

# Responsible Management

## SHAPING OUR SUSTAINABLE FUTURE

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

### OUR PROGRESS IS BEING RECOGNIZED

Over the past few years, our efforts to strengthen our CSR programs, initiatives and disclosure have been recognized by well-regarded external organizations. This is true at the Power Corporation level, but also at our subsidiaries.



Both Power Corporation and Power Financial are among an elite group of 127 companies worldwide that received the top score of “A” from the CDP, an organization working with investors, companies and cities on taking urgent action to build a truly sustainable economy by measuring and understanding their environmental impact. With IGM Financial also obtaining an “A” score, earning a place on the A list, and Great-West Lifeco scoring “A-”, four of the five top ranked Canadian financial services companies are members of the Power group.



FTSE4Good

Power Corporation and Power Financial have maintained their listing status on the FTSE4Good Global Index for the third consecutive year. The FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong ESG practices.

The FTSE4Good indices are used by a variety of market participants to create and assess responsible investment funds. IGM Financial has also been listed on the FTSE4Good Index Series since June 2016.



Power Corporation has been added to the Euronext Vigeo Eiris World 120 Index as of December 2018. This index distinguishes 120 companies from Europe, North America and the Asia-Pacific region having achieved the most advanced ESG performances. Companies included in this index have achieved the highest scores as part of the review of up to 330 sustainability indicators grouped into six categories: environment, human resources, human rights, community involvement, business behavior and corporate governance.



In 2018, GWL Realty Advisors, Great-West Lifeco’s Canadian real estate arm, was recognized as a leader in sustainability by GRESB, earning a “Green Star” ranking for the fourth consecutive year as well as a second consecutive GRESB “5 star”, positioning itself among the top three participants in Canada. GRESB assesses and benchmarks the ESG performance of real asset investments, providing standardized and validated data to capital markets.



Since 2015, IGM Financial has maintained its listing on the Jantzi Social Index, a leading Canadian sustainability index, and was rated as one of the top performing Canadian diversified financial services companies.

## OUR COMMITMENT

Our commitment to be a responsible company underpins everything we do. As a signatory to the United Nations (UN) Global Compact, we are committed to upholding the principles on human rights, labour, the environment and anti-corruption. Our group companies' activities also contribute to the 17 UN Sustainable Development Goals (SDGs) whose aim is to end extreme poverty, protect the planet and ensure prosperity for all. In addition, many of our group companies are signatories to the Principles for Responsible Investment (PRI), integrating ESG factors into their investment processes as a way to identify both risks and opportunities to enhance long-term returns for investors.

We continuously monitor the major trends shaping our operating environment, including changing legislation, economic transformations, digitization, shifting demographics, talent attraction, changing climate and reputation. In 2018, we continued our collaboration with our group companies and third parties to learn from each other and exchange on CSR-related best practices.

## SHARED VALUE CREATION

In addition to creating positive economic and societal impacts, we are also creating direct value for our stakeholders. The following are some examples of our group's impact in 2018:

<p><b>CUSTOMERS</b></p> <p><b>\$32+ billion</b> in benefits paid</p>	<p>As our business has grown, in 2018, we have increased our customer base, which now exceeds 31 million customers globally and paid direct and indirect benefits worth more than \$32 billion.</p>
<p><b>EMPLOYEES/ADVISORS</b></p> <p><b>\$7.9 billion</b> in salaries and other benefits, and commissions</p>	<p>Our group companies employ approximately 30,000 diverse and talented people. In 2018, our group paid out \$7.9 billion in salaries and other benefits and commissions. Our investments in training and new technologies continue to develop local talent and the intellectual capital of our people.</p>
<p><b>SUPPLIERS/ GOVERNMENTS</b></p> <p><b>\$4.4 billion</b> for goods and services, and taxes paid to various levels of government</p>	<p>Payments made by companies of our group to suppliers for services and goods, as well as payments to various levels of government amounted to approximately \$4.4 billion in 2018, generating indirect benefits for all the companies in our supply chain and enabling governments to benefit from personal taxes paid by our employees and through the corporate taxes levied on our suppliers.</p>
<p><b>SHAREHOLDERS</b></p> <p><b>\$2.1 billion</b> in dividends paid</p>	<p>We paid \$2.1 billion in dividends to our shareholders in 2018 and to those of our main subsidiaries, Power Financial, Great-West Lifeco and IGM Financial. Major pension funds, mutual funds and insurance companies being amongst our shareholders, these dividends benefit millions of individuals who rely on them for their income.</p>
<p><b>COMMUNITIES</b></p> <p><b>\$47.7 million</b> in charitable contributions</p>	<p>In 2018, our group contributions to the communities where we operate totalled \$47.7 million, to approximately 2,000 community organizations in Canada alone. We are helping to break down barriers to social inclusion, while contributing to better health and education, community development, environmental protection, and access to arts and culture. This impact is multiplied through the active involvement of our employees, whom we encourage to volunteer for causes that speak to them.</p>

To learn more about our Corporate Social Responsibility programs and initiatives:

[www.PowerCorporationCSR.com](http://www.PowerCorporationCSR.com)