



## United Nations Global Compact

# Communication on Progress Advanced Level

September 2018



POWER CORPORATION  
OF CANADA

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## Library

This document references a number of other Power Corporation documents, which are available either on our corporate website at [www.PowerCorporation.com](http://www.PowerCorporation.com) or our CSR website at [www.PowerCorporationCSR.com](http://www.PowerCorporationCSR.com):

- [Code of Business Conduct and Ethics](#)
- [CSR Statement](#)
- [Environmental Policy](#)
- [Responsible Procurement Policy Statement](#)
- [Anti-Bribery Policy Statement and Global Anti-Bribery Policy](#)
- [Human Rights Statement](#)
- [Diversity Statement](#)
- [Third Party Code of Conduct](#)

Additional information can also be obtained from the websites of our major operating subsidiaries:

- [Corporate Social Responsibility at Great-West Lifeco](#)
- [Corporate Responsibility at IGM Financial](#)

## Abbreviations

A detailed list of abbreviations used throughout this document is available in the section entitled "[About this Report](#)".

## About Power Corporation

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

Power Corporation's principal asset, Power Financial Corporation, holds substantial interests in the financial services sector in Canada, the United States and Europe through its controlling interest in each of Great-West Lifeco Inc. and IGM Financial Inc. (our major operating subsidiaries), as well as investments in the "Fintech" sector such as Wealthsimple Financial Corp.

Great-West Lifeco is an international financial services holding company with interests in life insurance, health insurance, retirement and investment services, asset management and reinsurance businesses. The company has operations in Canada, the United States, and Europe.

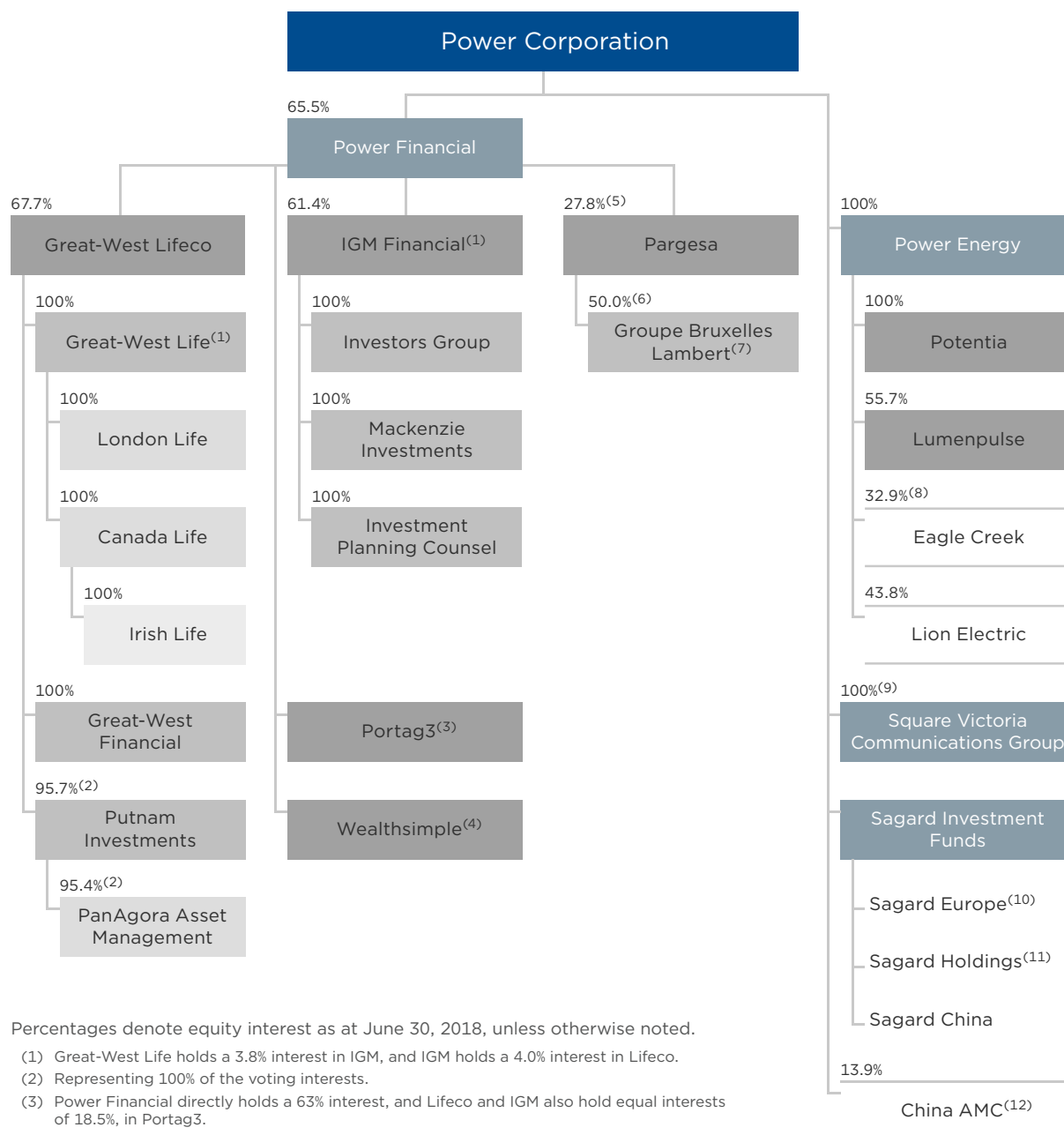
IGM Financial is one of Canada's premier personal financial services companies, and one of the country's largest managers and distributors of mutual funds and other managed asset products, serving the financial needs of Canadians through its multiple distinct businesses.

Together, Power Corporation's investments in the financial services sector represent approximately 98 per cent of our consolidated assets, whereas our interests in the sustainable and renewable energy and other business sectors together account for approximately 2 per cent of our consolidated assets.

[LEARN MORE](#) 

[Power Corporation Website](#)

# Group Organization Chart



Percentages denote equity interest as at June 30, 2018, unless otherwise noted.

(1) Great-West Life holds a 3.8% interest in IGM, and IGM holds a 4.0% interest in Lifeco.

(2) Representing 100% of the voting interests.

(3) Power Financial directly holds a 63% interest, and Lifeco and IGM also hold equal interests of 18.5%, in Portag3.

(4) Power Financial directly holds a 14.7% interest, and Portag3 and IGM also hold interests of 23.6% and 43.3% respectively, in Wealthsimple.

(5) Held through Parjointco N.V., a jointly controlled corporation (50%). Representing 75.4% of the voting interests in Pargesa.

(6) Representing 51.1% of the voting interests in Groupe Bruxelles Lambert.

(7) Refer to the Pargesa page of our website for a list of Groupe Bruxelles Lambert's investments in public companies.

(8) Power Energy holds a 60% interest in Power Energy Eagle Creek LLP, which holds a 54.8% interest in Eagle Creek Renewable Energy.

(9) On July 14, 2018, the Corporation completed the transfer of net assets of La Presse, ltée to a new not-for-profit structure, as described in the Corporation's most recent MD&A.

(10) Refer to the Sagard Europe section of the Corporation's most recent MD&A for the Corporation's interest in the Sagard Europe funds.

(11) Sagard Holdings holds a 91.6% interest in IntegraMed America, Inc.

(12) Mackenzie also holds a 13.9% interest in China Asset Management Co. Ltd. (China AMC). Power Corporation and Mackenzie hold a combined 27.8% interest in China AMC.

# 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 United Nations Global Compact's (UNGC) 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.

Signed,

**Paul Desmarais, Jr.** O.C., O.Q.

Chairman and Co-CEO

Signed,

**André Desmarais**, O.C., O.Q.

Deputy Chairman,  
President and Co-CEO

“ 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. ”

## Recognitions and Awards



### FTSE4Good

In 2017 and in 2018, Power Corporation, Power Financial and IGM Financial maintained their listing status on the FTSE4Good Global Index, which measures the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices.



Power Corporation, Power Financial, Great-West Lifeco and IGM Financial achieved scores of A- (Leadership) on the 2017 CDP. Great-West Lifeco was the highest ranked Canadian insurance company, and IGM Financial ranked in the top five financial services companies in Canada for the fourth year in a row.



Great-West Lifeco's subsidiary GWL Realty Advisors maintained its Green Star ranking status on the Global Real Estate Sustainability Benchmark (GRESB) for the third consecutive year. The company improved its position from the top 10 per cent of 759 global participants in 2016 to the top 8% of 850 global participants in 2017.



Power Corporation, Great-West Life, London Life, Canada Life, Investors Group and Mackenzie Investments have been designated a "Caring Company" by Imagine Canada. These companies have consistently exceeded the organization's minimum donation guidelines of one per cent of pre-tax domestic profit to charitable causes.

### 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, a platform enabling women worldwide to connect, share information, and access knowledge from each other.



IGM Financial maintained its listing status on the Jantzi Social Index, and was rated one of the top performing Canadian diversified financial services companies by global ESG research firm Sustainalytics.



IGM Financial ranked in the top 10 of Corporate Knights' 2018 Best 50 Corporate Citizens in Canada. The ranking acknowledges IGM Financial's initiatives to advance its corporate responsibility practices.



In 2018, Great-West Life was again named on the FORBES' list of Canada's Best Employers, which highlights 300 companies operating in Canada that have won the endorsement of their employees.

### Corporate Knights

IGM Financial's Investors Quebec Enterprise Fund received the #8 ranking in the Canadian equity fund category of the Corporate Knights Better World Fund Ranking. The ratings help Canadian investors see which funds provide the best combination of economic and environmental performance.



In 2017, six awards were presented to properties managed by GWL Realty Advisors, including Great-West Life's head office in Winnipeg which received 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.

## Commitments, Governance and Leadership

Corporate Social Responsibility (CSR) is fundamental to the way we, and our group of companies, do business—what we refer to as responsible management. We believe that sound corporate governance is essential to the well-being of our business and our ability to generate long-term sustainable returns.

### Our Commitments

Our commitment to the highest standards of corporate governance and responsible management is underpinned by our Code of Business Conduct and Ethics, CSR Statement, Responsible Procurement Policy Statement and is in alignment with the United Nations Global Compact.

### CSR Leadership and Management

To strengthen our commitments, we have assigned board level oversight on CSR to the Governance and Nominating Committee, whose responsibilities include monitoring the implementation of our CSR policies, strategy and reporting.

At the management level, our Co-CEOs play an active role in reviewing and approving our CSR strategy, performance and reporting. The Vice-President and General Counsel – our CSR Lead – has formal responsibility for integrating CSR into all facets of our business, including environmental, social and governance factors. A portion of his performance incentives is tied to this objective.

The CSR Lead is supported by our Corporate Communications and Sustainability team, as well as other corporate functions responsible for executing our CSR strategy, including the Legal, Human Resources and Finance departments, and our building management subsidiary. Progress reports on our CSR initiatives are provided to the Co-CEOs on a regular basis, and to the Governance and Nominating Committee of the Board, on an annual basis or more frequently, if deemed material.



[LEARN MORE](#) 

[Board Oversight](#)  
[Co-CEOs Commitment](#)  
[CSR Commitments](#)

## Strategic Priorities and Engagement

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.

### Strategic Priorities

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.

The five themes of our CSR strategy are supported by specific environmental, social and governance priorities, and underpinned by our Code of Business Conduct and Ethics, our CSR Statement, the UNGC principles and our responsible procurement practices.

Governance	Investments	Employees	Environment	Society
Anti-corruption Human rights Diversity of the Board and executive management Responsible procurement	Investing responsibly  Sustainable products and services	Talent development and engagement  Diversity and inclusion Health, safety and well-being	Energy and carbon efficiency  Climate change adaptation Green procurement	Shared value creation  Financial well-being and economic prosperity

The programs supporting these priorities are assigned across our business functions, including Legal, Human Resources, and Corporate Communications, as relevant. We also work collaboratively with our major operating subsidiaries through our group CSR committee to align our commitments and share

knowledge on CSR initiatives. Each of our major operating subsidiaries has assigned internal teams who are responsible for the deployment of their respective CSR strategies.

### Stakeholder Engagement

To inform our CSR strategic priorities, we engage on an ongoing basis with a broad range of stakeholders, including group companies, shareholders, employees, suppliers, local communities and responsible investment organizations, as well as CSR and governance rating organizations. Doing so lets us stay connected to the parties who have an active or potential interest in our business, and helps us continuously enhance our strategies, programs and initiatives.

[LEARN MORE](#) 

[CSR Priority Issues](#)  
[Stakeholder Engagement](#)  
[Engagement Methods](#)



## Value Chain Implementation

Responsible management is 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

We invest in quality companies with sustainable franchises and attractive growth prospects. By taking a prudent approach to risk and incorporating the analysis of ESG factors into our investment process, we are led to invest in companies that have sustainable business models. As an active owner in these companies, we regularly engage with their board and senior management to ensure 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.

### As an Employer

Responsible management defines the manner in which we recruit and develop our workforce, ensuring they have the necessary resources to comply with our core values and Code. This includes providing training sessions to educate our employees on the application of our policies and procedures, while obtaining annual certifications of their compliance. In 2018, we had no reported breaches to our Code and all our employees acknowledged compliance with the Code.

### As a Contributor to the Community

An intrinsic tenet of our responsible management philosophy is to be a good corporate citizen, to be environmentally conscious, to support our communities, and above all else, behave ethically and act with integrity enabling us to earn the confidence of all our stakeholders. By aligning our impacts in the economy and society to the United Nations Sustainable Development Goals, we not only drive sustainable value in our investments and business activities, but also enable economic and social benefits.

As part our responsible procurement approach, we collaborate with our third parties to ensure their activities are conducted in accordance with our Third Party Code of Conduct to the highest legal, ethical and professional standards. In 2017 and 2018, we continued to pursue the deployment of our Third Party Code with our existing and new key suppliers and business partners. To date, the vast majority of them have attested their compliance to the Code.

[LEARN MORE](#) 

[Code of Business Conduct and Ethics](#)

[CSR Statement](#)

[Third Party Code of Conduct](#)

[Sustainable Development Goals](#)

## Management Approach

Our responsible management philosophy applies to all aspects of our business, and is reflected in our various policies and commitment statements which take into consideration how we assess risks and opportunities and how we manage our impacts.

### Policies and Commitments

Our Code of Business Conduct and Ethics, our CSR Statement and our Third Party Code, as well as the related corporate policies, underpin our commitment to responsible management, covering a broad range of environmental, social and governance topics. In alignment with the UNGC principles, we have well-articulated commitment statements that cover human rights, labour, anti-corruption and the environment. Each of these statements provides greater clarity on our commitments, responsibilities, and implementation approach.

### Risk Management

Our prudent risk culture is firmly embedded in the core competencies and responsibilities of our management teams, which includes having in place processes to proactively identify, assess and manage risks. 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, we have in place standard due diligence processes, which enable us to take a precautionary approach to both financial and non-financial risks. We also regularly engage with the boards and senior management of our subsidiaries, to ensure our investments are being managed consistent with our responsible management philosophy.

### Managing our Impacts

Formal responsibility for ensuring we effectively manage CSR issues, including human rights, labour, anti-corruption and the environment, is assigned to the Vice-President and General Counsel, our CSR Lead. The CSR Lead provides oversight on the implementation of our commitments. With the support of our Corporate Communications and Sustainability team, we continuously review our performance so that impacts are adequately managed and addressed.

LEARN MORE 

[Risk Management](#)

[Human Rights Commitment](#)

[Labour Commitment](#)

[Anti-Corruption Commitment](#)

[Environment Commitment](#)

[Measuring Performance](#)

## Monitoring and Evaluating Performance

Through ongoing performance monitoring and engagement with our stakeholders, we are well-positioned to proactively address potential ESG issues.

### Ongoing Performance Reviews

On an ongoing basis, we monitor our performance against a broad range of ESG factors impacting our business, including human rights, labour, anti-corruption and environment. Within our own operations we track compliance to our Code with our employees and to our Third Party Code with our suppliers and other business partners. We also engage with the senior management of our main subsidiaries to gain a better understanding of how their management teams are addressing ESG issues when questions arise. Our Co-CEOs, informed by the executive management team, including our CSR Lead, provide oversight on these issues and report periodically to the Governance and Nominating Committee of the Board of Directors.

### Working with Third Parties

We continued to extend our responsible management philosophy to third parties that work for/on our behalf through our Third Party Code. To date, the vast majority of our key suppliers have attested their compliance to the requirements of our Third Party Code, which includes our human rights, environment, anti-corruption and labour-related expectations.

### Stakeholder Engagement

We engage with internal and external stakeholders on an ongoing basis, both formally and informally, to understand their expectations on CSR issues, including with respect to human rights, labour conditions, anti-corruption and the environment. Working collaboratively with our stakeholders, we take proactive measures to address concerns and further strengthen our commitments, programs and performance. In 2017, issues addressed through our stakeholder engagement covered topics on environmental management, responsible procurement and human rights.

### Feedback Reporting Mechanisms

Any violations of our Code and of our Third Party Code, including violations or concerns related to human rights, labour, anti-corruption and environmental issues, must be reported to an appropriate supervisor or to the General Counsel's office. We have a non-retaliation policy that assures our employees will not be discharged, demoted or suspended for bringing forward actual or potential violations of the Code or other concerns. Where issues are identified, appropriate follow-ups are undertaken.

Power Financial and Great-West Lifeco have similar mechanisms for reporting concerns, as defined in their respective codes of conduct. 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.

[LEARN MORE](#) 

[Governance Oversight](#)  
[Stakeholder Engagement Topics](#)  
[Reporting Concerns Mechanisms](#)



# 06

## HUMAN RIGHTS

### PRINCIPLE 1

Business should support and respect the protection of internationally proclaimed human rights; and

### PRINCIPLE 2

make sure they are not complicit in human rights abuses.

## Our Approach

### Our 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. Our commitment to human rights includes compliance with all applicable laws, and we endeavor to support and respect internationally proclaimed human rights.

### Implementation

Upholding our human rights commitments is the responsibility of our entire Corporation. The Vice-President and General Counsel, our CSR Lead, is responsible for providing oversight on our human rights commitments. We extend our human rights commitment to third parties that work for/on our behalf, through our Third Party Code. We also discuss our human rights commitment with

our major operating subsidiaries, which have similar human rights commitments as defined through their respective codes of conduct and CSR statements. Progress on human rights is reported to our Co-CEOs, where relevant, and communicated annually to the Governance and Nominating Committee of the Board.

We have reviewed the human rights initiatives at our main subsidiaries and investments, consistent with the United Nations Framework and Guiding Principles on Business and Human Rights (the Ruggie Framework). We assessed our exposure to potential human rights risks, the policies and programs in place at our subsidiaries and investments to avoid adverse human rights impacts, and the processes to enable remediation measures.

[LEARN MORE](#) 

[Human Rights Commitment](#)  
[CSR Statement](#)

## Our Progress

Supporting and respecting human rights is an intrinsic part of our responsible management approach. Over the past year, the Power group of companies have continued to strengthen the integration of human rights within our business decisions and in the communities where we operate.

### Strengthening Commitments

The CSR Statements developed by Power group companies have been strengthened to make explicit the importance of supporting and respecting human rights. Specifically, in 2017, Pargesa Holdings, GBL and each of the Sagard Funds (Sagard Europe, Sagard Holdings, and Sagard China) reinforced their commitments to incorporating ESG considerations, including human rights, into their investment analysis process and active ownership approach. Furthermore, in 2017 and in early 2018, the employees of Power Corporation, Power Financial, Great-West Lifeco and IGM Financial acknowledged their commitment to the companies' respective codes, which include human rights-related aspects.

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.



### Investment Fund Human Rights Screens

At IGM Financial, human rights considerations are integrated in the investment process of the Investors Group Summa SRI™ Fund, one of the largest socially responsible investment funds in Canada. 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.

In 2017, Mackenzie Investments launched the Mackenzie Global Leadership Impact Fund and the Mackenzie Global Leadership Impact ETF which 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.





### Training and Awareness

We reinforced our values with employees through the annual Code attestation process, which includes our expectations regarding human rights. In 2018, we reviewed and updated our Code of Business Conduct and Ethics to provide greater clarity on our commitments to human rights, diversity and privacy. In early 2018, all our employees completed their Code and key corporate policies training on our web-based platform, and acknowledge being in compliance.



### Impacting Communities

We support initiatives that promote human rights in our community. 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.

Power Corporation also continued its support of the Dallaire Initiative since 2007 – a global partnership founded by Roméo Dallaire, retired Lieutenant-General and noted humanitarian and Canadian Senator, committed to ending the use and recruitment of child soldiers worldwide through a prevention-oriented approach.

[LEARN MORE](#) 

[Canadian Museum for Human Rights](#)

[The Roméo Dallaire Child Soldiers Initiative](#)

[Video of Four Organizations Supported by Companies in our Group](#)



# 07

## LABOUR

### PRINCIPLE 3

Business should uphold the freedom of association and the effective recognition of the right to collective bargaining;

### PRINCIPLE 4

the elimination of all forms of forced and compulsory labour;

### PRINCIPLE 5

the effective abolition of child labour; and

### PRINCIPLE 6

the elimination of discrimination in respect of employment and occupation.

### Our Commitment

We strive to create an environment where people feel connected and supported, and where they can thrive both professionally and personally. In addition to complying with relevant labour laws, we are committed to the following labour principles as outlined in our Code of Business Conduct and Ethics:

- Providing a workplace in which all people are treated fairly, with dignity, mutual respect and professionalism.
- Providing equal opportunities in employment, appointment and advancement based on appropriate qualifications, requirements and performance.
- Providing a workplace free from all forms of discrimination. We will not tolerate unlawful discrimination on the basis of, among other things, age, gender, sexual orientation, race, national origin, religion or disability.

- We do not tolerate forced or compulsory labour, child labour, threats, violence, harassment or other unacceptable behaviour in the workplace.
- We recognize the right to fair employment and working conditions, as required by law.

We also extend our labour commitments to third parties that work for/on our behalf, through our Third Party Code. Our major operating subsidiaries have in place similar labour principles as defined in their respective codes of conduct.

### Implementation

Our labour commitments are overseen by the Vice-President, Human Resources and Administration. We actively support a culture of development and performance and create flexible, balanced workplaces that recognize the value of diversity and personal well-being. 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.

Our major operating subsidiaries have assigned formal responsibility through their respective human resource departments.

[LEARN MORE](#) 

[Board and Senior Management](#)  
[Gender Diversity](#)  
[Diversity and Inclusion](#)

## Our Progress

Over the past year, we remained committed to creating an inclusive, respectful, and accessible workplace, which we continue to reinforce through training, communication, engagement and third party procurement programs.

### Supporting the UN Women's Empowerment Principles

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 2017, 59 per cent of IGM Financial's employees were women, meeting the national average for the finance and insurance industries<sup>1</sup>. Women comprised 28 per cent of its 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 their Board diversity policy was established.

### Networking and Women Mentoring Groups

In 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 employees focused on education, inspiration and networking, such as speed mentoring sessions, Lunch & Learn events and speaker series featuring compelling female role models.

At IGM Financial, 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. Further, 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.

### Promoting Indigenous Peoples

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. It 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. Through AMIK, six people were hired in 2017 for positions in the Health & Dental Operations and Group Customer Contact Centre departments.

### Career Path Training Development Programs

Great-West Lifeco 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. Furthermore, Great-West Life's Actuarial Program and Chartered Professional Accountant (CPA) training program allows candidates to 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.

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



In 2017, Investors Group hosted 107 learning programs through instructor-led and online delivery methods. Investors Group is also well known for its industry-leading training that provides the company's consultants 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.

### Employee Engagement Surveys

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.

### Workplace Health and Wellness

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.

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, and an employee-led Wellness Committee actively promotes and encourages healthy living for employees. 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.

At Power Corporation, we also invest 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 better manage their physical and mental health, while contributing to employers' efforts to reduce their overall healthcare costs and absenteeism.



LEARN MORE 

[Great-West Life Centre for  
Mental Health in the Workplace](#)



# 08

## ENVIRONMENT

### PRINCIPLE 7

Business should support a precautionary approach to environmental challenges;

### PRINCIPLE 8

undertake initiatives to promote greater environmental responsibility; and

### PRINCIPLE 9

encourage the development and diffusion of environmentally friendly technologies.

#### Our Commitment

Our environmental commitments are guided by the Rio Declaration on Environment and Development, anchored through our Environmental Policy and reinforced by our Code. We also extend our environmental commitments to third parties that work for/on our behalf, through our Third Party Code. Our major operating subsidiaries have in place similar environmental commitments.

#### Implementation

Formal responsibility for overseeing the implementation of our environmental policy at both Power Corporation and Power Financial is assigned to the Vice-President and General Counsel and to the Vice-President, Human Resources and Administration, and executed by our wholly owned subsidiary, Square Victoria Real Estate.

At Great-West Lifeco, direct environmental responsibility is assigned to the Deputy Chief Financial Officer who oversees efforts taken to identify and address the impacts of climate change, monitors the progress being made to minimize impacts to the business, and provides oversight on the development and execution of the strategy and related communication efforts. At the company's Canadian operations, he is supported in this role by the Vice-President, Corporate Properties, and by the team at the company's wholly owned subsidiary GWL Realty Advisors. At IGM Financial, direct environmental responsibility is assigned to the Senior Vice-President and Treasurer, who chairs a corporate responsibility (CR) committee composed of senior executives of the company.

We extend our environmental commitments to suppliers and contractors through our Third Party Code. We also work with third parties to favour sustainable products, including paper and cleaning products, energy-efficient products, and local sourcing. Power Financial has a similar Third Party Code, and Great-West Lifeco and IGM Financial also continued to engage with their third parties to encourage more environmentally-responsible products and services.

### Performance

Our environmental goals are focused on reducing our energy and carbon footprint, increasing the use of renewable resources, preventing, reducing and diverting waste from landfills and procuring products and services responsibly. We also set a target to reduce our consumption of electricity and natural gas at our head office properties by 8 per cent by 2020, using a 2011 baseline.

Together with our major operating subsidiaries, on an annual basis, we calculate our environmental impacts as they relate to energy, GHG emissions, renewable energy and waste. Through this process, we monitor our performance against set targets, and continue to disclose our energy and GHG governance, strategy, risks, opportunities, and management programs through the CDP. Our 2017 GHG emissions were third-party verified, as were those of Power Financial, Great-West Lifeco and IGM Financial.

In addition, our major operating subsidiaries have also set targets (as disclosed in their respective responses to the CDP questionnaire). Power Financial has set a target to reduce its consumption of electricity and natural gas at its leased corporate head office properties by 8 per cent by 2020 using a 2011 baseline. Great-West Lifeco has set a target to reduce its Scope 1 and 2 carbon emissions by 27.3 per cent at its owner-occupied and investment properties in Canada by 2025, and 50.4 per cent by 2036, using 2013 as a baseline. IGM Financial has set a target to reduce its Scope 1 and 2 carbon emissions at its owner-occupied property in Canada by 40 per cent by 2020, and 50 per cent by 2036, using 2013 as a baseline.

“ Our environmental goals are focused on reducing our energy and carbon footprint, increasing the use of renewable resources, preventing, reducing and diverting waste from landfills and procuring products and services responsibly. ”

LEARN MORE 

[Environmental Policy](#)  
[Response to the CDP Questionnaire](#)

## Our Progress

We continue to maintain our long-standing commitment to conducting our activities in an environmentally responsible manner. Our focus has been on improving our energy and carbon footprint, increasing our use of renewables, preventing, reducing and diverting waste from landfills, and promoting environmental stewardship across all aspects of our business.

### Renewable Energy

Our wholly owned subsidiary Power Energy actively manages investments in the sustainable and renewable energy sector, such as Potentia Renewables, a renewable energy generation company which is 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 and Lion Electric, a manufacturer of zero-emission vehicles sold throughout North America. 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 publicly issued green bonds, as well as investments in transit-oriented and LEED certified P3 projects. Furthermore, since 2015, IGM Financial, through its wholly owned subsidiaries Investors Group and Mackenzie Investments, has expanded its use of renewable energy by choosing renewable natural gas for their primary corporate offices. In 2017, 100% of electricity and natural gas used in IGM Financial's owned premises was from low-carbon sources.

### Greener Real Estate

Our real estate investments, through our wholly owned subsidiary Square Victoria Real Estate and GWL Realty Advisors, are contributing to more safe, resilient and sustainable real estate assets. As a holding company, our limited energy and carbon footprint is mostly from business travel and the use of electricity and natural gas at our Montréal head office. Accordingly, our energy and carbon efficiency strategy is mainly focused on reducing the energy consumption from our office buildings. As such, we continued to maintain the Building Owners and Managers Association (BOMA) BEST® certification and we continue to work towards achieving the Leadership in Energy and Environmental Design (LEED®) certification (EB 2009) at our corporate offices.

Furthermore, 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.

[LEARN MORE](#) 

[Responsible Procurement](#)

### Carbon Efficiency

Together, the Power group of companies is working hard to reduce the energy use and carbon emissions associated with our activities. Our efforts are continuing to pay off. Since 2013, our group has reduced Scope 1 and 2 emissions by 12,772 tCO<sub>2</sub>e, or 19.0%, enabling Power Corporation, Power Financial, Great-West Lifeco and IGM Financial to progress towards meeting their respective reduction targets.

### Investment Screening

From an investment standpoint, we continued to integrate environmental considerations in our investment analysis process where relevant, and engage with our major operating subsidiaries to encourage responsible environmental management activities in their operations and investment processes. We track and follow environmental performance through our representation on our major operating subsidiaries' respective boards. We also engage with our major operating subsidiaries Great-West Lifeco and IGM Financial through a group-wide CSR committee to understand their environmental policies, programs and reporting, and to share best practices. Many of our group companies are signatories to the Principles for Responsible Investment, 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.

### Community Impacts

We support various partnerships that are enabling the transition towards a low carbon and more environmentally-sustainable economy, including the David Suzuki Foundation and the One Drop Foundation. Great-West Life supports the Earth Rangers school outreach program, the International Institute for Sustainable Development and the Prairie Climate Centre. IGM Financial examples include Green Kids, the EcoPass/Allego/VIP Public Transit Incentive Programs, the Nature Conservancy of Canada Forces of Nature Campaign, the Manitoba Race to Reduce and the GoManitoba online program.

**“ Many of our group companies are signatories to the Principles for Responsible Investment, integrating ESG factors into their investment processes. ”**





# 09

## ANTI-CORRUPTION

### PRINCIPLE 10

Business should work against corruption in all its forms, including extortion and bribery.

#### Our Commitment

We are committed to carrying out our business worldwide ethically in accordance with all applicable laws, and without the use of bribery. We have formalized our commitment to anti-corruption compliance by establishing a Global Anti-Bribery Statement and supporting Policy, which articulate our zero-tolerance approach to corruption. The Policy sets out our expectations with respect to anti-bribery, prohibiting our people from receiving, promising, giving, providing, or authorizing the provision of anything of value to obtain or retain business, an advantage, or favoured treatment from anyone.

Our commitment to anti-bribery was guided by international frameworks, including the United Nations Convention Against Corruption, and is reinforced through our Code. We also extend the scope of our anti-corruption policies through our Third Party Code. Power Financial, Great-West Lifeco and IGM Financial also have in place similar anti-corruption commitments.

#### Implementation

Formal responsibility for overseeing the implementation of our Global Anti-Bribery Policy is assigned to the Vice-President and General Counsel, who provides an annual report to the Audit Committee of the Board.

We conducted risk assessments of our business to identify potential high risk exposures to corruption and we apply equally high ethical standards to third parties dealing with us by conducting risk-based due diligence on consultants or potential acquisitions. We also provide our employees with formal training on our Global Anti-Bribery Statement and supporting Policy.

[LEARN MORE](#) 

[Anti-Corruption Commitment](#)  
[Anti-Bribery Policy Statement and  
Global Anti-Bribery Policy](#)  
[Third Party Code of Conduct](#)

## Our Progress

In support of our zero-tolerance approach to corruption, we continued to strengthen our approach to ensuring compliance with our policy regarding anti-bribery with our both our employees and third parties.

### Third Party Due Diligence

We continued to maintain our anti-corruption compliance program, which includes due diligence of third parties and reporting mechanisms. As part of the due diligence process, we continued to apply 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.

### Training and Awareness

At Power Corporation, we reinforced our values with employees through our annual training and Code attestation program, which included our anti-corruption policy. We also continued to maintain awareness by sending personnel periodic reminders of their duties and responsibilities under our Anti-Corruption Policy.

### Anti-Corruption Compliance

In 2017, all our Directors, officers and employees acknowledged compliance with our Code, including our anti-corruption policy. Furthermore, no breaches were reported on anti-corruption. In addition, All Great-West Lifeco employees acknowledged their commitment to the company's code of conduct, which includes anti-corruption expectations. IGM Financial similarly trains all new employees on their code of conduct and reinforces the code with 100 per cent staff acknowledgement annually.

“ Our Global Anti-Bribery Statement and supporting Policy articulate our zero-tolerance approach to corruption. ”

## Taking Action in Support of 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, contributing to the SDGs through the products and services of the Power Corporation group of companies.



**End poverty  
in all its forms  
everywhere**

### Financial Security

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 benefit 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. At Wealthsimple, Canada's largest robo-advisor, an online portfolio manager provides services that most people could not afford until now or found too time-consuming and tedious to do on their own, including dividend reinvesting, automatic rebalancing and tax loss harvesting.





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

### Health and Wellness

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 example, 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 Lifeco paid 58 million health and dental claims, representing more than \$4.8 billion in health and dental benefits for plan members.

### Mental Health in the Workplace

Great-West Lifeco'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 to 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.

Furthermore, Dialogue, a technology start-up we invest in through Power Financial and Diagram, offers online access to healthcare professionals who provide virtual consultations, diagnoses and treatment plans to its customers' employees. As a result, employees can better manage their physical and mental health, while reducing employer healthcare and absenteeism costs.

LEARN MORE 

[Workplace Strategies for Mental Health](#)



## 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.

IGM Financial subsidiary Investors Group continued 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.

LEARN MORE 

[SmartPATH](#)  
[Building Futures](#)



## 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. 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.

Furthermore, Wealthsimple set up a *Women at Wealthsimple* employee group that meets regularly to listen to speakers and network. They also partnered with #MovetheDial, an organization whose objective is to increase the participation and leadership of all women in tech. Currently, approximately 30 per cent of Wealthsimple's 150 employees are women.



## 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, which actively manages investments in companies that benefit from the global energy transformation. 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; and Lion Electric, a manufacturer of zero-emission vehicles sold throughout North America.

### Investments in Green Energy Projects

In 2017, Great-West Lifeco's Canadian public bond and private debt groups invested over \$880 million in renewable energy projects, which included wind, solar, and hydro energy projects, investments in publicly issued green bonds, as well as investments in transit-oriented and LEED certified P3 projects.

LEARN MORE 

[Potentia Renewables](#)

[Lumenpulse](#)

[Lion Electric](#)



## 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 employee 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

IGM Financial's subsidiaries 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.



## 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.



## 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.

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

### Green Mortgages

IGM Financial's subsidiary 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, and to encourage more sustainable products and services. In 2017 and in 2018, as part of our Third Party Code deployment, we continued reaching out to new key suppliers, consultants, advisors and other business partners, asking them to confirm their compliance to the requirements of our Code.

LEARN MORE 

[GWL Realty Advisors](#)  
[Square Victoria Real Estate](#)



## 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.



## 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

IGM Financial subsidiaries, 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 totaling \$13.5 million. Since 2006, over 25,000 grants have been made, totaling \$59.1 million.



## Strategic Social Investments and Philanthropy

**At Power Corporation, we believe that strong communities create strong businesses. We strive to do our part to make a positive contribution to the communities where we are established.**

As a company acquired in 1968 by an entrepreneur, 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 “social” entrepreneurs are dedicated and professional, and greatly deserving of our support.

As part of our commitment to philanthropy and in keeping with our esteem for social entrepreneurs, we encourage and support our officers and employees who volunteer their time to causes of their choice. Through our donations and investments, Power Corporation has contributed to more than 1,200 organizations over the last 10 years, among five broad categories – community development, arts and culture, environment, education and health.

These initiatives at the Power Corporation level are greatly augmented by the distinct programs of our subsidiaries, Great-West Lifeco and IGM Financial. In 2017, community investment contributions by our group companies totalled more than \$48 million and, together, we supported more than 2,000 community organizations in Canada alone. Many community organizations benefit from the active involvement of our employees, who we encourage to share their experience and expertise through volunteering with non-profit organizations.



**“ We believe that the volunteer sector, working in partnership with governments and businesses, can build a better society with better opportunities for all. ”**

[LEARN MORE](#) 

[Power Corporation in the Community](#)



## Advocacy and Public Policy Engagement

The following are some examples of how companies in the Power Corporation group directly and indirectly engage with public policy makers to support the advancement of sustainable policy objectives.

### Brookings International Advisory Council

(membership held by Power Corporation's Co-CEO)

Supporting efforts being taken to develop effective, pragmatic policies for addressing national and global issues including energy and environmental issues.

**BROOKINGS**

### Canadian Green Building Council

(membership held by Great-West Lifeco)

Supporting initiatives to increase the adoption of green building certification systems and incentives to increase energy and carbon efficiency investments.



### CDP

Carbon Disclosure Project

(Power Corporation, Power Financial, Great-West Lifeco and IGM Financial)

Supporting greater disclosure on carbon governance, risks and opportunities, and performance.



### Building Owners and Managers Association (BOMA)

(membership held by Great-West Lifeco)

Supporting initiatives to increase awareness of energy and climate change issues, and incentives to increase building energy- and carbon-efficiency investments.



### Canadian Institute of Actuaries

(membership held by employees at Great-West Lifeco)

Engaging within the industry to better understand how climate change could impact insurance pricing and valuation models.



### Chartered Financial Analyst Institute

(membership held by Great-West Lifeco)

Supporting and increasing its own knowledge of climate risks.





### Conference Board of Canada: Business Council for Sustainability

*(membership held by IGM Financial)*

Engaging with senior business leaders responsible for environmental management and sustainability to learn and share best practices across a wide range of organizations.



### Imagine Canada

*(membership held by Power Corporation, Great-West Life, London Life, Canada Life, Investors Group and Mackenzie Investments)*

Promoting leadership and excellence in community investment. The organization recognizes our major operating subsidiaries as “Caring Companies”.



### NAIOP

Commercial Real Estate Development Association  
*(membership held by Great-West Lifeco)*

Supporting initiatives to increase awareness of energy and climate change issues as part of a broader mandate for real estate operations.



### Real Property Association of Canada

*(membership held by Great-West Lifeco)*

Supporting initiatives to increase awareness on energy improvements and increase government incentives towards existing and new energy-efficient commercial real estate.



### Global Reporting Initiative (GRI)

*(Power Corporation, Power Financial, Great-West Lifeco's subsidiary GWL Realty Advisors and IGM Financial)*

Supporting sustainability reporting that aligns with the GRI Sustainability Reporting Guidelines.



### International Economic Forum of the Americas (Canada)

*(membership held by Power Corporation's Co-CEO)*

Supporting efforts being taken to increase awareness and collaboration between international governments on a wide range of issues, including climate change.



### Principles for Responsible Investment (PRI)

*(GLC Asset Management Group, Putnam Investments, Irish Life Investment Managers, Investors Group and Mackenzie Investments are signatories)*

Supporting policies to integrate the six principles for responsible investment.



### Urban Land Institute

*(membership held by Great-West Lifeco)*

Supporting initiatives and research focused on responsible and sustainable land use planning and development, including issues related to building resilience, energy conservation and climate change adaptation/mitigation.



## Partnerships and Collective Action

The following are some examples of projects where we participate with public and private organizations to support sustainability initiatives and work collaboratively to solve common challenges and dilemmas at national and local levels.

### CFEE

#### Canadian Foundation for Economic Education

*(Investors Group partnership)*

Through its support to the Building Futures program, Investors Group helps Canadian provinces integrate financial education into the core curriculum for grades 4 to 10. The program leverages the popular *Money and Youth: A Guide to Financial Literacy*, an online learning tool and guidebook for high school students produced by the Canadian Foundation for Economic Education with funding from Investors Group. With its support, more than 500,000 copies of *Money and Youth* textbooks 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.



Canadian Mental  
Health Association

#### Canadian Mental Health Association

*(Great-West Lifeco partnership)*

Great-West Life is the national sponsor of the Canadian Mental Health Association's (CMHA) national workplace program called the Workforce Mental Health Collaborative, which offers workplace stakeholders access to in-depth training and practical resources and support. The Great-West Life Centre for Mental Health in the Workplace and the Collaborative worked together to develop one of the CMHA's most successful training programs – the CMHA Certified Psychological Health and Safety Training Advisor Training. To date, CMHA has certified over 170 advisors, who now can help organizations build actionable plans to improve psychological health and safety, and implement Canada's voluntary National Standard on Psychologically Safe and Healthy Workplaces.



**CPA** CHARTERED  
PROFESSIONAL  
ACCOUNTANTS

#### Chartered Professional Accountants of Canada

*(Great-West Lifeco partnership)*

Great-West Life became the national sponsor of the Chartered Professional Accountants of Canada's (CPA Canada) innovative and award-winning financial literacy programming in 2014 and is continuing its commitment through several new initiatives. The joint goal is to help empower all Canadians to make the best financial decisions, with an ultimate goal of the long-term financial well-being of Canadian families. As part of its support, Great-West Life is funding a CPA Canada research project that will help develop a unique tool for financial advisors to assess a person's self-defined concept of financial well-being.



### David Suzuki Foundation

*(Power Corporation partnership)*

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



### International Institute for Sustainable Development

*(Great-West Lifeco partnership)*

Great-West Life is helping to promote research and knowledge of the risks associated with climate change. Through its support, the company is the catalyst funder for the Prairie Climate Centre – a joint venture between the International Institute for Sustainable Development (IISD) and the University of Winnipeg. The Centre provides research, advice and policy development on climate change. The Centre 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 Prairie Climate Centre released an internationally recognized research series, *Building a Climate-Resilient City*, which outlines innovative risk management approaches that can help cities adapt to climate change and ensure communities are safe and healthy for families. Throughout the year, their expert advice continued to shape key policy decisions by government and business, including assisting the Government of Manitoba in holding consultations and developing its Climate and Green Plan.



### Nature Conservancy of Canada

*(Power Corporation partnership)*

We supported the Force for Nature Campaign from 2007 to 2012. Through this campaign, the organization and its partners worked together to conserve more than 752,000 acres (304,324 hectares) and protect habitats for 146 species at risk. We have continuously supported the Nature Conservancy of Canada since 2005 and we have extended our commitment through to 2018.

## About this Report

### Reporting Scope

This 2018 Communication on Progress (COP) is our fourth formal progress report since joining the UNGC in 2014 and provides both qualitative and quantitative performance information. Qualitative information covers the 2017 calendar year and the first half of 2018, while quantitative information covers the calendar year 2017 only.

### Alignment with the Global Compact Advanced Level Criteria

This is the third year where we have communicated our commitment, programs and performance related to sustainability in alignment with the Global Compact (GC) Advanced Level Communication on Progress. As part of our submission to the UNGC this year, we completed the GC Advanced Level COP Self-Assessment, and will continue to use the Advanced Level criteria to help us strengthen our commitments and continuously improve our programs, performance and reporting.

### Additional Information Sources

Throughout this COP, we reference our websites and provide additional links to other relevant corporate disclosures, which provide a means of publicly documenting and disclosing our approach and practical examples of how responsible management is implemented within our business and throughout the Power Corporation group of companies. For a complete list, please refer to the Library on page 2. Our sustainability disclosure is guided by the GRI Sustainability Reporting Standards.

### External Assessment

Other than the GHG emissions reported and referenced in our CDP submission, this COP has not been externally verified.

### Abbreviations

The following abbreviations are used throughout this document: Canada Life (The Canada Life Assurance Company); our Code (Code of Business Conduct and Ethics); CSR (Corporate Social Responsibility); ESG (environment, social and governance); GBL (Groupe Bruxelles Lambert); Great-West Lifeco (Great-West Lifeco Inc.); GHG (greenhouse gas); 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); 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); our Third Party Code (Third Party Code of Conduct); 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.).