel.

Each Director, officer and employee is provided with a copy of our various policies and procedures, which are available in French and English. 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, including the various mechanisms available to report concerns.

All reports are taken seriously and treated with the utmost confidentiality and anonymity. We have processes in place to ensure reports are promptly investigated and addressed.

The Corporation will not take any reprisal or retaliation measures, including any adverse employment measures, against any Director, officer, employee and/or third party who in good faith brings forward actual or potential violations or other concerns.

Responsibility

The Vice-President and General Counsel is responsible for ensuring that the mechanisms for reporting concerns are made readily available and reports are appropriately reviewed, investigated, and addressed.

Our Subsidiaries' Commitments

Power Corporation supports the reporting mechanisms established by its wholly owned operating subsidiaries. Many of our subsidiaries have put in place similar processes for their stakeholders, including their clients, to report concerns, as defined in their respective Codes of Business Conduct and Ethics.

For example, **Great-West Life** has put in place [Customer Complaint Handling Procedures](#), which outline various mechanisms for a customer to raise concerns. These Procedures include an Ombudsman Office – a channel for clients to raise concerns on the company's products or services.

IGM Financial has a policy regarding reporting concerns that outlines a confidential process for raising concerns, including a 24/7 whistleblower hotline and website, and a detailed process for comprehensive investigation, where warranted. In addition, IGM Financial's operating companies also have formal [procedures in place to handle written or verbal complaints](#) from clients. They are guided by principles of fairness, timeliness and reasonability in their assessment of each issue. A client's first point of resolution is through their financial advisor. Call centres at each company also assist with routine inquiries and complaints. When problems are escalated, the resolution process includes a thorough examination of the complaint by an investigator who contacts the client and engages in a personalized review of the client's concern.

Code of Business
Conduct and Ethics



[Download](#)

Third Party Code of Conduct



[Download](#)



POWER CORPORATION
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Data Privacy and Security

We are committed to maintaining the confidentiality and security of all personal information we may collect, use and disclose in compliance with applicable laws and regulations. Data privacy and security are of utmost importance to the Corporation and we have strict policies in place to ensure the personal information entrusted to us is protected.

Commitment

We have formalized our commitment to protecting the information we collect and generate in the policies that govern the way in which we conduct our business. In these policies, we have established specific guidelines relating to the collection, use and disclosure of personal information. We also have policies and procedures relating to the protection of confidential information from theft, loss, unauthorized disclosure, access or destruction or other misuse.

Our [Code of Business Conduct and Ethics](#) and [Third Party Code of Conduct](#) outline our broad expectations regarding the treatment of personal information for both our personnel and third parties we work with. These expectations are further detailed in our formal policies that cover personal information collected from the public, employee personal information, cybersecurity and record retention.

Our [Privacy Policy](#) establishes guidelines for the collection, use and disclosure of personal information from the public, including from those using our websites and third-party social media sites, or subscribing to our e-mail notification service.

We also have a separate Employee Privacy Policy that establishes the guidelines for the collection, use and disclosure by Power Corporation of personal information regarding our employees for the purposes of establishing, maintaining and concluding the employment relationship.

Our Security of Technology and Intellectual Property Policy (the “Cybersecurity Policy”) sets forth the Corporation’s expectations for all employees, consultants and contractors with respect to the proper use of the Corporation’s technology and intellectual property and the protection of cybersecurity.

Furthermore, our Record Retention Policy ensures that our records, including personal information, are retained, processed, and destroyed appropriately and in accordance with applicable laws.

Implementation

In accordance with applicable privacy laws, we collect personal information that is necessary to our business where we have consent to do so or as permitted or required by law. Each officer and employee is provided with a copy of our various policies and procedures.

Through our annual corporate policies training sessions, we educate our employees on the application of our policies and procedures, including those related to data privacy and security. The training process is facilitated by a web-based platform, through which the mandatory training module covering Power's Code of Business Conduct and Ethics and key corporate policies is being conducted. At the end of the module, as part of our annual certification requirement, employees are required to certify their compliance with our Code of Business Conduct and key corporate policies.

In addition, from time to time, our personnel also receives training on more specific issues such as cybersecurity from industry experts, as new risks are identified, or new systems are implemented.

We have established a comprehensive information and cybersecurity program, benchmarked our capabilities to sound industry practices, and we have implemented threat and vulnerability assessments and response capabilities. We continue to invest in security technologies to protect against, detect and respond to cybersecurity threats. This includes our IT Security Incident Response Protocol, which is administered and implemented by both the Vice-President and Controller and the IT Director, and provides our employees and third-party service providers guidelines with respect to responding to security breaches that could threaten our data and technology.

It should be noted that as a holding company, we have no clients of our own. Our group companies are responsible for implementing their own policies and procedures to protect the privacy of their clients' information. Our major subsidiaries, Great-West Lifeco and IGM Financial, and their operating companies, have established privacy policies which detail their requirements regarding the collection, use and disclosure of personal information, including:

- Clearly identifying the purpose of the information they collect;
- Providing a means for individuals to opt in or out of the data collection;
- Providing a means for individuals to verify, correct and delete their data, where relevant; and,
- Communicating whether third parties have access to the information, the purpose of their use, and the controls in place to ensure the protection of information.

As part of our active ownership approach, we are committed to fostering compliance with data privacy and security legislation by our subsidiaries.

Responsibility

Proper use and protection of information is the responsibility of our entire organization and relies on the diligence of each member of our personnel. The Vice-President and General Counsel is responsible for providing oversight of data privacy programs, as well as training and compliance regarding our policies and procedures. The Vice-President and Controller is responsible for administering our Cybersecurity Policy. Both report to the Board's Audit Committee as needed.

Reporting Mechanisms

To report any concerns, inquiries or complaints regarding our privacy policies, our personnel and the public should contact the General Counsel's office.

Monitoring and Review

We continuously monitor and enhance our information technology defenses and procedures to prevent, detect, respond to and manage cybersecurity threats, which we recognize are constantly evolving. We also participate in industry-established forums and collaborate with peers on threat intelligence and critical security threats facing the global financial services sector.

We conduct periodic audits of our information security systems to ensure proper implementation of our policies as well as compliance with evolving regulations, including the European General Data Protection Regulation (GDPR). We make necessary improvements to adapt to regulations.



POWER CORPORATION
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Stakeholder Engagement

At Power Corporation we understand that our stakeholders are a key component of our success, which is why we constantly strive to promote understanding and trust with them, taking the necessary time to consider their views. In fact, this is an integral part of our responsible management approach, allowing us to stay connected to the parties who have an active or potential interest in our business.

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 taking into account various stakeholder perspectives, and will continue to engage with stakeholders to inform our continuous improvement efforts and the content of our reporting.

Addressing CSR Interests

In recent 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 , which includes externally verified emission data. We have been recognized for our efforts and have continued to demonstrate strong performance within the Canadian financial services sector. In order to continue enhancing our disclosure, we also prepare an annual Data Supplement , which presents our environmental performance based on various indicators.
Strengthen commitment to human rights	<p>As indicated in our CSR Statement, Power Corporation has committed to supporting and respecting internationally proclaimed human rights and became a signatory to the United Nations Global Compact. In 2018 and 2019, we again submitted an Advanced Level Communication on Progress, providing information on our management policies and procedures and on the alignment of our programs to the United Nations Sustainable Development Goals.</p> <p>We also engage with our group companies on their human rights commitments to inform our management approach.</p>
Improve disclosure on corporate social responsibility programs	We have continued to update this CSR website in alignment with international standards to better inform our stakeholders of our governance, strategy, programs and performance, striving to continuously add new information and cover additional topics. Since 2017, we are compiling consolidated governance and environmental data and prepared a comprehensive CSR Data Supplement that is available on this site.
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 , which continue to be deployed with our existing and new key suppliers, consultants and business partners.



POWER CORPORATION
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Engagement Methods

We are committed to maintaining an open dialogue, both formal and informal, with a broad range of stakeholders. This provides us an opportunity to gain a better understanding of key topics and issues, address items of mutual interest and make better and more informed decisions regarding environmental, social and governance (ESG) matters. Maintaining an open dialogue in all our stakeholder relationships is an essential part of growing our business sustainably and will help us reach our long-term targets.

GROUP COMPANIES

Frequency and Approach

Regular meetings through a CSR Committee with representation from Power Corporation, Power Financial, Great-West Lifeco and IGM Financial as well as informal CSR meetings with other group companies on an as needed basis.

Engagement Focus

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 2018, key topics of interest included climate change-related risks and opportunities, CDP submissions, stakeholder engagement, Sustainable Development Goals (SDGs), CSR reporting and data, and community impact.

SHAREHOLDERS

Frequency and Approach

Ongoing engagement on a broad range of interests.

Engagement Focus

Shareholders express a broad range of interests in the context of our annual shareholder meetings. At our most recent annual shareholder meeting, in May 2019, topics ranged from additional disclosure of voting results to senior executive compensation.

Shareholder interests are mainly addressed at Power Corporation's annual meeting, where shareholder proposals are voted on and results made publicly available. More information can be found in our [Management Proxy Circular](#).

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.

Engagement with suppliers, consultants and business partners on the importance of ESG factors.

As part of the deployment of our [Third Party Code of Conduct](#), we engage with our third parties on the importance of ESG factors, expressing our expectations that they conduct their activities in accordance with the highest legal, ethical, and professional standards, and requiring them to attest compliance with the Code.

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 [Community Investment microsite](#).

RESPONSIBLE INVESTMENT AND CSR RATING ORGANIZATIONS

Frequency and Approach

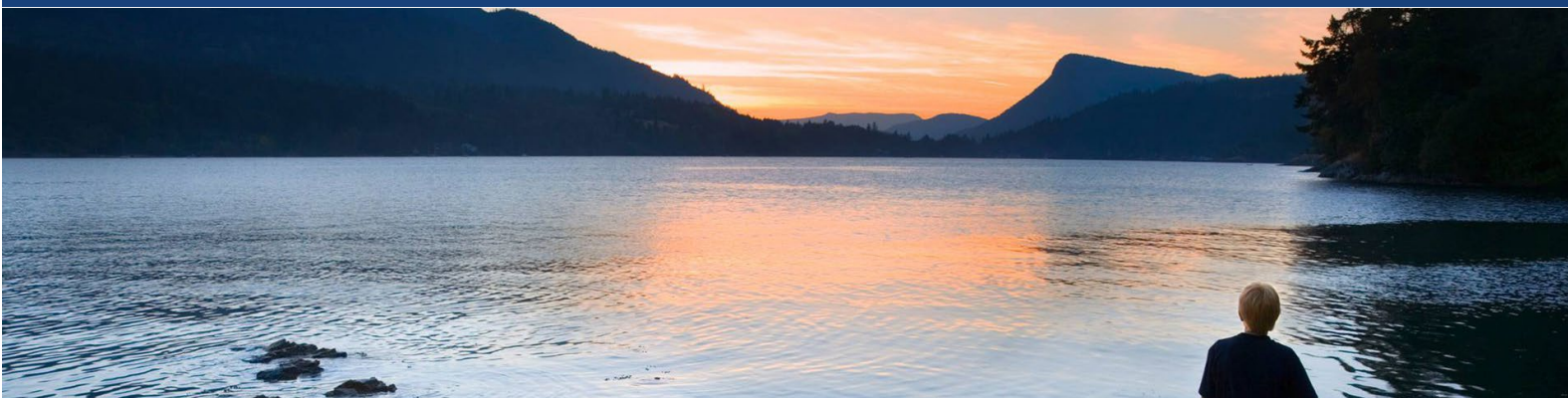
Ongoing dialogue with a globally diverse range of investment organizations and CSR rating organizations.

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](#).



POWER CORPORATION
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CSR Priority Issues

As a diversified international 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 are taken into consideration to define and set our corporate social responsibility priorities:

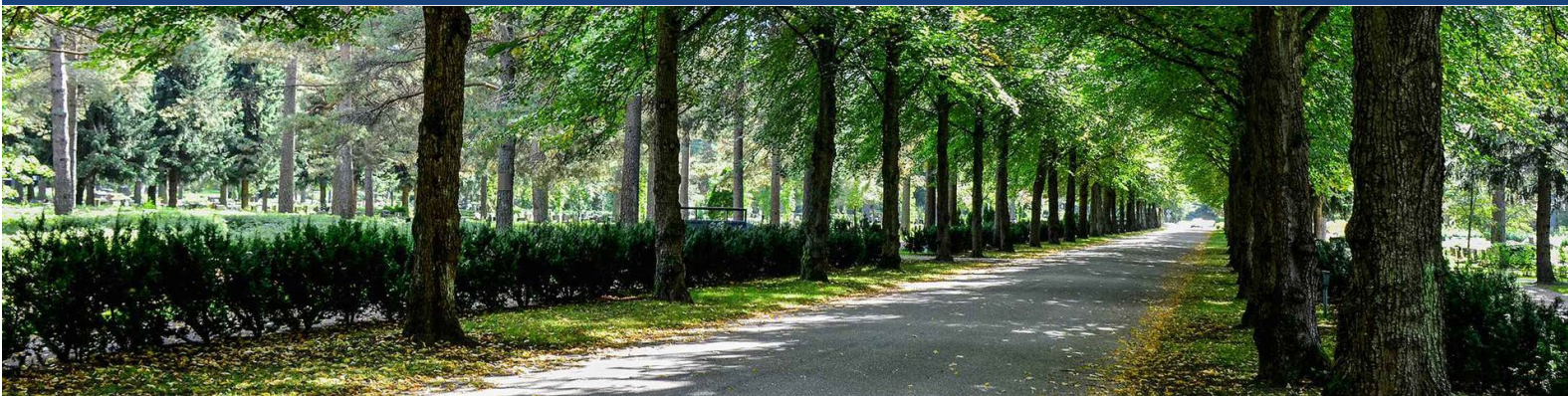
- Generate long-term, sustainable growth;
- Enable new revenue streams from investments that benefit both the business and society;
- Mitigate investment risks associated with environmental, social, economic and governance issues;
- Attract and retain a skilled workforce;
- Reflect the interests of our stakeholders and international standards, including the [United Nations Global Compact](#) and the [United Nations Sustainable Development Goals](#);
- Contribute positively to the communities in which we operate; and
- Build trust and reputational value.

Based on these considerations, every year we conduct a review to ensure we are focused on the right priorities. In 2018, we confirmed the following priorities within five themes:

GOVERNANCE	<ul style="list-style-type: none">• Anti-corruption• Human rights• Diversity of the Board and executive management• Responsible procurement• Data privacy and security
INVESTMENTS	<ul style="list-style-type: none">• Investing responsibly• Sustainable products and services
EMPLOYEES	<ul style="list-style-type: none">• Talent development and engagement• Diversity and inclusion• Health, safety and well-being
ENVIRONMENT	<ul style="list-style-type: none">• Energy and carbon efficiency• Climate change adaptation• Green procurement
SOCIETY	<ul style="list-style-type: none">• Shared value creation• Financial well-being and economic prosperity



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Achievements and Commitments

In an effort to get a clearer picture of how well we are integrating CSR principles into our business, we measure and monitor the progress of our strategic initiatives against internal objectives. We are committed to continuously improving our performance and developing an understanding of the impact of our CSR practices.

GOVERNANCE

Priorities

Ensure that the highest ethical standards are maintained at the Power Corporation level, at our group companies, through our active ownership approach, and at our third parties, through our Third Party Code of Conduct.

2018-2019 Achievements

- All employees acknowledged compliance with the Code of Business Conduct and Ethics and no breaches were reported.
- Our Code was updated in August of 2019.
- No violations related to corruption and bribery were identified.
- Updated our CSR data table, which presents consolidated governance and environmental data.
- Added a new page on Data Privacy and Security on our CSR microsite, reiterating our commitment to maintaining the confidentiality and security of all personal information we may collect, use and disclose.

2019 Commitments

- Continue to report and engage with a number of CSR rating organizations.
- Pursue the continuous deployment of our Third Party Code of Conduct, including by formally reiterating the importance of this process amongst our employees.
- Continue to share knowledge on CSR initiatives through regular group company meetings to ensure progress on the different fronts.

- Continued the deployment of our Third Party Code of Conduct with our key suppliers, consultants and business partners. While this is a continuous process, to date, the vast majority of them have attested their compliance to the requirements of our Code.
- Published our fourth Communication on Progress, again reporting at an “Advanced Level”.
- Continued to report and engage with CSR rating organizations.
- Maintained listing status on the FTSE4Good Global Index and were added to the Euronext Vigeo Eiris World 120 Index.
- 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.

2018 Achievement

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

2019 Commitments

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

EMPLOYEES

Priorities

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

2018-2019 Achievements

- Launched new employee programs, including an official Employee Giving Program and a Respectful Workplace Policy.
- Engaged with our main subsidiaries on available employee-related data and assessed options to present consolidated information.

2019 Commitment

- Continue to work towards formalizing employee-related data compilation process across Power main subsidiaries with a view to enhance our CSR Data Supplement with employee-related data.

ENVIRONMENT

Priorities

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

2018-2019 Achievements

- Achieved a 26 per cent reduction in energy consumption (electricity and natural gas) in 2018¹.
- Reduced our emissions from building sources (electricity and natural gas only) by 57 per cent in 2018¹.
- Responded to the CDP questionnaire for the eighth year, again using a financial control approach and rolling up data from Power Financial, Great-West Lifeco and IGM Financial. In 2018, both Power Corporation and Power Financial obtained a score of A (Leadership), earning a place on the CDP A List, along with 127 other companies worldwide. Among the 2018 CDP respondents in the financial services sector, four of the five top ranked Canadian companies were members of the Power group.
- Enhanced our CDP response to include information about the first steps taken in integrating recommendations from the Task Force on Climate-related Financial Disclosures (TCFD).
- Our GHG emissions reported and referenced in our 2018 and 2019 CDP submissions were externally verified.
- Helped finance sustainable and renewable energy projects through our subsidiary Power Energy Corporation.
- Engaged with suppliers to procure sustainable products and services.
- No environmental incidents were reported.

2019 Commitments

- Reduce our consumption of natural gas and electricity at our head office properties by 8 per cent by 2020, using 2011 as a baseline¹.
- Continue growing our renewable and sustainable energy investments.

1. Given our limited environmental footprint, we are focusing our efforts on electricity and natural gas consumption at our head office properties, rather than on GHG emissions from these sources.

SOCIETY

Priorities

Make a positive contribution to society, improve financial well-being and increase participation in employee community programs.

2018-2019 Achievements

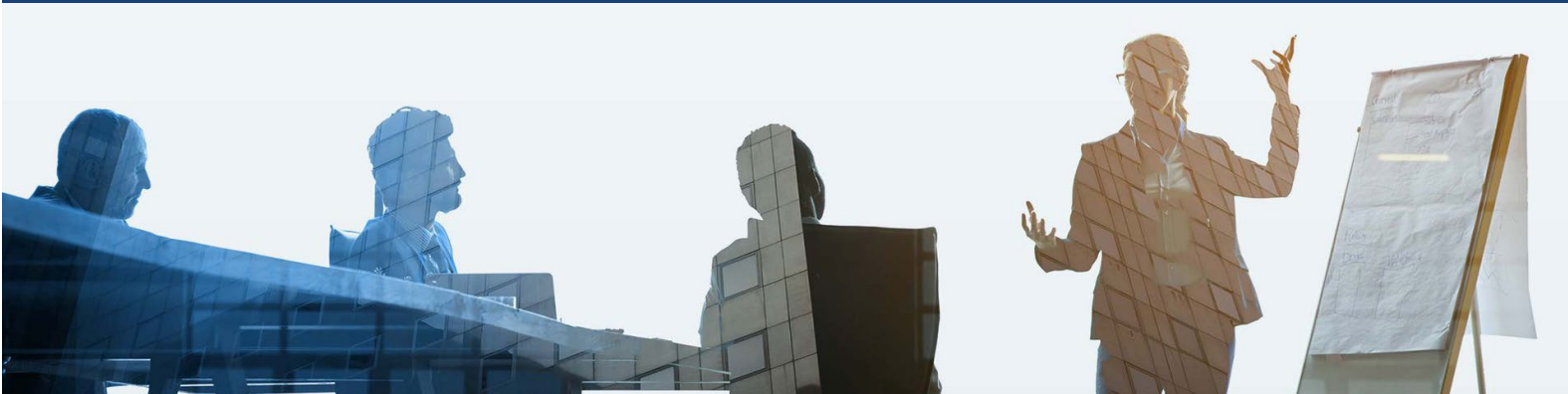
- Power Corporation and its group companies employed approximately 30,000 individuals and paid out \$7.9 billion in salaries and other benefits, and commissions, as well as \$4.4 billion in payments to suppliers and various levels of government. In addition, \$2.1 billion of dividends were paid to shareholders and \$47.7 million of charitable contributions were made in the communities in which we operate, supporting approximately 2,000 community organizations in Canada alone.
- Power Corporation launched an online platform making it easier for community organizations to solicit donations and support for fundraising initiatives.
- We also officially launched an Employee Giving Program, which also contributes directly to community organizations through employee donations matching and volunteering grants.

2019 Commitment

- Continue to explore potential measures to better quantify Power Corporation's and its group of companies' economic value added.



POWER CORPORATION
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Measuring our Governance Performance

We measure our performance on responsible governance by monitoring various indicators. The selection of these indicators is informed by a number of elements, including the Global Reporting Initiative (GRI) Standards and requests made by stakeholders, such as the CDP, FTSE4Good and other ESG research organizations.

Data Reporting and Assurance

The governance data reported in the document below is for the calendar years ended December 31 and relates to performance at Power Corporation, unless otherwise indicated. We conduct internal and external quality checks to ensure the accuracy of the data reported. For more specific information on our governance data please refer to the referenced footnotes.



[View Data Supplement](#)



POWER CORPORATION
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Aligning with the Sustainable Development Goals



We are committed to aligning our core business strategy with the 17 Sustainable Development Goals (SDGs). Given the mainstay of our investments is in financial services, we believe we represent a positive force in society. Our major operating subsidiaries offer life and health insurance, retirement savings programs and a broad range of investment vehicles, including socially responsible funds. The following examples demonstrate how products and services at the Power Corporation group of companies are contributing to the SDGs.



SDG 1

No Poverty

End poverty in all its forms everywhere

FINANCIAL SECURITY

With more than 31 million customer relationships in Canada, the United States and Europe, our financial services companies enable financial security through life and health insurance, retirement savings programs, and a suite of investment products.

Having the knowledge, skills and confidence to make informed financial decisions is critical to the financial well-being of our clients. Through the innovative products and services provided by our operating subsidiaries Great-West Lifeco and IGM Financial, and the fintech companies in which we invest, such as Wealthsimple, we are helping clients of all horizons plan for their long-term financial security.

Globally, **Great-West Lifeco** paid over \$32 billion in benefits to customers in 2018. Great-West Lifeco's Canadian companies helped families cope with loss, paying out more than \$2.5 billion in life insurance benefits in 2018 and providing income for over 79,000 people who became disabled and could no longer work. It also helped over 30,000 employers provide benefits plans and 9,100 employers offer retirement savings plans to their employees. They also paid \$9.3 billion in benefits and made \$916 million of annuity payments, helping Canadians fund their retirement with a secure income stream.

FINANCIAL ADVICE

Our financial services companies provide clients with a financial advisor who is encouraged and trained to recommend products that are suitable for each client's individual situation. At **IGM Financial**, financial advisors are helping to continuously enhance the financial well-being for clients and can make a difference for Canadians in all age groups and income levels.

Through our subsidiaries, we also invest in **Wealthsimple**, one of Canada's largest and fastest growing online investment managers, which offers investment management services, including automatic rebalancing, dividend reinvesting and tax loss harvesting, that most people couldn't afford until now or found too time-consuming and tedious to do on their own.



SDG 3

Good Health and Well-Being

Ensure healthy lives and promote well-being for all at all ages

HEALTH BENEFITS

We provide our employees and their families access to an Employee and Family Assistance Program to support work, health and life issues, including workplace challenges, nutrition, physical and mental health, addiction concerns, stress, depression and anxiety, family and parenting, relationships, and other situations. We also provide life insurance, short-term and long-term disability insurance, vision care, and dental coverage for our employees and retirees. We also subsidize employees' fitness memberships.

In addition, we also invest in businesses that promote health and wellness. For instance, **Great-West Lifeco's** health and life insurance business is helping thousands of Canadians manage their personal wellness. Working together with other healthcare partners, they are improving the accessibility and affordability of group benefits, providing education on physical health, and developing a greater understanding of mental health.

Another example is **Dialogue**, a technology start-up we invest in through Power Financial and Diagram, which offers to its customers' employees online access to healthcare professionals who can provide virtual consultations, diagnoses and treatment plans. Dialogue helps employees to better manage their physical and mental health, while contributing to employers' efforts to reduce their overall healthcare costs and absenteeism. We also offer our employees access to Dialogue.

Great-West Life's [Centre for Mental Health in the Workplace](#) (the Centre), which celebrated its 11th anniversary in 2018, has fostered collaboration and dialogue by bringing together thought leaders and driving discussions on issues affecting mental well-being. The Centre is a leading source of free, practical tools and resources designed to help Canadian employers improve psychological health and safety in the workplace. These resources are available to all employers and organizations through the Centre's website, which receives 180,000 users every year. To date, Great-West Lifeco has invested over \$11.5 million in the Centre and mental health related initiatives and has made more than \$5.5 million in charitable contributions to projects aligned with the Centre.



SDG 4

Quality Education

Ensure inclusive and quality education for all and promote lifelong learning

FINANCIAL LITERACY

Financial literacy is a basic need for Canadians of all backgrounds and stages of life. Being financially literate means having the knowledge, skills, and confidence to make informed financial decisions. Through **Great-West Lifeco** and **IGM Financial**, we support programs that promote education in financial literacy.

For **Great-West Lifeco's** Canadian operations, 2018 marked its fifth year of commitment as the national sponsor of the Chartered Professional Accountants (CPA) of Canada's suite of outreach educational programs that are helping meet the financial literacy needs of community organizations, and underserved groups like new Canadians and Indigenous Peoples, post-secondary students and individuals of all ages. Since becoming the national program sponsor in 2014, Great-West Lifeco has provided almost \$1 million in charitable support to the program. In 2018, CPA Canada reported that more than 75,000 Canadians accessed digital resources and 2,280 no-fee workshops in 35 financial literacy programs, including five new ones. Examples of the program's initiatives include school programs to teach students basic concepts and skills through interactive activities and case studies, or a community session helping seniors to better manage their finances in retirement and protect themselves against fraud. Great-West Life's [SmartPATH website](#) also offers free online learning for all stages of savings and retirement planning through games, calculators, videos and text-based learning about personal financial planning and the value of group retirement and savings plans.

As an extension of **IGM Financial's** day-to-day work of helping clients with their financial goals, the company is committed to improving the financial confidence of Canadians who need it the most, knowing that providing people with the knowledge and resources they need to gain a basic understanding of their personal finances will help them build a better financial future for themselves and their families. Through the daily work of financial advisors who serve its clients, the financial literacy presentations these advisors deliver in the community, and as partners in the creation of financial education programs and curricula, IGM Financial is a leader in the ongoing effort to advance the financial confidence and financial security of Canadians.

In addition, under the banner of *IG Empower Your Tomorrow*, IG's sponsorship and community platform focuses on building the financial confidence of Canadians who stand to benefit the most from it – youth, seniors, new Canadians, and Indigenous Peoples. Tailored financial knowledge and resources are delivered to these groups through strategic community partnerships. As an example, 50 financial literacy workshops were delivered to over 1,300 seniors and Canadian newcomers through the Canadian Foundation for Economic Education (CFEE)/IG Wealth Management workshop series.

IG Wealth Management continues to make significant contributions to improving financial literacy of youth and their parents, having contributed \$4.1 million since 1995 to support and promote financial literacy programs for Canadians, including through its continued collaboration with the CFEE and its support of the CFEE's *Building Futures* program to integrate financial education into the school curriculum for grades 4 to 10.



SDG 5

Gender Equality

Achieve gender equality and empower all women and girls

GENDER DIVERSITY

We have a commitment to promote gender diversity at the Board and at senior management levels, which we articulate through our Board and Senior Management Diversity Policy.

In recent years, **Great-West Life** supported the launch of networking and mentoring groups, such as the *Women in Leadership* group, and other initiatives for up-and-coming female leaders, focusing on education and inspiration. These groups reflect the company's commitment to diversity and inclusion in the workplace, and in particular support the advancement of women in the organization. In 2018, 69 per cent of Great-West Lifeco's Canadian workforce and 46 per cent of its management-level employees in the country were women.

At **IGM Financial**, the approach to Board and senior management diversity was formalized through a Diversity Policy and, in 2018, female representation on their board of directors increased to 33 per cent, up from 6 per cent in 2015, the year the Board diversity policy was established. Women comprised 31 per cent of the executive team, achieving 45 per cent of the promotions at that level.

In early 2018, all three of IGM Financial's operating companies became signatories to the United Nations Women's Empowerment Principles, which promote gender equality in the workplace, communities and marketplace. The Principles will guide them as they assess their policies and programs and help them to take action to empower women.

Both **IG Wealth Management** and **Mackenzie Investments** have implemented *Taking the Stage*[®], a program for women focusing on the skills and tactics that drive leadership presence and effectiveness.

In March 2018, **Wealthsimple** conducted its first “Diversity, Inclusion, and Belonging” study across its offices in Canada, the United States and the United Kingdom. In addition to collecting data on race, gender, ethnicity, and other demographic information, they asked employees 11 questions about inclusion in the workplace. Interestingly, the survey revealed that 93 per cent of employees agree with the statement “Wealthsimple values diversity”. In 2018, women made up about 35 per cent of Wealthsimple’s employees, and held 29.5 per cent of roles at the management level.

As a way to further foster diversity, Wealthsimple supported the creation of two employee groups: *Women at Wealthsimple* and *Rainbow (LGBTQ+)*. In addition, Wealthsimple is one of the founding partners of *#MovetheDial*, an organization whose objective is to increase the participation and leadership of all women in tech, and supports *Women and Color*, an online community of subject matter experts who identify as women and/or people of color.



SDG 7

Affordable and Clean Energy

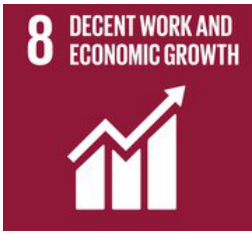
Ensure access to affordable, reliable, sustainable and modern energy for all

RENEWABLE ENERGY FINANCING

We invest in the sustainable and renewable energy sector through our wholly owned subsidiary, **Power Energy Corporation**, which actively manages investments in companies that benefit from the global energy transformation and has invested in companies that develop, own and operate solar, hydro and wind generating assets in North America as well as in leading manufacturers of sustainable technologies. To date, Power Energy has invested in Potentia Renewables, a renewable energy generation company, active in the solar and wind sector in North America and the Caribbean; Nautilus Solar Energy, a leading U.S. solar developer and asset manager focused on distributed and utility-scaled generation solar projects; Lumenpulse, a leading manufacturer of high-performance, specification-grade LED lighting solutions; and Lion Electric, a manufacturer of zero-emission vehicles sold throughout North America.

INVESTMENTS IN GREEN ENERGY PROJECTS

In 2018, **Great-West Lifeco** invested over \$2 billion in wind, solar, and other renewable energy projects and the company’s public bonds group made purchases of Ontario and Québec’s green bonds.



SDG 8

Decent Work and Economic Growth

Promote inclusive and sustainable economic growth, employment and decent work for all

JOB CREATION AND BENEFITS

Power Corporation and its group companies employed approximately 30,000 individuals and paid out \$7.9 billion in salaries and other benefits, and commissions in 2018. These funds flow through the economy, impacting the hundreds of communities in which our employees live and work. Our investments in training and new technologies also contribute to develop local talent and the intellectual capital of our people.

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 2018, the company funded more than \$3.5 billion in new private debt and commercial mortgages across Canada.

Great-West Lifeco is also a founding investor of the newly launched Canadian Business Growth Fund aimed at fostering innovation. Funded by Canada's leading banks and insurance companies, the Fund will invest in Canadian entrepreneurs and provide businesses with the capital they need to grow domestically and globally. An advisory network has also been created to provide mentorship to help these businesses to achieve their full growth potential and write the next generation of Canadian business success stories.

REGISTERED DISABILITY SAVINGS PLANS

IG Wealth Management and **Mackenzie Investments** have continued to be market leaders in offering Registered Disability Savings Plans (RDSPs) for clients or their family members with disabilities, providing them access to a tax-preferred savings vehicle and the opportunity to take advantage of generous government grants and bonds.



SDG 11

Sustainable Cities and Communities

Make cities inclusive, safe, resilient and sustainable

SUSTAINABLE REAL ESTATE

Great-West Lifeco's subsidiary, **GWL Realty Advisors**, is contributing to more safe, resilient and sustainable real estate assets. Its goal is to evolve its sustainability platform to meet the demand for smarter, climate-resilient, more sustainable and healthier buildings for tenants and residents. By investing in and developing mixed-use and residential spaces and certified green buildings, GWL Realty Advisors is not only helping address a growing (affordable) rental shortage in many major cities in Canada, but is also supporting sustainable buildings.

Its *Sustainability Benchmarking and Conservation Program* covers its managed office properties, setting out five-year reduction targets for each of these properties, and using industry benchmarks and regional averages to gauge performance. This has helped property teams drive operational and efficiency gains at corporate offices and investment properties, ultimately reducing their environmental footprint across three core areas, including energy efficiency, water efficiency and waste minimization. As 2018 marked the culmination of the 2013-2018 five-year target-setting initiative, GWL Realty Advisors reported that, thanks to the combined efforts of its property and asset management teams, it has surpassed its energy, water and GHG emissions reduction targets as at year-end 2018, seeing reductions of 10%, 8% and 22%, respectively.

A majority of the buildings under GWL Realty Advisors' management have green building certifications, and a range of sustainability features that are enhancing the health, wellness and environmental performance of buildings for their tenants. Throughout the year, GWL Realty Advisors continued to pursue its target of achieving green building certifications for all eligible properties. To date, 92 per cent of its eligible commercial portfolio by floor area is BOMA BEST® or LEED® certified, representing over 36 million square feet of its managed portfolio. In 2018, its parent company, **Great-West Lifeco**, marked a historic milestone with all its corporate head offices being BOMA BEST® Gold certified.

In 2018, GWL Realty Advisors was once again recognized as a leader in sustainability by the Global Real Estate Sustainability Benchmark (GRESB), earning its fourth consecutive Green Star ranking. GWL Realty Advisors received its second consecutive '5 star' rating – the highest available. The GRESB Real Estate Assessment has placed GWL Realty Advisors among the top three participants in Canada and fourth overall (of 196 submissions) in the Global Diversified category. In addition to being recognized as a leader in the field, its score increased 16 per cent from its first submission in 2015, moving the company to the top seven per cent worldwide in 2018.



SDG 12

Responsible Consumption and Production

Ensure sustainable consumption and production patterns

RESPONSIBLE INVESTMENTS

As long-term investors, we believe in investing in quality companies with attractive long-term growth prospects that are managed in a responsible manner. We integrate ESG factors in our investment analysis, which is helping encourage more sustainable consumption and production patterns at the companies where we invest. Furthermore, many of our group companies are signatories to the Principles for Responsible Investment (PRI) – including Great-West Lifeco's subsidiaries **GLC Asset Management Group**, **Putnam Investments** and **Irish Life Investment Managers**, and IGM Financial's subsidiaries **IG Wealth Management** and **Mackenzie Investments** –, which are integrating ESG factors into their investment processes as a way to identify both risks and opportunities to enhance long-term returns for investors. In 2018, **Groupe Bruxelles Lambert (GBL)** also became signatory to the PRI, furthering its commitment to pursue the development of its responsible investment approach.

GLC Asset Management Group has joined the Responsible Investment Association (RIA) to help support their work in promoting responsible investment literacy as well as their advocacy efforts to shift public policy and regulation towards frameworks that are more conducive to responsible investing. IG Wealth Management and Mackenzie Investments are also members of the RIA.

Sagard Europe, Sagard Holdings and **Sagard China**, Power Corporation's investment funds, as well as **Pargesa** and **GBL**, have formalized their commitment to incorporate ESG considerations into their investment analysis process through their respective CSR Statements.

RESPONSIBLE PROCUREMENT

We work collaboratively with our third parties to extend our responsible management philosophy through our [Third Party Code of Conduct](#), and to encourage more sustainable products and services. In 2018 and in 2019, as part of our continuous Third Party Code deployment, we reached out to new key suppliers, consultants, advisors and other business partners, asking them to confirm their compliance to the requirements of our Code.



SDG 13

Climate Action

Take urgent action to combat climate change and its impacts

CARBON EFFICIENCY

As a group, we are committed to playing our part in accelerating climate action and finding suitable financial solutions. From an investment standpoint, we are helping finance cleaner and renewable energy projects through **Power Energy** and **Great-West Life**. Despite our limited environmental impact as a holding company, we make every effort to conserve resources, improve energy efficiency, and manage waste effectively.

Together with our major operating subsidiaries, we continued to reduce our GHG emissions and implement innovative environmental initiatives. In 2018, both **Power Corporation** and **Power Financial** obtained a score of A (Leadership), earning a spot on the CDP A List, along with 127 other companies worldwide. With **IGM Financial** also obtaining an "A" score, earning a place on the A list, and **Great-West Lifeco** scoring "A-", four of the five top ranked Canadian financial services companies are members of the Power Corporation group.

Reducing the energy and carbon footprint of its clients' portfolios is a priority that enables **GWL Realty Advisors** to do its part to support the transition towards a low-carbon economy. Since 2013, it has reduced the carbon intensity of its portfolio by 17%, representing 25,970 tonnes of CO₂e, surpassing its goal of reducing greenhouse gas emissions by 6.6% by 2018.



SDG 16

Peace, Justice and Strong Institutions

Promote just, peaceful and inclusive societies

HUMAN RIGHTS

Together with our major operating subsidiaries, we are promoting justice for all and supporting human rights in society. For example, **Power Corporation** and its subsidiaries, **Great-West Life**, **London Life**, **Canada Life**, and **IG Wealth Management**, collectively made a significant commitment to the launch of the Canadian Museum for Human Rights. 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.

CHARITABLE GIVING FUNDS

Mackenzie Investments and **IG Wealth Management** are leaders in the provision of donor-advised giving programs in Canada, providing clients with a charitable giving account to support charities of their choice. Each company's program is run through a foundation which administers the charitable giving funds and applies all or part of the principal and income from those funds to eligible charities on behalf of clients.



POWER CORPORATION
OF CANADA



Reporting

This website is intended to provide our stakeholders with select information concerning Power Corporation's 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) Standards, 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 - Power Financial, Great-West Lifeco and its subsidiaries, IGM Financial and its subsidiaries, as well as Square Victoria Real Estate, Pargesa, Groupe Bruxelles Lambert (GBL), Imerys, the Sagard Funds and Wealthsimple.

Timing of Reviews

The content of this website was last reviewed and updated in August 2019. The qualitative information covers content up until the last content review, while the quantitative information reflects the calendar year 2018. Information contained on this website will be reviewed and updated on an annual basis or as deemed appropriate.



POWER CORPORATION
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Reports

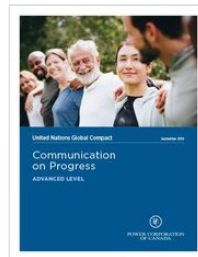
2019



RESPONSE TO THE
CARBON DISCLOSURE
PROJECT



Download



COMMUNICATION ON
PROGRESS - UNITED
NATIONS GLOBAL
COMPACT



Download

2018



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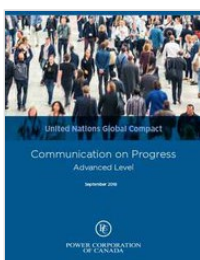
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2017



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DATA SUPPLEMENT



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DATA SUPPLEMENT



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2015



RESPONSE TO THE CARBON DISCLOSURE PROJECT



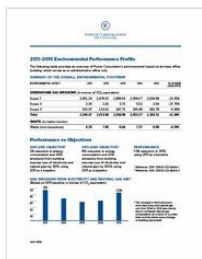
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COMMUNICATION ON PROGRESS - UNITED NATIONS GLOBAL COMPACT



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2011-2015 ENVIRONMENTAL PERFORMANCE PROFILE



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RESPONSIBLE MANAGEMENT SECTION OF THE ANNUAL REPORT



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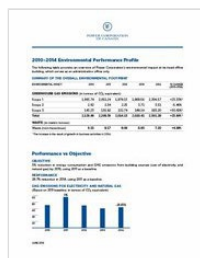
2014



RESPONSE TO THE CARBON DISCLOSURE PROJECT



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2010-2014 ENVIRONMENTAL PERFORMANCE PROFILE



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RESPONSIBLE MANAGEMENT SECTION OF THE ANNUAL REPORT



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POWER CORPORATION
OF CANADA



Recognitions

Over the past few years, we, at Power Corporation and at our group companies, have multiplied our efforts to strengthen our corporate social responsibility programs and initiatives, which are fundamental to our business success.

We are proud to see our efforts, as well as those of our subsidiaries, being recognized by a number of highly respected organizations.



The CDP works with investors, companies and cities on taking urgent action to build a truly sustainable economy by measuring and understanding their environmental impact.

Power Corporation and **Power Financial** have been responding to the CDP Climate Change Program for the past eight years and support the organization's endeavours to increase transparency and disclosure on climate change governance, risks and opportunities, management and performance. In 2018, both Power Corporation and Power Financial obtained a score of A (Leadership), earning a place on the CDP A List, along with 127 other companies worldwide.

Responding to the CDP for the seventh consecutive year, our subsidiary **IGM Financial** also obtained a score of A (Leadership) for their response to the 2018 CDP questionnaire, earning a spot on the A List and ranking in the top five financial services companies in Canada for the fifth year in a row.

Great-West Lifeco participated in the annual CDP Climate Change program for the seventh consecutive year. In 2018, Great-West Lifeco received an A- (Leadership) ranking from the CDP, making it the highest ranked Canadian insurance company on the CDP's annual list.

Among the 2018 CDP respondents in the financial services sector, four of the five top ranked Canadian companies were members of the Power group.



FTSE4Good

Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.

Power Corporation and **Power Financial** were added to the FTSE4Good Global Index in December 2016. **IGM Financial** was added to the FTSE4Good Index Series in June 2016. All three companies were reconfirmed on the Index in 2018 and 2019.



Euronext Vigeo Eiris' indices are composed of the highest-ranking listed companies as evaluated by the agency in terms of their performance in corporate responsibility. **Power Corporation** has been added to the Euronext Vigeo Eiris World 120 Index as of December 2018.

This index distinguishes 120 companies from Europe, North America and the Asia-Pacific region having achieved the most advanced Environmental, Social and Governance (ESG) performances. Companies included in this index have achieved the highest scores, as determined by their review of up to 330 sustainability indicators based on international standards and grouped into six domains of analysis (environment, human resources, human rights, community involvement, business behavior and corporate governance).



IM△GINE
CANADA

Imagine Canada is national program promoting corporate and public giving, volunteering, and support in the community, and calls for corporations to contribute a target of 1 per cent of pre-tax domestic profit to charitable causes.

A member of the program since 1989, **Power Corporation** has consistently exceeded its minimum donation guideline and has consequently been designated a “Caring Company” by Imagine Canada.

Our subsidiaries **Great-West Life**, **London Life**, **Canada Life**, **IG Wealth Management** and **Mackenzie Investments** have also received the “Caring Company” designation in recognition for their generous contribution to their communities.



Throughout the year, **GWL Realty Advisors** continued to pursue its target of achieving green building certifications for all eligible properties. To date, 92 per cent of its eligible commercial portfolio by floor area is BOMA BEST® or LEED® certified, representing over 36 million square feet of its managed portfolio. In 2018, its parent company, **Great-West Lifeco**, marked a historic milestone with all its corporate head offices being BOMA BEST® Gold certified.

It was also recognized at both national and regional levels for its sustainability-focused property management practices. In 2018, five awards were presented to properties managed by GWL Realty Advisors, relating to sustainability, staff, and operational excellence. These awards include the BOMA Certificate of Excellence (5000 Yonge St., Toronto), CREST Race2Reduce Award (33 Yonge St., Toronto) and the Don Smith Commercial Building Award (London Life Head Office).



In 2019, two of **Mackenzie Investments**’ funds, the Mackenzie Global Environmental Equity Fund and the Mackenzie Global Leadership Impact ETF, rated in the top five in the Canadian equity fund and ETF categories of the Corporate Knights Eco-Fund Ranking.

Corporate Knights is a Toronto-based media and investment advisory company that promotes an economic system that reflects social, economic and ecological costs and benefits. The ratings help Canadian investors to see which funds provide the best combination of economic and environmental performance.



Since 2015, **IGM Financial** is listed on the Jantzi Social Index (JSI), a stock index of Canada's most sustainable companies. The JSI is a socially screened, market capitalization-weighted common stock index modelled on the S&P/TSX 60. It consists of 50 Canadian companies that pass a set of broadly based ESG rating criteria. IGM Financial is one of only five financial services firms in the index.



In 2018, **GWL Realty Advisors** was recognized as a leader in sustainability by the Global Real Estate Sustainability Benchmark (GRESB), earning a “Green Star” ranking for the fourth consecutive year as well as a second consecutive GRESB “5star”. These recognitions reflect the company’s commitment to continuously evolving and improving its sustainability practices.

The GRESB Real Estate Assessment has placed GWL Realty Advisors among the top three participants in Canada and fourth overall (of 196 submissions) in the Global Diversified category. In addition to being recognized as a leader in the field, its score increased 16 per cent from its first submission in 2015, moving the company to the top seven per cent worldwide in 2018.



POWER CORPORATION
OF CANADA



Investing Responsibly

As a long-term and active investor, Power Corporation 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
- Data Privacy and Security

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

2018 Achievement

- Continued to engage with our group of companies and investments on ESG issues through our active ownership approach.

Highlights from our Group Companies

COMMITMENTS

IG Wealth Management, Mackenzie Investments and **Investment Planning Counsel** have all formalized their commitments through Responsible Investment Policies, which outline the approach taken to integrate ESG criteria in investment analysis and decision-making processes, and to enable active ownership through engagement and proxy voting.



Many of our group companies are signatories to the Principles for Responsible Investment (PRI) - including Great-West Lifeco subsidiaries **GLC Asset Management Group (GLC)**, **Putnam Investments** and **Irish Life Investment Managers**, and IGM Financial subsidiaries **IG Wealth Management** and **Mackenzie Investments** - which are integrating ESG factors into their investment processes as a way to identify both risks and opportunities to enhance long-term returns for investors. In 2018, **Groupe Bruxelles Lambert (GBL)** also became signatory to the PRI, furthering its commitment to pursue the development of its responsible investment approach.

GLC has joined the Responsible Investment Association (RIA) to help support their work in promoting responsible investment literacy as well as their advocacy efforts to shift public policy and regulation towards frameworks that are more conducive to responsible investing. **IG Wealth Management** and **Mackenzie Investments** are also members of the RIA.

Sagard Europe, Sagard Holdings and **Sagard China**, Power Corporation's investment funds, as well as **Pargesa** and **GBL**, have formalized their commitment to incorporate ESG considerations into their investment analysis process through their respective CSR Statements.

ESG INTEGRATION

At **Mackenzie Investments**, ESG factors are considered as part of the investment process, recognizing the relative importance of ESG factors varies across industries, geography and time. In analyzing the risks of investments in actively managed internal mandates, the company's investment managers look to identify, monitor and mitigate ESG risks and opportunities that are, or could become, material to long-term performance. It also engages sub-advisors to promote the inclusion of ESG factors into their investment processes, policies and practices where these are not employed today.

At **IG Wealth Management** and **Investment Planning Counsel**, the investment due diligence processes seek out sub-advisors whose investment processes require them to exercise professional judgment regarding material drivers of value. Sub-advisors are encouraged to identify, monitor and mitigate ESG risks and opportunities that are, or could become material to long-term performance. The companies also promote the inclusion of ESG factors into their investment policies and processes where these are not employed today.

ESG aspects are embedded at all stages of **GBL's** investment process, including the assessment of investment opportunities and the due diligence phase, and of the monitoring carried out on participations of the portfolios. GBL believes in widespread workforce engagement to ensure proper integration of its ESG strategy, implementing its portfolio monitoring activities also translates in trainings given to all professionals and/or specifically to its investment team. Accordingly, over the 2017-2018 period, GBL's employees involved in the investment process and portfolio monitoring participated in the annual ESG awareness training.

Irish Life Investment Managers has established a Responsible Investment Governance Committee, comprising key members of the Executive Team, Fund Management, Operations and Client Servicing teams with the responsibility to ensure the adherence to its Responsible Investment policy. Irish Life Investment Managers works with external providers to analyze its portfolio companies to identify those with the highest exposure to ESG risks and understand how these risks are being managed, and also to get support with regard to its engagement activities. Since the inception of its engagement program, Irish Life Investment Managers has contacted 116 companies with the objective to work with them to improve their overall performance across six themes: bribery, climate change, ESG risk management, human rights, supply chain labour standards and water.

Putnam's Sustainable Investing team manages two strategies that integrate fundamental equity research with analysis of relevant sustainability issues. The team also generates independent, in-depth research on specific ESG issues. Its analysts have deep fundamental understanding of how to utilize ESG data within the relevant context of each company and industry, and they share insights across Putnam's global research platform.

Anchored by its Responsible Investing Policy and its Engagement Policy, **GLC** is committed to taking ESG factors into consideration in its investment decisions and to engage with its portfolio companies on a range of relevant ESG subjects. By joining the RIA, GLC further formalized its belief that integration of ESG factors into the selection and management of investments can provide strong risk adjusted returns and positive societal impact.

Building on its CSR Statement, **Sagard Europe** further formalized its ESG commitment and procedures, taking into account ESG factors throughout the entire investment cycle, from the acquisition phase through portfolio management, to divestment, raising its employees' awareness of ESG issues in parallel. For instance, for majority investments, Sagard Europe works with external service providers to perform an ESG due diligence, systematically reviews ESG assessments at Investment Committee meetings and conduct an annual review of ESG action plan.

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 the investment processes employed by its investment funds.

The objective of ESG-focused engagement is to understand an investee company's position, actions taken to date, and any additional actions to be taken (or not taken). In addition, IGM generally adopts a policy of engagement over divesting a holding, believing that ownership, rather than divestiture, enables them to contribute positively to the investee companies' ESG progress. Since 2018, **Mackenzie Investments** partners with a premier global engagement service provider who supports it in its engagement efforts with the companies in which it invests.

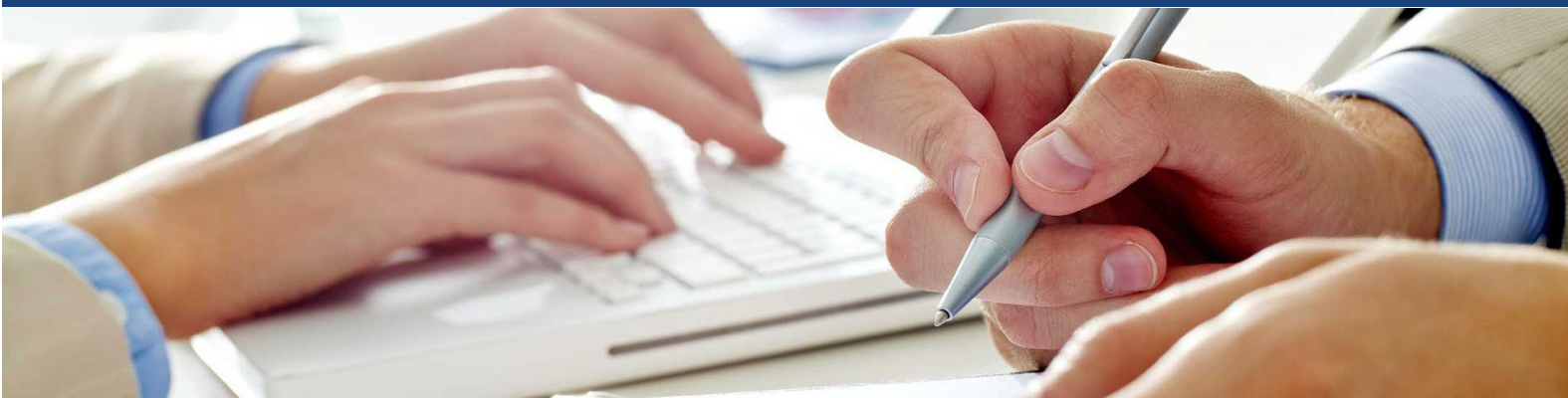
IGM Financial ensures that its internal managers and sub-advisors have appropriate policies to vote proxies in the best interests of its investment funds. **Investment Planning Counsel** also partners with an ESG engagement firm to advise on proxy votes and to engage companies in its portfolios on material ESG issues.

Irish Life Investment Managers monitors company boards for their performance on ESG issues and independence and have adopted a voting policy that promotes positive ESG policies and disclosure in the companies in which it invests.

GLC believes that proxy voting is a valuable tool in propagating a focus on ESG factors and their importance in investment decisions. GLC recognizes the impact these factors have on investment performance and believe appropriate management of the related risks position firms positively compared to peers. As a result, GLC will generally vote for proposals that enhance sustainability, and by extension, the profitability, of companies.



POWER CORPORATION
OF CANADA



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, we do not frequently make new investments. When potential investments are being considered, we conduct an in-depth analysis that evaluates both financial and non-financial factors. 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. 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](#).

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



POWER CORPORATION
OF CANADA



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 measurable social or environmental benefits alongside financial returns, creating long-term value for shareholders and society at large.

Given the mainstay of our investments is 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 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 sustainable and renewable energy projects, through our subsidiaries Power Energy and 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 the first-in-Canada *flexible retirement savings program*, which is aimed at helping graduates save for their retirement sooner while at the same time paying down student debt. Indigo became the first national employer in Canada to offer this program to their employees.



Great-West Lifeco is also investing in new technologies to allow its customers to connect with them when, where and how they choose, and is developing innovative solutions and leveraging technology such as automation, digital interfaces, artificial intelligence and robotics to enhance customer reach, access and transparency, and meet the evolving needs of diverse markets. One notable innovation on that front is the piloting of a new, goals-based investing tool that advisors can use with their customers to help ensure investments align with the individual's financial and lifestyle goals. Working with an advisor, clients will be able to benchmark and monitor the progress of their overall investment plan, specifically with regards to the targeted level of return and corresponding risk they need to be willing to accept, on average, to achieve their goals. A digital client portal will also be available, providing customers with easy-to-understand, real-time reporting on their portfolio's performance and their progress towards their financial goals.

In 2018, **Great-West Life** gave employees access to healthcare professionals on the go through a pilot with a fully-bilingual virtual health care service called Dialogue. Dialogue allows employees to chat with healthcare professionals by text, phone or video, renew prescriptions for themselves and their family members, and be referred to see a specialist in person. Power Corporation also invests in Dialogue through Power Financial and Diagram.

Great-West Life is also a founding investor of the newly launched Canadian Business Growth Fund aimed at fostering innovation. Funded by Canada's leading banks and insurance companies, the Fund will invest in Canadian entrepreneurs and provide businesses with the capital they need to grow domestically and globally. An advisory network has also been created to provide mentorship to help these businesses to achieve their full growth potential and write the next generation of Canadian business success stories.

As an extension of **IGM Financial's** day-to-day work of helping clients with their financial goals, the company is committed to improving the financial confidence of Canadians who need it the most, knowing that providing people with the knowledge and resources they need to gain a basic understanding of their personal finances will help them build a better financial future for themselves and their families. Through the daily work of financial advisors who serve its clients, the financial literacy presentations these advisors deliver in the community, and as partners in the creation of financial education programs and curricula, IGM Financial is a leader in the ongoing effort to advance the financial confidence and financial security of Canadians.

Wealthsimple, one of Canada's largest online investment managers, in which we invest through our subsidiaries, provides advice and services that are accessible, affordable and human. Wealthsimple offers investment management services, including automatic rebalancing, dividend reinvesting and tax loss harvesting, that most people couldn't afford until now or found too time-consuming and tedious to do on their own.

SOCIALLY RESPONSIBLE INVESTMENT FUNDS

GLC Asset Management Group (GLC), a subsidiary of Great-West Lifeco, has had socially responsible investment (SRI) mandates for close to 20 years, providing clients with a meaningful way to ensure their investments promote a high level of environmental sustainability, social responsibility and corporate governance. Individual, group and institutional clients benefit from professional portfolio management services as well as screening and review processes for socially responsible investing. GLC considers ESG factors within all of investment decisions and portfolio strategies, not just SRI portfolios.

As a way to present investors with relevant investment options enabling them to match their own priorities, in 2018, **Putnam Investments** launched two new funds with dedicated ESG strategies. The Putnam Sustainable Future Fund invests in growth companies that directly demonstrate positive impact in social, environmental, or economic development while the Putnam Sustainable Leaders Fund invests in growth companies with the goal of delivering positive financial and ESG performance. Formed through the repositioning of two existing products, the offerings make Putnam one of the largest ESG managers in the industry, with nearly \$5 billion in assets.

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

Since 2017, **Mackenzie Investments** has also launched new funds designed to generate long-term competitive returns, while supporting positive environmental, social and governance change.

- The Mackenzie Global Sustainability and Impact Balanced Fund provides Canadian investors with a solution that helps their investments have a positive environmental and social impact. The fund selects companies that are willing to engage in or have incorporated strategies to improve ESG practices.
- The Mackenzie Global Leadership Impact Fund and Mackenzie Global Leadership Impact ETF provide an opportunity for investors to impact social and governance change through a focus on companies that promote gender diversity and the benefits of women in leadership.
- The Mackenzie Global Environmental Equity Fund provides investors a product focused on opportunities in environmental sectors, notably in energy transition from fossil-fuels to renewable power.

IG Wealth Management and **Mackenzie Investments** have continued to be market leaders in offering Registered Disability Savings Plans (RDSP) for clients or family members with disabilities, providing them access to a tax-preferred savings vehicle and at the same time take advantage of generous government grants and bonds.

Wealthsimple offers SRI portfolios which have been designed using ETFs that prioritize low carbon emissions, advance cleantech innovation, and promote sustainable growth in emerging markets or gender diversity. Those ETFs are weighted according to environmental and social impact, as well as for performance.

SUSTAINABLE PROPERTY MANAGEMENT SERVICES

GWL Realty Advisors, a wholly owned subsidiary of Great-West Lifeco, manages a multi-client portfolio of over 350 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 2018, GWL Realty Advisors has been recognized as a leader in sustainability by the Global Real Estate Sustainability Benchmark (GRESB), improving its score and earning a Green Star ranking for the fourth consecutive year and its second consecutive GRESB '5star' rating. The GRESB Real Estate Assessment has GWL Realty Advisors among the top three participants in Canada and fourth overall (of 196 submissions) in the Global Diversified category. In addition to being recognized as a leader in the field, its score increased 16% from its first submission in 2015, moving the company to the top 7 per cent worldwide in 2018.



Throughout the year, GWL Realty Advisors continued to pursue its target of achieving green building certifications for all eligible properties. To date, 92 per cent of its eligible commercial portfolio by floor area is BOMA BEST® or LEED® certified, representing over 36 million square feet of its managed portfolio. In 2018, its parent company, **Great-West Lifeco**, marked a historic milestone, with all its Canadian corporate head offices being BOMA BEST® Gold certified.

GWL Realty Advisors was also recognized at both national and regional levels for its sustainability-focused property management practices. In 2018, five awards were presented to properties it manages, relating to sustainability, staff, and operational excellence. These awards include the BOMA Certificate of Excellence (5000 Yonge St., Toronto), CREST Race2Reduce Award (33 Yonge St., Toronto) and the Don Smith Commercial Building Award (London Life Head Office).

Irish Life Investment Managers believes that non-financial aspects of property create stable long-term investments for its clients and strengthen communities. This is reflected across a range of environmental, social and governance considerations through the acquisition, development, refurbishment, leasing and ongoing management of individual property assets. A key focus is the enhancement of environmental efficiencies through the design and specification of new builds and refurbishment, the selection of new properties and the future management of acquired properties.

SUSTAINABLE AND RENEWABLE ENERGY INVESTMENTS

Power Energy, a wholly owned subsidiary of Power Corporation, is an investment holding company that creates long-term value by actively investing in companies driving change towards a more sustainable world. Power Energy has invested in companies that develop, own and operate solar, hydro and wind generating assets in North America as well as in leading manufacturers of sustainable technologies. Power Energy currently invests in the following companies:



- Potentia Renewables – a renewable energy generation company, active in the solar and wind sector in North America and the Caribbean
- Nautilus Solar Energy – a leading U.S. solar developer and asset manager focused on distributed and utility-scaled generation solar projects
- Lumenpulse – a leading manufacturer of high-performance, specification-grade LED lighting solutions
- Lion Electric – a manufacturer of zero-emission vehicles sold throughout North America

PRODUCT SUSTAINABILITY

Responsible product management contributes to the development of sustainable business opportunities for **Imerys**. The technological know-how of Imerys enables the group to be in an excellent position to improve the yield on materials of its operations. At the same time, the strength of the group's commercial network and strong innovation capacity maximize the group's production value and capacity to optimize resource use efficiency across the globe, thereby contributing to ensure sustainable consumption and production patterns.

Imerys also constantly seeks to develop ways to create a more sustainable, greener value chain and still produce high-performance end product for customers. While recycling rates of industrial minerals are relatively high, the group is committed to continue to identify recycling opportunities and assess circular economy solutions, recognizing the global need to produce with less, for longer and smarter. In addition, Imerys' commitment to sound mineral resources management, technological improvements and newly-developed applications makes it possible to transform low-grade materials, tailings and wastes into marketable resources.

Being committed to innovation of solutions at the service of a low-carbon economy, Imerys also supports customers in this transition. To this effect, Imerys is conducting studies of its products portfolio to determine their carbon footprint. These studies serve a dual purpose of providing complete and transparent information to customers and giving the group an improved visibility over the impacts linked to specific products or facilities, which is a precursor to initiating any eco-design approach. In 2018, Imerys calculated approximately 20 product carbon footprints, from cradle to gate. These study results were shared with customers to help encourage downstream efforts to calculate product impacts and differentiate Imerys products from other competitors' higher carbon solutions. In addition, in 2018, Imerys conducted 14 product life cycle assessments.

Finally, an important complement to product sustainability is the development of sustainable technologies, which are essential to the long-term sustainability of Imerys. To support its internal efforts, Imerys has established a Scientific Advisory Board, whose role is to discuss technical advancements on specific topics with Imerys as well as to consider future technology needs and trends where the group may have a positive impact.



POWER CORPORATION
OF CANADA



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 fulfill 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 ongoing dialogue.

Power Corporation's policies, commitments and people programs are overseen by the Vice-President, Human Resources and Administration. We have 53 full-time employees who work at our offices in Montréal and Toronto. 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 approximately 30,000 people located mainly in Canada, the United States, Europe and China.



POWER CORPORATION
OF CANADA



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 continuous learning 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.

Discussions are held on our responsible management approach and on various sustainability-related topics at the Board and management levels. Topics include sustainability awareness, responsible investing, carbon management disclosure, as well as reporting to rating organizations.

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 objectives. We also 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, awareness sessions, as well as employee activities.

As outlined in our Employee Giving Program, 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 Lifeco is committed to enhancing the employee experience and continues to measure and monitor employee engagement across the company.

IGM Financial also has a strong culture of engagement and regularly seeks employees' and advisors' opinions to understand what matters to them, how the companies are doing, and how to continuously improve. 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.

Each of IGM Financial's operating companies has a strong focus on engagement and, through the confidential Gallup employee engagement survey, regularly seeks employees' opinions to understand what matters to them, how the companies are doing and how they can improve. Leaders review Gallup results with their work teams, and then work individually and as a group on action plans for improvement. This ongoing cycle contributes to team discussion, accountability and action, and enables the employees to contribute to their own development and to the success of the group. It is worth noting that in 2018, **Mackenzie Investments** exceeded its target in Gallup's employee engagement survey, reaching the 85th percentile for the industry.

Following **Imerys'** first global employee engagement survey, called "Your Voice" and conducted in 2017, dedicated teams with clear owners were identified to drive the development and implementation of improvement plans related to diversity and inclusion, group processes, strategy and internal communication. Throughout 2018, the dedicated teams worked on the action plans and communicated on their progress.

LEADERSHIP DEVELOPMENT

IGM Financial's operating companies offer a variety of in-house programs to support leadership skills, such as the following:

- Through its *Leading Performance: Building Careers* program, IGM Financial is enhancing its approach to developing its people and facilitating high levels of performance. The program centres around setting clear expectations on leadership behaviours and performance objectives, providing ongoing coaching and feedback, and implementing development plans for all employees in partnership with their leaders.
- *LEADing@IG Wealth Management* and *LEADing@Mackenzie* are hallmark programs in place for high-potential leaders that feature experience-based development through real projects at IGM Financial.
- Being committed to diversity within its leadership team, IGM Financial employs the Humphrey Group *Taking the Stage*® program to ensure it is strengthening the leadership skills of women. The program focuses on a strong presence, communication skills, and building mentorship support.

Throughout 2018, **Great-West Lifeco's** Canadian companies introduced workshops and programs for leaders, to help them create positive employee experiences for their teams and drive success for the organization. This included leadership coaching workshops, quarterly webinars, onboarding programs specific to new leaders and inclusion workshops to help leaders identify and employ strategies to shift default unconscious behaviours and biases into conscious inclusive actions.

Great-West Life and **IG Wealth Management**, with support from **Power Corporation**, partnered with the University of Manitoba for the creation of the Institute for Leadership Development. This teaching and research institute focusses on developing future leaders, thus contributing to build stronger communities and businesses in Manitoba and across Canada.

Imerys' managerial principle *Imerys Leadership Behaviors*, which was rolled out in 2016, has become an integral part of the entire talent management cycle, from recruitment, to performance and potential assessment, to development and succession plans. Annual reviews are now composed of a shared evaluation between employees and their line manager based on these principles.

ENCOURAGING TRAINING

Employee learning and development remained a priority for **Great-West Lifeco**, as it continues to offer career path-specific supports and opportunities for several disciplines. In Canada alone, in 2018, more than 3,300 employee continuing education applications were approved and, in total, over 49,000 employee eLearning training sessions were completed. As part of its investment in learning and development, the company also offers to reimburse the cost of relevant continuing education for employees, up to \$2,000 annually. Great-West Lifeco also launched a new Learning Management System and new learning intranet site – the Learning Hub – in Canada in 2018. These platforms give employees greater control in their development and provide curated learning paths for employees and leaders. These paths tap into key skills, like communication, resiliency and productivity, that can help employees grow.

Great-West Life's Actuarial Program and Chartered Professional Accountant (CPA) training program are two examples of training offered and/or supported by the company. Candidates to these programs rotate among departments while earning their designations, developing leadership and interpersonal skills, experiencing professional growth opportunities and receiving mentorship that strengthens the foundation of their career development.

In 2018, **GWL Realty Advisors (GWLRA)** piloted the GWLRA Process Excellence Development and Certification Program to bring continuous improvement thinking in-house. During the nine months of the program, staff learned six sigma lean methodology and applied it to re-engineer an ineffective process. The quantitative and qualitative results were clear, and this program will continue to roll out in 2019. GWL Realty Advisors also launched, in 2018, a new online learning centre.

IGM Financial is focused on developing its employees' skills both in the short term to be successful in existing roles, but also over the longer term to develop skills for future roles across the organization. Learning opportunities are provided through a combination of formal training, feedback and coaching, and on-the-job experience:

- At **IG Wealth Management**, the company's industry-leading training got a boost in 2018 with the launch of IG University, which designs customized educational opportunities supported by internal experts and world-renowned education partners. In less than a year, there were over 40,000 courses completed through IG University. The company's programming is anchored to the core pillars of financial planning, practice management, professional responsibility, products and leadership development, and is segmented from a fundamental to expert level.
- At **Mackenzie investments**, the company's cross-country team works with advisors to support them in managing and growing their business. The team offers advisors workshops, keynotes, tools and resources covering value-added topics including tax, disability and estate planning, and strategic philanthropy. With these valuable resources, advisors deepen their knowledge and strengthen the advice they bring to their relationships with clients.
- At **Investment Planning Counsel**, in-depth training for financial advisors, assistants, and branch managers is designed to provide knowledge and skills to help them excel and assist them with their professional growth. The approach consists of online learning tutorials, weekly virtual classrooms, and in-class training.

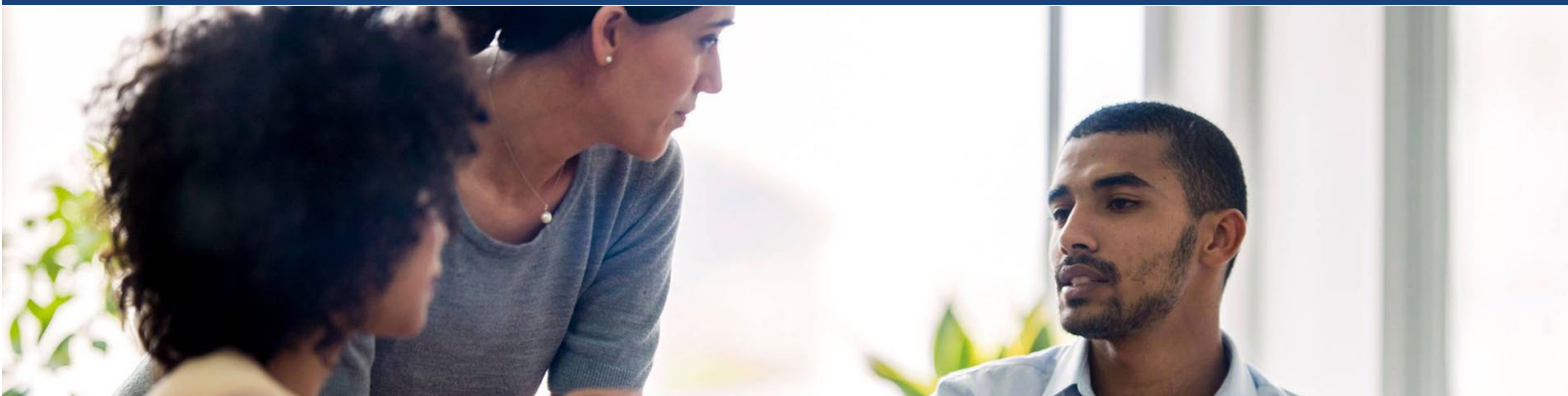
Imerys is committed to continuously diversify and increase its training program through a blended learning approach, enabling employees to actively lead their own development and learning experience. In 2018:

- 76 per cent of the group employees have benefited from at least one training program.
- The e-learning platform “IM-Pulse”, which hosts Imerys’ entire training offer, was made accessible to 8,000 employees across the group, and included both in-class training and e-learning courses covering geology, finance, management, project management, industrial marketing, and leadership.
- Overall, a total of more than 508,000 hours of training have been provided across the company, representing an increase of 49 per cent compared to 2017.

In addition, to strengthen its teams and prepare to the next generation of managers, Imerys leverages its *International Graduate Program*, an international program for recruiting and nurturing recent graduates. In 2018, Imerys welcomed 24 graduates from eight different nationalities in its Graduate Program, which is structured around two successive 12-month cycles that introduce the graduate to two different business environments across the group.



POWER CORPORATION
OF CANADA



Respectful and Inclusive Workplace

We believe that it is our responsibility as an employer to offer a workplace where all people are treated with respect and dignity, in an inclusive, diverse and safe work environment. As workforce demographics change, diversity has become a business imperative and a key ingredient of success.

Our Commitment

We strive to offer our employees a work environment that allows them to thrive and feel valued, respected and included. We are committed to creating and maintaining a workplace characterized by mutual trust and the absence of intimidation, discrimination, oppression and exploitation.

We will not tolerate discrimination – on the basis of, among other things, age, sex, sexual orientation, race, national origin, religion or disability –, as well as sexual or psychological harassment, or violence in the workplace. We will take appropriate and immediate action in response to complaints or knowledge of violations of our policy.

Diversity and inclusion are priorities for us, both 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 and perspective, 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.

Our [Code of Business Conduct and Ethics](#), as well as our Respectful Workplace Policy and Procedures reinforce our commitment to provide a work environment of equal opportunities in employment, appointment and advancement, based on appropriate qualifications, requirements and performance, and our commitment to support an inclusive and diverse workforce.

Programs

Anchored by our Code of Business Conduct and Ethics and our Respectful Workplace Policy and Procedures, we have focused our strategy on supporting a respectful, diverse and inclusive work environment through the following programs:

Respectful Workplace

Our Respectful Workplace Policy and Procedures describe behaviours that are prohibited, as well as the roles and responsibilities of each and every one in maintaining a respectful workplace, free of discrimination, harassment and violence.

The policy also outlines the procedures and mechanisms that are available for anyone believing they have been subject to or have witnessed any behaviour which is contrary to the Policy, including a reporting hotline and web portal operated by a third-party provider which is available 24 hours a day, 365 days a year.

Power Corporation is also committed to handle all complaints swiftly and confidentially, to the extent possible in light of the need to take appropriate corrective measures. The Corporation will not take any reprisal or retaliation measures, including any adverse employment measures, against any Director, officer, employee and/or third party who in good faith brings forward actual or potential violations or other concerns.

We provide an annual training on our Code of Business Conduct and Ethics and on our Respectful Workplace Policy and Procedures, which emphasize our commitment to provide a respectful and equitable workplace.

Diversity and Inclusion

We support diversity at all levels of the organization. Talent management practices in place at Power Corporation aim at fostering equal opportunities in employment based on appropriate qualifications, requirements and performance, including as part of hiring- and advancement-related decisions.

As it relates to our Board and senior management, this commitment was formalized through our policy relating to [Board and Senior Management Diversity](#). The women in our business represent:

- 17 per cent at the Power Corporation Board level
- 29 per cent at the management and executive level at Power Corporation
- 23 per cent at the executive officer level within the Corporation's group companies (including its publicly traded subsidiaries and their respective principal subsidiaries)



Highlights from our Group Companies

COMMITMENTS

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



In 2018, as a way of furthering its diversity and inclusion commitment, including by enhancing equality and inclusivity across all areas of its companies, along with valuing, nurturing and leveraging diversity in all they do, **Great-West Lifeco** introduced a Diversity Leadership Council in Canada. This diverse group of senior leaders across the various lines of business and corporate functions works to accelerate and embed diversity and inclusion efforts in the business and organizational priorities. The Diversity Leadership Council currently focuses on five key areas: Women in Leadership, Indigenous People, Young Professionals, LGBTQ2+ and Persons with Disabilities.

In early 2018, all three of **IGM Financial's** operating companies became signatories to the United Nations Women's Empowerment Principles, which promote gender equality in the workplace, communities and marketplace. The Principles will guide them as they assess their policies and programs and help them to take action to empower women.

IGM Financial's Diversity and Inclusion strategy, introduced in 2017 based on the information gathered through a confidential and voluntary Diversity & Inclusion Survey, helps ensure that its practices, policies and approaches are inclusive and engaging for all. The strategy includes specific goals and initiatives to enable the upward mobility of women and other underrepresented groups. A Diversity and Inclusion Committee guides the implementation of its Diversity and Inclusion strategy and spearheads a number of initiatives that focus on leadership competencies, development of mentorship programs and affinity groups, diversity training, and the piloting of diversity and inclusion recruitment tools.

In 2018, **IG Wealth Management** became a partner of Winnipeg's Indigenous Accord, committing to acting on one goal each year for three years to help advance a specific Call to Action of Canada's Truth and Reconciliation Commission. It thus joined **Great-West Life**, who had signed the Accord in 2017.

Pargesa's subsidiary **Groupe Bruxelles Lambert (GBL)** has also developed a Diversity & Inclusion Policy which supports and facilitates a diverse and inclusive environment that embraces differences and recognizes their benefits. These differences can be age, gender (identity), sexual orientation, disability, ethnicity, cultural and religious backgrounds and other areas of potential difference.

Imerys' Diversity and Inclusion Charter, which was updated in 2018, clearly articulates the shared commitment to achieving greater diversity, as well as inclusion, across the group. In that perspective, in 2018, Imerys' diversity and inclusion working group, composed of representatives of different businesses and functions across the group, pursued its mandate to conduct research and analysis on diversity and inclusion at Imerys, to identify key drivers and challenges and propose concrete practices, including the necessary monitoring and review, to accelerate progress. The working group has structured the fundamental elements of the program, with specific actions launched in 2018 and the full program that will begin to be rolled out in 2019.

DIVERSE EMPLOYEES

IGM Financial's operating companies benefit from attracting a diverse workforce. Having a range of perspectives, experiences, lifestyles and cultures helps the corporation to be innovative, make better decisions and better serve its clients.

IG Wealth Management focuses on diversity among its financial advisors, to better reflect Canada's diverse population. For instance, diversity and inclusion training being a priority in its advisor field management education program, at the company's national conferences and also at local region offices, and IG Wealth Management launched in 2018 a new *Diversity and Inclusion Best Practices and Awareness Guide* across the country. IG Wealth Management is also a supporter of the *Aboriginal Business Education Partners* scholarship program at the University of Manitoba and the Canadian Aboriginal Human Resource Management Association. The company also participated in Winnipeg's *Youth CEO* program, part of an Indigenous youth initiative, which placed a high school student at the company for one week to gain experience in the business.

Both **Mackenzie Investments** and **Investment Planning Counsel** continued to support organizations and initiatives that help immigrants to gain employment, including the Toronto Region Immigrant Employment Council Mentoring Partnership, providing opportunities for their employees to work with new immigrants seeking employment in Canada.

Great-West Lifeco is putting in place the building blocks to meet the needs of a diverse and multicultural employee population, reflective of its customers. It actively seeks new ways to reach out to a diverse range of potential employees among qualified individuals or segments of the population who may not have thought of applying for a role with the company. For instance, as one of the Winnipeg Indigenous Accord's inaugural signatories, Great-West Life has committed to fostering a workplace culture in which Indigenous Peoples and all employees can contribute to their fullest potential. For example, the company works with AMIK Professional Indigenous Engagement Services to promote a diverse workforce, including increasing the representation and advancement of Indigenous employees. The company is also providing support to Indigenous community programs, including Indspire's *Building Brighter Futures Fund* and the *Promoting Life Skills in Aboriginal Youth* program.

In March 2018, **Wealthsimple** conducted its first "Diversity, Inclusion, and Belonging" study across its offices in Canada, the United States and the United Kingdom. In addition to collecting data on race, gender, ethnicity, and other demographic information, they asked employees 11 questions about inclusion in the workplace. Interestingly, the survey revealed that 93 per cent of employees agree with the statement "Wealthsimple values diversity" and that the team speaks 14 different languages. As a way to further foster diversity, Wealthsimple supported the creation of two employee groups: *Women at Wealthsimple* and *Rainbow (LGBTQ+)*.

In line with its commitment to respect and promote the principle of non-discrimination and equal opportunity, **Imerys'** recruitment and mobility policies and practices were updated in 2018 to support the reinforcement of diversity. It has already helped produce results in terms of gender diversity. In fact, in 2018, 40 per cent of external recruits for senior management positions were women vs 6 per cent in both 2016 and 2017. The 2016-2018 Graduate program participants represented 17 different nationalities and the 2018 recruits within this program were 50 per cent female. Diversity and inclusion requirements were likewise added to the group's Leadership Behaviors, the behavioral model against which the group's formal performance appraisals are conducted. In addition, Imerys had 186 employees with disabilities in 2018.

In 2018, numerous initiatives, covering a wide range of topics essential to achieving more diverse and inclusive mindsets in the workplace – such as unconscious bias training and increased sourcing of small suppliers who create employment opportunities for people with disabilities – were also carried out at Imerys in India, the United Kingdom, Denmark, Argentina, Chile and Italy. Lessons learned and best practices from these projects have been made available to all through the group internet platform.

EMPOWERING WOMEN

In recent years, **Great-West Lifeco** has supported the launch of networking and mentoring groups in Canada to support the advancement of women in the organization. In 2018, these groups held local activities for all employees, including networking events, presentations and a speaker series with senior leaders from the companies. For example, to celebrate International Women's Day, its *Women in Leadership* groups organized an event in Toronto that was live streamed to London and Winnipeg, during which executives of the company spoke about the commitment to gender balance and to broaden diversity and inclusion. A guest speaker discussed inclusiveness and diversity's importance in driving business and customer outcomes.

As to enable upward mobility of women through talent management, **IGM Financial's** operational companies put forward various initiatives. **Mackenzie Investments** created a platform, *Mackenzie Together: Championing Women's Worth*, to solidify its commitment to gender equality issues and work with its leaders to empower them with training, tools and ways of working to think more inclusively. In 2018, both Mackenzie Investments and **IG Wealth Management** continued to offer *Taking the Stage*®, a program for women focusing on the skills and tactics that drive leadership presence and effectiveness, and including a specialized program for IG Wealth Management advisors. IG Wealth Management also hosted the first-ever Canadian Summit for Women in Financial Planning in Toronto, attended by 200 women, including female financial planners from independent firms and bank brokerages.

IGM Financial continues to monitor its progress annually to ensure it is making real gains regarding gender diversity among its leaders and among IG Wealth Management advisors. At their Board level, 31 per cent of the directors are women, up from 6 per cent in 2015 – the year the Board diversity policy was established. In 2018, women comprised 31 per cent of IGM Financial's executive team, achieving 45 per cent of the promotions at these levels. At the end of 2018, women made up 30 per cent of the company's total advisor network and accounted for 36 per cent of all new recruits through the year.

In 2018, women made up about 35 per cent of **Wealthsimple's** employees, and held 29.5 per cent of roles at the management level. As a way to further foster diversity, Wealthsimple supported the creation of *Women at Wealthsimple* employee group. In addition, Wealthsimple is one of the founding partners of #MovetheDial, an organization whose objective is to increase the participation and leadership of all women in tech, and supports Women and Color, an online community of subject matter experts who identify as women and/or people of color.

In 2019, the *Who's Who Women in Business* edition of the Winnipeg Free Press featured several women evolving within **Canada Life** and **GLC Asset Management Group**, who were identified as leading Winnipeg's financial services industry.



POWER CORPORATION
OF CANADA



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 Dialogue, a front-line telemedicine service that operates through a mobile app and gives our employees direct and confidential access to health specialists via an online platform or a phone and/or video call, as needed.

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

NURTURING HEALTHY LIFESTYLES

Improving the financial, physical and mental well-being of Canadians, including customers and employees, is **Great-West Lifeco's** commitment and guide. It invests in its employees through comprehensive programs spanning wellness, benefits and health and safety, such as the following:



- In 2018, the company made it easier for employees to take a proactive approach to their well-being by making changes to the employees' Lifestyles benefits. One major change was increasing the maximum coverage for psychologist/social worker support services for both employees and their dependents. To support employees' growing families, maternity and parental leaves were enhanced, prescription deductibles were removed, and paramedical practitioners were added.
- In November, employees were given access to healthcare professionals on the go through a pilot with Dialogue, a virtual healthcare provider. Dialogue allows employees to chat with healthcare professionals by text, phone or video, renew prescriptions for themselves and their family members, and be referred to see a specialist in person.
- In support of *Mental Health Week*, employees helped spread the word about mental health. Many joined the conversation on social media using the Canadian Mental Health Association's #GetLoud hashtag. The Great-West Life Centre for Mental Health in the Workplace also shared daily resources and tips on mental health topics.

In addition, the **Great-West Life** Centre for Mental Health in the Workplace (the Centre) was established as a commitment to the mental well-being of Canadians. In 2018, the Centre celebrated 11 years of encouraging awareness and knowledge of workplace psychological health and safety and, to date, more than 180,000 web users access the Centre's online free tools and resources every year. Aligning with the National Standard of Canada for Psychological Health and Safety in the Workplace, the Centre provides organizations with free resources and approaches to foster psychological health and safety in the workplace and respond to mental health issues at work. To date, **Great-West Lifeco** has invested over \$11.5 million in the Centre and mental health related initiatives and has made more than \$5.5 million in charitable contributions to projects aligned with the Centre.

IGM Financial aims, through ongoing communications, training, and programs – including “wellness weeks” featuring hands-on activities – at helping its employees cultivate a skillset to manage stress at work and at home, and to improve their health and personal performance. It offers a confidential assistance program for employees and their immediate families, which provides practical solutions for challenges regarding their work, health, and home life. This includes counselling and referral services to dietitians, legal support, and child or elder care assistance and resources. **IG Wealth Management** and **Mackenzie Investments** also partnered with the *Not Myself Today*® campaign to provide support, tools and resources for employees, in an effort to increase mental health awareness in the workplace.

Power Corporation also invests in other businesses that promote health and wellness. For instance, **Dialogue**, a technology start-up we invest in through Power Financial and Diagram, offers to its customers' employees an online access to healthcare professionals who can provide virtual consultations, diagnoses and treatment plans. Dialogue helps employees to better manage their physical and mental health, while contributing to employers' efforts to reduce their overall healthcare costs and absenteeism.

As outlined in its Safety and Health Charter, **Imerys** considers 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. Imerys has implemented a number of programs to provide the operations with tools and training for continuous, long-term improvement of workplace safety. Training and awareness on the group safety and health system are achieved through various communication and training tools, including Safety Summits, Imerys Safety University, web seminars, a digital learning path called IM-Pulse, safety toolbox meetings and welcome sessions for new managers. Alignment of contractors within Imerys Safety System and safety cultural expectations is fundamental to achieve the group safety goals. As such, the Contractor Safety Management initiative, launched in 2017, outlines a common and systematic approach for the selection, monitoring and continuous improvement of the health and safety performance of contractors and sub-contractors.

In 2018 at Imerys:

- The second annual *Safety Connect Day*, on the theme “My Personal Commitment to Safety”, urged all Imerys sites around the world to make safety pledges.
- The “Serious 7” awareness and training campaign on the company's critical safety protocols, mandatory for all employees, was launched. The highest risks activities managed through the “Serious 7” protocols are related to the risk of contact with hazardous energy, interaction with mobile equipment and machinery, working at heights, as well as ground control in surface mines.
- A slips, trips and falls prevention campaign was organized through an assessment of the workplace, enabling sites to set up action plans and measure improvements, as well as raising employees' awareness on these risks.
- A total of 30 Safety Culture Improvement Team events were organized by the senior environmental, health and safety (EHS) professionals within the group in order to drive safety culture.

- The EHS Audit Team conducted over 30 comprehensive onsite EHS compliance audits across the group.
- Between 2017 and 2018, the number of training hours completed on EHS, totalling 42 per cent of all training hours, increased by 14 per cent.



POWER CORPORATION
OF CANADA



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 environmental management activities are overseen by the Vice-President, Administration and Human Resources, 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

2018-2019 Achievements

- Achieved a 26 per cent reduction in energy consumption (electricity and natural gas) in 2018¹.
- Reduced our emissions from building sources (electricity and natural gas only) by 57 per cent in 2018¹.
- Responded to the CDP questionnaire for the eighth year, again using a financial control approach and rolling up data from Power Financial, Great-West Lifeco and IGM Financial. In 2018, both Power Corporation and Power Financial obtained a score of A (Leadership), earning a place on the CDP A List, along with 127 other companies worldwide. Among the 2018 CDP respondents in the financial services sector, four of the five top ranked Canadian companies were members of the Power group.
- Enhanced our CDP response to include information about the first steps taken in integrating recommendations from the Task Force on Climate-related Financial Disclosures (TCFD).
- Our GHG emissions reported and referenced in our 2018 and 2019 CDP submissions were externally verified.
- Helped finance sustainable and renewable energy projects through our subsidiary Power Energy Corporation.
- Engaged with suppliers to procure sustainable products and services.
- No environmental incidents were reported.

1. Given our limited environmental footprint, we are focussing our efforts on electricity and natural gas consumption at our head office properties, rather than on GHG emissions from these sources.



POWER CORPORATION
OF CANADA



Environmental Policy

Power Corporation 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 investment process and 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, unless a comparable policy or commitment has been adopted by such subsidiary.

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 investment analysis and active ownership approach.
- Encourage the development and diffusion of 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 Co-Chief Executive Officers of the Corporation in November 2013.

Environmental Policy



[Download](#)



POWER CORPORATION
OF CANADA



Energy and Carbon Efficiency

We work to reduce the energy use and environmental impacts 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 greenhouse gas (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 business travel and the use of electricity and natural gas at our Montréal head office and at our Toronto office. Our energy and carbon efficiency strategy is mainly focused on reducing the energy consumption from our office buildings.

Our Objective

2011-2020 OBJECTIVE*

8 per cent reduction in consumption of electricity and natural gas at our head office properties by 2020, using 2011 as a baseline¹.

** Reference: 2019 CDP/Q.C4.1a/Abs 1*

1. Given our limited environmental footprint, we are focusing our efforts on electricity and natural gas consumption at our head office properties, rather than on GHG emissions from these sources.

Achievements

Achieved a 26 per cent reduction in energy consumption (electricity and natural gas) in 2018.

Reduced our emissions from building sources (electricity and natural gas only) by 57 per cent in 2018.

Steps Taken to Achieve our Objectives

Several upgrades are budgeted and planned every year to continue making progress towards our energy efficiency objectives. For instance, projects for 2019 include replacing exterior building lighting for LEDs.

Read our response
to the CDP's questionnaire



[2019](#)



[2018](#)



[2017](#)



[2016](#)



[2015](#)



[2014](#)

Highlights from our Group Companies

CARBON PERFORMANCE

Great-West Lifeco has a strong commitment to minimizing its environmental footprint, to reporting high-quality emissions data and reducing emissions across its operations. In 2018, the company demonstrated significant progress towards achieving its medium- and long-term GHG emissions reduction targets for its Canadian properties. Throughout the year, its property and asset management teams worked collaboratively toward these goals, implementing realistic and economically feasible projects to reduce the company's carbon footprint, such as building equipment retrofits and operational enhancements. Between 2013 and 2018, the company achieved a 17.7 per cent reduction in GHG emissions intensity in its overall managed real estate portfolio.



Great-West Lifeco participated in the annual CDP Climate Change program for the seventh consecutive year, and its 2019 submission again included its global operations. In 2018, Great-West Lifeco received an A- (Leadership) ranking from the CDP, making it the highest ranked Canadian insurance company on the CDP's annual list.

IGM Financial also continued to take action on climate change and responded to the CDP for the seventh consecutive year in 2019. IGM Financial obtained a score of A (Leadership) for their response to the 2018 CDP questionnaire, earning a spot on the A List and ranking in the top five financial services companies in Canada for the fifth year in a row. IGM Financial has set short- and long-term GHG emission reduction targets using 2013 as a base year. The objective is to achieve a 40 per cent reduction in absolute GHG emissions from energy use at owned assets by 2020 (Scope 1 and 2) and to achieve a 50 per cent reduction in absolute GHG emissions from energy use at owned assets by 2036 (Scope 1 and 2). Thanks to its various energy efficiency projects underway and its strategy of purchasing renewable energy for its owned office building, the company's Scope 1 and 2 emissions have decreased substantially. In 2018, the company achieved both its short and long-term reduction targets as it continued to focus on behavioural changes and facility upgrades.

IGM Financial also significantly reduced its commercial travel following the introduction of online training for new **IG Wealth Management** advisors. In addition, following the decision, in 2016, to begin purchasing green fuel and carbon offsets, IGM Financial reduced the impact of commercial air travel by approximately 45 per cent in 2018.

SUSTAINABLE BUILDINGS

GWL Realty Advisors' goal is to evolve its sustainability platform to meet the demand for smarter, climate-resilient, more sustainable and healthier buildings for tenants and residents. By investing in and developing mixed-use and residential spaces and certified green buildings, the company is helping to address a growing (affordable) rental shortage in many major cities in Canada, while also doing its part to support sustainable buildings.



Its *Sustainability Benchmarking and Conservation Program* covers its managed office properties, setting out five-year reduction targets for each of these properties, and using industry benchmarks and regional averages to gauge performance. This has helped property teams drive operational and efficiency gains at corporate offices and investment properties, ultimately reducing their environmental footprint across three core areas, including energy efficiency, water efficiency and waste minimization. As 2018 marked the culmination of the 2013-2018 five-year target-setting initiative, GWL Realty Advisors reported that thanks to the combined efforts of its property and asset management teams, it has surpassed its energy, water and GHG emissions reduction targets as at year-end 2018, seeing reductions of 10 per cent, 8 per cent and 22 per cent, respectively.

In 2018, GWL Realty Advisors has been recognized as a leader in sustainability by the Global Real Estate Sustainability Benchmark (GRESB), improving its score and earning a Green Star ranking for the fourth consecutive year and its second consecutive GRESB '5star' rating. The GRESB Real Estate Assessment has placed GWL Realty Advisors among the top three participants in Canada and fourth overall (of 196 submissions) in the Global Diversified category. In addition to being recognized as a leader in the field, its score increased 16 per cent from its first submission in 2015, moving the company to the top seven per cent worldwide in 2018. Throughout the year, GWL Realty Advisors continued to pursue its target of achieving green building certifications for all eligible properties. To date, 92 per cent of its eligible commercial portfolio by floor area is BOMA BEST® or LEED® certified, representing over 36 million square feet of its managed portfolio. In 2018, its parent company, **Great-West Lifeco**, marked a historic milestone with all of its corporate head offices being BOMA BEST® Gold certified.

GWL Realty Advisors was also recognized at both national and regional levels for its sustainability focused property management practices. In 2018, five awards were presented to properties it manages, relating to sustainability, staff, and operational excellence. These awards include the BOMA Certificate of Excellence (5000 Yonge St., Toronto), CREST Race2Reduce Award (33 Yonge St., Toronto) and the Don Smith Commercial Building Award (London Life Head Office).

IGM Financial understands that the efficiency of the buildings it occupies can have a significant impact on its sustainability goals. For example, **Investment Planning Counsel** moved its head office to a LEED® Gold office complex with state-of-the-art energy and water efficiency in 2016. Also, **Mackenzie Investments'** head office premises are located in certified LEED® Gold and BOMA BEST® buildings. Environmental sustainability is also considered an increasing priority as **IG Wealth Management** signs into new leases for its client offices across the country.

IGM Financial is committed to increasing its use of low-carbon, renewable energy and choosing a sustainable way to heat the **IG Wealth Management** and **Mackenzie Investments** primary corporate offices with renewable natural gas. This is accomplished through an agreement with Bullfrog Power, a green energy provider. In Manitoba, where the IG Wealth Management head office and IGM Financial's data processing facility are located, over 99 per cent of electricity is produced by GHG-free hydroelectric generating plants that do not burn fossil fuels. Fifty-five per cent of the total electricity used in all of IGM Financial's office space is situated in provinces with low carbon sources – Manitoba, Québec, and British Columbia.



EMPLOYEE AND COMMUNITY ENGAGEMENT

The **IGM Financial** Green Council is responsible for creating a consistent culture of environmental awareness and practices across its operating companies. The council empowers employee green committees at both **IG Wealth Management** and **Mackenzie Investments** to inspire, educate and motivate their colleagues to reduce their environmental impact both at work and at home. These green committees host educational and engagement events for staff, work on projects with facility and operations management to implement continual improvements, and have assisted in developing challenging targets to reduce paper, waste and energy consumption. Recent projects have focused on reducing plastic water bottle uses, rolling out centralized waste bins, composting food waste, reducing individual printing, and launching a campaign to reduce electricity usage of computers.

IG Wealth Management participates in the *Manitoba Race to Reduce* initiative through both a leadership advisory role and by actively participating in the race to reduce energy use at the head office building it owns. *Race to Reduce* is a challenge which began in 2017, where commercial building landlords and tenants publicly commit to work together to reduce the total collective energy use in participating buildings by at least 10 per cent over four years. The company also placed first in the 2018 *Winnipeg Commuter Challenge* for participation and avoided 2,270 kg of carbon.

Great-West Lifeco's commitment to the environment extends beyond its own operations and into the communities where it lives and works each day. In 2018, the company renewed its commitment as National Sponsor of the *Nature Conservancy of Canada Conservation Volunteers* Program. This support helps the ongoing development and delivery of volunteer and education training programs that connect Canadians of all ages with nature while engaging them in protecting our country's species and natural habitats. Each year, the program reaches about 2,700 volunteers across the country. These individuals donate the equivalent of over 1,250 workdays combined. From pulling invasive plant species to surveying waterfowl, building boardwalks and cleaning up coastlines, these volunteers are dedicated to helping Nature Conservancy of Canada's on-the-ground conservation efforts and making a positive impact on nature.

Great-West Lifeco's Canadian offices celebrated *Earth Week* to raise awareness around the importance of creating a more sustainable world. Internal teams and external vendors were invited to speak to employees about the importance of simple, everyday actions, such as recycling, composting and energy conservation. In March, they also joined together with 180 countries worldwide to turn off the lights for *Earth Hour* and show their support for climate change action.

At **Imerys**, five energy workshops were organized in 2018 to raise awareness amongst employees and bring on ideas relating to different energy efficiency topics like energy savings. Energy seminars have also been conducted to answer specific questions that could improve efficiency on specific energy-related subjects. In addition, in 2018, energy e-learning modules have been designed on the IM-Pulse training platform to provide an overview of Imerys' energy strategy as well as knowledge and awareness on energy efficiency. A dedicated energy community on Imerys' intranet also serves as platform to share knowledge, good practices and events related to energy. Finally, since 2017, *Energy Challenges* are organized to promote best practices development and sharing across the operations and energy communities of Imerys. In 2018, three *Energy Challenges* were launched, focusing on combustion optimization, management of peak power demand and heat recovery.



POWER CORPORATION
OF CANADA



Climate Adaptation

One of the greatest and most pressing sustainability issues of our time is climate change, a phenomenon that has already had, and will continue to have, a significant impact on ecosystems, economies and communities around the world.

As a diversified international management and holding company, we understand and believe that businesses hold a responsibility to the communities in which they operate, towards fellow citizens and the natural environment. 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.

We are deeply conscious of the fact that we do not operate in a vacuum. Thriving businesses depend on a thriving, sustainable society. Growing our business profitably in a way that supports a low-carbon economy will continue being an important matter 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 that address the tangible impacts of climate change.



Our Objectives	Steps Taken to Achieve our Objectives
Explore Sustainable and Renewable Energy	Established a wholly owned subsidiary, Power Energy Corporation, which invests in the clean-energy and energy-efficiency sectors.
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	Companies in which we invest are 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 reduction and climate change related risks, opportunities and management strategies.
Support Policies	We support collaborative policies and frameworks that advance growth within a low-carbon economy, including through our Chairman and Co-CEO's involvement in the International Economic Forum of the Americas and the Brookings International Advisory Council. These organizations respectively put forward efforts to increase awareness and collaboration between international governments on a wide range of issues, including climate change and efforts to develop effective, pragmatic policies for addressing national and global issues including energy and environmental issues.

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, Power Corporation supports various organizations that are focused on issues related to climate change. The following provides examples of the research organizations we support:

Nature Conservancy of Canada – Power Corporation has been supporting Nature Conservancy of Canada since 2005. Nature Conservancy of Canada is a leading national land conservation organization that partners with individuals, corporations, other non-profit organizations and governments to protect the natural areas that sustain Canada's plants and wildlife, including through their conservation research efforts.

Earth Rangers – Power Corporation provides funding for Earth Rangers, covering the three-year period from 2018 to 2020. Earth Rangers is a kids' conservation organization whose free programs aim to instill environmental knowledge, positivity and the confidence to take action. Earth Rangers also works with a variety of national, regional and local conservation organizations to develop projects to protect endangered animals, ranging from conservation research, to land acquisition and habitat stewardship.

David Suzuki Foundation – Power Corporation provided funding for the Foundation covering a nine-year period from 2007 to 2015, and has renewed its commitment for 2019-2020. The David Suzuki Foundation works with government, business and individuals to conserve the environment by providing science-based education, advocacy and policy work, and acting as a catalyst for social change.

The support we provide to these foundations is in line with our strategy to contribute to community projects and initiatives that increase awareness and knowledge on climate change impacts and management.

Carbon Disclosure

We have been responding to the CDP Climate Change Program for the past eight years and support the organization's endeavours to increase transparency and disclosure on climate change governance, risks and opportunities, management and performance. In 2018, both Power Corporation and Power Financial obtained a score of A (Leadership), earning a spot on the CDP A List, along with 127 other companies worldwide. Among the 2018 CDP respondents in the financial services sector, four of the five top ranked Canadian companies were members of the Power Corporation group.

Both Power Corporation and Power Financial, as well as our group companies Great-West Lifeco and IGM Financial, have responded to the CDP's 2019 climate change questionnaire.

Read our response
to the CDP's questionnaire



[2019](#)



[2018](#)



[2017](#)



[2016](#)



[2015](#)



[2014](#)

Highlights from our Group Companies

As part of our strategy, we also 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 and hold dear to their hearts.

Great-West Lifeco examples include the International Institute for Sustainable Development and the Prairie Climate Centre, which facilitates cutting-edge climate research and policy recommendations, helping governments, businesses and community members understand the impacts of climate change and respond effectively. **IGM Financial** examples include the *Manitoba Race to Reduce* and the *Winnipeg Commuter Challenge*.

SUSTAINABLE AND RENEWABLE ENERGY

We invest in the sustainable and renewable energy sector through our wholly owned subsidiary **Power Energy**, which actively manages investments in the sustainable and renewable energy sector with the goal of building and owning, over the long term, companies that can generate growing and stable cash flows. Power Energy invests in companies that benefit from the global energy transformation and has invested in companies that develop, own and operate solar, hydro and wind generating assets in North America as well as in leading manufacturers of sustainable technologies.



Power Energy currently holds investments in four companies:

- Potentia Renewables – a renewable energy generation company, active in the solar and wind sector in North America and the Caribbean
- Nautilus Solar Energy, a leading U.S. solar developer and asset manager focused on distributed and utility-scaled generation solar projects

- Lumenpulse – a leading manufacturer of high-performance, specification-grade LED lighting solutions
- Lion Electric – a manufacturer of zero-emission vehicles sold throughout North America

CLIMATE SOLUTIONS

Imerys is committed not only to the management of emissions related to its operations but also to innovation of solutions at the service of a low-carbon economy, and as such supports customers in this transition. To this effect, Imerys is conducting studies of its products portfolio to determine their carbon footprint. These studies serve a dual purpose of providing complete and transparent information to customers and giving the group an improved visibility over the impacts linked to specific products or facilities, which is a precursor to initiating any eco-design approach. In 2018, Imerys calculated approximately 20 product carbon footprints, from cradle to gate. These study results were shared with customers to help encourage downstream efforts to calculate product impacts and differentiate Imerys products from other competitors' higher carbon solutions.



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 long-term and sustainable 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. Such paper has earned responsible forestry certification through the Sustainable Forestry Initiative (SFI) and/or the Forest Stewardship Council (FSC).
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 Corporation'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

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.

GWL Realty Advisors actively engages its suppliers to encourage the use of sustainable products and services in the operation and development of its assets under management.

IGM Financial is determined to extending its environmental, social, and governance commitments to its purchasing decisions. The standards of business conduct detailed in its Supplier Code of Conduct set the bar for the companies with which they do business and their extended supply chain. Through its Code, IGM Financial communicates its principles regarding conduct relating to business dealings, protection of corporate information, labour and human rights, and the environment.

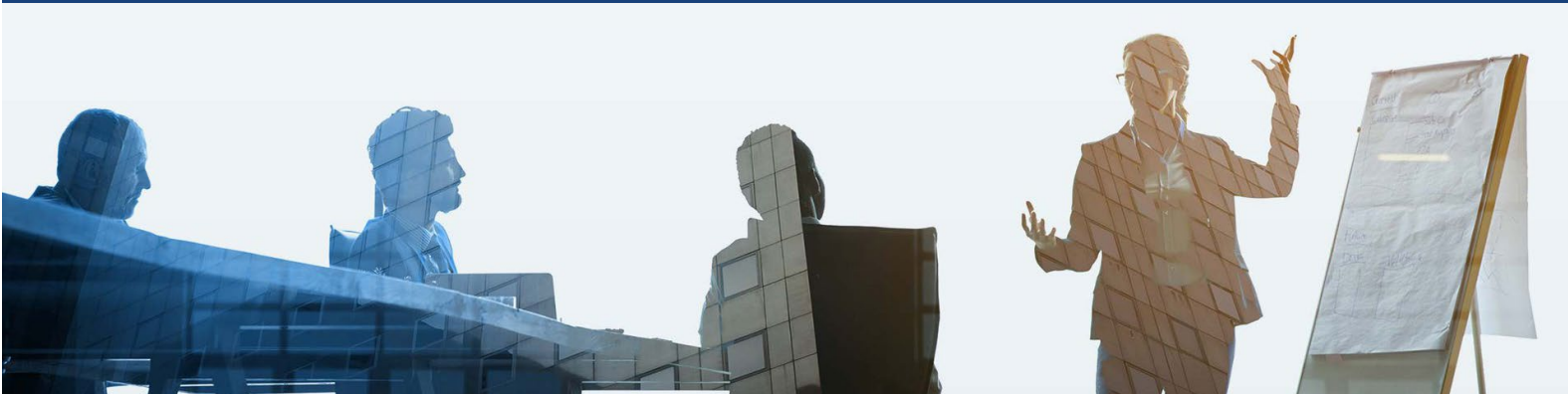
Imerys expects its business partners and suppliers to adhere to the same high standards as its own business operations. In fact, Imerys' Supplier ESG Standards, which are primarily based on the 10 United Nations Global Compact principles, are applicable to all their suppliers, who must formally acknowledge and comply with them. These are considered a prerequisite for doing business with the group and form an important part of their purchasing policy.

SUSTAINABLE PAPER

IGM Financial continually seeks opportunities to reduce paper used for communications, marketing, reporting, and other business operations. The company also looks for ways to increase the use of recycled paper and paper from responsibly managed forests; 100 per cent of their office paper used in photocopiers and printers is from responsibly managed forests. All photocopiers are also pre-programmed to print double-sided and track usage to determine priorities for paper reduction projects.



POWER CORPORATION
OF CANADA



Measuring our Environmental Performance

In order to evaluate how well we are doing in achieving our environmental objectives, we measure our performance by monitoring various indicators. The selection of these indicators is informed by several elements, including the Global Reporting Initiative (GRI) Standards and requests made by stakeholders, such as the CDP, FTSE4Good and other ESG research organizations.

Data Reporting and Assurance

The environmental data reported in the document below is for the calendar years ended December 31, and is consolidated based on a financial control approach, which includes our major subsidiaries Power Financial, Great-West Lifeco and IGM Financial, as well as our wholly owned subsidiary Square Victoria Real Estate.

We conduct internal and external quality checks to ensure the accuracy of the data reported. To date, our environmental data related to GHG emissions has been verified to a limited level of assurance in accordance with the International Standards on Assurance Engagements 3410, Assurance Engagement on Greenhouse Gas Statements (ISAE 3410), issued by the International Auditing and Assurance Standards Board. For more specific information on our environmental data please refer to the referenced footnotes.



[View Data Supplement](#)

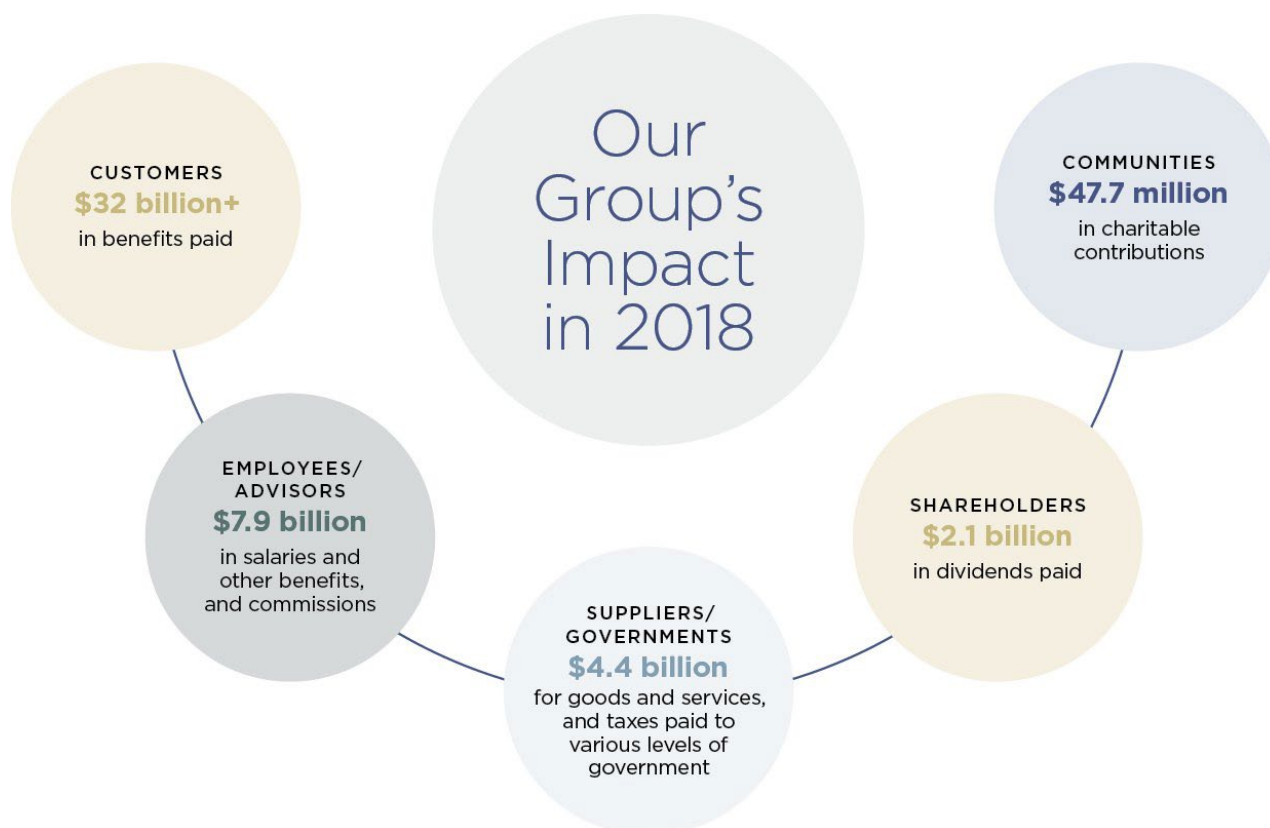


POWER CORPORATION
OF CANADA



Shared Value Creation

At Power Corporation, we firmly believe that for our business to prosper, so too must the societies within which we live and work. Employing diverse and talented people and investing in high-quality and responsibly managed businesses is helping us build and strengthen our business for the future, while enabling more sustainable outcomes for our customers, communities and people.



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

As a company in the financial services industry, we understand that we manage our clients' savings and investments and guide them in building their futures and their families' security and confidence. We take this responsibility very seriously and believe that in creating indirect financial benefits for customers of our group companies, we represent a positive force in society. We effectively enable these customers to manage their retirement and healthcare needs, accumulate wealth and achieve financial security through prudent investments and, through providing financial advice, help 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. In 2018, \$2.1 billion of dividends were paid to our shareholders and to those of our main subsidiaries, Power Financial, Great-West Lifeco and IGM Financial. Major pension funds, mutual funds and insurance companies being amongst our shareholders, these dividends benefit millions of individuals who rely on them for their income.

Employees

We depend on the people in our group of companies for the success of our business. Together with our subsidiaries, we employ approximately 30,000 diverse and talented people, many of whom fulfill 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. Also, our investments in training and new technologies continue to develop local talent and the intellectual capital of our people. In 2018, together with our main subsidiaries, we paid out \$7.9 billion in employee salaries and other benefits, and commissions. 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 in which we operate. We believe that philanthropy is a critical ingredient in the success of our communities, which is why we donate generously, and we encourage our employees to be involved and to give of their time to charitable causes they hold dear. 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 and Governments

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.

We, at Power Corporation, and including our subsidiaries Power Financial, Great-West Lifeco and IGM Financial, made \$4.4 billion in payments to suppliers and various levels of government in 2018, generating indirect benefits for all the companies in our supply chain and enabling governments to benefit from personal taxes paid by our employees and through the corporate taxes levied on our suppliers.

Communities

Improving the financial, physical and mental well-being of Canadians is our group companies' purpose and guiding light. We hold dear the responsibility we have towards the communities in which we operate, which is why being active in our community is a natural extension of our will to generate a positive impact in the life of Canadians. Giving back and helping build stronger communities is a shared value across our group companies and amongst our employees at all levels.

Over the past ten years, through donations and investments, Power Corporation has contributed to more than 1,200 organizations working in the areas of community development, arts and culture, the environment, education and health. As an investor, we value the vibrant entrepreneurship that permeates the voluntary sector. We are particularly drawn to smaller initiatives that provide a broad social benefit because of their entrepreneurial, innovative approach. These innovative "social" entrepreneurs are dedicated and professional, and greatly deserving of our support.

Power Corporation's community investment microsite, [Power Corporation in the community](#), showcases some of the exceptional work being done by the organizations we support.

Power's group companies also work diligently to make a difference in the communities they serve, through their respective community programs and initiatives, as well as employee volunteering activities and workplace campaigns.

Through its *Stronger Communities Together* program, **Great-West Life** addresses issues and trends at the national, regional and local levels in Canada, focusing on five major pillars: education, health and wellness, arts and culture, social services and community development. Recognizing its employees' leadership and commitment towards communities across Canada, Great-West Life also encourages them to volunteer, providing financial support and contributions that add to the impact of their collective efforts. In 2018, Great-West Lifeco contributed \$13.3 million in community funding across Canada, supporting over 700 community-based initiatives, and its employees raised \$2.2 million for charity.

Each of **IGM Financial's** operating companies implements its own philanthropic programs, supporting local and national activities and organizations. Their community giving programs, each defined by detailed guidelines, are a balance between centralized giving directed from their corporate head offices and decentralized decisions made by their employees. Their combined donations in 2018 totalled \$9.7 million, benefiting more than 1,300 community organizations.

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 per cent of pre-tax domestic profit to charitable causes. In 2018, as a group, **Power Corporation** and our subsidiaries **Power Financial**, **Great-West Lifeco** and **IGM Financial** made a total of \$47.7 million of charitable contributions to approximately 2,000 community organizations in Canada alone. We are helping to break down barriers to social inclusion, while contributing to better health and education, community development, environmental protection, and access to arts and culture.

This impact is multiplied through the active involvement of our employees, whom we encourage to volunteer for causes that speak to them. Our officers and employees are also very active in both charitable giving and volunteering. In fact, many of our officers and employees also sit on the boards of the non-profit organizations they support.

In addition, in 2018, **Groupe Bruxelles Lambert** made a total of \$1.4 million in community investments, contributing to 67 different projects in scientific and medical research, culture and education.



POWER CORPORATION
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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. Our group companies protect and improve the long-term financial position of individuals and offer programs to help them manage their healthcare needs. By the very nature of our group companies, our activities are aligned with the [Sustainable Development Goals](#) and create social and economic prosperity.

With more than 31 million customer relationships globally, 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.

A 2016 report released by the Center for Interuniversity Research and Analysis of Organizations (CIRANO), [The Gamma Factor and the Value of 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 3.9 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.

Having the knowledge, skills and confidence to make informed financial decisions is critical to the financial well-being of our clients. Through the innovative products and services provided by our operating subsidiaries Great-West Lifeco and IGM Financial, and by the fintech companies in which we invest, such as Wealthsimple, we are helping clients of all backgrounds plan for their long-term financial security and success.

Highlights from our Group Companies

FINANCIAL SECURITY AND RETIREMENT

Globally, **Great-West Lifeco** paid over \$32 billion to customers in 2018. Great-West Lifeco's Canadian companies helped families cope with loss, paying out more than \$2.5 billion in life insurance benefits in 2018 and providing income for over 79,000 people who became disabled and could no longer work. It also helped over 30,000 employers provide benefits plans and 9,100 employers offer retirement savings plans to their employees. They also paid \$9.3 billion in benefits and made \$916 million of annuity payments, helping Canadians fund their retirement with a secure income stream.



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. They continue to evolve their products, services, support, and training so that their advisors can continue to enhance the financial well-being of their clients.

FINANCIAL INCLUSION

IGM Financial believes that the help of a financial advisor makes 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.



Under the banner of *IG Empower Your Tomorrow*, **IG Wealth Management's** sponsorship and community platform is designed to increase the financial confidence of Canadians in communities from coast to coast, aligning it with the company's overall vision of "inspiring financial confidence in Canadians." The platform focuses on building the financial confidence of those who stand to benefit the most from it – youth, seniors, new Canadians, and Indigenous Peoples. Tailored financial knowledge and resources are delivered to these groups through strategic community partnerships. As an example, 50 financial literacy workshops were delivered to over 1,300 seniors and Canadian newcomers through the Canadian Foundation for Economic Education/IG Wealth Management workshop series.

Great-West Lifeco was the first in Canada to announce a new flexible savings pilot program to help post-secondary graduate plan members focus on saving for the future while paying down their student loan debt. This program is aimed at reducing this financial obstacle, which often causes many to delay saving for retirement. It allows employers to match the member's student loan repayment with a corresponding contribution to their group retirement and savings plan. In 2018, the company was pleased to welcome Indigo as the first national employer in Canada to offer this program to their employees.

Great-West Lifeco continues to embrace technology and social media to reach Canadians with educational tools that can help them understand the benefits of retirement savings plans. While continuing to leverage its [smartpathnow.com](https://www.smartpathnow.com) website to offer free online learning for all stages of savings and retirement planning through games, calculators, videos and text-based learning about personal financial planning, Great-West is also piloting a new, goals-based investing tool that advisors can use with their customers to help ensure investments align with the individual's financial and lifestyle goals. Working with an advisor, clients will be able to benchmark and monitor the progress of their overall investment plan, specifically with regards to the targeted level of return and corresponding risk they need to be willing to accept, on average, to achieve their goals. A digital client portal will also be available, providing customers with easy-to-understand, real-time reporting on their portfolio's performance and their progress towards their financial goals.

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.



For **Great-West Lifeco's** Canadian operations, 2018 marked its fifth year of commitment as the national sponsor of the Chartered Professional Accountants (CPA) of Canada's suite of outreach educational programs that are helping meet the financial literacy needs of community organizations, underserved groups like new Canadians and Indigenous Peoples, post-secondary students and individuals of all ages. Since becoming the national program sponsor in 2014, Great-West Lifeco has provided almost \$1 million in support to the charitable program. In 2018, CPA Canada reported that more than 75,000 Canadians accessed digital resources and 2,280 no-fee workshops in 35 financial literacy programs, including five new ones. Examples of the program's initiatives include school programs to teach students basic concepts and skills through interactive activities and case studies, or a community session helping seniors to better manage their finances in retirement and protect themselves against fraud.

IGM Financial demonstrates its commitment to financial confidence through the activities of **IG Wealth Management**, which since 1995 has contributed more than \$4.1 million to support and promote financial literacy programs for Canadians.

IG Wealth Management's ongoing collaboration with the Canadian Foundation for Economic Education (CFEE) continued to make a real contribution in 2018 to improving financial literacy of youth and their parents. The company still supports CFEE's *Building Futures* program, which helps provinces integrate financial education into the core curriculum for grades 4 to 10. *Building Futures* leverages the popular guidebook *Money and Youth: A Guide to Financial Literacy* aimed at high school students and produced by CFEE with funding from IG Wealth Management. *Money and Youth* was also made available as an e-book for increased accessibility. With support from IG Wealth Management, more than 500,000 copies are in circulation in schools and households, helping to improve the financial literacy of Canadian youth. It also supported new courses as they were developed for the high school level, including lesson plans and workshops for teacher professional development.

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 2018, the company funded more than \$3.5 billion in new private debt and commercial mortgages across Canada.



Great-West Lifeco is also a founding investor of the newly launched Canadian Business Growth Fund aimed at fostering innovation. Funded by Canada's leading banks and insurance companies, the Fund will invest in Canadian entrepreneurs and provide businesses with the capital they need to grow domestically and globally. An advisory network has also been created to provide mentorship to help these businesses to achieve their full growth potential and write the next generation of Canadian business success stories.

Through its subsidiaries **GLC Asset Management** and **Putnam**, 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.



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About this website

Objective

This website is intended to provide our stakeholders with select information concerning Power Corporation's 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) Standards, 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 - Power Financial, Great-West Lifeco and its subsidiaries, IGM Financial and its subsidiaries, as well as Square Victoria Real Estate, Pargesa, Groupe Bruxelles Lambert (GBL), Imerys, the Sagard Funds and Wealthsimple.

Timing of Reviews

The content of this website was last reviewed and updated in August 2019. The qualitative information covers content up until the last content review, while the quantitative information reflects the calendar year 2018. 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 Corporation, please consult our website at: www.powercorporation.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, including the fintech strategy, 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, fluctuations in interest rates, inflation and foreign exchange rates, monetary policies, business investment and the health of local and global equity and capital markets, management of market liquidity and funding risks, risks related to investments in private companies and illiquid securities, risks associated with financial instruments, changes in accounting policies and methods used to report financial condition (including uncertainties associated with significant judgments, estimates and assumptions), the effect of applying future accounting changes, business competition, operational and reputational risks, technological changes, cybersecurity risks, 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.powercorporation.com or at www.sedar.com.

Abbreviations

The following abbreviations are used throughout this website: Canada Life (The Canada Life Assurance Company); CSR (Corporate Social Responsibility); ESG (environment, social and governance); GBL (Groupe Bruxelles Lambert); GHG (greenhouse gas); Great-West Lifeco (Great-West Lifeco Inc.); Great-West Life (The Great-West Life Assurance Company); GWL Realty Advisors (GWL Realty Advisors Inc.); IGM Financial (IGM Financial Inc.); IG Wealth Management (Investors Group Inc.); Lion Electric (The Lion Electric Co.); London Life (London Life Insurance Company); Lumenpulse (Lumenpulse Group Inc.); Mackenzie Investments (Mackenzie Financial Corporation); Nautilus Solar Energy (Nautilus Solar Energy, LLC); our Code (Code of Business Conduct and Ethics); our Third Party Code (Third Party Code of Conduct); Pargesa (Pargesa Holding SA); Potentia Renewables (Potentia Renewables Inc.); Power Corporation or the Corporation (Power Corporation of Canada); Power Energy (Power Energy Corporation); Power Financial (Power Financial Corporation); Putnam or Putnam Investments (Putnam Investments, LLC); Sagard Holdings (Sagard Holdings ULC); Sagard Europe, Sagard Holdings and Sagard China (Sagard Investment Funds or Sagard Funds); SDGs (Sustainable Development Goals); UNGC (United Nations Global Compact); Wealthsimple (Wealthsimple Financial Corp.).