



POWER FINANCIAL
CORPORATION

2017
Data Supplement



2017 Data Supplement

At Power Financial, we are committed to continuously enhancing our Corporate Social Responsibility (CSR) reporting.

This document provides quantitative information on our governance- and environment-related performance, and is intended to supplement the qualitative information available on our [CSR website](#).

Reporting Scope

The content of this CSR data supplement has been informed by stakeholder requests, as well as international standards on CSR reporting, including the Global Reporting Initiative (GRI) Standards.

The scope of this CSR data supplement includes environment and governance key performance indicators.

Environment: Our environmental data is consolidated based on a financial control approach, which includes our major subsidiaries Great-West Lifeco and IGM Financial. Data reported is for the calendar years ended December 31.

Governance: Our governance data relates to the performance at Power Financial. The data is reported for the calendar years ended December 31, unless otherwise indicated.

External Assessment

We are committed to ensuring the quality and integrity of the data we report. To date, our environmental data related to GHG emissions have been verified by PricewaterhouseCoopers to a limited level of assurance in accordance with the International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements (ISAE 3410).

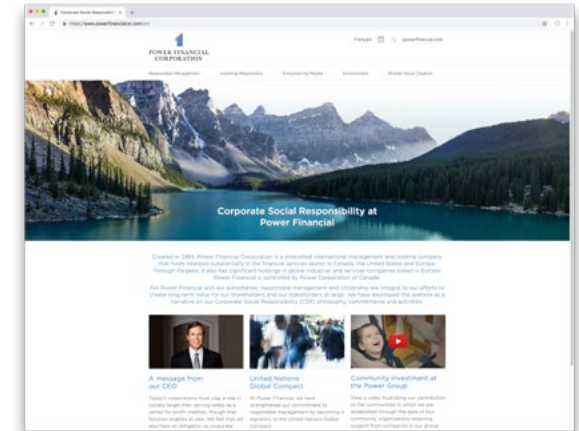
Additional Information Sources

For additional information, readers are referred to our [CSR website](#) where we publicly disclose our CSR policies, commitments and initiatives. The CSR website also provides examples of how our responsible management philosophy is implemented within our business and throughout the Power Financial group of companies.

We provide information on our CSR progress to a number of stakeholders and participate in the annual CDP Climate Change program, supporting the organization's endeavours to increase transparency and disclosure on climate change. Our CDP submission is available on the [Energy and Carbon Efficiency](#) page of our CSR website.

The [Governance](#) section of our corporate website also contains detailed information on our corporate governance practices.

As signatory to the United Nations Global Compact, we publish a [Communication on Progress](#) annually as part of our commitment to align our business strategies and operations with the Global Compact's ten universal principles on human rights, labour, environment and anti-corruption, and take actions that advance societal goals.



Abbreviations

The following abbreviations are used throughout this document: C\$ (Canadian dollars); CSR (Corporate Social Responsibility); Great-West Lifeco (Great-West Lifeco Inc.); GHG (greenhouse gas); IGM Financial (IGM Financial Inc.); MWh (megawatt hours); Power Financial or the Corporation (Power Financial Corporation); tCO₂e (metric tonnes of CO₂ equivalent).

Governance

GRI Indicator	Topic	Metric	2017	2016	2015	2014	2013
BOARD COMPOSITION ^(a)							
GRI 102-22	Board Directors	Number	12	12	12	12	13
GRI 102-22	Executive Board Members	Number	3	3	3	3	4
GRI 102-22	Non-Executive Board Members	Number	9	9	9	9	9
GRI 102-22	Women Directors	Number	2	2	2	2	2
GRI 102-22, 405-1	Board Gender Diversity	Percentage	17%	17%	17%	17%	15%
Board Age Diversity							
GRI 405-1	Over 70	Number	3	2	2	1	2
GRI 405-1	Between 50 and 70	Number	9	10	10	11	11
GRI 405-1	Between 30 and 49	Number	0	0	0	0	0
GRI 102-22	Board Tenure ^(b)	Average Years	16	15	15	14	17
GRI 102-22	Independent Board Members	Number	9	9	9	9	7
GRI 102-22	Board Independence ^(c)	Percentage	75%	75%	75%	75%	54%
GRI 102-22	Audit Committee Independence	Percentage	100%	100%	100%	100%	100%
GRI 102-22	Related Party and Conduct Review Committee Independence	Percentage	100%	100%	100%	100%	100%
GRI 102-22	Compensation Committee Independence	Percentage	100%	100%	100%	100%	100%
GRI 102-22	Governance and Nominating Committee Independence ^(d)	Percentage	50%	50%	50%	50%	50%
Average Board and Committee Meeting Attendance Rate ^(e)							
GRI 102-22	Directors with 4 or less mandates ^(f)	Percentage	100%	100%	100%	100%	100%
ANTI-CORRUPTION							
GRI 205-1	Operations assessed for risks related to corruption	Percentage	100%	100%	100%	100%	100%
GRI 205-2	Employees having received training on anti-corruption ^(g)	Percentage	100%	100%	100%	100%	100%
GRI 205-3	Incidents of corruption	Number	0	0	0	0	0

GRI Indicator	Topic	Metric	2017	2016	2015	2014	2013
	AUDITOR'S FEES ^(h)						
	Audit fees	C\$	1,222,000	992,000	945,000	931,000	1,077,000
	Audit-related fees	C\$	91,000	133,000	190,000	209,000	283,000
	Tax fees	C\$	55,000	84,000	88,000	116,000	309,000
	All other fees	C\$	0	0	0	0	19,000
	Fees paid to external auditors for services other than the statutory audit	Percentage	4%	7%	7%	9%	19%
	POLITICAL CONTRIBUTIONS						
GRI 415-1	Amount of political contributions	C\$	0	0	0	0	0

Footnotes/Methodology

- a. All Board Composition data is as of the dates of the annual meetings in the respective years, except for the Average Board and Committee Meeting Attendance Rates which are as of December 31.
- b. The Corporation believes that continuity of membership is critical to its Board's efficient operation and accordingly has not adopted policies imposing an arbitrary term or retirement age limit in connection with individuals nominated for election as Directors of the Corporation. Such limits fail to take into account the special characteristics of issuers such as Power Financial and its group companies, that operate in a highly complex and technical environment. In such a context, the Corporation believes that a lengthy Board tenure, not limited by arbitrary determinations, is vital to the Directors' understanding of the Corporation's diverse businesses, and those of its group companies, and to their bringing a substantive contribution to the Board. The Board strives to achieve a balance between the desirability to have a depth of institutional experience from its members on the one hand, and the need for renewal and new perspectives on the other hand. In keeping with this approach, in 2018, two new Directors were elected to the Board, thereby reducing the average Board tenure from 16 years to 13 years.
- c. As of May 10, 2018, the Board of the Corporation is composed of 12 Directors. Within the meaning of the CSA Guidelines and *National Instrument 52-110 – Audit Committees and National Instrument 58-101 – Disclosure of Corporate Governance Practices* (the instruments) and in the Board's view, the following nine Directors (constituting a 75 per cent majority of the Board), namely Marc A. Bibeau, Gary A. Doer, Gérald Frère, Anthony R. Graham, J. David A. Jackson, Susan J. McArthur, T. Timothy Ryan, Jr., Emőke J.E. Szathmáry and Siim A. Vanaselja are independent and have no other relationships that could reasonably interfere with the exercise of their independent judgment in discharging their duties to the Corporation.
- R. Jeffrey Orr, President and CEO of the Corporation, being an executive officer of the Corporation, is not independent. Paul Desmarais, Jr. and André Desmarais, Executive Co-Chairmen of the Corporation, who perform executive functions for the Corporation, are not independent.
- d. In 2018, five Directors were appointed to the Governance and Nominating Committee, of which three (60 per cent) are independent in the Board's view and within the meaning of the instruments.
- e. In 2013, we did not include The Honourable Paul Desmarais as he was excused from Board attendance for health reasons. Moreover, as previously announced on April 28, 2017, André Desmarais took a temporary medical leave from his day-to-day activities at the Corporation, which leave continued throughout the remainder of 2017. During this absence, Mr. Desmarais was excused from attending the meetings of the Board and its committees, but continued to monitor and be involved in any major issues affecting the Corporation and the Power Group. The attendance figures presented are for those meetings of the Board and its applicable committees which took place between January 1 and April 28, 2017. Mr. Desmarais resumed his attendance at the Board and committee meetings following January 3, 2018. Mr. Desmarais forewent all remuneration from the Power Group during the period of his absence, as indicated in the April 28, 2017 press release.
- f. Represents mandates on public company boards outside Power Corporation of Canada and its subsidiaries (including the Corporation, Great-West Lifeco and IGM Financial).
- g. We communicate our anti-corruption commitments through our Code of Business Conduct and Ethics. We also provide formal training on our Anti-Bribery Policy Statement and supporting Global 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](#).
- h. The Auditor's fees are disclosed in the Corporation's Annual Information Form available in the [Investors](#) section of our corporate website.

Environment ^(a)

GRI Indicator	Topic	Metric	Third Party Verified*	2017	2016	2015	2014	2013 ^(c)
GHG EMISSIONS ^(b)								
	GHG Emissions (Scope 1, 2 and 3) ^(c)	tCO ₂ e	87%	177,955	184,341	185,110	194,249	200,433
	GHG Emissions (Scope 1 and 2)	tCO ₂ e	100%	49,047	51,305	51,124	58,856	60,203
GRI 305-1	Direct (Scope 1) GHG Emissions ^(d)	tCO ₂ e	100%	15,592	15,929	16,085	20,012	19,791
GRI 305-2	Indirect (Scope 2) GHG Emissions ^(e)	tCO ₂ e	100%	33,456	35,375	35,039	38,844	40,411
GRI 305-3	Other Indirect GHG Emissions (Scope 3)	tCO ₂ e	83%	128,908	133,036	133,986	135,393	140,230
GRI 305-3	Business travel	tCO ₂ e	30%	18,980	21,678	20,279	14,256	13,483
GRI 305-3	Waste generated in corporate operations	tCO ₂ e	96%	3,723	3,801	3,816	3,773	4,427
GRI 305-3	Upstream transportation and distribution of water to corporate offices	tCO ₂ e	100%	262	271	277	260	296
GRI 305-3	Purchased goods and services (paper)	tCO ₂ e	—	1,820	2,094	1,800	2,176	—
GRI 305-3	Upstream leased assets ^(f)	tCO ₂ e	100%	119	136	146	128	125
GRI 305-3	Downstream leased assets	tCO ₂ e	—	14,986	14,008	14,087	15,086	15,726
GRI 305-3	Investments ^(g)	tCO ₂ e	100%	89,019	91,049	93,581	99,713	106,173
GHG Emission Intensity ^(h)								
GRI 305-4	GHG intensity by revenue	tCO ₂ e per C\$100,000 of revenue		0.10	0.10	0.14	0.14	0.21
GRI 305-4	GHG intensity by full-time employee	tCO ₂ e per full-time employee		1.92	1.93	2.08	2.56	2.63
GRI 305-4	GHG intensity by square footage	tCO ₂ e per 1000 square feet		5.48	5.73	5.71	6.57	6.72
GHG Emission Performance								
GRI 305-5	Power Financial ⁽ⁱ⁾	Percentage		-5.0%	1.4%	2.4%	-21.4%	-23.9%
GRI 305-5	Great-West Lifeco ^(j)	Percentage		-21.1%	-19.0%	-15.2%	-6.5%	—
GRI 305-5	IGM Financial ^(k)	Percentage		-66.3%	-71.6%	-79.2%	-24.4%	—

* Data has been third party verified to a limited level of assurance covering the 2017 calendar year only. Where less than 100% of the data has been verified, the percentages were calculated from verified data covering Power Financial, Great-West Lifeco and IGM Financial.

Environment ^(a) (continued)

GRI Indicator	Topic	Metric	2017	2016	2015	2014	2013 ^(c)
ENERGY							
GRI 302-1	Energy Consumed within the Group ^(l)	MWh	249,658	258,994	263,087	285,523	284,590
GRI 302-1	Direct energy ^(m)	MWh	81,758	82,985	83,759	95,967	95,769
GRI 302-1	Renewable direct energy ⁽ⁿ⁾	Percentage	6.5%	6.1%	6.0%	0%	0%
GRI 302-1	Indirect energy ^(o)	MWh	167,900	176,009	179,329	189,556	188,821
GRI 302-1	Renewable indirect energy ^(p)	Percentage	19.9%	18.8%	19.0%	18.7%	18.8%
GRI 302-2	Energy Consumed outside the Group ^(l)	MWh	484,151	487,572	497,018	532,366	524,980
GRI 302-2	Direct energy ^(m)	MWh	236,563	226,579	229,950	257,033	244,200
GRI 302-2	Renewable direct energy ⁽ⁿ⁾	Percentage	0.5%	0.7%	0.7%	0.1%	0.1%
GRI 302-2	Indirect energy ^(o)	MWh	247,588	260,993	267,069	275,332	280,780
GRI 302-2	Renewable indirect energy ^(p)	Percentage	19.5%	18.5%	17.4%	17.5%	17.8%
Energy Intensity ^(q)							
GRI 302-3	Energy intensity by revenue	MWh per C\$100,000 of revenue	0.50	0.53	0.72	0.68	0.99
GRI 302-3	Energy intensity by full-time employee	MWh per full-time employee	9.78	9.76	10.70	12.44	12.44
GRI 302-3	Energy intensity by square footage	MWh per 1000 square feet	27.88	28.92	29.38	31.88	31.78
Energy Consumption Performance							
GRI 302-4	Power Financial energy consumption ^(r)	Percentage	-20.6%	-13.5%	-10.4%	-13.8%	-10.4%
GRI 302-4	IGM Financial renewable energy ^(s)	Percentage renewable	100%	100%	100%	0%	0%

Environment ^(a) (continued)

GRI Indicator	Topic	Metric	2017	2016	2015	2014	2013 ^(c)
WASTE ^(t)							
Waste Generated within the Group ^(l)							
GRI 306-2	Total Weight of Non-Hazardous Waste	Tonnes	4,872	4,475	5,713	5,208	5,497
Waste Disposal Methods							
GRI 306-2	Recycling	Tonnes	2,541	2,129	3,442	3,012	2,895
GRI 306-2	Waste to landfill	Tonnes	1,679	1,884	1,993	2,086	2,493
GRI 306-2	Waste to energy	Tonnes	652	462	278	109	110
GRI 306-2	Waste Diversion	Percentage	52.2%	47.6%	60.2%	57.8%	52.7%
Waste Generated outside the Group ^(l)							
GRI 306-2	Total Weight of Non-Hazardous Waste	Tonnes	12,956	14,824	13,942	15,623	14,302
Waste Disposal Methods							
GRI 306-2	Recycling	Tonnes	4,164	6,298	5,722	6,984	5,300
GRI 306-2	Waste to landfill	Tonnes	8,422	8,154	7,865	8,266	8,631
GRI 306-2	Waste to energy	Tonnes	370	372	355	373	371
GRI 306-2	Waste Diversion	Percentage	32.1%	42.5%	41.0%	44.7%	37.1%
WATER ^(u)							
Water Withdrawn within the Group ^(l)							
GRI 303-1	Water Withdrawn	Cubic metres	605,025	642,318	664,975	641,947	704,322
	Water intensity	Cubic metres per 1000 square feet	67.6	71.7	74.3	71.7	78.6
Water Withdrawn outside the Group ^(l)							
GRI 303-1	Water Withdrawn	Cubic metres	1,776,257	1,711,030	1,705,146	1,754,117	1,809,412
	Water intensity	Cubic metres per 1000 square feet	86.2	81.7	82.1	85.3	88.1

Footnotes/Methodology

- a. Our environmental data is consolidated based on a financial control approach, which includes our major subsidiaries Great-West Lifeco and IGM Financial. Together, we estimate that these subsidiaries represent approximately 99% of our assets.
- b. Our GHG emissions were calculated using the GHG Protocol methodology, which includes the following greenhouse gases: carbon dioxide, methane and nitrous oxide. We used emissions factors from the National Inventory Report 1990–2015: Greenhouse Gas Sources and Sinks in Canada (Ottawa: Environment Canada, 2017). We applied Global Warming Potentials (GWPs) from the IPCC Fourth Assessment Report.
- c. Our baseline year for measuring our GHG emissions is 2013 when we consolidated data from our subsidiaries. A portion of our total GHG emissions was estimated, representing 8% in 2013, 8% in 2014, 7% in 2015, 7% in 2016 and 7% in 2017.
- d. Direct Scope 1 GHG emissions include natural gas, diesel from back-up generators, vehicle fuel, and refrigerants. A portion of Scope 1 GHG emissions was estimated, representing 12% in 2013, 11% in 2014 and 3% in 2015.
- e. Indirect Scope 2 GHG emissions include electricity and steam, and are reported on the location-based method. A portion of Scope 2 GHG emissions was estimated, representing 14% in 2013 and 15% in 2014.
- f. Upstream leased assets include energy, waste and water from our leased corporate head office properties.
- g. GHG emissions from our investment portfolio cover Great-West Lifeco's investment property fund in Canada.
- h. Emission intensity is based on the total Scope 1 and 2 GHG emissions.
- i. Power Financial has a target to reduce its consumption of electricity and natural gas at its corporate head office properties by 8% by 2020, using 2011 as a baseline. Electricity consumption has decreased by 25% since 2011 and natural gas consumption has decreased by 2%, resulting in a combined 5% decrease in emissions since 2011.
- j. Great-West Lifeco has set targets to reduce its Scope 1 and 2 GHG emissions by 27.3% at its owner-occupied properties and investment properties in Canada by 2025, and by 50.4% by 2036, using 2013 as a baseline. The targets include emissions associated with the company's property-level electricity, natural gas and steam consumption at the corporate head office and investment properties.
- k. IGM Financial has set targets to reduce its Scope 1 and 2 GHG emissions of its owned assets by 40% by 2020, and 50% by 2036, using 2013 as a baseline.
- l. Within the Group refers to the environmental impact occurring within the financial control approach boundary that we have defined in footnote (a) above. Exceptionally, it includes indirect GHG emissions from electricity consumption. Outside the Group refers to the environmental impact that occurs outside of the financial control approach boundary defined in footnote (a) and represents the environmental impacts taking place at both leased properties and within our investments, specifically the real estate segregated funds of Great-West Lifeco.
- m. Direct energy consumed relates to non-renewable and renewable energy from fuel (natural gas, kerosene, gasoline and diesel).
- n. Renewable direct energy relates to the percentage of renewable natural gas that has been procured from Bullfrog Power by IGM Financial, relative to the total direct energy used by all corporate properties.
- o. Indirect energy includes purchased electricity and steam.
- p. Renewable indirect energy relates to electricity that has been procured from low-carbon sources (the procurement of hydropower electricity in Québec and Manitoba, and steam in Ontario) relative to the total indirect energy used by all corporate properties.
- q. The energy intensity ratios include both direct and indirect energy covering fuel, electricity and steam.
- r. Power Financial has a target to reduce its consumption of electricity and natural gas at its corporate head office properties by 8% by 2020, using 2011 as a baseline.
- s. IGM Financial has a target for at least 80% of the natural gas utilized at its owned corporate property to be renewable by 2020, using 2013 as a baseline. To achieve this target, IGM Financial purchases green natural gas from Bullfrog Power.
- t. Waste volumes and disposal methods are determined by invoices from waste disposal contractors.
- u. Water withdrawn relates to the water consumed at the Great-West Lifeco and IGM Financial corporate offices.