



United Nations Global Compact

September 2019

Communication on Progress

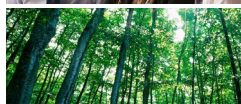
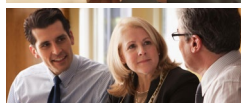
ADVANCED LEVEL



POWER FINANCIAL
CORPORATION

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Library

This document references a number of other Power Financial documents, which are available either on our corporate website at www.PowerFinancial.com or our CSR website at www.PowerFinancialCSR.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](#)
- [Respectful Workplace Policy and Procedures](#)

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 Financial

Power Financial Corporation, a subsidiary of Power Corporation of Canada, is a diversified international management and holding company with 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 in 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 a leading wealth and asset management company serving the financial needs of Canadians through its principal subsidiaries, each operating distinctly, primarily within the advice segment of the financial services market.

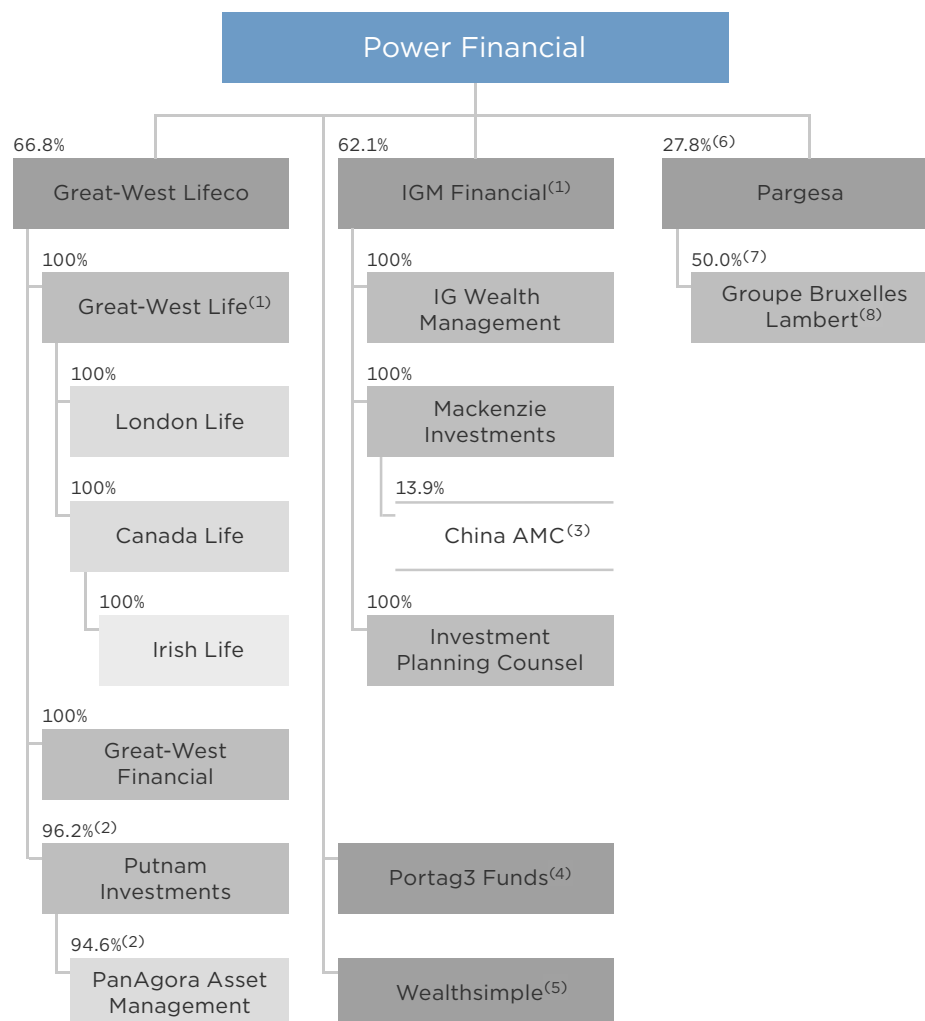
Through its investment in Pargesa Holding SA, Power Financial also has significant holdings in global industrial and services companies based in Europe.

Together, Power Financial's investments in the financial services sector represent approximately 99 per cent of our consolidated assets, whereas our interests in other business sectors together account for approximately one per cent of our consolidated assets.

[LEARN MORE](#) 

[Power Financial Website](#)

Group Organization Chart



Percentages denote equity interest as at June 30, 2019, unless otherwise noted.

(1) Great-West Life holds a 3.9% interest in IGM Financial, and IGM Financial holds a 4.0% interest in Great-West Lifeco.

(2) Representing 100% of the voting interests.

(3) Power Corporation also holds a 13.9% interest in China AMC. IGM Financial and Power Corporation hold a combined 27.8% interest in China AMC.

(4) Power Financial directly holds a 63% interest, and Great-West Lifeco and IGM Financial also hold equal interests of 18.5%, in Portag3 Ventures LP (Portag3). Power Financial, Great-West Lifeco and IGM Financial also hold equal interests of 11.7% in Portag3 Ventures II LP (Portag3 II). Sagard Holdings, a wholly owned subsidiary of Power Corporation, also holds a 7.1% interest in Portag3 II.

(5) Portag3, Power Financial and IGM Financial hold undiluted equity interests in Wealthsimple of 17.3%, 19.6% and 44.9%, respectively, representing a combined voting interest of 82.3% and a diluted equity interest of 67.2%.

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

(7) Representing 51.5% of the voting interests in Groupe Bruxelles Lambert.

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

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. We understand the important relationship that exists between business and society: for the first to thrive, the second must also. This is not a point that we take lightly, and by carefully considering environmental, social and governance (ESG) factors in our business decisions, we focus on driving sustainable value in our operating businesses and investments, while enabling economic and social progress at large. Responsible management has long been a strong, guiding value at Power Financial and is a constant priority that we believe is consistent with our commitment to the UNGC's ten principles on human rights, labour rights, environment and anti-corruption, of which we have been a signatory since 2014. We have also supported the United Nations 17 Sustainable Development Goals (SDGs) since their launch in 2015. We are proud to renew our commitment of support in 2019 in alignment with the UNGC Advanced Level Criteria, which includes the ten principles as well as the UN 17 SDGs.

Management Approach

At Power Financial, 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, as well as to contribute to economic prosperity and to the communities in which they operate.

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. Our 2019 Communication on Progress has been prepared to demonstrate the progress we have made over the past year, providing information on the commitments, initiatives and performance of our group companies with the aim of contributing to social and economic progress and the betterment of our communities.

In this Communication on Progress we reference our websites and other relevant corporate disclosure, providing 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 Financial group of companies.

Signed,

R. Jeffrey Orr

President and CEO

“ Our 2019 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 and the betterment of our communities. ”

Recognitions and Awards



FTSE4Good

In 2018 and 2019, Power Financial and IGM Financial maintained their listing status on the FTSE4Good Global Index, which measures the performance of companies demonstrating strong ESG practices.



Both Power Financial and Power Corporation are among an elite group of 127 companies worldwide that received the top score of “A” from the CDP in 2018. With IGM Financial also obtaining an “A” score, earning a place on the CDP A list, and Great-West Lifeco scoring “A-”, four of the five top ranked Canadian financial services companies are members of the Power group.



Our parent company Power Corporation, as well as Great-West Life, London Life, Canada Life, IG Wealth Management 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.



In 2018, Great-West Lifeco marked a historic milestone with all its corporate head offices being BOMA BEST® Gold certified. Five awards were presented in 2018 to properties managed by GWL Realty Advisors, relating to sustainability, staff, and operational excellence. These awards included the BOMA Certificate of Excellence (5000 Yonge St., Toronto), CREST Race2Reduce Award (33 Yonge St., Toronto) and the Don Smith Commercial Building Award (London Life Head Office).



IGM Financial maintained its listing status on the Jantzi Social Index, a stock index of Canada’s most sustainable companies, being one of only five financial services firms in the index.



In 2018, Great-West Lifeco’s subsidiary GWL Realty Advisors was recognized as a leader in sustainability by the Global Real Estate Sustainability Benchmark (GRESB), earning a “Green Star” ranking for the fourth consecutive year as well as a second consecutive GRESB “5star”. The GRESB Real Estate Assessment has placed GWL Realty Advisors among the top three participants in Canada and fourth overall (of 196 submissions) in the Global Diversified category. Its score increased 16 per cent from its first submission in 2015, moving the company to the top seven per cent worldwide in 2018.

Corporate Knights

In 2019, two of Mackenzie Investments’ funds, the Mackenzie Global Environmental Equity Fund and the Mackenzie Global Leadership Impact ETF, rated in the top five in the Canadian equity fund and ETF categories of the Corporate Knights Eco-Fund Ranking. Corporate Knights’ ratings help Canadian investors see which funds provide the best combination of economic and environmental performance.



Our parent company Power Corporation has been added to the Euronext Vigeo Eiris World 120 Index as of December 2018. Euronext Vigeo Eiris’ indices are composed of the highest-ranking listed companies as evaluated by the agency in terms of their performance in corporate responsibility.

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. In 2018, we continued to strengthen our commitment by formalizing the adoption of our Respectful Workplace Policy and Procedures.

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 CEO plays 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 CEO 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](#)
[CEO 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 are taken into consideration to define our CSR 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 in which 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	Investing responsibly	Talent development and engagement	Energy and carbon efficiency	Shared value creation
Human rights	Sustainable products and services	Respectful and inclusive workplace	Climate change adaptation	Financial well-being and economic prosperity
Diversity of the Board and executive management		Health, safety and well-being	Green procurement	
Responsible procurement				
Data privacy and security				

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 in which 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 2019, 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 of 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 and the highest legal, ethical and professional standards. In 2018 and 2019, 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 ESG 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 in a manner 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. The CSR Lead provides oversight on these issues, informs the CEO when relevant, and reports 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, 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 2018, issues addressed through our stakeholder engagement covered topics on climate change disclosure, 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. Our Respectful Workplace Policy also outlines the procedures and mechanisms that are available for anyone believing they have been subject to or have witnessed any behaviour which is contrary to the policy, including a reporting hotline and web portal operated by a third-party provider which is

available 24 hours a day, 365 days a year.

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.

Great-West Lifeco and IGM Financial have similar mechanisms in place 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. In addition, IGM Financial's operating companies have formal procedures in place to handle written or verbal complaints from clients in a fair and timely manner.

[LEARN MORE](#) 

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



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 under the Universal Declaration of Human Rights and the International Labour Organization (ILO) conventions.

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 commitments 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 CEO, 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). Through our active ownership approach, we assess our exposure to potential human rights risks, as well as 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 years, the Power group of companies have continued to strengthen the integration of human rights within our business decisions and in the communities in which we operate.

Strengthening Commitments

The CSR Statements developed by Power Financial group companies have been strengthened to make explicit the importance of supporting and respecting human rights.

Pargesa Holdings and GBL reinforced their commitments to incorporating ESG considerations, including human rights, into their investment analysis process and active ownership approach. GBL's decision, in 2018, to become signatory to the United Nations Global Compact (UNGC) also aligns with its overall commitment to human rights.

In 2017 and 2018 respectively, Great-West Life and IG Wealth Management became signatories of Winnipeg's Indigenous Accord, committing to fostering a workplace culture in which Indigenous Peoples and all employees can contribute to their fullest potential.

Furthermore, in 2018 and in early 2019, the employees of Power Financial, Great-West Lifeco and IGM Financial acknowledged their commitment to the companies' respective codes, which include human rights-related aspects.



Investment Fund Human Rights Screens

At IGM Financial, human rights considerations are integrated in the investment process of the Investors Summa SRI™ Fund, one of the largest socially responsible investment funds in Canada, with close to \$400 million in asset under management. The Fund invests primarily in companies that have adopted progressive standards and practices towards the environment, human rights and other social issues and does not invest in companies whose revenues are primarily derived from alcohol, tobacco, gambling, pornography or critical weapons systems.

Since 2017, Mackenzie Investments has launched new funds designed to generate long-term competitive returns, while supporting positive environmental, social and governance change:

- The Mackenzie Global Sustainability and Impact Balanced Fund provides Canadian investors with a solution that helps their investments have a positive environmental and social impact. The fund selects companies that are willing to engage in or have incorporated strategies aimed at improving ESG practices.
- The Mackenzie Global Leadership Impact Fund and Mackenzie Global Leadership Impact ETF provide an opportunity for investors to impact social and governance change through a focus on companies that promote gender diversity and the benefits of women in leadership.
- The Mackenzie Global Environmental Equity Fund provides investors a product focused on opportunities in environmental sectors.

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 2018 and in early 2019, 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, our parent company Power Corporation and our subsidiaries Great-West Life, London Life, Canada Life and IG Wealth Management, 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 has also continued to support 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](#)

[Power Corporation in the Community](#)



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 and our Respectful Workplace Policy and Procedures:

- Providing a workplace in which all people are treated fairly, with dignity, mutual respect and professionalism.
- Providing equal employment, appointment and advancement opportunities 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, sex, sexual orientation, race, national origin, religion or disability.

- We do not tolerate forced or compulsory labour, child labour, harassment, including sexual or psychological harassment, threats, violence, or other disrespectful or inappropriate 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 to their respective human resource departments.

[LEARN MORE](#) 

[Board and Senior Management](#)
[Gender Diversity](#)
[Respectful and Inclusive Workplace](#)

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 2018, female representation on IGM Financial's board of directors increased to 33 per cent, up from 6 per cent in 2015, the year the Board diversity policy was established. Women comprised 31 per cent of the executive team, achieving 45 per cent of the promotions at that level.

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 2018, these groups held local activities for all employees, including networking events, presentations and a speaker series with senior leaders from the companies. For example, to celebrate International Women's Day, its *Women in Leadership* to groups organized an event during which executives of the company spoke about the commitment to gender balance and to broaden diversity and inclusion. A guest speaker discussed inclusiveness and diversity's importance in driving business and customer outcomes.

As to enable upward mobility of women through talent management, IGM Financial's operational companies put forward various initiatives. Mackenzie Investments created a platform, *Mackenzie Together: Championing Women's Worth*, to solidify its commitment to gender equality issues and work with its leaders to empower them with training, tools and ways of working to think more inclusively. In 2018, both Mackenzie Investments and IG Wealth Management continued to offer *Taking the Stage*®, a program for women focusing on the skills and tactics that drive leadership presence and effectiveness. IG Wealth Management also hosted the first-ever Canadian Summit for Women in Financial Planning in Toronto, attended by 200 women, including female financial planners from independent firms and bank brokerages.

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, and supports Women and Color, an online community of subject matter experts who identify as women and/or people of color. In 2018, women made up about 35 per cent of Wealthsimple's employees and held 29.5 per cent of roles at the management level.

Promoting Indigenous Peoples

As one of the Winnipeg 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. The company is also providing support to Indigenous community programs, including Indspire's *Building Brighter Futures Fund* and the *Promoting Life Skills in Aboriginal Youth* program. IG Wealth Management, which also became signatory to the Winnipeg Indigenous Accord in 2018, is a supporter of the Aboriginal Business Education Partners scholarship program at the University of Manitoba and the Canadian Aboriginal Human Resource Management Association. The company also participated in Winnipeg's Youth CEO program, part of an Indigenous youth initiative, which placed a high school student at the company for one week to gain experience in the business.

Career Path Training Development Programs

Great-West Lifeco continues to offer career path-specific supports and opportunities for several disciplines. In Canada alone, in 2018, more than 3,300 employee continuing education applications were approved and, in total, over 49,000 employee eLearning training sessions were completed. The company also launched a new Learning Management System and new learning intranet site – the Learning Hub – giving employees greater control in their development and providing curated learning paths for employees and leaders.

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

In 2018, GWL Realty Advisors (GWLRA) piloted the GWLRA Process Excellence Development and Certification Program to bring continuous improvement thinking in-house. During the nine months of the program, staff learned six sigma lean methodology and applied it to re-engineer an ineffective process.

IGM Financial is focused on developing its employees' skills both in the short term to be successful in existing roles, but also over the longer term to develop skills for future roles across the organization. Learning opportunities are provided through a combination of formal training, feedback and coaching, and on-the-job experience:

- At IG Wealth Management, the company's industry-leading training got a boost in 2018 with the launch of IG University, which designs customized educational opportunities supported by internal experts and world-renowned education partners. In less than a year, there were over 40,000 courses completed through IG University. The company's programming is anchored to the core pillars of financial planning, practice management, professional responsibility, products and leadership development, and is segmented from a fundamental to expert level.
- At Mackenzie Investments, the company's cross-country team works with advisors to support them in managing and growing their business. The team offers advisors workshops, keynotes, tools and resources covering value-added topics including tax, disability and estate planning, and strategic philanthropy.
- At Investment Planning Counsel, in-depth training for financial advisors, assistants, and branch managers is designed to provide knowledge and skills to help them excel and assist them with their professional growth. The approach consists of online learning tutorials, weekly virtual classrooms, and in-class training.

Employee Engagement Surveys

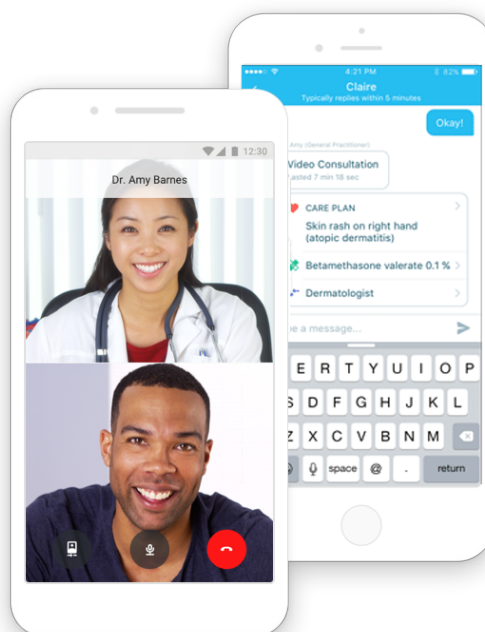
Each of IGM Financial's operating companies has a strong focus on engagement and, through the confidential Gallup employee engagement survey, regularly seeks employees' opinions to understand what matters to them, how the companies are doing and how they can improve. Leaders review Gallup results with their work teams, and then work individually and as a group on action plans for improvement. This ongoing cycle contributes to team discussion, accountability and action, and enables the employees to contribute to their own development and to the success of the group. It is worth noting that in 2018, Mackenzie Investments exceeded target in Gallup's employee engagement survey, reaching the 85th percentile for the industry.

Workplace Health and Wellness

Great-West Life's Centre for Mental Health in the Workplace (the Centre), which celebrated its 11th anniversary in 2018, fosters collaboration and dialogue by bringing together thought leaders and driving discussions on issues affecting mental well-being. Aligning with the National Standard of Canada for Psychological Health and Safety in the Workplace, the Centre is a leading source of free, practical tools and resources designed to help Canadian employers improve psychological health and safety in the workplace. These resources are available to all employers and organizations through the Centre's website, which receives 180,000 users every year. To date, Great-West Lifeco has invested over \$11.5 million in the Centre and mental health related initiatives and has made more than \$5.5 million in charitable contributions to projects aligned with the Centre.

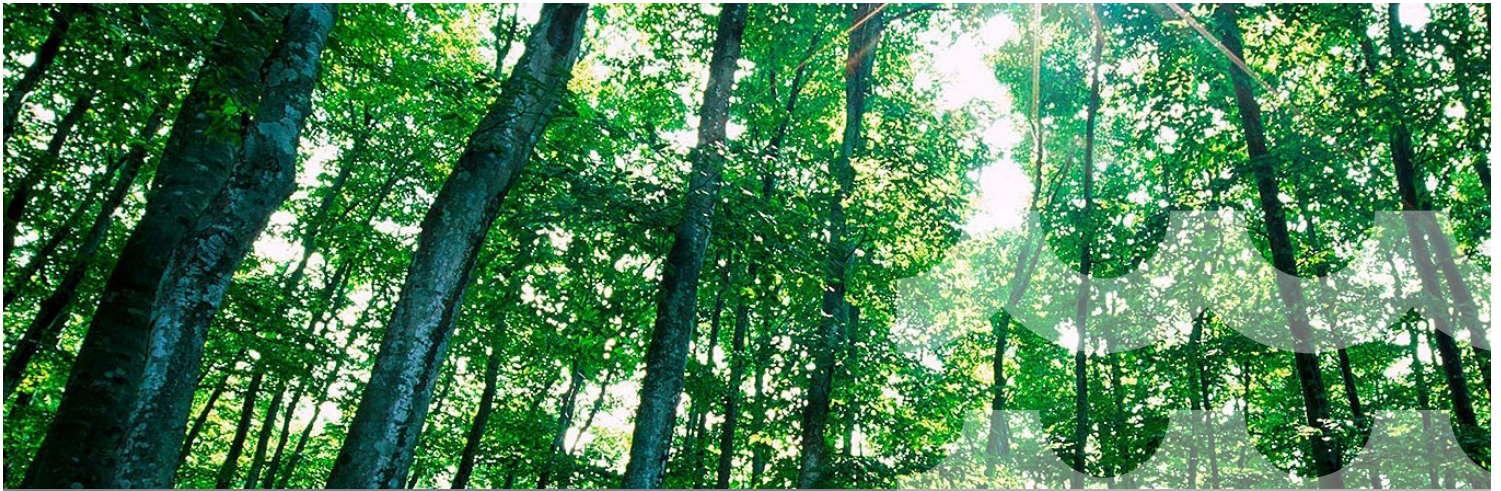
IGM Financial aims, through ongoing communications, training, and programs – including “wellness weeks” featuring hands-on activities – at helping its employees cultivate a skillset to manage stress at work and at home, and to improve their health and personal performance. It offers a confidential assistance program for employees and their immediate families, which provides practical solutions for challenges regarding their work, health, and home life. This includes counselling and referral services to dietitians, legal support, and child or elder care assistance and resources. IG Wealth Management and Mackenzie Investments also partnered with the *Not Myself Today*® campaign to provide support, tools and resources for employees, in an effort to increase mental health awareness in the workplace.

At Power Financial, we also invest in other businesses that promote health and wellness. For instance, Dialogue, a technology start-up we invest in through 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](#)
[Dialogue](#)



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 Power Financial is assigned to the Vice-President and General Counsel and to the Vice-President, Human Resources and Administration, and executed by Power Corporation's 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 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. 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 leased 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 2018 and 2019 GHG emissions were third-party verified, as were those of 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).

Great-West Lifeco has a strong commitment to minimizing its environmental footprint, to reporting high-quality emissions data and reducing emissions across its operations. 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. Between 2013 and 2018, the company achieved a 17.7 per cent reduction in GHG emissions intensity in its overall managed real estate portfolio. The company also participated in the annual CDP Climate Change program for the seventh consecutive year, and its 2018 and 2019 submissions included again its global operations. In 2018, Great-West Lifeco received an A- (Leadership) ranking from the CDP, making it the highest ranked Canadian insurance company on the CDP's annual list.

IGM Financial is also committed to taking action on climate change. The company 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. In 2018, IGM Financial achieved both its short- and long-term reduction targets as it continued to focus on behavioural changes and facility upgrades. The company has significantly reduced its commercial travel and, following the 2016 decision to begin purchasing green fuel and carbon offsets, it reduced the impact of commercial air travel by approximately 45 per cent in 2018. Responding to the CDP for the seventh consecutive year, IGM Financial obtained a score of A (Leadership) for their response to the 2018 CDP questionnaire, earning a spot on the A List and ranking in the top five financial services companies in Canada for the fifth year in a row.

[LEARN MORE](#) 

[Environmental Policy](#)

[Response to the CDP Questionnaire](#)

[Data Supplement](#)

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

In 2018, Great-West Lifeco invested over \$2 billion in wind, solar, and other renewable energy projects and the company's public bonds group made purchases of Ontario and Québec's green bonds. IGM Financial is committed to increasing its use of low-carbon, renewable energy and choosing a sustainable way to heat the IG Wealth Management and Mackenzie Investments primary corporate offices with renewable natural gas. In Manitoba, where the IG Wealth Management head office and IGM Financial's data processing facility are located, over 99 per cent of electricity is produced by GHG-free hydroelectric generating plants that do not burn fossil fuels. Fifty-five per cent of the total electricity used in all IGM Financial's office space is situated in provinces with low carbon sources – Manitoba, Québec, and British Columbia.

Greener Real Estate

Our real estate investments, through Power Corporation's 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 and at our Toronto office. Accordingly, our energy and carbon efficiency strategy is mainly focused on reducing the energy consumption from our office buildings.

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, 92 per cent of its eligible commercial portfolio by floor area is BOMA BEST® or LEED® certified, representing over 36 million square feet of its managed portfolio. In 2018, its parent company, Great-West Lifeco, marked a historic milestone with all its corporate head offices being BOMA BEST® Gold certified.

Carbon Efficiency

Together, the Power Financial 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 13,228 tCO₂e, or 21.7 per cent, enabling our subsidiaries Great-West Lifeco and IGM Financial to progress towards meeting their respective reduction targets.

ESG Integration in 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 continued to integrate environmental considerations as part of our ESG investment analysis process, where relevant. We also engage with our major operating subsidiaries to encourage responsible environmental management activities in their operations and investment processes.

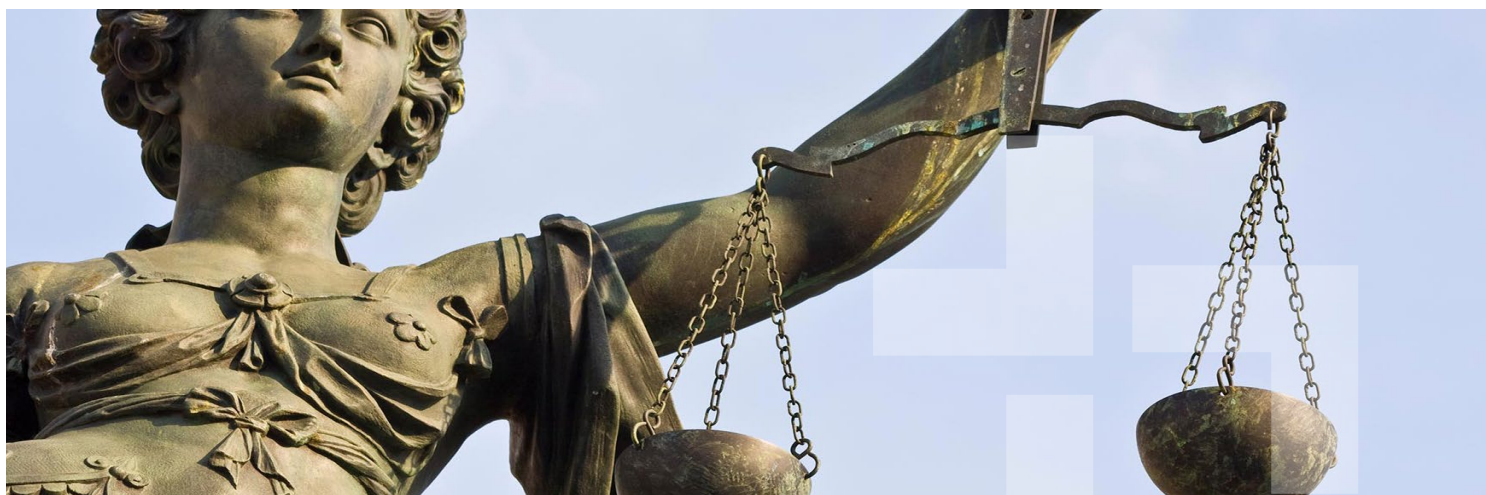
We track and follow environmental performance through our representation on our major operating subsidiaries' respective boards. We also engage with our major operating subsidiaries Great-West Lifeco and IGM Financial through a group-wide CSR committee to understand their environmental policies, programs and reporting, and to share best practices. Many of our group companies are signatories to the Principles for Responsible Investment (PRI), including Great-West Lifeco subsidiaries GLC Asset Management Group, Putnam Investments and Irish Life Investment Managers, and IGM Financial subsidiaries IG Wealth Management and Mackenzie Investments, which are integrating ESG factors into their investment processes. In 2018, Groupe Bruxelles Lambert also became signatory to the PRI, furthering its commitment to pursue the development of its responsible investment approach.

Community Impacts

Through our parent company Power Corporation, we support various partnerships that are enabling the transition towards a low carbon and more environmentally-sustainable economy, including the Nature Conservancy of Canada, the Earth Rangers school outreach program and the David Suzuki Foundation.

Great-West Life supports the International Institute for Sustainable Development and the Prairie Climate Centre, which facilitates cutting-edge climate research and policy recommendations, helping governments, businesses and community members understand the impacts of climate change and respond effectively. IGM Financial examples include the EcoPass/Allego/VIP Public Transit Incentive Programs, the Manitoba Race to Reduce and the Winnipeg Commuter Challenge.

“ 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. 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 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 Financial, 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-Bribery Policy.

Compliance

In 2018 and 2019, all our Directors, officers and employees acknowledged compliance with our Code, including our Anti-Bribery 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.

“ We are committed to carrying out our business worldwide ethically in accordance with all applicable laws, and without the use of bribery. ”

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. Our major operating subsidiaries offer life and health insurance, retirement savings programs and a broad range of investment vehicles, including socially responsible funds. The following examples demonstrate how products and services at the Power Financial group of companies are contributing to the SDGs.



End poverty in all its forms everywhere

Financial Security

With more than 31 million customer relationships in Canada, the United States and Europe, our financial services companies enable financial security through life and health insurance, retirement savings programs, and a suite of investment products. Having the knowledge, skills and confidence to make informed financial decisions is critical to the financial well-being of our clients. 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 clients of all horizons plan for their long-term financial security.

Globally, Great-West Lifeco paid over \$32 billion in benefits to customers in 2018. Great-West Lifeco's Canadian companies helped families cope with loss, paying out more than \$2.5 billion in life insurance benefits in 2018 and providing income for over 79,000 people who became disabled and could no longer work. It also helped over 30,000 employers provide benefit plans and 9,100 employers offer retirement savings plans to their employees. They also paid \$9.3 billion in benefits and made \$916 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. We also invest in Wealthsimple, one of Canada's largest and fastest growing online investment managers, which offers investment management services, such as automatic rebalancing, dividend reinvesting and tax loss harvesting, that most people couldn't afford until now or found too time-consuming and tedious to do on their own.



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.

In addition, we also invest in businesses that promote health and wellness. For instance, Great-West Lifeco's health and life insurance business is helping thousands of Canadians manage their personal wellness. Working together with other healthcare partners, they are improving the accessibility and affordability of group benefits, providing education on physical health, and developing a greater understanding of mental health.

Another example is Dialogue, a technology start-up we invest in through Diagram, which offers to its customers' employees online access to healthcare professionals who can provide virtual consultations, diagnoses and treatment plans. Dialogue helps employees to better manage their physical and mental health, while contributing to employers' efforts to reduce their overall healthcare costs and absenteeism. We also offer our employees access to Dialogue.

Mental Health in the Workplace

Great-West Life's Centre for Mental Health in the Workplace (the Centre), which celebrated its 11th anniversary in 2018, has fostered collaboration and dialogue by bringing together thought leaders and driving discussions on issues affecting mental well-being. The Centre is a leading source of free, practical tools and resources designed to help Canadian employers improve psychological health and safety in the workplace. These resources are available to all employers and organizations through the Centre's website, which receives 180,000 users every year. To date, Great-West Lifeco has invested over \$11.5 million in the Centre and mental health related initiatives and has made more than \$5.5 million in charitable contributions to projects aligned with the Centre.

[LEARN MORE](#) 

[Workplace Strategies for Mental Health Dialogue](#)



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.

For Great-West Lifeco's Canadian operations, 2018 marked its fifth year of commitment as the national sponsor of the Chartered Professional Accountants (CPA) 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. Since becoming the national program sponsor in 2014, Great-West Lifeco has provided almost \$1 million in charitable support to the program. In 2018, CPA Canada reported that more than 75,000 Canadians accessed digital resources and 2,280 no-fee workshops in 35 financial literacy programs, including five new ones. 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.

As an extension of IGM Financial's day-to-day work of helping clients with their financial goals, the company is committed to improving the financial confidence of Canadians who need it the most, knowing that providing people with the knowledge and resources they need to gain a basic understanding of their personal finances will help them build a better financial future for themselves and their families. Through the daily work of financial advisors who serve its clients, the financial literacy presentations these advisors deliver in the community, and as partners in the creation of financial education programs and curricula, IGM Financial is a leader in the ongoing effort to advance the financial confidence and financial security of Canadians.

In addition, under the banner of *IG Empower Your Tomorrow*, IG's sponsorship and community platform focuses on building the financial confidence of Canadians who stand to benefit the most from it – youth, seniors, new Canadians, and Indigenous Peoples. Tailored financial knowledge and resources are delivered to these groups through strategic community partnerships. As an example, 50 financial literacy workshops were delivered to over 1,300 seniors and Canadian newcomers through the Canadian Foundation for Economic Education (CFEE)/IG Wealth Management workshop series.

IG Wealth Management continues to make a significant contributions to improving financial literacy of youth and their parents, having contributed \$4.1 million since 1995 to support and promote financial literacy programs for Canadians, including through its continued collaboration with the 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](#) 

[CPA Canada's Financial Literacy](#)

[SmartPATH](#)

[IG Empower Your Tomorrow](#)

[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, such as the *Women in Leadership* group, and other initiatives for up-and-coming female leaders, focusing on education and inspiration. 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. In 2018, 69 per cent of Great-West Lifeco's Canadian workforce and 46 per cent of its management-level employees in the country were women.

At IGM Financial, the approach to Board and senior management diversity was formalized through a Diversity Policy and, in 2018, female representation on the board of directors increased to 33 per cent, up from 6 per cent in 2015, the year the Board diversity policy was established. Women comprised 31 per cent of the executive team, achieving 45 per cent of the promotions at that level. 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. Both IG Wealth Management 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 March 2018, Wealthsimple conducted its first "Diversity, Inclusion, and Belonging" study across its offices in Canada, the United States and the United Kingdom. In addition to collecting data on race, gender, ethnicity, and other demographic information, they asked employees 11 questions about inclusion in the workplace. Interestingly, the survey revealed that 93 per cent of employees agree with the statement "Wealthsimple values diversity". In 2018, women made up about 35 per cent of Wealthsimple's employees and held 29.5 per cent of roles at the management level.

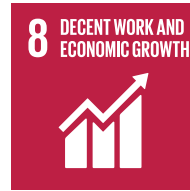
As a way to further foster diversity, Wealthsimple supported the creation of two employee groups: *Women at Wealthsimple* and *Rainbow (LGBTQ+)*. In addition, the company is one of the founding partners of #MovetheDial, an organization whose objective is to increase the participation and leadership of all women in tech, and supports Women and Color, an online community of subject matter experts who identify as women and/or people of color.



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

Investments in Green Energy Projects

In 2018, Great-West Lifeco invested over \$2 billion in wind, solar, and other renewable energy projects and the company's public bonds group made purchases of Ontario and Québec's green bonds.



Promote inclusive and sustainable economic growth, employment and decent work for all

Job Creation and Benefits

Power Financial and its group companies employed approximately 28,000 individuals and paid out \$7.4 billion in salaries and other benefits and commissions in 2018. These funds flow through the economy, impacting the hundreds of communities in which our employees live and work. Our investments in training and new technologies also contribute to develop local talent and the intellectual capital of our people.

Investments to Spur Growth

Through its investment activities, Great-West Lifeco provides long-term capital, contributing to economic growth, and helping Canadians reach their financial goals. The company's commercial mortgages, public bond and private placement investments provide opportunities for businesses and governments to help create employment, fund research and development, and support infrastructure, healthcare, and renewable energy projects. In 2018, the company funded more than \$3.5 billion in new private debt and commercial mortgages across Canada.

Great-West Lifeco is also a founding investor of the newly launched Canadian Business Growth Fund (CBGF) aimed at fostering innovation. Funded by Canada's leading banks and insurance companies, the CBGF will invest in Canadian entrepreneurs and provide businesses with the capital they need to grow domestically and globally. An advisory network has also been created to provide mentorship to help these businesses to achieve their full growth potential and write the next generation of Canadian business success stories.

Registered Disability Savings Plans

IGM Financial's subsidiaries IG Wealth Management 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.

[LEARN MORE](#) 

[Canadian Business Growth Fund](#)



Make cities inclusive, safe, resilient and sustainable

Sustainable Real Estate

Great-West Lifeco's subsidiary, GWL Realty Advisors, is contributing to more safe, resilient and sustainable real estate assets. Its goal is to evolve its sustainability platform to meet the demand for smarter, climate-resilient, more sustainable and healthier buildings for tenants and residents. By investing in and developing mixed-use and residential spaces and certified green buildings, GWL Realty Advisors is not only helping address the growing (affordable) rental shortage in many major cities in Canada, but is also supporting sustainable buildings.

Its *Sustainability Benchmarking and Conservation Program* covers its managed office properties, setting out five-year reduction targets for each of these properties, and using industry benchmarks and regional averages to gauge performance. This has helped property teams drive operational and efficiency gains at corporate offices and investment properties, ultimately reducing their environmental footprint across three core areas, including energy efficiency, water efficiency and waste minimization. As 2018 marked the culmination of the 2013–2018 five-year target-setting initiative, GWL Realty Advisors reported that thanks to the combined efforts of its property and asset management teams, it has surpassed its energy, water and GHG emissions reduction targets as at year-end 2018, seeing reductions of 10 per cent, 8 per cent and 22 per cent, respectively.

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, 92 per cent of its eligible commercial portfolio by floor area is BOMA BEST® or LEED® certified, representing over 36 million square feet of its managed portfolio. In 2018, its parent company, Great-West Lifeco, marked a historic milestone with all its corporate head offices being BOMA BEST® Gold certified.

In 2018, GWL Realty Advisors was once again recognized as a leader in sustainability by the Global Real Estate Sustainability Benchmark (GRESB), earning its fourth consecutive Green Star ranking. GWL Realty Advisors placed among the top seven per cent of firms worldwide and received its second consecutive '5 star' rating – the highest available. The GRESB Real Estate Assessment has placed GWL Realty Advisors among the top three participants in Canada and fourth overall (of 196 submissions) in the Global Diversified category. In addition to being recognized as a leader in the field, its score increased 16 per cent from its first submission in 2015, moving the company to the top seven per cent worldwide in 2018.

[LEARN MORE](#) 

[GWL Realty Advisors](#)



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 (PRI) – including Great-West Lifeco's subsidiaries GLC Asset Management Group, Putnam Investments and Irish Life Investment Managers, and IGM Financial's subsidiaries IG Wealth Management and Mackenzie Investments – integrating ESG factors into their investment processes as a way to identify both risks and opportunities to enhance long-term returns for investors. In 2018, Groupe Bruxelles Lambert (GBL) also became signatory to the PRI, furthering its commitment to pursue the development of its responsible investment approach.

GLC Asset Management Group has joined the Responsible Investment Association to help support their work in promoting responsible investment literacy as well as their advocacy efforts to shift public policy and regulation towards frameworks that are more conducive to responsible investing.

Meanwhile, Pargesa and GBL have formalized their commitment to incorporate ESG considerations into their investment analysis process through their respective CSR Statements.

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 2018 and in 2019, as part of our Third Party Code continuous deployment, we reached out to new key suppliers, consultants, advisors and other business partners, asking them to confirm their compliance to the requirements of our Code.



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 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 2018, both Power Financial and Power Corporation obtained a score of A (Leadership), earning a spot on the CDP A List, along with 127 other companies worldwide. With IGM Financial also obtaining an “A” score, earning a place on the A list, and Great-West Lifeco scoring “A-”, four of the five top ranked Canadian financial services companies are members of the Power Corporation group.

Reducing the energy and carbon footprint of its clients’ portfolios is a priority that enables GWL Realty Advisors to do its part to support the transition towards a low-carbon economy. Since 2013, it has reduced the carbon intensity of its portfolio by 17 per cent, representing 25,970 tonnes of CO₂e, surpassing its goal of reducing greenhouse gas emissions by 6.6 per cent by 2018.



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, our parent company Power Corporation and our subsidiaries, Great-West Life, London Life, Canada Life and IG Wealth Management, 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 IG Wealth Management, 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.

Strategic Social Investments and Philanthropy

At Power Financial, 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.

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 Power Corporation, we have contributed to more than 1,200 organizations over the last 10 years, across 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 2018, community investment contributions by our group companies (including our parent, Power Corporation) totalled \$47.7 million and, together, we supported more than 2,000 community organizations in Canada alone. This impact is multiplied through the active involvement of our group employees.



“ We believe in the ability of the voluntary sector, working in partnership with governments and businesses, to build a better society with better opportunities for all Canadians. ”



[LEARN MORE](#) 

[Power Corporation in the Community](#)

Advocacy and Public Policy Engagement

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

American Academy of Actuaries

(membership held by Great-West Lifeco)

Supporting and increasing its own knowledge of climate risks.



AMERICAN ACADEMY
of ACTUARIES

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.



Brookings International Advisory Council

(membership held by Power Financial's Executive Co-Chairman)

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 (CaGBC)

(membership held by Great-West Lifeco)

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



CDP

Carbon Disclosure Project

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

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



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.

**The Conference
Board of Canada**

Global Reporting Initiative (GRI)

(Power Financial, Power Corporation, 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 Financial's Executive Co-Chairman)

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, IG Wealth Management, Mackenzie Investments and Groupe Bruxelles Lambert 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.

**Imagine Canada**

(membership held by Power Corporation, Great-West Life, London Life, Canada Life, IG Wealth Management 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 (REALpac)**

(membership held by Great-West Lifeco)

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



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

(IG Wealth Management partnership)

Through its support to the Canadian Foundation for Economic Education (CFEE)'s *Building Futures* program, IG Wealth Management helps Canadian provinces integrate financial education into the core curriculum for grades 4 to 10. The program leverages the popular guidebook *Money and Youth: A Guide to Financial Literacy* aimed at high school students and produced by the CFEE with funding from IG Wealth Management. *Money and Youth* was also made available as an e-book for increased accessibility. With its support, more than 500,000 copies of the textbooks are in circulation in schools and households, helping to improve the financial literacy of Canadian youth. It also supported new courses as they were developed for the high school level, including lesson plans and workshops for teacher professional development.



Canadian Mental
Health Association

Canadian Mental Health Association

(Great-West Lifeco partnership)

Working with the Canadian Mental Health Association (CMHA) since 2012, Great-West Lifeco is the national development sponsor of the national workplace program called the Workforce Mental Health Collaborative (the Collaborative), a suite of services delivered by the CMHA National across Canada to help build healthier workplaces. The Great-West Life Centre for Mental Health in the Workplace (the Centre) and the Collaborative worked together to develop one of the CMHA's most successful training programs – the CMHA Certified Psychological Health and Safety Advisor Training. The Collaborative is also a channel leveraged to share the Centre's free tools and resources. The CMHA recognizes the importance of reducing stigma and providing humane care for people suffering from mental illness. They bring 100 years of experience to the table and regularly work with service providers, front-line workers, researchers, funders, policy makers and people with lived experience of mental health problems to develop new programs, resources and support networks for Canadians.



CPA CHARTERED
PROFESSIONAL
ACCOUNTANTS

Chartered Professional Accountants of Canada

(Great-West Lifeco partnership)

For Great-West Lifeco's Canadian operations, 2018 marked its fifth year of commitment as the national sponsor of the Chartered Professional Accountants (CPA) of Canada's suite of outreach educational programs that are helping meet the financial literacy needs of community organizations, and underserved groups like new Canadians and Indigenous Peoples, post-secondary students and individuals of all ages. In 2018, CPA Canada reported that more than 75,000 Canadians accessed digital resources and 2,280 no-fee workshops in 35 financial literacy programs, including five new ones. 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. Since becoming the national program sponsor in 2014, Great-West Lifeco has provided almost \$1 million in support to the charitable program.



Earth Rangers

(Power Corporation partnership)

Power Corporation provides funding for Earth Rangers, covering the three-year period from 2018 to 2020. Earth Rangers is a kids' conservation organization whose free programs aim to instill environmental knowledge, positivity and the confidence to take action. Earth Rangers also works with a variety of national, regional and local conservation organizations to develop projects to protect endangered animals, ranging from conservation research, to land acquisition and habitat stewardship.



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 and the University of Winnipeg. The Centre provides research, advice and policy development on climate change.

In 2018, Great-West Lifeco continued its support for the International Institute for Sustainable Development, and as part of this partnership, contributed to building the capacity of Manitobans to understand, prepare for, and build resilience to the impacts of climate change. This included support for the institute to publish their “Combating Canada’s Rising Flood Costs” with the Insurance Bureau of Canada; hosting a national forum on “Advancing Natural Infrastructure in Canada”, bringing leaders across the country to share innovative financing solutions; working to launch a new centre to support climate adaptation services on the Prairies; and promoting strategies for building the climate resilience of cities.



Nature Conservancy of Canada

(Power Corporation and Great-West Lifeco partnership)

The Nature Conservancy of Canada is a leading national land conservation organization that partners with individuals, corporations, other non-profit organizations and governments to protect the natural areas that sustain Canada’s plants and wildlife, including through their conservation research efforts. We have continuously supported the Nature Conservancy of Canada since 2005 and we also supported their 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.

In 2018, Great-West Lifeco renewed its commitment as National Sponsor of the Nature Conservancy of Canada *Conservation Volunteers Program*. This support helps the ongoing development and delivery of volunteer and education training programs that connect Canadians of all ages with nature while engaging them in protecting our country’s species and natural habitats.

About this Report

Reporting Scope

This 2019 Communication on Progress (COP) is our fifth formal progress report since joining the UNGC in 2014 and provides both qualitative and quantitative performance information. Qualitative information covers the 2018 calendar year and the first half of 2019, while quantitative information covers the calendar year 2018 only.

Alignment with the Global Compact Advanced Level Criteria

This is the fourth 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 section 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 (environmental, 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.); IG Wealth Management (Investors Group Inc.); London Life (London Life Insurance Company); Mackenzie Investments (Mackenzie Financial Corporation); Pargesa (Pargesa Holding SA); Power Corporation (Power Corporation of Canada); Power Financial or the Corporation (Power Financial Corporation); Putnam or Putnam Investments (Putnam Investments, LLC); our Third Party Code (Third Party Code of Conduct); SDGs (Sustainable Development Goals); UNGC (United Nations Global Compact); Wealthsimple (Wealthsimple Financial Corp.).