



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 2018 and contained qualitative information that covered content up until such date and quantitative information that reflected the calendar year 2017.

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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Table of Contents

Responsible Management

[Overview](#)

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

[Our Commitments](#)

→ [Code of Business Conduct and Ethics](#)

→ [CSR Statement](#)

→ [United Nations Global Compact](#)

→ [Responsible Procurement](#)

[Governance](#)

→ [Human Rights](#)

→ [Anti-Corruption](#)

→ [Diversity](#)

→ [Reporting Concerns Mechanisms](#)

[Stakeholder Engagement](#)

→ [Engagement Methods](#)

[CSR Priority Issues](#)

[Achievements and Commitments](#)

[Measuring our Governance Performance](#)

[Sustainable Development Goals](#)

[Reporting](#)

→ [Reports](#)

[Recognitions](#)

Investing Responsibly

[Overview](#)

[Investment Process](#)

[Sustainable Products and Services](#)

Empowering People

[Overview](#)

[Talent Development and Engagement](#)

[Diversity and Inclusion](#)

[Health, Safety and Well-Being](#)

Environment

[Overview](#)

[Environmental Policy](#)

[Energy and Carbon Efficiency](#)

[Climate Adaptation](#)

[Green Procurement](#)

[Measuring our Environmental Performance](#)

Shared Value Creation

[Overview](#)

[Financial Well-Being and Economic Prosperity](#)

[About this website](#)

[Legal](#)



POWER CORPORATION
OF CANADA

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, communications 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
OF CANADA



Responsible Management: Our Commitment to Corporate Social Responsibility

Welcome to Power Corporation's website on Corporate Social Responsibility.

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, communications 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 where we operate.

AS AN INVESTOR

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

[Learn more](#)

AS AN EMPLOYER

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

[Learn more](#)

AS A CONTRIBUTOR TO COMMUNITIES

An intrinsic tenet of our responsible management philosophy is to be good corporate citizens, 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.



POWER CORPORATION
OF CANADA



Power Corporation: Strengthening our Responsible Management Commitment

While the first responsibility of business is to be profitable and sustainable, we have long believed that business must also play a role within the broader society in which it operates. 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 where 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, treating their employees fairly and providing them opportunities for advancement. They consistently demonstrate integrity and high ethical standards. They also understand the need to protect the environment, as well as to contribute to economic prosperity, social well-being and quality of life in the communities where they operate.

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).

We welcomed the launch of the [United Nations 17 Sustainable Development Goals](#) (SDGs) in 2015. 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 2017, we:

- Reviewed and updated our [Code of Business Conduct and Ethics](#) to provide greater clarity on our commitment to

diversity, human rights and privacy. The revised Code was approved by our Board of Directors in March 2018;

- Compiled consolidated governance and environmental data and prepared a comprehensive CSR data table that was added to this site;
- Continued the deployment of our [Third Party Code of Conduct](#) with our key suppliers, consultants and business partners;
- Responded to the [CDP](#) for a sixth consecutive year, receiving a score of A- (Leadership). We are proud to highlight that among the 2017 CDP respondents in the financial services sector, four of the six top ranked Canadian companies were members of the Power group;
- Our environmental data included in our 2017 and 2018 CDP submissions was verified by PricewaterhouseCoopers;
- Published our third [Communication on Progress](#) as part of our UNGC commitment, our second 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](#);
- Prepared a [video](#) featuring four community-based organizations illustrating the vast array of causes supported by companies in our group, which was launched early 2018.

This CSR-dedicated microsite is a means of publicly documenting and disclosing our responsible management commitments, programs and performance. We strive to update it regularly and continue to enhance our disclosure, for instance by adding new relevant content. 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 are the underpinning of a successful, responsible business. 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.

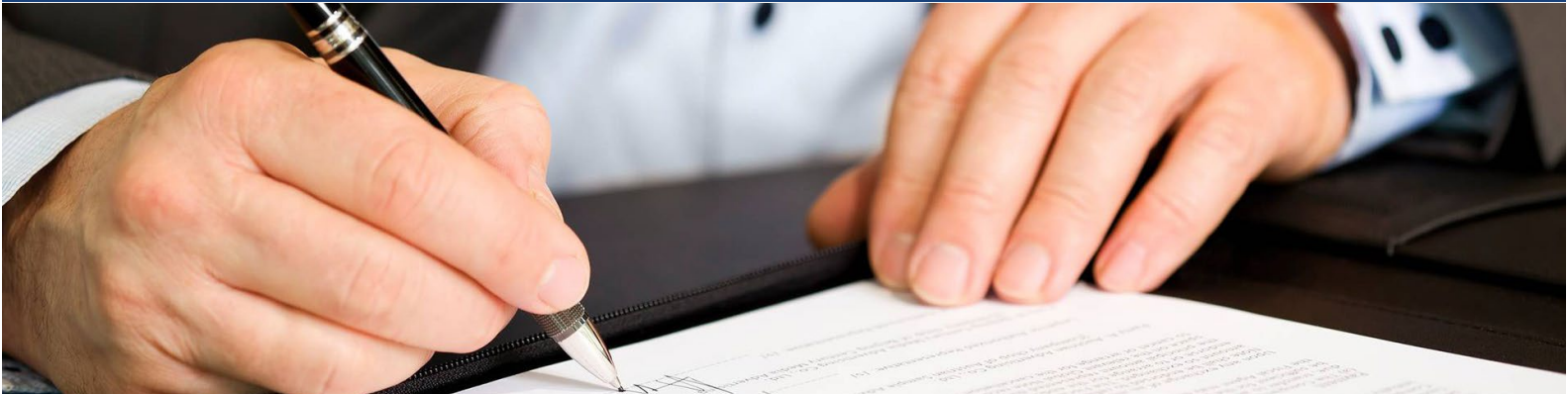
CHAIRMAN AND
CO-CHIEF EXECUTIVE OFFICER

André Desmarais

DEPUTY CHAIRMAN, PRESIDENT
AND CO-CHIEF EXECUTIVE OFFICER

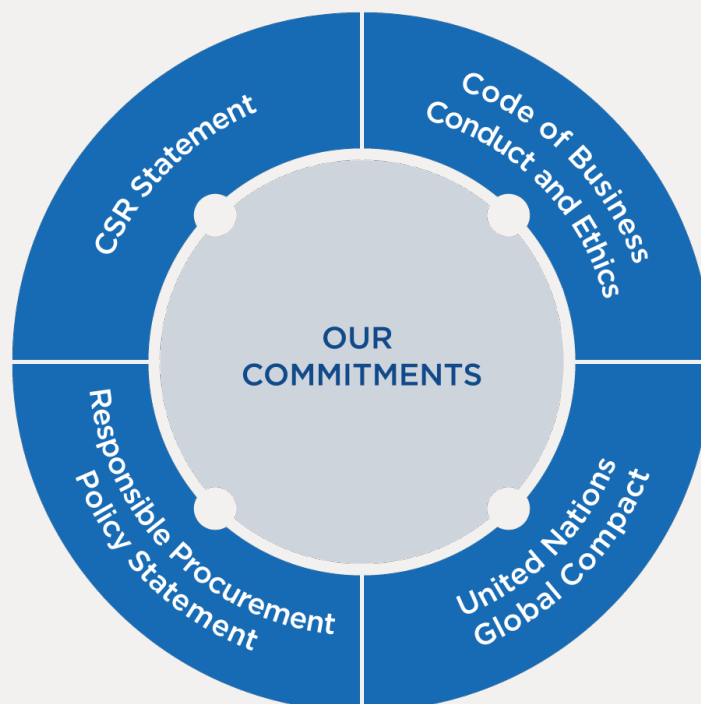


POWER CORPORATION
OF CANADA



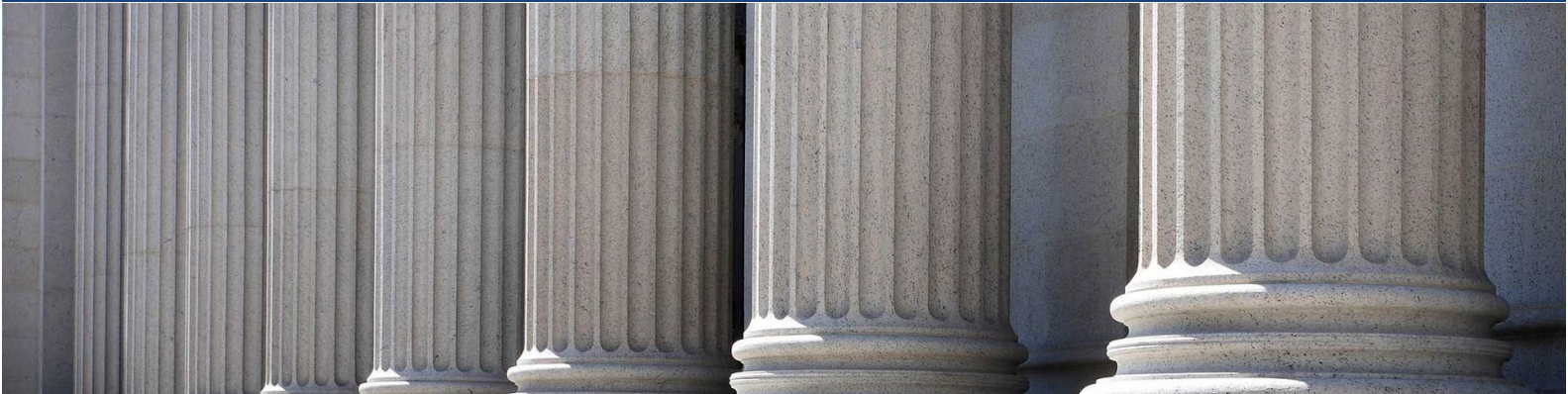
Our Commitments

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
OF CANADA



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 2017 and 2018, 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 were 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.

2017-2018 Achievements

- All our employees acknowledged compliance with the Code.
- No breaches of the Code were reported.
- Reviewed and updated our Code of Business Conduct and Ethics to provide greater clarity on our commitment to diversity, human rights and privacy;
- 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.

Code of Business
Conduct and Ethics



[Download](#)

Third Party Code of Conduct



[Download](#)



POWER CORPORATION
OF CANADA



CSR Statement

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

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

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

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

Meeting our Responsibilities

In addition to complying with applicable laws and regulations and meeting ethical standards in accordance with its [Code of Business Conduct and Ethics](#), Power 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. We are committed to continuing to make the Global Compact and its principles part of the culture and day-to-day activities of our business. These activities and strategies are presented in our Communication on Progress.



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. By carefully considering environmental, social and governance (ESG) factors in our business decisions, we are driving sustainable value in our operating businesses and investments, while enabling economic and social progress at large.

Responsible management has long been an intrinsic corporate 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. As a signatory to the UNGC principles since 2014, we are pleased to continue our commitment of support in 2018 in alignment with the UNGC Advanced Level Criteria, which includes the ten principles as well as the [United Nations 17 Sustainable Development Goals \(SDGs\)](#).

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, and to contribute to economic prosperity and to the communities where they operate. This is the essence of responsible management.

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. To demonstrate the progress we have made over the past year, our 2018 Communication on Progress has been prepared to provide information on the commitments, programs and performance of our group companies with the aim of advancing social and economic progress.

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



[2018](#)



[2017](#)



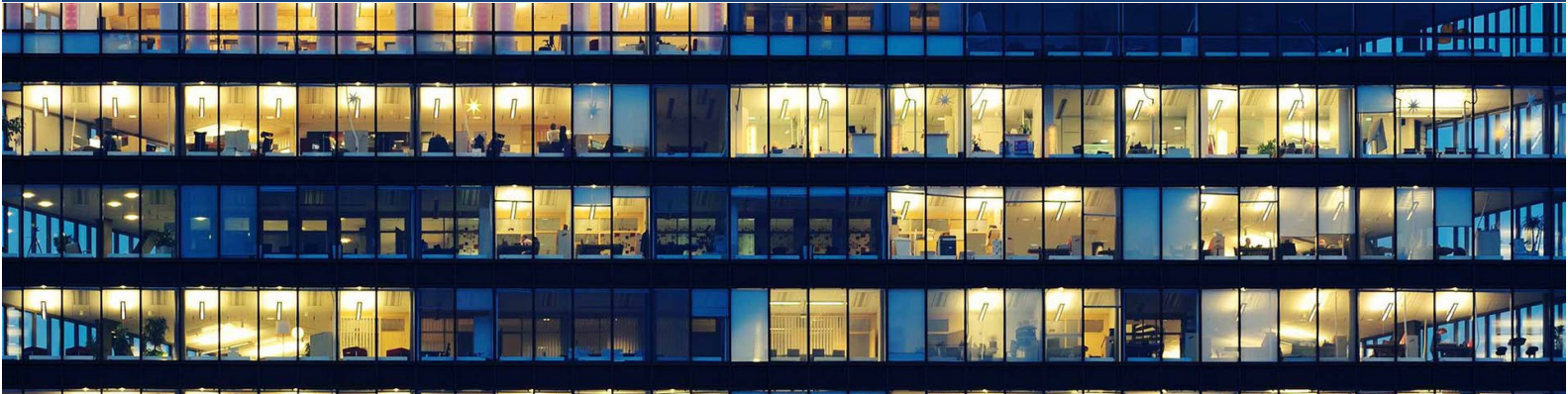
[2016](#)



[2015](#)



POWER CORPORATION
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Responsible Procurement

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

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

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

Our Responsible Procurement Policy Statement

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

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

- Report our progress on the implementation of our responsible procurement commitments.

Implementation

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

2017-2018 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](#)



POWER CORPORATION
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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. 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 maintains a [skills matrix](#) to assist with reviewing the skills and experience of director candidates and of the Board as a whole. The matrix includes industry-specific

and business experience, as well as other areas of expertise, such as public sector and corporate social responsibility, in order to ensure that the Board includes members with a broad range of complementary experience, knowledge and skills.

The Committee is also responsible for assessing the performance and effectiveness of the Board, Board Committees and individual Directors from time to time to ensure that they are fulfilling their respective responsibilities and duties. A general evaluation is conducted at least annually to assist in assessing the overall performance of the Board and the Board Committees in order to recognize areas for improvement. While the scope and focus of the review may vary from year to year, the review includes a confidential Board effectiveness survey, which is administered by our external legal counsel. The survey solicits feedback from the Directors on matters including the operation of the Board and its Committees, the adequacy of information provided to the Directors, Board structure and agenda planning for Board and Board Committee meetings. The aggregated, anonymous survey results are reviewed by the Governance and Nominating Committee and presented to the entire Board. Please refer to 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 2017, there were no CSR issues of concern to report to the Committee. For more information on the composition of the Board and its committees, please refer to the [Governance section of our corporate website](#).

Active Ownership

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

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

Risk Management


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

At the Power 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
OF CANADA



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 company. The Vice-President and General Counsel is responsible for providing oversight on our human rights commitments, as reflected in our CSR Statement.

Implementation

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

We engage with the senior management of our group companies, both formally and informally, and as needed, to ensure a proper understanding of how their management teams are addressing human rights when questions or issues arise. In addition to being strongly committed to respecting and supporting human rights, many of our group companies are taking a leadership position on human rights management programs.

Monitoring and Review

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

2017-2018 Achievements

- Reviewed and updated our Code of Business Conduct and Ethics to provide greater clarity on our commitment to diversity, human rights and privacy.
- Published our third Communication on Progress, the second one as 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.

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. In 2017, Great-West Lifeco launched a refined code that helps employees better understand their responsibilities. Their annual communication and online training program also 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.

Pargesa and its subsidiary **Groupe Bruxelles Lambert (GBL)** have both developed a CSR Statement highlighting their support and respect of internationally proclaimed human rights. 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.

Imerys supports human rights as defined in the Universal Declaration of Human Rights and requires that they are respected in its operations worldwide. To further formalize this commitment, Imerys became a signatory member of the United Nations Global Compact (UNGC). Imerys also integrates child labor and forced labor issues into its due diligence assessment for new projects and the scope of internal auditing missions for the group’s existing activities. Protocols on prohibition of child labor and forced labor have been in place at Imerys since 2009, and are used as the basis for internal audits.

In addition, Imerys also expects its business partners and suppliers to adhere to the same high standards. Therefore, in

2016, Imerys launched its supplier ESG standards, which are mainly based on the ten principles of the UNGC. Starting from its suppliers of more than €2 million spent at the divisional level, Imerys requested formal confirmation of compliance with the standards. At the end of 2017 these standards had been communicated to over 150 suppliers, of which 70 per cent have formally acknowledged receipt and confirmed compliance with, 25 per cent have provided comparable codes of conduct and the remaining have been assessed internally as presenting very low risk of non-compliance with Imerys' code.

INVESTMENT ANALYSIS

IGM Financial integrates human rights considerations in the investment process through the Investors Group Summa SRI™ Fund, one of the largest socially responsible investments funds in Canada. The Fund aims to provide moderate income and long-term capital growth by making socially responsible investments primarily in the Canadian equity markets. The Fund seeks to invest mostly in companies that have adopted progressive standards and practices towards the environment, human rights and other social issues. The Fund does not invest in companies whose revenues are mainly derived from alcohol, tobacco, gambling, pornography or critical weapons systems. This approach is appropriate for clients who look for investments consistent with their financial goals and personal values. The Fund uses third-party global SRI screening services to assist with the evaluation of companies against these socially responsible criteria and to assess suitability for inclusion in the Fund's investable universe.

In 2017, Mackenzie Investments also launched three 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 will provide Canadian investors with a solution that helps their investments have a positive environmental and social impact; and the Mackenzie Global Leadership Impact Fund and Mackenzie Global Leadership Impact ETF provide an opportunity to impact social and governance change through a focus on companies that promote gender diversity and the benefits of women in leadership.

The CSR Statements developed by **Pargesa**, **GBL** and 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. **Power Corporation**, **Great-West Life**, **London Life** and **Canada Life**, as well as **Investors Group** collectively made a significant commitment to the launch of the Canadian Museum for Human Rights.





POWER CORPORATION
OF CANADA



Anti-Corruption

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

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

Commitment

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

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

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

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

Implementation

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

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

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

Responsibility

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

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

2017 Achievement

- No violations related to corruption and bribery were identified.



Global Anti-Bribery Policy



[Download](#)



POWER CORPORATION
OF CANADA



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](#). 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 unlawful 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 and in consideration of diversity.

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
- In order to support the specific objective of gender diversity, ensure that appropriate efforts are made to include women in the list of candidates being considered for a Board position.

Monitoring and Review

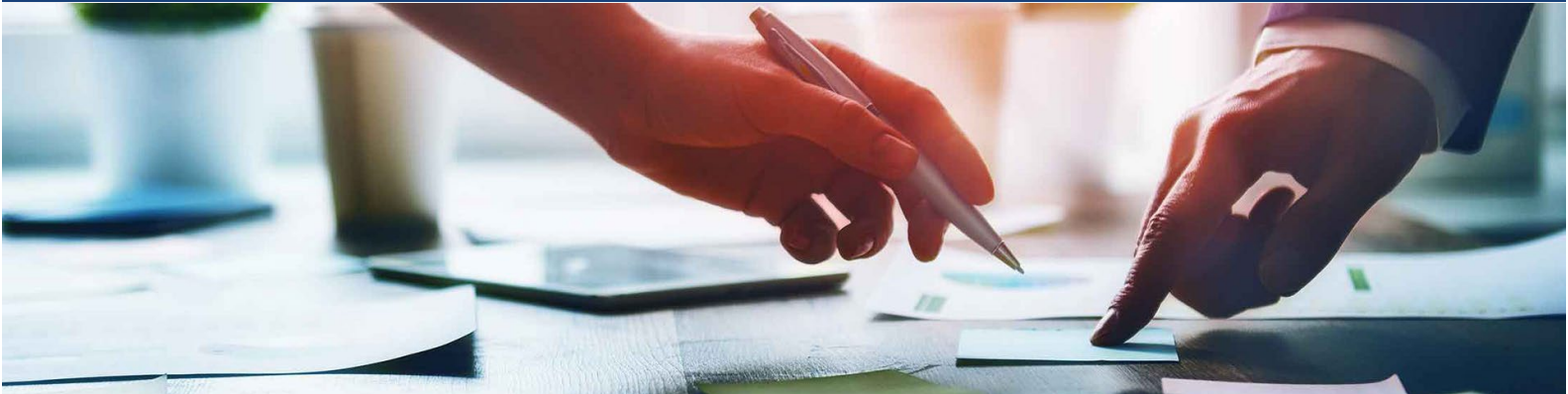
On an annual basis, the Governance and Nominating Committee of the Board, and the Co-Chief Executive Officers of the Corporation, assess the effectiveness of the Director and senior management nomination and selection process, respectively, at achieving the Corporation’s diversity objectives.

Diversity and Inclusion

 [Read more](#)



POWER CORPORATION
OF CANADA



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.

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 in a fair and timely manner. 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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Stakeholder Engagement

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

Process of Engagement

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

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

Addressing CSR Interests

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

| What We Heard | How We Responded |
|--|--|
| Improve disclosure on climate change management and performance | We provide information on our climate change management and performance through our public response to the CDP questionnaire . We have been recognized for our efforts and have continued to |

demonstrate strong performance within the Canadian financial services sector. In order to continue enhancing our disclosure, our 2016 and 2017 GHG emissions, reported and referenced in our 2017 and 2018 CDP submissions, were externally verified.

Strengthen commitment to human rights

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 2017 and 2018, 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](#).

We also engage with our group companies on their human rights commitments to inform our management approach.

Formalize commitment to environmental management

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

Improve disclosure on corporate social responsibility programs

We have continued to update this CSR website in alignment with international standards to better inform our stakeholders of our governance, strategy, programs and performance. In 2017, we have begun compiling consolidated governance and environmental data and prepared a comprehensive CSR data table that was added to 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
OF CANADA



Engagement Methods

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

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 regular 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 2017, 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 | Engagement Focus |
|---|---|
| Ongoing engagement on a broad range of interests. | <p>Shareholders express a broad range of interests in the context of our annual shareholder meetings. In 2017, topics ranged from additional disclosure of voting results to senior executive compensation.</p> <p>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.</p> <p>From time to time, shareholders may raise specific topics, typically through letters addressed to our senior management team.</p> |

| EMPLOYEES | |
|---|---|
| Frequency and Approach | Engagement Focus |
| Ongoing engagement through various feedback mechanisms, training programs, and performance reviews. | 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 | Engagement Focus |
| Ongoing engagement with suppliers and contractors to influence the provision of products and services for our business. | 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

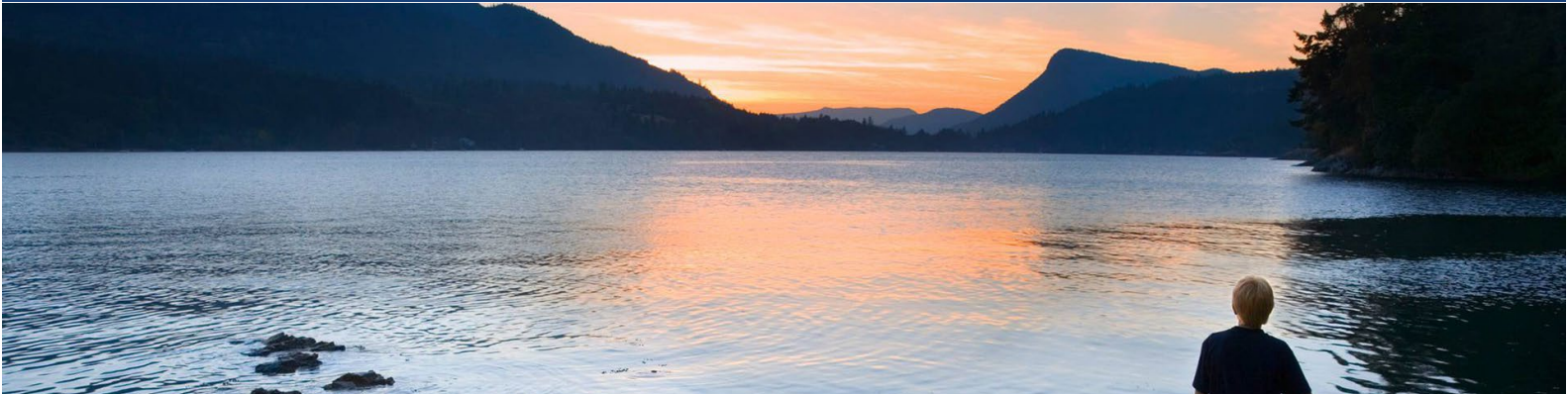
Ongoing dialogue with a globally diverse range of investment organizations and CSR rating organizations.

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
OF CANADA



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 were taken into consideration to define our corporate social responsibility priorities:

- Generate long-term, sustainable growth;
- Enable new revenue streams from investments that benefit both the business and society;
- Mitigate investment risks associated with environmental, social, economic and governance issues;
- Attract and retain a skilled workforce;
- Reflect the interests of our stakeholders and international standards, including the [United Nations Global Compact](#) and the [United Nations Sustainable Development Goals](#);
- Contribute positively to the communities where 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 2017, we confirmed the following priorities within five themes:

GOVERNANCE

- Anti-corruption
- Human rights

- Diversity of the Board and executive management
- Responsible procurement

INVESTMENTS

- Investing responsibly
- Sustainable products and services

EMPLOYEES

- Talent development and engagement
- Diversity and inclusion
- Health, safety and well-being

ENVIRONMENT

- Energy and carbon efficiency
- Climate change adaptation
- Green procurement

SOCIETY

- Shared value creation
- Financial well-being and economic prosperity



POWER CORPORATION
OF CANADA



Achievements and Commitments

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

GOVERNANCE

Priorities

Ensure 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.

2017-2018 Achievements

- Reviewed and updated our Code of Business Conduct and Ethics to provide greater clarity on our commitment to diversity, human rights and privacy.
- All employees acknowledged compliance with the Code of Business Conduct and Ethics and no breaches were reported.
- No violations related to corruption and bribery were identified.
- Compiled consolidated governance and environmental data and prepared a comprehensive CSR data table that was added to this site.

2018 Commitments

- Continue to report and engage with a number of CSR rating organizations.
- Pursue the continuous deployment of our Third Party Code of Conduct.
- Continue to share knowledge on CSR initiatives through regular group company meetings and implement working team meetings in between group committee 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. To date, the vast majority of them have attested their compliance to the requirements of our Code.
- Published our third 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.
- 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.

2017 Achievement

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

2018 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.

2017 Achievement

- Engaged with our main subsidiaries on available employee-related data and assess options to present consolidated information.

2018 Commitment

- Continue to work towards formalizing employee-related data compilation process across Power main subsidiaries with a view to create a data table specifically on employee-related data.

ENVIRONMENT

Priorities

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

2017-2018 Achievements

- Exceeded our target to reduce our consumption of natural gas and electricity at our head office properties by 8 per cent by 2020, using 2011 as a baseline¹.
- Decreased our consumption of natural gas and electricity at our head office properties by 20.6 per cent, using 2011 as a baseline.
- Responded to the CDP questionnaire for the seventh year, again using a financial control approach and rolling up data from Power Financial, Great-West Lifeco and IGM Financial. We obtained a CDP score of A- (Leadership) in 2017. Among the 2017 CDP respondents in the financial services sector, four of the six top ranked Canadian companies were members of the Power group.
- Our GHG emissions reported and referenced in our 2017 and 2018 CDP submissions were externally verified.
- Maintained green building certification through BOMA BEST® at our corporate head office.
- Continued to work towards achieving Leadership in Energy and Environmental Design (LEED®) certification (EB 2009) of our corporate head office buildings.
- Helped finance sustainable and renewable energy projects through our subsidiary Power Energy Corporation.

2018 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, going forward, we will be focusing our efforts on electricity and natural gas consumption at our head office properties, rather than on GHG emissions from these sources.

- Engaged with suppliers to procure sustainable products and services.
- No environmental incidents were reported.

SOCIETY

Priorities

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

2017-2018 Achievements

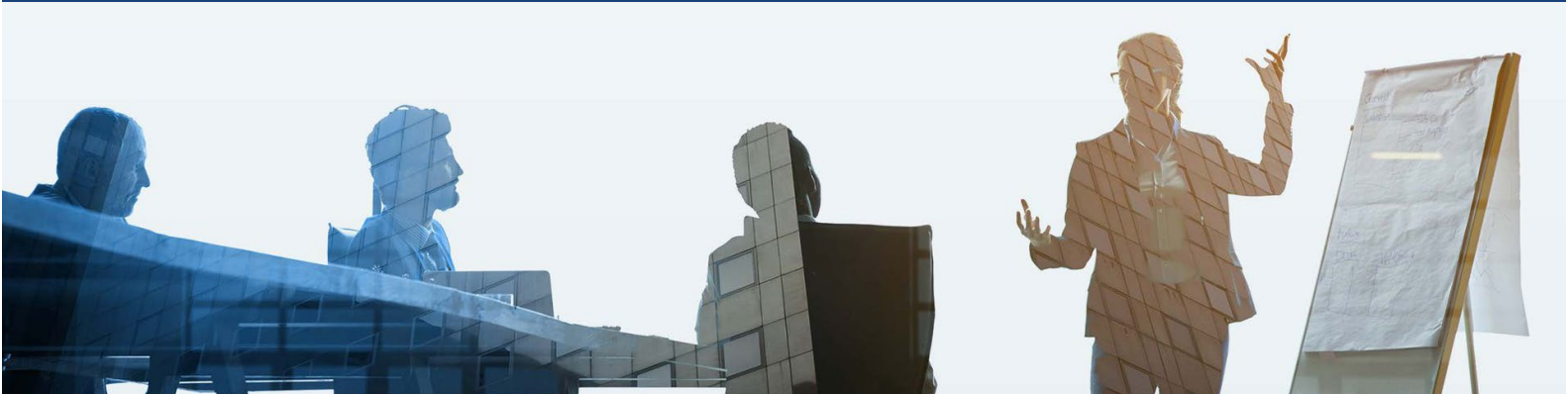
- Power Corporation and its group companies employed over 30,000 individuals and paid out \$7.5 billion in salaries and other benefits, and commissions, as well as \$4.7 billion in payments to suppliers and various levels of government. In addition, \$2.0 billion of dividends were paid to shareholders and \$48 million of charitable contributions were made in the communities in which we operate, supporting 2,000 community organizations in Canada alone.
- Launched a video featuring four community-based organizations illustrating the vast array of causes supported by companies in our group.

2018 Commitment

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



POWER CORPORATION
OF CANADA



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
OF CANADA



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

Having the knowledge, skills and confidence to make informed financial decisions is critical to the financial well-being of Canadians. 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 Canadians of all horizons plan for their long-term financial security.

In 2017, **Great-West Lifeco's** Canadian operations helped families cope with loss, paying out more than \$2.4 billion in life insurance benefits and providing income for over 78,000 people who became disabled and could no longer work. It also helped over 30,000 employers provide benefits plans and 9,000 employers offer retirement savings plans for their employees. In 2017, Great-West Life held \$109 billion in retirement and other investment holdings for Canadians, paid \$9.4 billion in benefits and 58 million health and dental claims, representing more than \$4.8 billion in health and dental benefits for plan members. It also made \$858 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 – including those in lower income ranges. Their mutual funds are available at very low investment minimums, making it possible to provide much-needed access to financial products and services to all households, regardless of income or wealth levels.

Through our subsidiaries, we invest in **Wealthsimple**, Canada's largest robo-advisor, which provides world-class, long-term investment management. An online portfolio manager, Wealthsimple offers services, such as 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.

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 greater understanding of mental health. In 2017, Great-West Life paid 58 million health and dental claims, representing more than \$4.8 billion in health and dental benefits for plan members.

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.

MENTAL HEALTH IN THE WORKPLACE

Great-West Life's [Centre for Mental Health in the Workplace](#), which celebrated its 10th anniversary in 2017, 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 an average of 15,000 visits every month.



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. Our group's 12,200 financial consultants and advisors provide our clients with financial advice and guidance, which is an important part of financial literacy. 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.

For **Great-West Lifeco's** Canadian operations, 2017 marked its fourth year of commitment as the national sponsor of the Chartered Professional Accountants 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. In 2017, the programs' volunteers provided objective, easy to understand information sessions on 35 topics to 50,000 Canadians. 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.

Investors Group continues to make a significant contribution to improving financial literacy of youth and their parents, having contributed \$3.9 million since 1995 to support and promote financial literacy programs for Canadian children and teens, including through its continued collaboration with the Canadian Foundation for Economic Education (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 for up-and-coming female leaders, focusing on education, inspiration and networking. 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.

At **IGM Financial**, the approach to Board and senior management diversity was formalized through a Diversity Policy, and, in 2018, female representation on the board of directors increased to 33 per cent and women comprised 28 per cent of the executive team, with women achieving 50 per cent of the promotions at that level. Both **Investors Group** 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 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.

In addition to setting up a *Women at Wealthsimple* employee group that meets regularly to listen to speakers and network, **Wealthsimple** has also partnered with #MovetheDial, an organization whose objective is to increase the participation and leadership of all women in tech. At the moment, about 30 per cent of Wealthsimple's 150 employees are women.



SDG 7

Affordable and Clean Energy

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

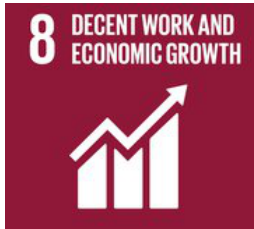
RENEWABLE ENERGY FINANCING

We are financing investments into 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 currently 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; Lumenpulse, a leading manufacturer of high-performance, specification-grade LED lighting solutions; Lion Electric, a manufacturer of zero-emission vehicles

sold throughout North America.

INVESTMENTS IN GREEN ENERGY PROJECTS

In 2017, **Great-West Lifeco's** Private Debt Investments group in Canada invested over \$880 million in renewable energy projects, which included wind, solar, and hydro energy projects, investments in publically-issued green bonds, as well as investments in transit-oriented and LEED-certified P3 projects.



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 more than 30,000 individuals and paid out \$7.5 billion in salaries and other benefits, and commissions in 2017. These funds flow through the economy, impacting the hundreds of communities in which our employees live and work.

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 business and governments to help create employment, fund research and development, and support infrastructure, healthcare, and renewable energy projects. In 2017, the company funded more than \$3.0 billion in new private debt and commercial mortgages across Canada.

Along with other major banks and insurance companies, **Great-West Lifeco's** Canadian operations also announced, in October 2017, the creation of the Canadian Business Growth Fund to foster innovation through investments in small- and medium-sized Canadian companies seeking long-term, patient and minority capital to finance continued growth. The fund will facilitate mentorship and access to talent pools and help these businesses achieve their full potential. It will also establish an advisory network to provide mentorship to help close some of the knowledge gaps preventing many mid-sized companies from achieving their full growth potential at home and globally.

REGISTERED DISABILITY SAVINGS PLANS

Investors Group 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. In 2017, assets under management within RDSPs grew significantly to over \$680 million.

SDG 11

Sustainable Cities and Communities

Make cities inclusive, safe, resilient and sustainable



GREENER REAL ESTATE

Great-West Lifeco's subsidiary, **GWL Realty Advisors**, is contributing to more safe, resilient and sustainable real estate assets. 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, 89 per cent of its eligible commercial portfolio by floor area is BOMA BEST® or LEED® certified, covering over 300 buildings across Canada. In addition, in 2017, all of **Great-West Lifeco's** Canadian corporate head offices were BOMA BEST® certified and targeting Gold level upon re-certification 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, including Great-West Lifeco's subsidiaries **GLC Asset Management Group**, **Putnam Investments** and **Irish Life Investment Managers**, and IGM Financial's subsidiaries **Investors Group** and **Mackenzie Investments**, integrating ESG factors into their investment processes, as a way to identify both risks and opportunities to enhance long-term returns for investors.

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

GREEN MORTGAGES

Investors Group offers mortgages that incentivize energy-efficient homes and renovations making them eligible for mortgage insurance premium savings.

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 2017 and in 2018, as part of our 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 2017, we were once again recognized for our efforts by the CDP, as were **Power Financial**, **Great-West Lifeco** and **IGM Financial**, all obtaining a score of A- (Leadership). We are proud to mention that among the 2017 CDP respondents in the financial services sector, four of the six top ranked Canadian companies were members of the Power group.

In 2017, **GWL Realty Advisors** continued to be recognized for its property management excellence, obtaining a Green Star ranking on the Global Real Estate Sustainability Benchmark (GRESB) for a third consecutive year, reflecting the work done to consistently improve its score by focusing on the sustainability and efficiency of its managed portfolio. Ranking number one in Canada, GWL Realty Advisors is also ranked among the top 8 per cent of 850 global real estate management firms.



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 **Investors Group**, 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 **Investors Group** 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. Both companies' charitable giving programs were established in 2006 and, in 2017, assets under management grew to over \$230 million. In 2017, the charitable giving funds provided 4,190 grants to charities totalling \$13.5 million. Since 2006, over 25,000 grants have been made, totalling \$59.1 million.



Content Scope and Global Reporting Initiative Alignment

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 2018. The qualitative information covers content up until the last content review, while the quantitative information reflects the calendar year 2017. Information contained on this website will be reviewed and updated on an annual basis or as deemed appropriate.



POWER CORPORATION
OF CANADA



Reports

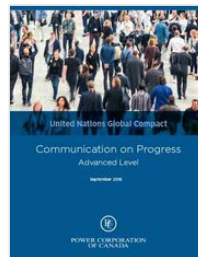
2018



RESPONSE TO THE
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2017



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RESPONSE TO THE
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DATA SUPPLEMENT



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2015



RESPONSE TO THE CARBON DISCLOSURE PROJECT



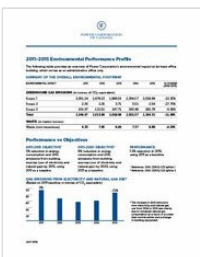
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COMMUNICATION ON PROGRESS - UNITED NATIONS GLOBAL COMPACT



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2011-2015 ENVIRONMENTAL PERFORMANCE PROFILE



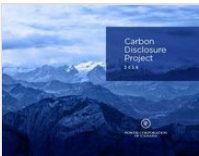
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RESPONSIBLE MANAGEMENT SECTION OF THE ANNUAL REPORT



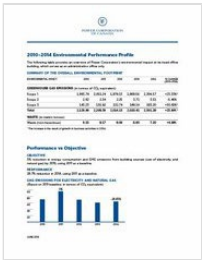
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RESPONSE TO THE CARBON DISCLOSURE PROJECT



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2010-2014 ENVIRONMENTAL PERFORMANCE PROFILE



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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 seven years and support the organization's endeavours to increase transparency and disclosure on climate change governance, risks and opportunities, management and performance. In 2017, both Power Corporation and Power Financial obtained a score of A- (Leadership).

IGM Financial reports to the CDP on their energy use and greenhouse gas emission performance. In 2017, it obtained a score of A- (Leadership) as part of the CDP survey, ranking in the top five financial services companies in Canada for the fourth year in a row.

Great-West Lifeco participated in the annual CDP Climate Change program for the sixth consecutive year. In 2017, Great-West Lifeco was once again recognized as a leader in carbon management, receiving an A- (Leadership) ranking

from the CDP and being the highest ranked Canadian insurance company on the CDP's annual list and among the top ten companies across Canada.

Among the 2017 CDP respondents in the financial services sector, four of the six 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, effective December 19, 2016. **IGM Financial** was added to the FTSE4Good Index Series in June 2016. All three companies were reconfirmed on the Index in 2017 and 2018.



IMAGINE
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**, **Investors Group** and **Mackenzie Investments** have also received the “Caring Company” designation in recognition for their generous contribution to their communities.



IGM Financial was ranked 10th in the 2018 Best 50 Corporate Citizens in Canada by Corporate Knights. The ranking acknowledges the work the company continues to undertake to be more public about its commitment and initiatives to advance its corporate responsibility practices.



In 2017, all of **Great-West Lifeco's** Canadian corporate head offices were BOMA BEST® certified and targeting Gold level upon re-certification in 2018. Throughout the year, **GWL Realty Advisors** continued to pursue its target of achieving green building certifications for all eligible properties. To date, 89 per cent of its eligible commercial portfolio by floor area is BOMA BEST® or LEED® certified, covering over 300 buildings across Canada.

It was also recognized at both national and regional levels for its sustainability-focused property management practices. In 2017, six awards were presented to properties managed by GWL Realty Advisors, relating to sustainability, staff, and operational excellence. Great-West Life's head office in Winnipeg won BOMA Manitoba's The Outstanding Building of the Year (TOBY) award, recognizing excellence in building management and a strong commitment to energy conservation and environmental sustainability.



In 2018, **Investors Group's** Investors Québec Enterprise Fund received the #8 ranking in the Canadian equity fund category of the Corporate Knights Better World 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 leading Canadian sustainability index, and was rated as one of the top performing Canadian diversified financial services companies by global environmental, social and governance research firm Sustainalytics.



In 2017, **GWL Realty Advisors** achieved a “Green Star” ranking from the Global Real Estate Sustainability Benchmark (GRESB) survey for a third consecutive year, reflecting the work done to consistently improve its score by focusing on the sustainability and efficiency of its managed portfolio. Ranking number one in Canada, GWL Realty Advisors is also ranked among the top 8 per cent of 850 global real estate management firms, up from the top 10 per cent in 2016.



In 2017 and 2018, **Great-West Life** was again named on the Forbes' Canada's Best Employers list. The ranking highlights 300 companies operating in Canada that have won the endorsement of their employees.

Mogul

In 2018, **Great-West Financial**, one of Great-West Lifeco's subsidiaries in the United States, was recognized as one of the Top 100 Innovators in Diversity and Inclusion by Mogul. Mogul highlighted that Great-West Financial celebrates diversity and inclusion through employee resources and mentorship and a flexible work-life balance for employees at all stages of their career. Mogul is a platform enabling women worldwide to connect, share information, and access knowledge from each other.



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

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

2017 Achievement

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

Highlights from our Group Companies

COMMITMENTS

Many of our group companies are signatories to the Principles for Responsible Investment (PRI), including Great-West Lifeco subsidiaries **GLC Asset Management Group**, **Putnam Investments** and **Irish Life Investment Managers**, and IGM Financial subsidiaries **Investors Group** and **Mackenzie Investments**, integrating ESG factors into their investment processes as a way to identify both risks and opportunities to enhance long-term returns for investors.



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

ESG INTEGRATION

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

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.

At **Irish Life Investment Managers (ILIM)**, a dedicated ESG resource oversees the company's responsibilities with respect to

responsible investing. They have also established an ESG 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 ESG policy and promotion of ESG considerations within the business. The company works with external research providers and other ESG-related services to analyze its fund companies to identify those with the highest exposure to sustainability risks and also to support its engagement activities, helping ILIM engage in a meaningful way with these companies. Since the inception of its engagement program in 2015, ILIM has contacted 82 companies across six themes including ESG risk management, climate change and human rights, with the objective to work with them to improve their overall performance in these areas.

In 2017, **Putnam Investments** established a sustainable investing team, as the firm moved to expand its ESG investment capabilities to further serve the institutional and retail marketplaces. Using a highly integrated approach across all of its investment platforms, the firm is committed to identifying and pursuing opportunities in the burgeoning ESG realm through the development and management of new investment strategies, driven by rigorous analysis of current and emerging market trends.

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.

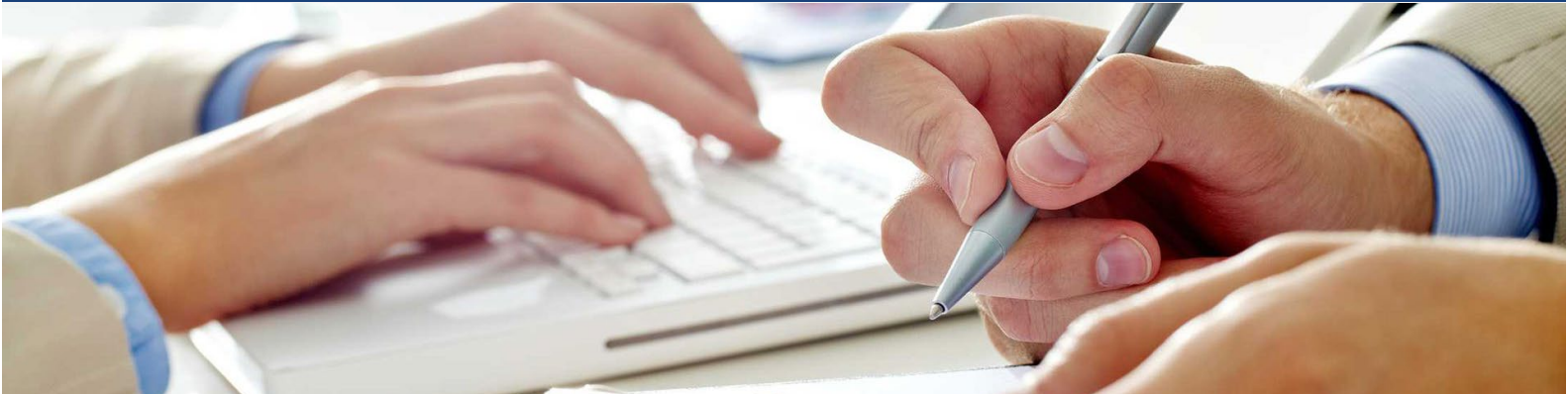
ACTIVE OWNERSHIP/PROXY VOTING

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 their investment processes. The company votes proxies in the best interests of its funds and engages in an active two-way dialogue to positively influence company approaches on ESG factors that are material and relevant for each specific circumstance. In addition, IGM generally adopts a policy of engagement over divesting a holding, believing that ownership enables them to contribute positively to the investee companies' ESG progress, while divestiture may not allow meeting this goal.

Irish Life Investment Managers monitors company boards for their performance on ESG issues and independence and will generally support shareholder proposals regarding disclosures on social, environmental and labour/human rights issues. In 2017, ILIM actively voted in over 4,400 meetings, with over 1,600 individual companies in 61 countries.



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

Given the mainstay of our investments are in financial services, we believe we represent a positive force in society by providing our customers with affordable and accessible life and health insurance, retirement savings programs, and a suite of investment products, including socially responsible investment funds. Our group's 12,200 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 a pilot program to help recent grads begin saving for their retirement sooner while at the same time paying down student debt, a new digital platform that provides customers with a consolidated view of their retirement savings, and an investment in a national financial literacy program in partnership with CPA Canada. With over 23,500 distribution associates across Canada, they are also helping Canadian families leverage the value of advice. In fact, households that worked with an advisor grew assets by nearly 4 times compared to non-advised households. 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.

In 2017, **Great-West Life** became the first national insurer in Canada to pilot a fully-bilingual virtual health care service called **Dialogue**. This virtual platform, available through web or mobile app, allows employees of participating group benefits plans to chat with a registered nurse or see a physician via secure video consultation, for various health and medical issues. It can be accessed from any location, seven days a week, saving hours of time typically spent waiting for in-person, non-urgent care. Power Corporation also invests in Dialogue through Power Financial and Diagram.

Along with other major banks and insurance companies, **Great-West Life** also announced in October 2017 the creation of the Canadian Business Growth Fund to foster innovation through investments in small- and medium-sized Canadian companies seeking long-term, patient and minority capital to finance continued growth. The fund will facilitate mentorship and access to talent pools and help these businesses achieve their full potential. It will also establish an advisory network to provide mentorship to help close some of the knowledge gaps preventing many mid-sized companies from achieving their full growth potential at home and globally.

In addition, **Great-West Life** is also committed to meeting the needs of all of our customers, and strives to provide their products and services in a way that respects the dignity and independence of people with disabilities. As such, all Great-West Life employees across Canada are required to participate in accessibility training, and accessibility training is part of the orientation process for new employees.

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

Wealthsimple, Canada's largest robo-advisor, in which we invest through our subsidiaries, provides world-class, long-term investment management. An online portfolio manager, Wealthsimple offers services, such as 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 more than 15 years, providing clients with a meaningful way to ensure their investments promote a high level of environmental sustainability, social responsibility and corporate governance. 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.

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 Group 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.

In 2017, **Mackenzie Investments** also launched three new funds designed to generate long-term competitive returns while supporting positive environmental, social and governance change. Mackenzie Global Sustainability and Impact Balanced Fund provides Canadian investors with a solution that helps their investments have a positive environmental and social impact; and Mackenzie Global Leadership Impact Fund and Mackenzie Global Leadership Impact ETF provide an opportunity to impact social and governance change through a focus on companies that promote gender diversity and the benefits of women in leadership.

Investors Group 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. The RDSP program, in conjunction with their products and services, enables them to help Canadians in a meaningful way. In 2017, assets under management within the RDSP grew significantly to over \$680 million.

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. In addition, fees for Wealthsimple's SRI portfolios are the same as for its non-SRI portfolios.

SUSTAINABLE PROPERTY MANAGEMENT SERVICES

GWL Realty Advisors, a wholly owned subsidiary of Great-West Lifeco, manages a multi-client portfolio of nearly 300 office, multi-residential, light industrial and retail properties in Canada, including the corporate campuses of Great-West Life, London Life and Canada Life. Sustainability principles are integrated into the management of these properties. In 2017, GWL Realty Advisors achieved a "Green Star" ranking from the Global Real Estate Sustainability Benchmark (GRESB) survey for a third consecutive year, reflecting the work done to consistently improve its score by focusing on the sustainability and efficiency of its managed portfolio. Ranking number one in Canada, GWL Realty Advisors is also ranked among the top 8 per cent of 850 global real estate management firms, up from the top 10 per cent in 2016.



In 2017, all of **Great-West Lifeco's** Canadian corporate head offices were BOMA BEST® certified and targeting Gold level upon re-certification in 2018. Throughout the year, GWL Realty Advisors continued to pursue its target of achieving green building certifications for all eligible properties. To date, 89 per cent of its eligible commercial portfolio by floor area is BOMA BEST® or LEED® certified, covering over 300 buildings across Canada.

It was also recognized at both national and regional levels for its sustainability-focused property management practices. In 2017, six awards were presented to properties managed by **GWL Realty Advisors**, relating to sustainability, staff, and operational excellence. Great-West Life's head office in Winnipeg won the BOMA Manitoba's The Outstanding Building of the Year (TOBY) award, recognizing excellence in building management and a strong commitment to energy conservation and environmental sustainability.

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

SUSTAINABLE AND RENEWABLE ENERGY INVESTMENTS

Power Energy, a wholly owned subsidiary of Power Corporation, actively manages investments in



companies that benefit from the global energy transformation and currently 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 these three companies:

- Potentia Renewables – a renewable energy generation company, active in the solar and wind sector in North America and the Caribbean
- Lumenpulse – a leading manufacturer of high-performance, specification-grade LED lighting solutions
- Lion Electric – a manufacturer of zero-emission vehicles sold throughout North America

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

PRODUCT SUSTAINABILITY

Responsible product management contributes to the development of sustainable business opportunities for **Imerys**. The technological expertise within Imerys enables the group to be in an excellent position to continuously improve the process efficiency and production methods of its operations. At the same time, the group's innovation capacity together with its awareness of global megatrends will enable the group to harness opportunities for minerals' development, taking due consideration of the environmental footprint and sustainability of products in collaboration with different stakeholders.



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 55 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 more than 30,000 people and has 12,200 advisors 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 progressive development and performance reward programs.

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

Our Commitment

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

Programs

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

| Talent Development Focus | Programs |
|--------------------------|---|
| Building Leadership | Skills development programs are offered through relevant internal |

| | |
|--|--|
| Capabilities | <p>and external training sessions stressing specific competencies and job responsibilities, including professional development, continuing education courses, seminars and conferences.</p> <p>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.</p> <p>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.</p> |
| Creating a Responsible Management Culture | <p>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.</p> <p>Discussions are held on various sustainability-related topics at Board and management levels. Topics include sustainability awareness, responsible investing, carbon management disclosure, as well as reporting to rating organizations.</p> |
| Rewarding Performance | <p>Our performance and career management program focuses on three performance development pillars:</p> <ul style="list-style-type: none"> • 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. <p>We offer progressive compensation packages, comprised of a balance between fixed and variable remuneration programs and competitive pension, savings and benefits programs.</p> |
| Engaging Employees | <p>We engage employees through communications, training and awareness sessions.</p> <p>We encourage our employees to share their experience and expertise by getting involved with non-profit organizations of their</p> |

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.

In 2017, for the first time, all three of **IGM Financial's** operating companies partnered with Gallup® to deliver Gallup's Q12 employee engagement survey, which takes a holistic view of engagement and identifies areas of strength and opportunity. Employees are surveyed annually, and results are benchmarked against global organizations.

Being its fourth year participating in the Gallup® survey, **Mackenzie Investments** achieved an industry-leading engagement score of 4.18 out of 5. **Investors Group** and **Investment Planning Counsel** both participated for the first time in 2017 and are working on initial action plans to increase engagement.

Investors Group also conducted a culture assessment survey of all employees to gain a better understanding of the current culture and what is important to them in order to help guide decisions and inform future initiatives.

In 2017, **Imerys** launched its first global employee engagement survey "Your Voice". This survey was conducted confidentially and anonymously, offering employees the opportunity to express their position on a wide range of topics. The presentation of results was followed by the creation of working groups tasked with the elaboration of local action plans to focus on areas where potential improvements are needed, which will continue throughout 2018.

LEADERSHIP DEVELOPMENT

IGM Financial's operating companies offer a variety of in-house programs to support leadership skills:

- At **Investors Group**, all leaders are required to complete three mandatory training programs that cover policy knowledge, people skills, and an in-depth look at the company vision, values and commitments. Additional leadership development programs, focusing on experience-based learning, are offered. Senior leaders also attend leadership roundtables to build capabilities in the areas of strategy, critical thinking, innovation, and change. In 2017, Investors Group also launched a new podcast, *Inspire: Stories of Financial Confidence*, a platform to share and celebrate stories of success from its advisors and executive leadership.
- **Mackenzie Investments'** training includes an annual *Leadership Summit* for the company's top 125 leaders and a hallmark program for high-potential leaders, *LEADing at Mackenzie*, that features experience-based development through business challenge projects tackling real Mackenzie issues.

- At **Investment Planning Counsel**, training for leaders is tailored to their experience and seniority. The company is currently looking to introduce a Career Planning Centre to expand its leadership training programs.

At **Great-West Life**, senior leaders participated in development conferences and curriculums designed to align with their business priorities and strengthen their professional capabilities. New core programs were also launched for all employees, focusing on change leadership, building trust, driving employee engagement and coaching. In addition, one of Great-West Life's key focuses in 2017 was the design of simple online tools to support conversations between employees and leaders about performance and development, allowing them to focus on work that matters most.

Great-West Life and **Investors Group**, with support from **Power Corporation**, announced in May 2017 a new partnership with the University of Manitoba for the creation of the Institute for Leadership Development. This teaching and research institute will focus 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 2017, 6,000 Canadian employees participated in training and education programs such as continuing education, industry designation programs, in-house and custom programs, and leadership development. In total, 38,000 hours of training was offered through the eLearning platform. As part of its investment in learning and development, Great-West Life also offers to reimburse the cost of relevant continuing education for employees, up to \$2,000 annually.

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.

IGM Financial's operating companies provide tools and support to help employees shape their career paths, and grow and enrich their careers.

For instance, at **Investors Group**, in addition to external training opportunities, training is provided through the in-house Employee Development Centre to strengthen business and financial planning skills, career development, and health and wellness. In 2017, Investors Group hosted 107 learning programs through instructor-led and online delivery methods. The Investors Group Institute is also well known for its industry-leading training, which provides the company's advisors with the financial competencies and skills to run a successful business. In 2017, enhancements to the development program for new advisors were put in place with an increased emphasis on application of the company's financial planning standards, processes, and tools. The program was rebranded as the Field Mentoring Program to reflect the important role of field management as coaches and mentors for new advisors.

Leading Performance: Building Careers – a new approach to performance management designed to enhance employee engagement and performance – was piloted at **Mackenzie Investments** in 2017. Based on best practice research, the new program recommends that employee annual objectives be SMART (Specific, Measurable, Attainable, Relevant, and Time Bound) and aligned with the company's overall strategy, and that employees engage with their leader in ongoing performance and development discussions at least quarterly. By 2019, *Leading Performance* will be at both Mackenzie Investments and Investors Group to ensure a consistent approach for leaders with employees at both companies.

IGM Financial's operating companies also offer paid internship opportunities through partnerships with a number of educational institutions and professional designation programs. They see these internships as a way to develop a pipeline of future leaders and often lead to permanent employment within these operating companies. These programs also allow their employees to develop their mentorship and leadership skills as they work with the interns.

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.

Over the course of 2017:

- Imerys Learning Center provided 9,740 hours of training through 54 programs covering geology, finance, management, project management and industrial marketing performance.
- The e-learning platform "IM-Pulse", which hosts Imerys' entire training offer, was made accessible to 4,000 employees/managers. In 2017, the number of training paths offered in IM-Pulse increased significant from 33 to 100 and a total of 7,730 hours of e-learning were attended by 3,200 people.
- A total of 77 per cent of Imerys employees have benefited from at least one training program.
- Overall, a total of more than 340,000 hours of training have been provided across the company, representing an increase of 17% compared to the previous year.

In addition, to strengthen its teams and prepare to the next generation of managers, Imerys launched its *International Graduate Program* in 2015, an international program for recruiting and nurturing recent graduates. In 2017 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.

EMPLOYER OF CHOICE

In 2017, **Great-West Life** was again named on the Forbes' Canada's Best Employers list. The ranking highlights 300 companies operating in Canada that have won the endorsement of their employees.



POWER CORPORATION
OF CANADA



Diversity and Inclusion

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

Our Commitment

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

Programs

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

Diversity and Inclusion

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

- 17 per cent at the Power Corporation Board level
- 18 per cent at the executive officer level, including the Corporation's group companies

Through our [Code of Business Conduct and Ethics](#), we 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. We will not tolerate unlawful discrimination on the basis of, among other things, age, sex, sexual orientation, race, national origin, religion or disability.

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

Highlights from our Group Companies

COMMITMENTS

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

In 2017, **Great-West Life** also launched a Diversity Philosophy, a commitment to diversity and inclusiveness across its business. New initiatives helped foster an even more inclusive workplace culture in which all employees can feel fully engaged. These included new training initiatives, such as a workshop in Unconscious Bias at the Canadian Senior Leadership Forum, support to LGBTQ communities in Pride celebrations in its head office locations across Canada, a campaign featuring employees living with disabilities as a way to increase awareness of the International Day of Person with Disabilities.

On 2017's National Aboriginal Day, **Great-West Life** signed the Winnipeg Indigenous Accord, formalizing its commitment towards implementing the Aboriginal Truth and Reconciliation Commission's 94 Calls to Action. In 2018, it was joined by **Investors Group**, who also signed the Accord.

In 2017, based on the information gathered through a confidential and voluntary Diversity & Inclusion Survey, **IGM Financial** introduced a diversity and inclusion strategy, which helps enable its goal to be a leading, contemporary organization, driven by diverse and inclusive leadership. The strategy includes specific goals and initiatives to enable the upward mobility of women and other underrepresented groups. The IGM Financial Diversity and Inclusion Council guides the implementation of its Diversity and Inclusion strategy, including driving awareness and involvement.

In February 2017, our subsidiaries **Power Financial**, **Great-West Life**, **Investors Group** and **Mackenzie Investments** joined forces with other Québec financial firms to establish Inclusion, a philanthropic fund promoting openness, inclusiveness and equality. This new fund will support awareness and education programs in schools with a view to building inclusive living environments and promoting greater openness in young people to diversity in all its forms.

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 Charter outlines its commitment to achieving greater diversity, as well as its commitment to anti-discrimination and equal opportunities. Diversity plans and series of measures have been set up in most of the major countries since 2013. In that perspective, in 2017, Imerys launched a diversity and inclusion working group composed of representatives of different businesses and functions across the group. The purpose of this working group is to conduct research and analysis on diversity and inclusion across Imerys, to identify key drivers and challenges and propose concrete practices, including the necessary monitoring and review, to accelerate progress.

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.

For instance, **Investors Group** also focuses on diversity among its financial advisors, to better reflect Canada's diverse population. Investors Group enhanced its recruitment tools, creating videos and written profiles of people from a diversity of backgrounds who have achieved great success either as a consultant or in field management. Investors Group is also a supporter of the *Aboriginal Business Education Partners* (ABEP) scholarship program at the University of Manitoba and the Canadian Aboriginal Human Resource Management Association.

In 2017, both **Mackenzie Investments** and **Investment Planning Counsel** continued to support organizations that help immigrants to gain employment. Mackenzie has been a long-term supporter of the Toronto Region Immigrant Employment Council (TRIEC) Mentoring Partnership, providing opportunities for its employees to work with new immigrants seeking employment in Canada. Investment Planning Counsel also established partnerships with both the TRIEC and the Federal Internship for Newcomers (FIN) to build recruitment strategies for new immigrants.

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 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. Through AMIK, six people were hired in 2017 for positions in the Health & Dental Operations and Group Customer Contact Centre departments. Great-West Life is also providing support to Indigenous community programs, including Indspire's *Building Brighter Futures Fund* and the *Promoting Life Skills in Aboriginal Youth* (PLAY) program.

In 2018, **Great-West Financial**, one of Great-West Lifeco's subsidiaries in the United States, was recognized as one of the Top 100 Innovators in Diversity and Inclusion by Mogul. Mogul highlighted that Great-West Financial celebrates diversity and inclusion through employee resources and mentorship and a flexible work-life balance for employees at all stages of their career. Mogul is a platform enabling women worldwide to connect, share information, and access knowledge from each other.

In early 2018, **Wealthsimple** began surveying its employees to establish a diversity baseline against which it can assess progress.

Progress on diversity in the workforce and inclusion of people with disabilities continues at **Imerys**. In 2017, Imerys also had 242 employees with disabilities. Also, in 2017, nine workshops were held to raise awareness on the effects of implicit and/or unconscious bias and to help participants develop effective strategies for ensuring that such bias does not undermine Imerys' efforts to ensure a diverse and fulfilling workplace for all employees. A dedicated section on diversity and inclusion was created within the IM-Pulse e-learning platform, providing a wide range of practical resources and tools for divisions and

sites to use for training and awareness campaigns.

EMPOWERING WOMEN

In the recent years, **Great-West Life** has supported the launch of networking and mentoring groups to support the advancement of women in the organization. In 2017, these groups continued to create opportunities to bring relevant events to the employees focused on education, inspiration and networking, such as speed mentoring sessions, Lunch & Learn events and speaker series featuring compelling female role models. A new group, *Women @ GWL Toronto*, was also established in 2017.

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.

For the 2016-2017 period, 59 per cent of **IGM Financial's** employees are women, meeting the national average for the finance and insurance industries¹. Women comprised 28 per cent of IGM Financial's executive team, with women achieving 50 per cent of the promotions at these levels. At their Board level, 33 per cent of the directors are women, up from 6 per cent in 2015 – the year the Board diversity policy was established.

In 2017, **Mackenzie Investments** and **Investors Group** continued to offer *Taking the Stage*[®], a program for women focusing on the skills and tactics that drive leadership presence and effectiveness.

In addition to setting up a *Women at Wealthsimple* employee group that meets regularly to listen to speakers and network, **Wealthsimple** has also partnered with #MovetheDial, an organization whose objective is to increase the participation and leadership of all women in tech. At the moment, about 30 per cent of the Wealthsimple's 150 employees are women.

1. Statistics Canada, "Table 282-008: Labour force survey estimates (LFS), by North American Industry Classification System (NAICS), sex and age group," CANSIM (2016).



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 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.

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.

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

Great-West Life has various initiatives in place to address mental health matters amongst its employee base:

- Great-West Life's Wellness Services unit, which includes teams of nurses and support staff in Winnipeg, London, Regina and Toronto, provides physical care such as immunizations and screening programs, wellness education and counselling to employees and carries out ergonomic assessments and accommodations. The nurses also provide information, resources and advice on occupational health and safety issues.
- A key activity that took place across its offices in 2017 was the *Investing in Your Mental Wealth Challenge*, which attracted wide participation. Aiming to enhance resiliency and mental wellness, the challenge focused on key influencers of mental health, such as cultivating relationships and setting achievable goals for yourself.



- In 2017, the company participated once again in the Mental Health Week, held the first week of May as part of the *Not Myself Today* initiative, during which they provided resources to help employees learn about issues from stress management to tackling the stigma surrounding mental health.

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 2017, the Centre celebrated 10 years of encouraging awareness and knowledge of workplace psychological health and safety. 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 respond to mental health issues at work.

IGM Financial's three operating companies conduct regular confidential employee surveys which include many factors related to workplace psychological health and safety. The results from these surveys help guide enhancements to workplace programs. The companies provide their employees training, programs and regular communications to build tools to manage stress at work and at home, and to improve their health and personal performance. Confidential employee assistance programs, as well as short- and long-term disability programs, are also offered.

In 2017, **Investors Group** continued to build upon its enhanced wellness program, which focuses on four pillars: physical, mental, social, and financial wellness. Throughout the year, employees are offered training and resources to help them in all four areas. An employee-led Wellness Committee actively promotes and encourages healthy living for employees by providing support for wellness initiatives. For example, a weekly running club is a current initiative and in 2017, the committee hosted a 10-week fitness challenge and a "Motionball" activity day in support of Special Olympics.

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 safety and health system are achieved through various communication and training tools that include Safety Summits, Imerys Safety University, web seminars, a digital learning path, which covers Imerys Safety System and key programs amongst other topics, safety toolbox meetings and the Group Welcome Sessions for new managers.

In 2017 :

- A new safety awareness endeavour was launched in 2017 : the first *Imerys Safety Connect Day* focused on safe mobile equipment and pedestrian interactions and earmarked the launch of a powerful film narrated by the group Chairman and Chief Executive Office entitled "Hidden Dangers".
- The EHS Audit Team conducted approximately 30 comprehensive onsite EHS compliance audits across the group.
- A new Contractor Safety Management initiative was launched, which outlines a common and systematic approach for the selection, monitoring and continuous improvement of the health and safety performance of contractors and sub-contractors.
- Hours of training on environmental, health and safety increased by 19 per cent between 2016 and 2017.



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. We have established an environmental management system based on the Building Owners and Managers Association (BOMA) Go Green Certification Management System. Every three years, an audit is conducted to assess compliance with the management system criteria. This includes resource consumption, waste management and recycling, and materials management. Ongoing monitoring of these programs is conducted to continuously improve our performance.

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

2017-2018 Achievements

- Exceeded our target to reduce our consumption of natural gas and electricity at our head office properties by 8 per cent by 2020, using 2011 as a baseline¹.
- Decreased our consumption of natural gas and electricity at our head office properties by 20.6 per cent, using 2011 as a baseline.
- Responded to the CDP questionnaire for the sixth year, again using a financial control approach and rolling up data from Power Financial, Great-West Lifeco and IGM Financial. We obtained a CDP score of A- (Leadership) in 2017. Among the 2017 CDP respondents in the financial services sector, four of the six top ranked Canadian companies were members of the Power group.
- Our GHG emissions reported and referenced in our 2017 and 2018 CDP submissions were externally verified.
- Maintained green building certification through BOMA BEST® at our corporate head office.
- Continued to work towards achieving the Leadership in Energy and Environmental Design (LEED®) certification (EB 2009) of our corporate head office buildings.
- 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, going forward, we will be focusing 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. 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: 2018 CDP/Q.C4.1a/Abs 1*

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

Achievement

Decreased our consumption of natural gas and electricity at our head office properties by 20.6%, using 2011 as a baseline.

Steps Taken to Achieve our Objectives

Our corporate head office, which represents the majority of our operational footprint, has maintained its BOMA BEST® certification in 2017.

In 2017, our subsidiary Square Victoria Real Estate also continued to work towards achieving the Leadership in Energy and Environmental Design (LEED®) certification (EB 2009) for our Montréal office buildings.

Read our response
to the CDP's questionnaire



[2018](#)



[2017](#)



[2016](#)



[2015](#)



[2014](#)

Highlights from our Group Companies

CARBON PERFORMANCE

Great-West Lifeco has a strong commitment to minimizing its environmental impact, to reporting high-quality emissions data and reducing emissions across its operations. In 2017, the company strengthened this commitment by establishing long-term GHG emission reduction targets for its Canadian properties, specifically 27 per cent by 2025 and 50 per cent by 2036. 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, data centre optimizations and operational enhancements. Between 2013 and 2017, the company achieved a 17.7 per cent reduction in GHG emissions in its managed real estate portfolio.



Great-West Lifeco participated in the annual CDP Climate Change program for the sixth consecutive year and its 2018 submission included again its global operations. In 2017, Great-West Lifeco was once again recognized as a leader in carbon management, receiving an A- (Leadership) ranking from the CDP and being the highest ranked Canadian insurance company on the CDP's annual list and among the top ten companies across Canada.

IGM Financial is also committed to transparency and accountability on climate issues. As such, in 2017, IGM Financial obtained a score of A- (Leadership) as part of the 2017 CDP survey, ranking in the top five financial services companies in

Canada for the fourth 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, representing a 66 per cent reduction in Scope 1 and 2 GHG emissions from 2013 to 2017.

IGM Financial also significantly reduced its commercial travel in 2017 with the introduction of online training for new Investors Group advisors. In addition, following their decision, in 2016, to begin purchasing green fuel and carbon offsets, IGM Financial reduced the impact of commercial air travel by approximately 35 per cent in 2017.

SUSTAINABLE BUILDINGS

GWL Realty Advisors is committed to improving the performance and sustainability of new and existing buildings within its managed portfolio. Launched in 2015, its *Sustainability Benchmarking and Conservation Program* includes all Great-West Life, London Life and Canada Life head office and investment properties in Canada. It sets out five-year reduction targets for each of its office properties, and uses 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.



GWL Realty Advisors achieved a "Green Star" ranking from the Global Real Estate Sustainability Benchmark (GRESB) survey for a third consecutive year in 2017. Ranking number one in Canada, GWL Realty Advisors is also ranked among the top 8 per cent of 850 global real estate management firms, up from the top 10 per cent in 2016.



In 2017, all of **Great-West Lifeco's** Canadian corporate head offices were BOMA BEST® certified and targeting Gold level upon re-certification in 2018. Throughout the year, GWL Realty Advisors continued to pursue its target of achieving green building certifications for all eligible properties. To date, 89 per cent of its eligible commercial portfolio by floor area is BOMA BEST® or LEED® certified, covering over 300 buildings across Canada.

It was also recognized at both national and regional levels for its sustainability focused property management practices. In 2017, six awards were presented to properties managed by **GWL Realty Advisors**, relating to sustainability, staff, and operational excellence. Great-West Life's head office in Winnipeg won the BOMA Manitoba's *The Outstanding Building of the Year* (TOBY) award, the most comprehensive award of its kind in the commercial real estate industry, recognizing excellence in building management and a strong commitment to energy conservation and environmental sustainability.

Overall, in 2017, **GWL Realty Advisors'** pipeline of active sustainable developments represented over 2 million square feet. One example of this commitment to continuous improvement of their operations is the opening, in 2017, of a new child care centre in Winnipeg, located in a building that is heated and cooled with an energy efficient geothermal system that has a near-zero greenhouse gas footprint.

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

In 2015, as part of its commitment to increasing their use of low-carbon, renewable energy and their objective of finding a sustainable way to heat **Investors Group** and **Mackenzie Investments** primary corporate offices with renewable natural gas, IGM Financial entered into an agreement with Bullfrog Power, Canada's leading green energy provider. This commitment results in annual savings of close to 1,000 tonnes of CO₂ equivalent at Investors Group and of over 200 tonnes of Scope 3

GHG emissions at Mackenzie.

It is also worth noting that 94 per cent of **IGM Financial**'s corporate office space is in green-certified buildings.

Since 2016, **Investment Planning Counsel** moved its head office to a LEED® Gold office complex with state-of-the-art energy and water efficiency, organic composting and recycling and employee collaboration and fitness facilities. The office was built with a focus on environmentally sustainable construction materials.

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 green committees at both **Investors Group** and **Mackenzie Investments** to inspire, educate and motivate their colleagues to reduce their environmental impact both at work and at home. These green committees create customized initiatives unique to their cities and employees and help foster employee engagement.

In 2017, **Investors Group** supported organizations such as Ducks Unlimited, Nature Conservancy of Canada, Green Action Centre, Green Kids, Prairie Wildlife Rehabilitation Centre and Fort Whyte Alive. It continued its leadership role in *Manitoba Race to Reduce*, a challenge 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, and committed to be a founding sponsor of *GoManitoba*, an online program to assist commuters in partnering with others to carpool, bike or take transit together.

Great-West Lifeco's commitment to the environment extends beyond its own operations and into the communities where it lives and works each day. For more than a decade, it has supported the *Earth Rangers* school outreach program, which encourages young people to adopt sustainable behaviours and protect wildlife and their habitats. Also, as climate change is expected to have a considerable impact on Canadian communities over the coming decades, it has helped establish and continue to support 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. In 2017, the Centre released an internationally recognized research series, *Building a Climate-Resilient City*, outlining innovative risk management approaches that can help cities adapt to climate change and ensure communities are safe and healthy for families.

A Corporate Properties Sustainability Working Group is established at **Great-West Life** to help direct sustainability initiatives with a particular focus on GHG reductions through various building retrofits at its multiple locations, but also best practices sharing and employee engagement events. For instance, Great-West Lifeco's Canadian offices celebrated *Earth Week* by showing how small life changes can have a big environmental impact. In March, they also joined together with 187 countries worldwide to turn off the lights for *Earth Hour* and show their support for climate change action.

In 2017, an energy community was created on **Imerys**' Enterprise Social Network "Chatter" to share knowledge and good practices. The community is supported by webinars and regional seminars designed to promote energy management. Best practices challenges were also launched in 2017 to strengthen the operations commitment to energy efficiency. The first challenge was dedicated to energy measurement while the second challenge focused on combustion optimization.



POWER CORPORATION
OF CANADA



Climate Adaptation

Global warming and the impact it is having on our changing climate is one of the most pressing sustainability challenges we face today. This phenomenon has the potential to have a significant impact on ecosystems, economies and communities.

We are an investor, employer, and contributor to the communities where we are established. As such, we recognize our responsibility to help create a future where prosperity is harmonized with addressing the critical challenges of climate change. Growing our business profitably in a way that supports a low-carbon economy will be an important issue for the Corporation and our stakeholders.

Our Strategy

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



Our Objectives

Steps Taken to Achieve our Objectives

Explore Sustainable and Renewable Energy

Established a wholly owned subsidiary, Power Energy Corporation, which is investing 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 and climate change strategies.

Support Policies

We support collaborative policies and frameworks that advance growth within a low-carbon economy, including the David Suzuki Foundation and the One Drop Foundation.

Climate Advocacy and Outreach

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

David Suzuki Foundation – We support the Foundation’s broad mission and work with governments, businesses and individuals to conserve the environment by providing science-based education, advocacy and policy work, and by acting as a catalyst for social change.

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

Carbon Disclosure

We have been responding to the CDP Climate Change Program for the past seven years and support the organization’s endeavours to increase transparency and disclosure on climate change governance, risks and opportunities, management and performance. In 2017, we obtained a score of A- (Leadership). Among the 2017 CDP respondents in the financial services sector, four of the six top ranked Canadian companies were members of the Power group.

Read our response
to the CDP’s questionnaire



[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. **Great-West Lifeco** examples include the *Earth Rangers* school outreach program, as well as 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 Green Kids, the Nature Conservancy of Canada *Forces of Nature Campaign*, the *Manitoba Race to Reduce* and the *GoManitoba* online program.

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 currently 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 three companies:



- Potentia Renewables – a renewable energy generation company, active in the solar and wind sector in North America and the Caribbean
- Lumenpulse – a leading manufacturer of high-performance, specification-grade LED lighting solutions
- Lion Electric – a manufacturer of zero-emission vehicles sold throughout North America



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OF CANADA



Green Procurement

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

Our Strategy

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



Our Objectives

Steps Taken to Achieve our Objectives

Sustainable Paper

We established a partnership with our paper suppliers to source only environmentally responsible paper. That means such paper has earned responsible forestry certification through the Sustainable Forestry Initiative (SFI) and/or the Forest Stewardship Council (FSC), and contains recycled content.

Non-Toxic Building Cleaning Products

We continue to work with our building managers to source sustainable products, including non-toxic cleaning products and building materials.

Energy-Efficient Products

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

In 2017, knowing that they can play an important role in encouraging the use of sustainable materials through its procurement processes with third parties, **GWL Realty Advisors**, one of Great-West Life's subsidiaries worked with more than 50 third parties, many of whom are providing sustainable materials which contribute to meeting its green building certifications.

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 launched in 2016 its supplier governance, social and environmental standards, mainly based on the ten principles of the United Nations Global Compact. Starting from its suppliers of more than €2 million spent at the divisional level, Imerys requested formal confirmation of compliance with the standards. At the end of 2017 these standards had been communicated to over 150 suppliers, of which 70 per cent have formally acknowledged receipt and confirmed compliance with, 25 per cent have provided comparable codes of conduct and the remaining have been assessed internally as presenting very low risk of non-compliance with Imerys' code.

SUSTAINABLE PAPER

IGM Financial 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.



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OF CANADA



Measuring our Environmental Performance

We measure our environmental performance 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 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 ISO 14064-3: 2006 Specification, with guidance for the validation and verification of greenhouse gas assertions. For more specific information on our environmental data please refer to the referenced footnotes.



[View Data Supplement](#)

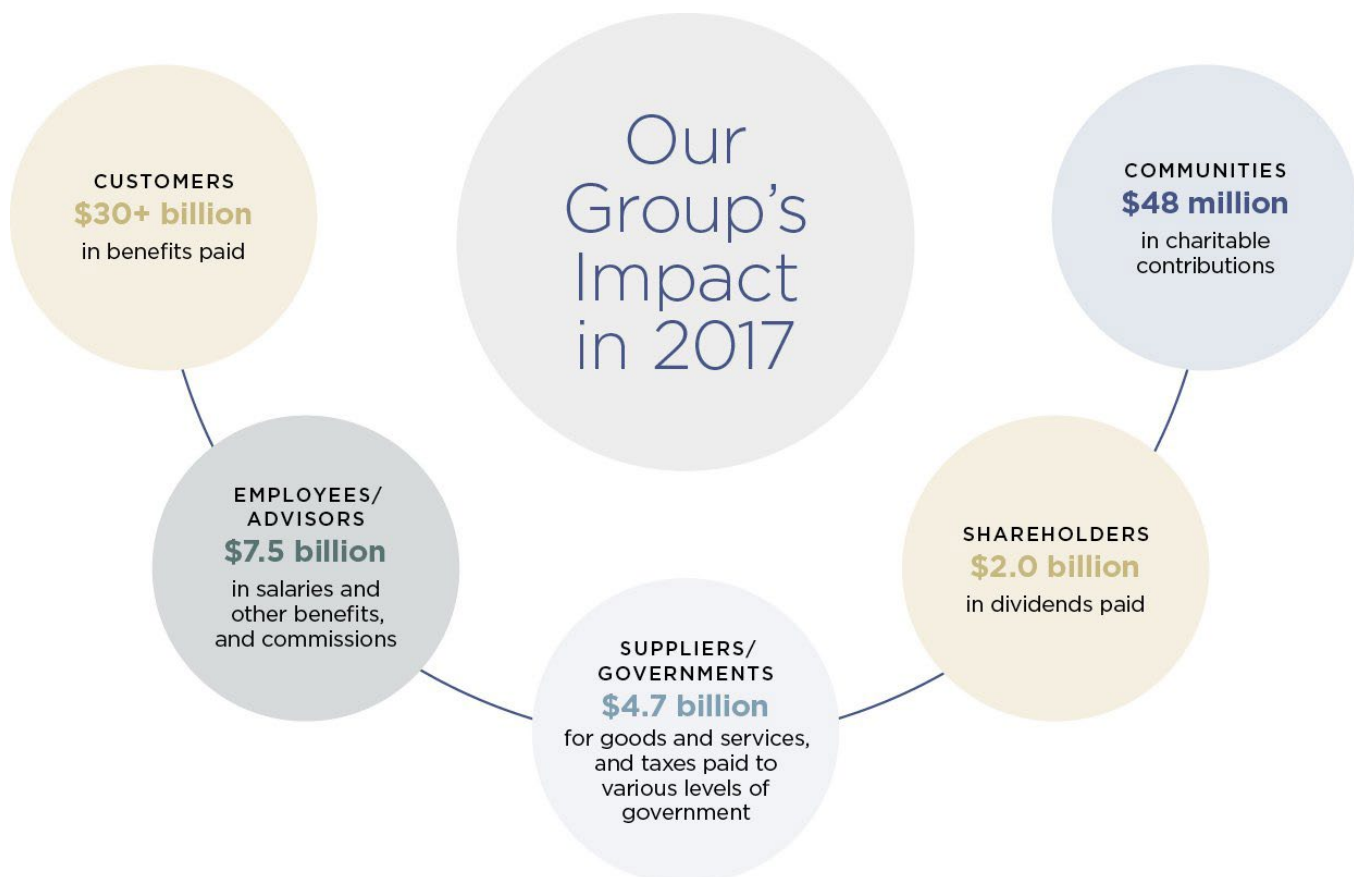


POWER CORPORATION
OF CANADA



Shared Value Creation

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



Customers

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

Shareholders

Our mission is to enhance shareholder value by actively and responsibly managing our investments so they generate long-term, sustainable growth in earnings and dividends. In 2017, \$2.0 billion of dividends were paid to our shareholders and to those of our main subsidiaries, Power Financial, Great-West Lifeco and IGM Financial.

Employees

We depend on the people in our group of companies for the success of our business. Together with our subsidiaries, we count on our more than 30,000 employees and 12,200 advisors, 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. In 2017, together with our main subsidiaries, we paid out \$7.5 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 where we operate. Given the breadth of our employee base, we recognize the impact we have on local employment and talent development, and in creating a prosperous economy.

Business Partners 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 \$4.7 billion in payments to suppliers and various levels of government in 2017.

Communities

Improving the financial, physical and mental well-being of Canadians is our group companies' purpose and guiding light. This 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.

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

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.

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.

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 2017, Great-West Lifeco contributed \$13.5 million in community funding across Canada, supporting over 750 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 2017 totaled \$9.7 million, benefiting more than 1,700 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 2017, as a group, **Power Corporation** and our subsidiaries **Power Financial**, **Great-West Lifeco** and **IGM Financial**, we made \$48 million of charitable contributions in the communities in which we operate, supporting 2,000 community organizations in Canada alone.



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OF CANADA



Financial Well-Being and Economic Prosperity

Financial services, the mainstay of our business, make a positive contribution to society by providing financial security to virtually millions of people. In short, 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 30 million customer relationships in Canada, the United States and Europe, our financial services companies represent a positive force in society by enabling financial security through life and health insurance, retirement savings programs, and a suite of investment products.

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 Canadians. 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 Canadians of all horizons plan for their long-term financial security.

Highlights from our Group Companies

FINANCIAL SECURITY AND RETIREMENT

In 2017 alone, **Great-West Lifeco**'s Canadian operations helped families cope with loss, paying out more than \$2.4 billion in life insurance benefits and provided income for over 78,000 people who became disabled and could no longer work. It also helped over 30,000 employers provide benefits plans and 9,000 employers offer retirement savings plans for their employees. In 2017, Great-West Life held \$109 billion in retirement and other investment holdings for Canadians, paid \$9.4 billion in benefits and 58 million health and dental claims representing more than \$4.8 billion in health and dental benefits for plan members. It also made \$858 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. IGM Financial also provides mutual fund solutions at very low investment minimums, making it possible to provide much-needed access to financial products and services to all households, regardless of income or wealth levels. For example, through Solutions Banking™, IGM Financial offers no-fee chequing accounts for youth and reduced fees for seniors. **Investors Group** sponsorship and community engagement strategy was recently reshaped to focus on improving the financial confidence of youth, Indigenous peoples, new Canadians and seniors. In addition, in 2018, Investors Group also launched a centralized National Service Centre, designed to provide full account servicing and financial planning by licensed financial representatives to clients with lower account sizes.



In 2017, **Great-West Lifeco** became 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 2017, **Great-West Life** continued 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 also launched their Wayfinder™ tool, a simplified online financial wellness tool for their group retirement plan members to see a consolidated view of all of their retirement savings.

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.

Ensuring all Canadians, including community organizations, underserved groups like new Canadians and



Indigenous Peoples, post-secondary students, have access to information that helps them make informed financial decisions means stronger communities. This is why since 2014, **Great-West Lifeco** is the national sponsor of CPA Canada's financial literacy program, one of the largest and most trusted in Canada, with a growing array of programming and resources that offer Canadians free financial workshops delivered by volunteer CPAs and access to a number of award-winning publications and online resources. In 2017, these volunteers provided objective, easy to understand information sessions on 35 topics to 50,000 Canadians. 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.

Investors Group's ongoing collaboration with the Canadian Foundation for Economic Education (CFEE) continued to make a real contribution in 2017 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. It also supported new courses as they were developed for the high school level, including lesson plans and workshops for teacher professional development. *Building Futures* leverages the popular guidebook *Money and Youth: A Guide to Financial Literacy* for high school students produced by CFEE with funding from Investors Group. *Money and Youth* was also made available as an e-book for increased accessibility. With support from Investors Group, more than 500,000 copies are in circulation to schools and households, helping to improve the financial literacy of Canadian youth. Investors Group has contributed \$3.7 million since 1995 to support and promote financial literacy programs for Canadian children and teens.

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 2017, the company funded more than \$3.0 billion in new private debt and commercial mortgages across Canada.



Along with other major banks and insurance companies, **Great-West Lifeco** announced, in October 2017, the creation of the Canadian Business Growth Fund to foster innovation through investments in small- and medium-sized Canadian companies seeking long-term, patient and minority capital to finance continued growth. The fund will facilitate mentorship and access to talent pools and help these businesses achieve their full potential. It will also establish an advisory network to provide mentorship to help close some of the knowledge gaps preventing many mid-sized companies from achieving their full growth potential at home and globally.

Through its subsidiary **GLC Asset Management**, 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 of Canada's (Power Corporation or the Corporation) 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 2018. The qualitative information covers content up until the last content review, while the quantitative information reflects the calendar year 2017. 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, 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.); Investors Group (Investors Group Inc.); Lion Electric (The Lion Electric Co.); London Life (London Life Insurance Company); Lumenpulse (Lumenpulse Group Inc.); Mackenzie Investments (Mackenzie Financial Corporation); 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.).