



POWER FINANCIAL
CORPORATION

2018
Data Supplement



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

This document provides quantitative information on our environmental, social and governance (ESG) performance, and is intended to supplement the 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 data is reported for the calendar years ended December 31, unless otherwise indicated.

Power Financial's environmental and social data is consolidated based on the definition of financial control and therefore includes our major subsidiaries Great-West Lifeco and IGM Financial. Our governance data pertains to Power Financial.

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).

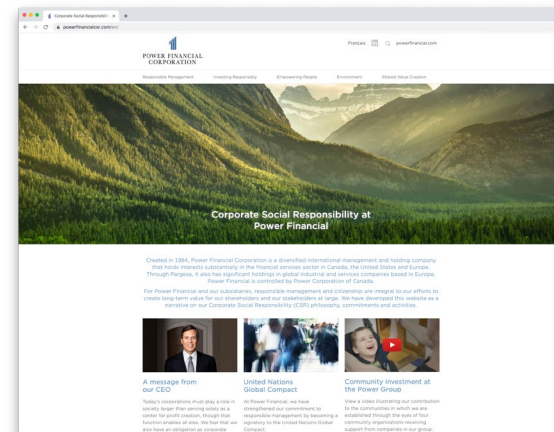
Additional Information Sources

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 Corporation (Power Corporation of Canada); Power Financial or the Corporation (Power Financial Corporation); tCO₂e (metric tonnes of CO₂ equivalent).

Governance

GRI Indicator	Topic	Metric	2018	2017	2016	2015	2014	2013
BOARD COMPOSITION (a)								
GRI 102-22	Board Directors	Number	12	12	12	12	12	13
GRI 102-22	Executive Board Members	Number	3	3	3	3	3	4
GRI 102-22	Non-Executive Board Members	Number	9	9	9	9	9	9
GRI 102-22	Women Directors	Number	2	2	2	2	2	2
GRI 102-22, 405-1	Board Gender Diversity	Percentage	17%	17%	17%	17%	17%	15%
Board Age Diversity								
GRI 405-1	Between 30 and 49	Number	0	0	0	0	0	0
GRI 405-1	Between 50 and 70	Number	9	9	10	10	11	11
GRI 405-1	71 and over	Number	3	3	2	2	1	2
GRI 102-22	Board Tenure (b)	Average Years	14	16	15	15	14	17
GRI 102-22	Independent Board Members	Number	9	9	9	9	9	7
GRI 102-22	Board Independence (c)	Percentage	75%	75%	75%	75%	75%	54%
GRI 102-22	Audit Committee Independence	Percentage	100%	100%	100%	100%	100%	100%
GRI 102-22	Related Party and Conduct Review Committee Independence	Percentage	100%	100%	100%	100%	100%	100%
GRI 102-22	Compensation Committee Independence	Percentage	100%	100%	100%	100%	100%	100%
GRI 102-22	Governance and Nominating Committee Independence	Percentage	60%	50%	50%	50%	50%	50%
Average Board and Committee Meeting Attendance Rate (d)								
GRI 102-22	Directors with 4 or less mandates (e)	Percentage	100%	100%	100%	100%	100%	100%
ANTI-CORRUPTION								
GRI 205-1	Operations assessed for risks related to corruption	Percentage	100%	100%	100%	100%	100%	100%
GRI 205-2	Employees having received training on anti-corruption (f)	Percentage	100%	100%	100%	100%	100%	100%
GRI 205-3	Incidents of corruption	Number	0	0	0	0	0	0

GRI Indicator	Topic	Metric	2018	2017	2016	2015	2014	2013
AUDITOR'S FEES ^(g)								
	Audit fees	C\$	1,176,000	1,222,000	992,000	945,000	931,000	1,077,000
	Audit-related fees	C\$	108,000	91,000	133,000	190,000	209,000	283,000
	Tax fees	C\$	2,000	55,000	84,000	88,000	116,000	309,000
	All other fees	C\$	58,000	0	0	0	0	19,000
	Fees paid to external auditors for services other than the statutory audit	Percentage	4%	4%	7%	7%	9%	19%
POLITICAL CONTRIBUTIONS								
GRI 415-1	Amount of political contributions	C\$	0	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 for its Directors. 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.
- c. As of May 13, 2019, the Board of the Corporation is composed of 12 Directors. Within the meaning of the Canadian Securities Administrators (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.
- For more information on our definition of independence please refer to the [Governance – Independence of Directors](#) section of our corporate website.
- d. 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.
- e. Represents mandates on public company boards outside Power Corporation of Canada and its subsidiaries (including the Corporation, Great-West Lifeco and IGM Financial).
- f. 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](#).
- g. 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*	2018	2017	2016	2015	2014	2013 (c)
GHG EMISSIONS ^(b)									
	GHG Emissions (Scope 1, 2 and 3) ^(c)	tCO ₂ e	76%	190,289	194,360	199,730	203,604	211,003	209,822
	GHG Emissions (Scope 1 and 2)	tCO ₂ e	100%	47,631	49,088	50,943	51,456	59,102	60,860
GRI 305-1	Direct (Scope 1) GHG Emissions ^(d)	tCO ₂ e	100%	16,618	16,011	15,926	16,058	20,007	19,964
GRI 305-2	Indirect (Scope 2) GHG Emissions ^(e)	tCO ₂ e	100%	31,014	33,078	35,017	35,398	39,095	40,896
GRI 305-3	Other Indirect GHG Emissions (Scope 3)	tCO ₂ e	68%	142,657	145,272	148,788	152,149	151,901	148,962
GRI 305-3	Business travel	tCO ₂ e	13%	18,654	18,654	21,203	19,832	15,320	14,567
GRI 305-3	Waste generated in corporate operations	tCO ₂ e	97%	3,663	4,057	3,648	3,584	3,470	4,124
GRI 305-3	Upstream transportation and distribution of water to corporate offices	tCO ₂ e	100%	244	263	268	279	261	305
GRI 305-3	Purchased goods and services (paper)	tCO ₂ e	0%	5,362	6,349	7,275	6,221	7,579	-
GRI 305-3	Upstream leased assets	tCO ₂ e	1%	11,463	14,681	14,260	14,682	15,194	15,936
GRI 305-3	Investments ^(f)	tCO ₂ e	88%	103,272	101,269	102,134	107,550	110,077	114,030
GHG Emission Intensity ^(g)									
GRI 305-4	GHG intensity by revenue	tCO ₂ e per C\$100,000 of revenue		0.10	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		1.81	1.92	1.92	2.09	2.58	2.66
GRI 305-4	GHG intensity by square footage	tCO ₂ e per 1,000 square feet		5.18	5.34	5.54	5.59	6.42	6.62
GHG Emission Performance									
GRI 305-5	Power Financial ^(h)	Percentage		-57.3%	-5.8%	1.5%	2.7%	-22.5%	-23.9%
GRI 305-5	Great-West Lifeco ⁽ⁱ⁾	Percentage		-13.8%	-20.8%	-22.7%	-16.3%	-8.2%	-
GRI 305-5	IGM Financial ^(j)	Percentage		-68.8%	-66.2%	-71.6%	-79.1%	-24.3%	-

* Data has been third party verified to a limited level of assurance covering the 2018 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	2018	2017	2016	2015	2014	2013 ^(c)
ENERGY								
GRI 302-1	Energy Consumed within the Group ^(k)	MWh	254,663	255,569	261,650	266,081	288,572	288,862
GRI 302-1	Direct energy ^(l)	MWh	87,857	84,017	82,985	83,618	95,934	96,700
GRI 302-1	Renewable direct energy ^(m)	Percentage	6.9%	6.3%	6.1%	6.0%	0%	0%
GRI 302-1	Indirect energy ⁽ⁿ⁾	MWh	166,806	171,551	178,665	182,463	192,637	192,162
GRI 302-1	Renewable indirect energy ^(o)	Percentage	69.4%	68.3%	68.5%	70.0%	68.6%	69.0%
GRI 302-2	Energy Consumed outside the Group ^(k)	MWh	580,642	575,907	567,759	577,386	601,187	585,319
GRI 302-2	Direct energy ^(l)	MWh	275,069	266,191	259,756	262,895	286,596	271,782
GRI 302-2	Renewable direct energy ^(m)	Percentage	0.3%	0.3%	0.3%	0.3%	0%	0%
GRI 302-2	Indirect energy ⁽ⁿ⁾	MWh	305,574	309,716	308,003	314,491	314,592	313,537
GRI 302-2	Renewable indirect energy ^(o)	Percentage	66.8%	65.6%	64.1%	62.5%	62.1%	61.9%
Energy Intensity ^(p)								
GRI 302-3	Energy intensity by revenue	MWh per C\$100,000 of revenue	0.54	0.51	0.53	0.73	0.69	1.00
GRI 302-3	Energy intensity by full-time employee	MWh per full-time employee	9.68	10.01	9.86	10.82	12.57	12.63
GRI 302-3	Energy intensity by square footage	MWh per 1,000 square feet	27.68	27.78	28.44	28.92	31.37	31.40
Energy Consumption Performance								
GRI 302-4	Power Financial energy consumption ^(h)	Percentage	-26.2%	-20.8%	-13.5%	-10.3%	-14.0%	-10.4%
GRI 302-4	IGM Financial renewable energy ^(q)	Percentage renewable	100%	100%	100%	100%	0%	0%

Environment (a) (continued)

GRI Indicator	Topic	Metric	2018	2017	2016	2015	2014	2013 (c)
WASTE (r)								
Waste Generated within the Group (k)								
GRI 306-2	Total Weight of Non-Hazardous Waste	Tonnes	5,144	4,975	4,340	5,561	5,056	5,345
Waste Disposal Methods								
GRI 306-2	Recycling	Tonnes	3,029	2,587	2,167	3,463	3,033	2,916
GRI 306-2	Waste to landfill	Tonnes	1,578	1,699	1,724	1,834	1,926	2,333
GRI 306-2	Waste to energy	Tonnes	538	689	449	264	96	96
GRI 306-2	Waste Diversion	Percentage	58.9%	52.0%	49.9%	62.3%	60.0%	54.6%
Waste Generated outside the Group (k)								
GRI 306-2	Total Weight of Non-Hazardous Waste	Tonnes	13,010	13,141	14,616	13,932	15,587	14,271
Waste Disposal Methods								
GRI 306-2	Recycling	Tonnes	4,843	4,197	6,146	5,768	7,031	5,333
GRI 306-2	Waste to landfill	Tonnes	7,855	8,568	8,092	7,803	8,177	8,561
GRI 306-2	Waste to energy	Tonnes	312	376	378	361	379	377
GRI 306-2	Waste Diversion	Percentage	37.2%	31.9%	42.1%	41.4%	45.1%	37.4%
WATER (s)								
Water Withdrawn within the Group (k)								
GRI 303-1	Water Withdrawn	Cubic metres	588,580	606,484	642,234	664,998	641,954	712,969
	Water intensity	Cubic metres per 1,000 square feet	64.0	65.9	69.8	72.3	69.8	77.5
Water Withdrawn outside the Group (k)								
GRI 303-1	Water Withdrawn	Cubic metres	2,101,185	2,204,837	2,107,262	2,103,081	2,122,253	2,174,997
	Water intensity	Cubic metres per 1,000 square feet	75.1	79.6	79.9	80.3	84.1	89.1

Footnotes/Methodology

- a. Our environmental data 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 Corporate Accounting and Reporting Standard, which includes the following greenhouse gases: carbon dioxide, methane, and nitrous oxide. We used emissions factors from the National Inventory Report 1990–2016: Greenhouse Gas Sources and Sinks in Canada (Ottawa: Environment Canada, 2018). We applied Global Warming Potentials from the IPCC Fourth Assessment Report.
- c. Our baseline year for measuring performance is 2013 when we consolidated data from our subsidiaries. A portion of our total GHG emissions was estimated, representing 12% in 2013, 14% in 2014, 16% in 2015, 15% in 2016, 14% in 2017 and 16% in 2018.
- 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 1% in 2013, 1% in 2014, 2% in 2015, 1% in 2016, 2% in 2017 and 6% in 2018.
- e. Indirect Scope 2 GHG emissions include electricity and steam, which are reported based on the location-based method. A portion of Scope 2 GHG emissions was estimated, representing 2% in 2013, 5% in 2014, 2% in 2015, 2% in 2016, <1% in 2017 and 9% in 2018.
- f. GHG emissions from our investment portfolio cover the real estate segregated funds of Great-West Lifeco and the real property fund of IGM Financial.
- g. Emission intensity is based on the total Scope 1 and 2 GHG emissions.
- h. Power Financial has a target to reduce its consumption of electricity and natural gas at its leased corporate head office properties by 8% by 2020, using 2011 as a baseline. Since 2011, electricity consumption decreased by 19% and natural gas consumption decreased by 57%, which together represent a 26% decrease in energy consumption, resulting in a 57% decrease in emissions.
- i. 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.
- j. IGM Financial has set targets to reduce its Scope 1 and 2 GHG emissions at its owner-occupied properties in Canada by 40% by 2020, and 50% by 2036, using 2013 as a baseline, which includes natural gas, back-up diesel, jet fuel, refrigerants and electricity.
- k. Within the Group refers to the environmental impact 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 at both leased properties and within our investments, specifically the real estate segregated funds of Great-West Lifeco and the real property fund of IGM Financial.
- l. Direct energy consumed relates to non-renewable and renewable energy from fuels (natural gas, kerosene, gasoline and diesel).
- m. 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.
- n. Indirect energy includes purchased electricity and steam.
- o. Renewable indirect energy relates to electricity that has been procured from low-carbon sources (the procurement of hydropower electricity in Ontario, Québec and Manitoba, and steam in Ontario), relative to the total indirect energy used by all corporate properties.
- p. The energy intensity ratios include both direct and indirect energy covering fuel, electricity and steam.
- q. 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.
- r. Waste volumes and disposal methods are determined by invoices from waste disposal contractors.
- s. Water withdrawn relates to the water consumed at the Great-West Lifeco and IGM Financial corporate offices.

Employee ^(a)					
GRI Indicator	Topic	Metric	2018	2017	2016
GRI 102-7	Total number of employees	Number	27,793	26,864	27,950
GRI 102-8	Female employees	Percentage	57.9%	58.9%	59.1%
GRI 401-1	Total number of new employee hires	Number	4,728	3,354	4,251
GRI 401-1	Employee turnover rate ^(b)	Percentage	15.1%	17.2%	13.0%

Community					
GRI Indicator	Topic	Metric	2018	2017	2016
GRI 201-1	Charitable contributions ^(c)	C\$	47,700,000	48,000,000	47,300,000

Footnotes/Methodology

- a. Power Financial's employee data is consolidated based on the definition of financial control and therefore includes our major subsidiaries Great-West Lifeco and IGM Financial.
- b. Employee turnover rate includes all departures, both voluntary and involuntary, including resignations, terminations and retirements. IGM Financial's turnover rate is calculated as a percentage of permanent employees.
- c. Charitable contributions include those of Power Corporation (on behalf of both Power Corporation and Power Financial), Great-West Lifeco and IGM Financial.