Welcome to your CDP Climate Change Questionnaire 2021

C0. Introduction

C0.1 Give a general description and introduction to your organization.

Incorporated in 1925, Power Corporation of Canada (Power Corporation or the Corporation) is an international management and holding company that focuses on financial services in North America, Europe and Asia. Its core holdings are leading insurance, retirement, wealth management and investment businesses, including a portfolio of alternative asset investment platforms.

Financial Services (approx. 98% of assets)
Power Corporation holds substantial interests in the financial services industry through its controlling interest in each of Great-West Lifeco Inc. (Lifeco) and IGM Financial Inc. (IGM) (our major publicly traded subsidiaries).

Lifeco is an international financial services holding company with interests in life insurance, health insurance, retirement and investment services, asset management and reinsurance businesses operating in Canada, the United States and Europe under the brands Canada Life, Empower Retirement, Putnam Investments and Irish Life.

IGM is a leading wealth and asset management company supporting financial advisors and the clients they serve in Canada, and institutional investors throughout North America, Europe and Asia. Through its operating companies, IG Wealth Management, Mackenzie Investments and Investment Planning Counsel, IGM provides a broad range of financial planning and investment management services to help Canadians meet their financial goals.

Together, Power Corporation’s investments in the financial services sector represent approx. 98% of its consolidated assets.

Other Businesses (approx. 2% of assets)

Power Corporation also holds interests in other businesses as well as a portfolio of alternative asset investment platforms, which account for approx. 2% of its consolidated assets.

The Corporation and the Frère Group each hold a 50% interest in Parjointco. Parjointco holds a controlling interest in Groupe Bruxelles Lambert (GBL). GBL is a leading investor in Europe, focused on long-term value creation and relying on a stable and supportive family shareholder base. Its portfolio is comprised of global industrial and services companies, leaders in their markets, in which GBL plays its role of professional shareholder. Power Corporation's indirect economic interest in these companies as at December 31, 2020 is as follows: Sienna Capital (14.10%); Webhelp (8.67%); Imerys (7.70%); Parques Reunidos Servicios Centrales (3.24%); Ontex (2.82%); SGS (2.66%); Umicore (2.54%); GEA Group (1.20%); LafargeHolcim (1.07%); Pernod Ricard (1.07%); adidas (0.96%) and Mowi (0.82%).

Power Corporation has also been investing in and developing its own non-financial sector investment platforms: Sagard Holdings Inc. (Sagard Holdings) and Power Sustainable Capital Inc. (Power Sustainable). Power Sustainable currently has investments in companies that develop, own, and operate solar and wind electricity generating assets in North America as well as companies in the sustainable sector: Potentia Renewables – a renewable energy producer (100%); Nautilus Solar Energy (100%) – a U.S. solar developer and asset manager focused on distributed and utility-scaled generation solar projects); Lumenpulse Group – a manufacturer of high-performance, specification-grade LED lighting solutions (60.5%); and Lion Electric – a manufacturer of zero-emission vehicles (44.1%). In January 2021, Power Sustainable launched the Power Sustainable Energy Infrastructure Partnership, a partnership with initial committed capital of $1 billion dedicated to the renewable energy sector.

In addition to the above, Power Corporation holds a 13.9% interest in China Asset Management Co.

Power Corporation remains committed to continuing to reduce its impact on the environment, while working with its group companies as a supportive shareholder in connection with the energy and carbon management strategies they establish and implement.

Power Corporation reports its carbon inventory using a financial control consolidation approach. Where financial control exists (as defined in its financial statements), the Scope 1, 2 and 3 emissions reported by Lifeco and IGM have been rolled up. Please also note that Power Corporation's emissions include its head office building in Montréal, its leased office in Toronto, as well as the emissions from other properties managed by a wholly owned subsidiary, Square Victoria Real Estate.

Throughout our CDP response, we reference the activities of our group companies, many of whom have filed their own response to the CDP, including Lifeco and IGM. Where applicable, please refer to their CDP responses for more information.

C0.2 State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years
Reporting year	January 1, 2020	December 31, 2020	No

C0.3 Select the countries/areas for which you will be supplying data.

Canada
Ireland
United Kingdom of Great Britain and Northern Ireland
United States of America

C0.4 Select the currency used for all financial information disclosed throughout your response.

CAD

C0.5 Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Financial control

C-FS0.7 Which organizational activities does your organization undertake?

Investing (Asset manager)
Investing (Asset owner)
Insurance underwriting (Insurance company)

C1. Governance

C1.1 Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	Responsibility for climate change has been assigned at the Board level to the Governance and Nominating Committee of the Board of Directors. The Committee is responsible for reviewing the Corporation’s progress on Corporate Social Responsibility (CSR), which includes relevant climate change topics. Having Board oversight for risks and opportunities, including relevant climate-related issues, is important in ensuring we are proactively identifying, assessing, managing and monitoring such risks and opportunities across our diverse businesses. For example, in 2020, the Board of Directors reviewed our climate-related disclosures in the 2020 Annual Report related to sustainability risks, which covered environmental and other specific climate risks.

C1.1b Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding risk management policies Monitoring implementation and performance of objectives	Climate-related risks and opportunities to our own operations Climate-related risks and opportunities to our investment activities Climate-related risks and opportunities to our insurance underwriting activities Climate-related risks and opportunities to our other products and services we provide to our clients	Climate-related issues are an agenda item at the Governance and Nominating Committee meetings, where relevant, as part of its overall responsibility to monitor the implementation and maintenance by management of appropriate policies and controls to manage CSR risks and opportunities, including climate-related issues. Furthermore, as an active owner of the companies in which we invest, we strive to ensure that our governance practices preserve and enhance shareholder value in a manner consistent with our responsible management philosophy. By having our executives sit on the boards of our portfolio companies, we exercise active ownership through regular engagement with their senior management. This governance model, which has been developed over a long period of time, allows us to ensure that our investments are being managed in a manner consistent with our responsible management philosophy, enabling us to understand existing and potential CSR risks and opportunities, including climate-related issues. Our attendance at these Board meetings takes place quarterly, or more frequently, as required.

C1.2 Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	Reports to the board directly	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our investing activities Risks and opportunities related to our insurance underwriting activities Risks and opportunities related to our other products and services Risks and opportunities related to our own operations	Quarterly

C1.2a Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

In 2020, the Corporation's Chief Executive Officer provided strategic oversight on climate-related matters, including overseeing our progress on goals and targets, as well as our corporate disclosures on climate-related governance, risks and opportunities, strategy, management and performance through our CDP submission, annual report and website. Given the complexity and uncertainty of potential climate-related impacts on our business, we believe it is important for our CEO to provide strategic oversight on climate-related matters, to ensure we are effectively and proactively managing potential risks and opportunities. In undertaking this responsibility, the CEO reports to the Governance and Nominating Committee of the Board, as necessary, on such matters.

The Vice-President, General Counsel and Secretary is the appointed CSR Lead and has direct responsibility for overseeing efforts being taken to minimize the energy and carbon impacts at the holding company, as well as monitoring the progress being made by our group companies. As at December 31, 2020, the CSR Lead reported to the CEO on these matters, as well as to the Governance and Nominating Committee of the Board of Directors.

C1.3 Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	No additional comments.

C1.3a Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity inventivized	Comment
Corporate executive team	Monetary reward	Emissions reduction project	The Vice-President, General Counsel is the appointed CSR Lead and has direct responsibility for executing our CSR strategy, engaging with stakeholders and providing performance reports to the Governance and Nominating Committee, which includes climate change issues. A portion of the CSR Lead's performance incentives are tied to integrating CSR into our business, including our progress on our energy and carbon impacts.
Corporate executive team	Monetary reward	Other (please specify) Climate change integration in value creation	The Power Corporation Executive Team's compensation policy incentivizes long-term value creation while integrating Environmental, Social and Governance considerations in decision-making, which includes climate-related factors.
Corporate executive team	Monetary reward	Other (please specify) Investments in clean energy	The Executive Team at Power Sustainable, one of our alternative asset investment platforms, is responsible for ensuring that we achieve healthy rates of returns on our investments, including in clean energy. Compensation of the Executive Team members is directly tied to sustainability criteria, such as the ability of the investment processes to deliver on advances in decarbonization, smart society and quality growth.
Other C-Suite Officer	Non-monetary reward	Emissions reduction target	Incentives for the management of climate change issues are provided by Lifeco to its Deputy CFO, whose annual objectives include oversight on the company's corporate social responsibility initiatives, including activities being undertaken to achieve their carbon reduction target.

Entitled to incentive	Type of incentive	Activity inventivized	Comment
Chief Risk Officer (CRO)	Monetary reward	Other (please specify) Climate change-related risk management	Incentives for the management of climate change issues are provided by Lifeco to its CRO who is compensated based on the effectiveness of the risk management oversight function, which includes providing independent risk oversight of all risk-taking activities and embedding a disciplined risk management culture across Lifeco. The CRO conducts an annual risk culture assessment of Lifeco leaders as part of the annual compensation process and reports the results to the Compensation Committee of the Board. The assessment includes a component of compliance with the company's Enterprise Risk Management Framework, which incorporates sustainability risk including climate change risk.
Chief Investment Officer (CIO)	Monetary reward	Other (please specify) Portfolio/fund alignment to climate-related objectives	Incentives for the management of climate change issues are provided by Lifeco to its CIO, who is compensated based on the value created through the company's investment portfolios. Ensuring environmental criteria, including climate-related risks and opportunities are considered in their investment decision-making related to acquisitions or divestments is part of this mandate, which could have an impact on value creation in investments.
Other, please specify CSR Committee	Non-monetary reward	Emissions reduction target	Incentives for the management of climate change issues are provided by Lifeco to its CSR committee members, whose annual objectives include executing on the company's CSR initiatives, including activities being undertaken to achieve their carbon reduction target.
Other, please specify VP, Corporate Properties	Monetary reward	Emissions reduction target	Incentives for the management of climate change issues are provided by Lifeco to its Vice President, Corporate Properties, whose variable compensation bonus structure includes executing on initiatives to achieve the company's carbon reduction target.
Other, please specify Leadership Property Catastrophe Team	Monetary reward	Portfolio/fund alignment to climate-related objectives	Incentives for the management of climate change issues are provided by Lifeco to its leadership property catastrophe team, who is compensated for identifying optimal property catastrophe cover retrocession reinsurance opportunities within defined criteria and considering exposure to property risks, including physical climate parameters.

Entitled to incentive	Type of incentive	Activity inventivized	Comment
Facilities manager	Monetary reward	Emissions reduction target	Incentives for the management of climate change issues are provided by Lifeco to its corporate property managers at GWL Realty Advisors Inc. that manage Lifeco's corporate head office and investment properties. They are rewarded through the company's annual bonus structure for progress on achieving BOMA BEST® certifications, which aligns with their energy and carbon reduction objectives and includes sustainable procurement considerations. Various property managers of Lifeco are also incentivized through their annual bonus structures for progress being made towards energy reduction targets at buildings and contributions to emissions inventories and reporting.
Portfolio/Fund manager	Monetary reward	Portfolio/fund alignment to climate-related objectives	Incentives for the management of climate change issues are provided by Lifeco to its portfolio fund managers at Irish Life investments Managers, whose performance incentives are tied to ensuring the investment fund portfolio is 30% more carbon efficient per asset class than the benchmark.
Dedicated Responsible Investment staff	Monetary reward	Portfolio/fund alignment to climate-related objectives	Incentives for the management of climate change issues are provided by Lifeco to their sustainable investing team who works with the broader equity research and portfolio management team to incorporate ESG, including climate change, into the investment process. The objectives of this mandate are linked to performance objectives and incentives.
Executive officer	Monetary reward	Behavior change related indicator Other (please specify) Advancement of TCFD recommendations	Incentives for the management of climate change issues are provided by IGM to its Senior Vice-President and Treasurer and Vice-President, Finance and Corporate Sustainability. Their annual objectives include integrating climate-related considerations into the company's corporate sustainability strategy and initiatives as well as efforts to disclose and report carbon and energy management performance. The Vice-President, Finance and Corporate Sustainability is co-chair of the TCFD Working Group.
Chief Financial Officer (CFO)	Monetary reward	Other (please specify)	Incentives for the management of climate change issues are provided by IGM to its CFO, whose responsibilities include oversight and management of the enterprise risk management (ERM) and corporate sustainability processes across the company's

Entitled to incentive	Type of incentive	Activity inventivized	Comment
		ERM system incorporates climate change	business, including potential impacts from physical and transition risks related to climate change. The senior-most leaders at each of IGM's operating companies have primary ownership and accountability for the ongoing climate risk management associated with their respective activities. The ERM function acts as a second line risk management function to conduct annual risk assessments with leaders, educate them on emerging risks such as climate change, and report results to the Risk Committee of the Board. The CFO's annual performance assessment includes a component of performance related to the enterprise risk and sustainability functions, which incorporates ESG and climate change risks.
Other, please specify Environment/ Sustainability Manager	Monetary reward	Emissions reduction target Behavior change related indicator Other (please specify) Advancement of TCFD recommendations	Incentives for the management of climate change issues are provided by IGM to the Director, Corporate Sustainability, whose annual objectives include integrating climate-related considerations into the company's corporate sustainability initiatives to reduce emissions, efforts to disclose and report carbon and energy management performance, and plans to engage staff in behaviour changes supporting the company's energy and climate management plans.
Risk management staff	Monetary reward	Behavior change related indicator Other (please specify) Advancement of TCFD recommendations	Incentives for the management of climate change issues are provided by IGM to the Vice President, Risk Management and Director, Risk Management whose annual objectives include increasing education and understanding of climate risk with senior leaders through the annual risk discussions with business unit leaders and TCFD training and implementation planning.
Other, please specify Dedicated responsible investment staff	Monetary reward	Portfolio/fund alignment to climate-related objectives	Incentives for the management of climate change issues are provided by IGM's wholly owned subsidiary Mackenzie Investments to the Senior Vice President and Head of Sustainable Investing and the Assistant Vice-President, ESG Research. Both have objectives to advance the integration of climate into investment processes, products, tools and metrics, including the development of a climate action plan for the asset management segment.

Entitled to incentive	Type of incentive	Activity inventivized	Comment
Portfolio/Fund manager	Monetary reward	Portfolio/fund alignment to climate-related objectives	Incentives for the management of climate change issues are provided by IGM's wholly owned subsidiary Mackenzie Investments to the boutique investment teams represented on the Sustainable Investing Champions Committee to advance the integration of ESG into the investment process. Each member of the committee has an annual performance objective to support and enhance Mackenzie Investments' approach to sustainable investment and explore ways to enhance performance using ESG/sustainability metrics. At IG Investments, the Vice President, IG Investments – Investment Advisory has an annual performance objective to integrate sustainability into asset allocation and sub-advisor oversight processes through regular reporting and reviews, quarterly analysis, and ongoing enhancements to investment sub-advisor selection and monitoring processes to ensure alignment with current best practices.

Entitled to incentive	Type of incentive	Activity inventivized	Comment
All employees	Non-monetary reward	Behavior change related indicator	Incentives for the management of climate change are provided by IGM to its employees by engaging them to make choices in their work and personal lives to minimize their GHG footprint. For example, IGM supports its employees and clients in using low-carbon commuting options. This includes financial support for employees using public transit programs and providing access to lockers and showers and safe bike lock-ups, where possible. At IGM's state-of-the-art Investment Planning Counsel head office, they offer preferred parking and charging stations for green vehicles, as well as preferred parking for those who commute in a high-occupancy vehicle. They are working with their landlords and property managers to expand the availability of electric charging stations for clients at the IG Wealth Management region and head offices, as well as at the Investment Planning Counsel head offices. Employees are also encouraged to consider their business travel requirements carefully and, to the extent possible, IGM has transitioned to videoconferencing and online training to reduce travel needs and costs in a post-pandemic environment. IGM also supports employees on their climate-related community volunteer work. For example, they offer all employees two paid days per year to volunteer at organizations of their choice.

C-FS1.4 Does your organization offer its employees an employment-based retirement scheme that incorporates ESG principles, including climate change?

	We offer an employment-based retirement scheme that incorporates ESG principles, including climate change.	Comment
Row 1	Yes, as an investment option for some plans offered	Employees at Lifeco and IGM are offered employment-based retirement schemes that incorporate ESG principles, which include climate-related considerations into self-directed defined contribution employment-based retirement schemes through the responsible investment options offered to employees by select subsidiary investment management companies. For example, it would include funds managed with an ESG integration approach, socially responsible investment (SRI) funds, and/or a brokerage window to select sustainable investment options. These options, or a subset of them, are available for employees at Canada Life, Empower Retirement and Putnam Investments (as part of investment options for employees' 401(k) plans in the USA). IGM's operating companies IG Wealth Management and Mackenzie Investments, offer employees competitive retirement plans, including defined benefit and defined contribution (DC) pension plans, and group registered retirement savings plans. All investment products offered to members in the group RRSP and DC pension plan, and all underlying investments in the defined benefit pension plan are managed by asset managers who are signatories to the UN-supported Principles for Responsible Investment who commit to integrate ESG criteria, including climate risks and opportunities, into investment processes and to be active owners through engagement and proxy voting.

C2. Risks and opportunities

C2.1 Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	2	When considering risks and opportunities, we consider the time horizons of our subsidiaries Lifeco and IGM (representing 98% of our assets). For example, with respect to the classification of current and emerging risks, Lifeco generally considers the short term to be 1-2 years. IGM's short-term horizon aligns with its Enterprise Risk Management (ERM) framework which considers risk events that are likely to occur once in a 1- to 2-year period. We therefore report an inclusive short-term time horizon representing between 0 and 2 years.
Medium-term	2	5	When considering medium-term risks and opportunities, we consider the time horizons of our subsidiaries Lifeco and IGM (representing 98% of our assets). For example, Lifeco's strategy development function does not formally define time horizons however they generally consider medium term to be 3-5 years. IGM's medium-term horizon aligns with its enterprise risk management framework which considers risk events that are likely to occur once in a 2- to 5-year period. We therefore report an inclusive medium-term time horizon representing between 2 and 5 years.
Long-term	5	20	When considering long-term risks and opportunities, we consider the time horizons of our subsidiaries Lifeco and IGM (representing 98% of our assets). For example, Lifeco's strategy development function does not formally define time horizons however they generally consider the long term to be beyond 5 years. IGM's long-term horizon aligns with its enterprise risk management framework which considers risk events that are likely to occur once in a 5- to 20-year period. We therefore report an inclusive long-term time horizon representing between 5 and 20 years.

C2.1b How does your organization define substantive financial or strategic impact on your business?

At Power Corporation, we assess a substantive financial impact as one that could materially impact the financials of our business. When defining parameters for a substantive financial impact we take into consideration the factors applied by our subsidiaries.

Lifeco defines substantive financial or strategic impacts based on its ERM framework by taking into consideration the velocity, probability and impact of a risk on its business. A substantive financial impact occurs where the following conditions occur: high velocity (immediate adverse impact on business operations and market valuation and the speed of onset of impact is less than six months); high impact (greater than $1 billion impact on earnings or capital) and high probability (plausible scenario but still unlikely greater than 25%).

In alignment with its ERM framework, IGM defines a substantive financial or strategic impact as one that has a significant long-term impact on its revenue, capital or market capitalization. Long-term impact is defined as a 5- to 20-year time horizon. A significant long-term risk can also be defined as one with a significant impact on IGM's reputation, a significant operational impact, or an enforcement action by a regulator or judicial authority. IGM quantifies substantive risk as a risk with a financial impact that exceeds $200M but is less than $500M.

C2.2 Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Description of Process to determine which risks could have a substantive impact
Climate change risks and opportunities are integrated into Power Corporation's company-wide risk management processes. Through our prudent risk management culture, we identify, assess, respond to, and monitor risks and opportunities related to a wide range of business issues and trends, including climate change, where relevant, to determine substantive impacts.

As an international management and holding company that focuses on financial services, we recognize that sustainability trends such as climate change could potentially impact the companies in which we have made investments. We consider climate change risks and opportunities, where relevant, as part of our direct operations, focusing on company-specific risks and opportunities, which can include at our subsidiaries' level: climate-related regulations; government incentives that support renewable energy markets; exposure to weather events that could impact our investments, corporate properties, information technology systems, and business continuity plans at office locations. These types of analyses can be further strengthened by our interactions with the senior management of our subsidiaries and portfolio companies.
Case study of a process related to physical risks and/or opportunities

From a physical risk perspective, our group continues to assess the resilience of our operations to physical climate-related risks. For example, our subsidiary Lifeco conducts climate-related operational risk assessments covering its offices and data centres. As part of quarterly and annual operational risk assessments, Lifeco reviews the impacts of extreme weather events on its business operations to inform business continuity planning efforts. Specifically, in 2020, Lifeco conducted a climate scenario Enhanced Fujita (EF) scale tornado test at their Winnipeg campus. The result of the analysis determined that while the probability of the event was a once in 22-year event, an EF tornado would result in a significant impact to this location as well as the other nearby buildings and infrastructure, including injuries, property/equipment damage, and financial loss from business disruptions. They estimated the loss exposure would be approximately $44.3M. While important, this type of loss would not be substantive on their business, representing less than 1% of capital and operating expenditures. Furthermore, climate-related physical risks are further minimized given the inherent diversification of their business offices, data centres and business continuity centres, in Canada, the U.S., and Europe.

Case study of a process related to transition risks and/or opportunities
From a transition risk perspective, our group also assesses the impact of smarter buildings and technologies. For example, our subsidiary IGM assessed the impact of not transitioning its buildings to smarter and more efficient technologies to optimize energy efficiency and reduce exposure to a carbon tax. Given IGM’s relatively small building footprint and the fact that energy costs represent less than 1% of its operating costs, these risks were not considered substantive to the business.

Value chain stage(s) covered
Upstream

Risk management process
Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
Annually

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process
Description of Process to determine which risks could have a substantive impact
Climate change risks and opportunities are integrated into Power Corporation’s group-wide risk management processes. Through our prudent risk management culture, we identify, assess, respond to, and monitor risks and opportunities related to a wide range of business issues and trends, including climate change, where relevant, to determine substantive impacts.

As an international management and holding company that focuses on financial services, we recognize that sustainability trends such as climate change could potentially impact the companies in which we have made investments. Through this analysis, we review company-specific climate-related upstream risks at the subsidiary and investment level through our participation on their boards of directors, including with respect to operating costs associated with sourcing low-carbon products from third parties in our supply chain.

Case study of a process related to transition and physical risks and/or opportunities
From a transition and physical risk perspective, Lifeco through its subsidiary GWL Realty Advisors is committed to reducing the environmental impacts that could occur from the services and products procured from third-party contractors and suppliers. The company's Supplier Risk Management Policy includes 'Sustainability' as one of the specific risk principles, which covers climate-related issues. The company assessed the potential costs associated with sourcing cleaner, renewable energy sources and sustainable materials to ensure the efficiency and climate resilience of its assets under management. While important, these expenditures are not substantive to its overall business, given that fee income and related expenses represent less than 1% of Lifeco's total fee income.

Value chain stage(s) covered

Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Description of Process to determine which risks could have a substantive impact
Climate change risks and opportunities are integrated into Power Corporation's group-wide risk management processes, which take into consideration the risks of our subsidiaries and investments. Through our prudent risk management culture, we identify, assess, respond to, and monitor risks and opportunities related to a wide range of business issues and trends, including climate change, where relevant, to determine substantive impacts. Through this analysis, we review company-specific climate-related downstream risks at the subsidiary and investment level through our participation on their boards of directors, including with respect to changing customer demands for products and services, as well as impacts on our investments.

Case study of a process related to physical risks and/or opportunities
From a physical risk perspective, as part of its annual (ERM) assessment, Lifeco conducts a climate scenario stress test of its general account, which is comprised of three scenarios, including a brown climate scenario that assumes an increase in the frequency and magnitude of severe weather-related events. Based on the review of the asset portfolio, they identified potential areas of vulnerability representing 4% of Lifeco's assets. However, when viewed in the context of its ERM assessment framework, taking into consideration risk volatility, probability and impact, these climate-related vulnerabilities were determined not to be substantive, given the inherent diversification of its assets from a geographic sector concentration, and relatively shorter duration of these holdings. As such, it was concluded that the balance sheet remains strong and resilient with respect to climate change scenarios.

IGM identifies physical risks in its investments through the due diligence process. For example, at its IG Mackenzie Real Property Fund, which invests in commercial buildings throughout Canada. Physical and environmental assessments are part of the due diligence process when making a decision to purchase a property. The properties in the Fund are also diversified geographically, thus mitigating physical climate risks.

Case study of a process related to transition risks and/or opportunities
From a transition risk perspective, as part of its annual ERM assessment, Lifeco tested two green scenarios: one within orderly transition driven by government intervention and one with disorderly transition driven by grass root sentiment but without strong government intervention, towards a lower carbon economy. They highlighted climate-related opportunities already underway to invest in clean energy as well as ESG-related products and services. As at year-end 2020, Lifeco's general account had over $4.42 billion invested in renewable energy through its private placements, and its asset management affiliates manage more than CA$121 billion across a number of ESG-related strategies. In 2020, the fee income from responsible investment options represented less than 1% of Lifeco's total fee income. While important, these opportunities are not deemed substantive to the business.

Mackenzie Investments, one of IGM's operating companies, is developing a research framework to identify the top 100 highest emitting companies in their retail investment funds in relation to increased market and reputational transition risks related to their investment in these companies. Their teams are using their investment knowledge to analyze and assess historical and current issuer emissions, reduction targets, climate governance, ESG rating scores, among other factors. The information is used to prioritize climate-specific engagement topics by company to manage their transition risks.

C2.2a Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Climate-related risks are integrated into our group-wide risk management processes, which take into consideration the risks of our subsidiaries and investments. Through this analysis, we review the following climate-related current regulatory risks at the subsidiary and investment level through our participation on their boards of directors: GHG regulations, carbon pricing, climate financial risk, and building energy requirements. As part of our process, we consider climate-related current regulatory risks assessed by our major subsidiaries, Lifeco and IGM, where a majority of our interests (approx. 98% of our assets) are held. Lifeco has assessed the climate-related compliance risk exposure of their global owner-occupied office, a well as corporate and regional offices and determined they are not subject to GHG reporting regulatory thresholds. Meanwhile carbon pricing sensitivity revealed marginal impacts on operating costs. In Europe, they assessed compliance risk exposure to the UK PRA Supervisor Statement SS3/19, and determined the risk to be low based on their preliminary climate stress and scenario analysis of their general account investments, Canada Life UK's modelling against the 2021 biennial exploratory status, and their integration of climate change in their ERM and ORSA. Meanwhile IGM assessed the carbon price impacts on the carbon content of fuels they consumed and the impact on the cost to purchase energy and efficiency of corporate and investment properties. They also assess regulatory risks that are financially material in their investments, as they could lead to taxes or penalties for their investee companies. in their funds. IGM believes that a good understanding of current climate regulation is important to make well informed investment decisions which, if not managed effectively, could impact the market, credit risk or liquidity risk of an individual holding or industry. Diversification and consideration of material environmental risks, including current climate regulations, is inherent in their business and investment strategies. Based on their reviews, and as disclosed in their respective CDP submissions, Lifeco and IGM do not consider climate-related current regulations to have a substantial impact on their business.

	Relevance & inclusion	Please explain
Emerging regulation	Relevant, always included	Climate-related risks are integrated into our group-wide risk management processes, which take into consideration the risks of our subsidiaries and investments. Through this analysis, we reviewed emerging regulations at the subsidiary and investment level through our participation on their boards of directors. For example, in Canada, LIfeco considered the Expert Panel recommendations on Sustainable Finance, the OSFI review that is underway related to climate change that could affect P&C and Life and health insurers, and the Canadian Securities Administrator's guidance on the importance of materiality in climate disclosures. In the U.S., Lifeco reviewed the Department of Labour proposed rules regarding ESG, including climate change, as well as the Biden administration's plans on climate change. In Europe, they continued to monitor the European Insurance and Occupational Pensions Authority consultations on integrating sustainability risks and disclosures focused on property insurance, the Sustainable Finance Disclosure obligations for asset managers and other financial markets participants, which imposes additional ESG disclosures on websites, in prospectus and in periodic reports, the UK activities of the PRA and the Green Finance Strategy commitments, Central Bank of Ireland climate considerations, and the German Federal Financial Supervisory Authority and its intention to release a consultation on sustainability risk management. In assessing the possible emerging climate-related regulations, they have determined that the level of exposure to non-compliance remains low given the strengthening of their policies and processes and the results from climate scenario testing over the past few years. IGM assesses emerging regulation associated with the rapidly changing regulatory landscape related to climate, and the potential impact on their operations, compliance and disclosures, corporate properties, and investments. For example, their TCFD working group follows advancements to standardize mandatory climate-related disclosures and collaborate with regulators, peers and policy makers to contribute their perspectives. The Mackenzie investment teams make forward-looking assessments to manage emerging climate policy regulation impacts on their portfolios that are, or could become, financially material to the investments. Based on their reviews, and as disclosed in their respective CDP submissions, climate-related emerging regulations are not substantive.

	Relevance & inclusion	Please explain
Technology	Relevant, always included	Climate-related risks are integrated into our group-wide risk management processes, which take into consideration the risks of our subsidiaries and investments. Through this analysis, we review climate-related technology risks at the subsidiary and investment level through our participation on their boards of directors, including the impacts of technology developments, such as the costs associated with transitioning to lower emission and smarter technologies, potential reduced demands for services, capital investments into technology developments, and costs to deploy new practices and processes. We consider the climate-related technology risks assessed by our major subsidiaries, Lifeco and IGM, where a majority of our interests (approx. 98% of our assets) are held. For example, Lifeco's subsidiary, GWL Realty Advisors, have been assessing costs and capital investments to transition towards smarter more efficient buildings that optimize energy efficiency and take advantage of big data and technological innovations. While important, these costs are not substantive to Lifeco's business given that GWL Realty Advisor's business represents less than 0.1% of its overall revenue. Lifeco's 2019 climate scenario testing considered technology risks and opportunities on its general account investment portfolio, including sectors exposed to increased costs due to investments in cleaner technologies and the potential depreciation from emerging disruptive technologies. IGM assessed climate-related technology risks in certain sectors in its investment funds affected by low emission alternatives, particularly exposed industries such as energy. They see renewable power technologies become increasingly cost competitive, and many traditional companies implementing net zero strategies - a shift which may create opportunities but also reduce the value of higher emission fossil fuel providers. They also assessed their Canadian investments, which tend to be resource intensive for technology opportunities such as carbon capture and the value-add of investee efforts to participate in the transition to a low carbon economy. Furthermore, their Mackenzie Global Environmental Equity Fund provides an opportunity for its clients to invest in green technology and mitigate transition risk in their portfolio. Based on their reviews and as disclosed in their respective CDP submissions, Lifeco and IGM do not consider climate-related technology risks to be substantial on their business.

	Relevance & inclusion	Please explain
Legal	Relevant, always included	Climate-related risks are integrated into our group-wide risk management processes, which take into consideration the risks of our subsidiaries and investments. Through this analysis, we review company-specific climate-related legal risks at the subsidiary and investment level through our participation on their boards of directors, specifically with respect to climate-related litigation lawsuits. As part of our process, we consider the climate-related legal risks assessed by our major subsidiaries, Lifeco and IGM, where a majority of our interests (approx. 98% of our assets) are held. Through its climate risk assessments, Lifeco assesses the impacts of exposure to climate-related litigation on its business operations and investment portfolio. For example, in 2020, Lifeco continued to monitor litigation lawsuits against oil and gas and energy companies brought to the courts on climate change impacts. While important, the impacts of possible litigation in its investments are limited given the diversification of its asset allocation, geographies and sectors. Specifically, in 2020, no individual sector accounted for more than 10% of Lifeco's invested assets and the percentage of assets in the energy sector that could be highly exposed to litigation lawsuits amounted to less than 5% of invested assets in bonds or equities. At IGM, climate-related risks are considered through their ERM processes and their investment research processes, which includes climate-related legal risks. For example, as an asset manager operating globally, they are responsible for ensuring that investment products follow disclosure laws of each country, including those pertaining to ESG and climate change. For example, in response to the new European Union Sustainable Finance Disclosure Regulation, Mackenzie Investments, one of IGM's subsidiaries, published its first Stewardship Report in early 2021 to provide investors, analysts and other stakeholders with an understanding of its approach to Sustainable Investing. Based on their reviews and as disclosed in their respective CDP submissions, Lifeco and IGM do not consider climate-related legal risks to have a substantial impact on their business.

	Relevance & inclusion	Please explain
Market	Relevant, always included	Climate-related risks are integrated into our group-wide risk management processes, which take into consideration the risks of our subsidiaries and investments. Through this analysis, we review company-specific climate-related market risks at the subsidiary and investment level through our participation on their boards of directors, including with respect to fluctuating socio-economic conditions that may result from society's exposure to weather-related losses and the demand for products that integrate climate-related factors. As part of our process, we consider climate-related market risks assessed by our major subsidiaries, Lifeco and IGM, where a majority of our interests (approx. 98% of our assets) are held. Lifeco assessed fluctuating socio-economic conditions from society's exposure to weather-related losses and the potential impact from lapse rates. They concluded that lapse rates from extreme weather events, such as Hurricane Katrina, were not severe and had limited impact on insurance affordability and customer retention rates. Lifeco also considered the potential for stranded assets that may arise from climate-related market trends. For example, the company reviewed the extent to which some of its investments may be impacted by the increasing demand for electric vehicles. Given the diversification of Lifeco's investment strategy, the potential for stranded assets was not deemed substantive to its overall business. IGM assessed the demand for products that integrate climate-related factors and considers the risks of not meeting client demand on its revenues. They surveyed and facilitated focus group discussions with advisors and investors regarding sustainable investing, including climate change risks and opportunities, and have built products to satisfy the growing demand. This is an area of focus for their new Sustainable Investing Centre of Excellence. Based on their reviews, and as disclosed in their respective CDP submissions, Lifeco and IGM do not consider climate-related market risks to have a substantial impact on their business.

	Relevance & inclusion	Please explain
Reputation	Relevant, always included	Climate-related risks are integrated into our group-wide risk management processes, which take into consideration the reputation risks of our subsidiaries and investments, including increasing stakeholder requests for climate disclosure and the possible impact on our reputation from stakeholders for not effectively demonstrating how climate change risks and opportunities are managed. As part of our process, we consider climate-related reputation risks assessed by our major subsidiaries, Lifeco and IGM, where a majority of our interests (approx. 98% of our assets) are held. Lifeco considers its reputation on climate-related impacts from its stakeholders, including customers, governments, and investors, NGOs, among others. They recognize that with increasing public and investor concerns over climate change, a lack of disclosure on how they identify and manage climate change risks could expose the company to potential reputational risk. For example, over the past few years, there has been an increase in investor interest on ESG factors, which includes responding to and mitigating climate risks. As a result, Lifeco has been strengthening the transparency and credibility of the information it publishes publicly on climate-related issues, including with respect to governance, risks, opportunities and performance. In 2020, they strengthened their climate-related disclosures through the CDP submission, 2020 Annual Report, 2020 Annual Information Form, ESG Scorecard, Canada Life's Public Accountability Statement and the Sustainability Reports of Canada Life (UK) and Irish Life. However, when considered generally in the context of Lifeco's overall business and other types of reputational risks they do not consider climate-related reputational risks to have a substantive impact on their business, revenues or expenditures. IGM assesses exposure to reputation risk with its investee companies using tools such as Sustainalytics, which flag companies with ESG controversies including climate-related issues, that can have a serious effect on reputation. If material reputational issues arise, their investment management teams or third-party engagement providers engage with the company for further information and/or to encourage change. Engagement is prioritized over divestment. Based on their reviews, and as disclosed in their respective CDP submissions, Lifeco and IGM do not consider climate-related reputational risks to have a substantial impact on their business.

	Relevance & inclusion	Please explain
Acute physical	Relevant, always included	Climate-related risks are integrated into our group-wide risk management processes, which take into consideration the risks of our subsidiaries and investments. Through this analysis, we review company-specific climate-related acute physical risks at the subsidiary and investment level through our participation on their boards of directors, including extreme weather events. As part of our process, we consider climate-related acute physical risks assessed by our major subsidiaries, Lifeco and IGM, where a majority of our interests (approx. 98% of our assets) are held. Lifeco considers exposure to increased severity of extreme weather events, such as cyclones, hurricanes and floods, in its reinsurance business and the general account investment portfolio. In its reinsurance business, they assessed on worst-case scenarios (peak peril modeling) and concluded these events would not result in a substantive impact to their business. For example, claims reserves related to losses from hurricanes Harvey, Irma, and Maria combined resulted in established reserves of $175 million, which were not substantive to its overall business. Furthermore, within the general account investment portfolio, they assessed the brown climate scenario stress test, assuming a limited corrective transition response and fallout from extreme weather events that could lead to high mortality rates, property damage, decline in property values, business disruption and a pandemic event. IGM assesses the , impact of increased severity of extreme weather events such as floods, wildfires, and hurricanes that can affect physical buildings exposing them to property damage and other operational disruptions. They also assess the potential impact on property values in their mortgage portfolio and the IG Mackenzie Real Property fund. Additionally, the Mackenzie investment team assesses impacts on securities of companies held in their clients' investment portfolios located in regions materially exposed to extreme weather events. Based on their reviews, and as disclosed in their respective CDP submissions, Lifeco and IGM do not consider climate-related acute physical risks to have a substantial impact on their business.

	Relevance & inclusion	Please explain
Chronic physical	Relevant, always included	Climate-related risks are integrated into our group-wide risk management processes, which take into consideration the risks of our subsidiaries and investments. Through this analysis, we review company-specific climate-related chronic physical risks at the subsidiary and investment level through our participation on their boards of directors. We also consider climate-related chronic physical risks assessed by our major subsidiaries, Lifeco and IGM, where a majority of our interests (approx. 98% of our assets) are held. Lifeco considers exposure to changes in precipitation patterns, extreme variability in weather patterns, rising mean temperatures, and rising sea levels. For example, in their general account investment portfolio they assessed chronic physical risks as part of the brown climate scenario test, which assumed a limited corrective transition response and fallout from weather events. Potential areas of vulnerability were reviewed in their bonds and conventional mortgages on properties and real estate holdings in coastal areas. These risk exposures are inherently limited by their mortgage portfolio limits, which currently do not exceed 8% for any region, thereby decreasing risks arising from any one location. In terms of life and health insurance businesses, Lifeco diversifies its morbidity and mortality risks by limiting concentrations in any one specific region or geography. The company has not identified substantive risks from changes in physical climate parameters and health impacts on its morbidity and mortality business and has noted that they have good portfolio diversification between mortality and longevity business. IGM considers chronic physical risks including general warming and sea level rise that could affect operations and clients' investments and mortgage values. Also, Mackenzie's investment teams incorporate impacts due to shifting temperature patterns and have determined the vulnerable sectors include agriculture and leisure. Based on their reviews, and as disclosed in their respective CDP submissions, Lifeco and IGM do not consider climate-related chronic physical risks to have a substantial impact on their business.

C-FS2.2b Do you assess your portfolio's exposure to climate-related risks and opportunities?

	We assess the portfolio's exposure	Please explain
Investing (Asset manager)	Yes	As an international management and holding company that focuses on financial services, we recognize that sustainability trends such as climate change could potentially impact the companies in which we invest. We consider climate change risks and opportunities, where relevant, as part of our investment analysis process and through the interactions with the senior management of our subsidiaries and portfolio companies. From an asset management perspective, we consider the climate-related risks and opportunities assessed by our major subsidiaries, Lifeco and IGM, where a majority of our interests (approx. 98% of our assets) are held and managed. Lifeco assesses exposure to climate-related risks and opportunities as it relates to its investment portfolios, covering the insurance General Account (on balance sheet investments for Lifeco) as well as investments of third-party clients mainly managed through Lifeco's asset management affiliates. Lifeco's third-party client asset management affiliates include GWL Realty Advisors, Irish Life Investment Managers (ILIM), Putnam Investments, GLC Asset Management, Canada Life Asset Management UK, Setanta Asset Management, and PanAgora Asset Management. They assess exposure of the investment portfolio on climate-related risks and opportunities, including exposure to climate vulnerable sectors, clean energy low carbon finance, climate-related investment products, as well as carbon emission intensity. Exposure assessments are undertaken when it is investment relevant and financially material, and when there is sufficient data. As an example, ILIM assesses exposure to transition risks by measuring the carbon footprint of its investment portfolio and managing the carbon intensity to a percentage lower than relative indices or benchmarks. At IGM, assessments of climate-related risks and opportunities of the investment portfolio take place through the investment analysis and decision-making process defined through their sustainable investment policies. IG Wealth Management and Investment Planning Council,

	We assess the portfolio's exposure	Please explain
		these assessments are conducted by high-quality external investment managers (sub-advisors). At Mackenzie Investments, individual investment teams conduct qualitative assessments through engagement with companies, through a third-party engagement manager and/or direct meetings, conferences and communications.
Investing (Asset owner)	Yes	As an international management and holding company that focuses on financial services, we recognize that sustainability trends such as climate change could potentially impact the companies in which we invest. We consider climate change risks and opportunities, where relevant, as part of our investment analysis process and through the interactions with the senior management of our subsidiaries and portfolio companies. As part of our process, we consider climate-related risks and opportunities assessed by our major subsidiaries, Lifeco, where a majority of our interests are held and owned. Lifeco assesses exposure to climate-related risks and opportunities of its owned assets within the General Account as well as its physical assets and operations, including office buildings and data centres. For example, in the General Account, Lifeco assesses the physical and transition climate-related risks and opportunities of its assets covering bonds, mortgages, real estate, and equities. The assessment is based on three climate scenarios: “green” orderly and disorderly scenarios to a well below 2-degree warming scenario; and, a “brown” scenario to a 4.5 degree warming scenario. The assessment is conducted to determine the balance sheet impacts and to inform mitigation measures and strategies. From an operational perspective, Lifeco assesses the number of climate-related events on its operations and its performance relating to these events, through a Business Continuity Management Framework that focuses on emergency response, incident management, disaster recovery and business recovery.

	We assess the portfolio's exposure	Please explain
Insurance underwriting (Insurance company)	Yes	As an international management and holding company that focuses on financial services, we assess climate-related risks and opportunities in the insurance business through our major subsidiary Lifeco. Lifeco assesses its exposure to climate-related risks and opportunities in both the health/life insurance business and the property and casualty reinsurance business. With respect to Lifeco's property catastrophe coverages, an annual scenario modelling on climate-related events and the impact on their reinsurance business is conducted. Lifeco reviews model outputs from cedents in order to monitor its peak perils at the most significant locations in order to assess the likelihood, severity and velocity of extreme weather events, including windstorms, hurricanes, and cyclones. The information from these scenario models enables the company to assess the potential quantum of losses, which in turn informs its pricing models. Lifeco identifies and assesses climate change related risk impacts, to determine whether the risk limits would be impacted. With respect to the property catastrophe reinsurance business, Lifeco monitors the number and severity of extreme weather events, such as cyclones, hurricanes, and floods, in its reinsurance business as well as the value of claims related to such losses. For example, Lifeco included property catastrophe reinsurance losses of $175 million after-tax relating to estimated claims resulting from the impact of Hurricanes Harvey, Irma, and Maria. With respect to the health/life insurance business, Lifeco runs longevity models taking into consideration various factors that could result in health impacts and exposure to morbidity and mortality risks. Furthermore, research and analysis are done regularly to provide the basis for establishing pricing and valuation assumptions that properly reflect the insurance market, including potential climate-related health impacts.
Other products and services, please specify	Not applicable	

C-FS2.2c Describe how you assess your portfolio’s exposure to climate-related risks and opportunities.

	Portfolio coverage	Assessment type	Description
Investing (Asset manager)	Majority of the portfolio	Qualitative and quantitative	As an international management and holding company, our exposure to climate-related risks and opportunities covers our major subsidiaries, Lifeco and IGM, where a majority (approximately 98%) of our assets are held. How portfolio coverage is defined As an asset manager, Lifeco assesses exposure to climate-related risks and opportunities as it relates to its investment portfolios, covering the insurance General Account (on balance sheet investments for Lifeco) as well as certain investments of third-party clients mainly managed through Lifeco’s asset management affiliates. Lifeco’s third-party client asset management affiliates include GWL Realty Advisors, Irish Life Investment Managements (ILIM), Putnam Investments (Putnam), GLC Asset Management (GLC), Canada Life Asset Management UK (CLAM UK), Setanta Asset Management, and PanAgora Asset Management (PanAgora). They assess the exposure of the investment portfolio on a broad range of climate-related risks and opportunities, including climate vulnerable sector exposure, clean energy low carbon finance exposure, climate-related investment product exposure, as well as carbon emission intensity. The exposure assessments are generally undertaken when it is investment relevant and financially material, and when there is sufficient data. At IGM, the coverage of assets managed where climate risks and opportunities are assessed include: IG Wealth Management, Mackenzie Investments and Investment Planning Council, anchored by their formalized commitments through sustainable investment policies. These policies outline the approach taken to integrate ESG criteria, including climate-related risks and opportunities into their investment analysis and decision-making processes. These policies can be found in the ESG Analyst Hub section of IGM's website at: https://www.igmfinancial.com/en/corporate-responsibilty/library.

	Portfolio coverage	Assessment type	Description
			Tools used to assess the portfolio's exposure to climate-related risks and opportunities At Lifeco, the climate-related risks and opportunities of certain of the subsidiary asset management affiliates' portfolios are assessed based on various tools, including in-depth fundamental analysis of the sector specific exposure, 2-degree alignment using tools such as PACTA, as well as carbon intensity exposure of the portfolio using both primary and secondary data analysis. At IG Wealth Management, IGM's subsidiary, they encourage their external investment sub-advisors to consider climate change risks and opportunities in their investment processes. For example, at one of IG Wealth Management sub-advisors, they analyze portfolios and investments under a variety of different forward-looking scenarios such as the International Energy Agency (IEA) 450 Scenario (a 50% probability of limiting warming to 2 degrees) and the NPS Scenario (commitments made by governments to date). At Mackenzie, another of IGM's subsidiaries, they also assess portfolio's exposure to climate-related risks and opportunities by using forward-looking data such as the Paris Alignment data set of S&P Trucost and data from the Transition Pathway Initiative. PACTA and Climate Action 100+ benchmarking are also used to understand exposures in specific companies. Both companies also use engagement specialists to assess climate risk and opportunity exposure. In 2020, their service provider engaged with 979 companies on 3,405 ESG issues, including climate change, enabling them to improve the ability for quality assessments of climate risks and opportunities.

	Portfolio coverage	Assessment type	Description
Investing (Asset owner)	Majority of the portfolio	Qualitative and quantitative	How portfolio coverage is defined As an asset owner, Power Corporation conducts quantitative and qualitative assessments of the risks and opportunities associated with our portfolio companies, including Lifeco and IGM, by quantifying and consolidating the carbon footprint of these owned assets. Furthermore, Lifeco also assesses exposure to climate-related risks and opportunities of its owned assets within the General Account as well as its physical assets and operations, including office buildings and data centres. For example, in the General Account, Lifeco assesses the physical and transition climate-related risks and opportunities of its owned assets covering bonds, mortgages, real estate, and equities Tools used to assess the portfolio's exposure to climate-related risks and opportunities At Power Corporation, the assessment is conducted by quantifying the carbon footprint of its subsidiaries Lifeco and IGM based on primary asset-specific data. Within Lifeco’s insurance general account, they use a climate scenario and stress test tool that considers both green and brown scenarios. The assessment is based on a “green” orderly and disorderly scenario aligned to a well below 2-degree warming scenario; and a “brown” scenario aligned to a 4.5-degree warming scenario. The assessment is conducted to determine the balance sheet impacts. They have also applied the Paris Agreement Capital Transition Assessment (PACTA) tool to the general account to assess the exposure of the portfolio to economic activities affected by the transition to a low-carbon economy; the extent to which the portfolio increases or decreases its alignment to a Sustainable Development Scenario over the next five years, and the expected future exposure to high- and low-carbon economic activities based on the current and revealed production and investment plans of the companies in the portfolio.

	Portfolio coverage	Assessment type	Description
Insurance underwriting (Insurance company)	Majority of the portfolio	Qualitative	How portfolio coverage is defined Power Corporation’s investments in the insurance business are held through Lifeco. As an insurance company, Lifeco assesses the exposure to climate-related risks and opportunities in both the health/life insurance business and the property catastrophe reinsurance business. With respect to the property and casualty reinsurance business, Lifeco monitors the number and severity of extreme weather events, such as cyclones, hurricanes, and floods, in its reinsurance business as well as the value of claims related to such losses. Tools used to assess the portfolio's exposure to climate-related risks and opportunities With respect to the reinsurance business, Lifeco leverages robust weather models. They monitor peak perils at the most significant locations to assess the likelihood, severity, and velocity of extreme weather events, including windstorms, hurricanes, and cyclones. The information from these scenario models enables them to assess the potential quantum of losses, which in turn informs their pricing models. With respect to the health/life insurance business, Lifeco runs longevity models taking into consideration various factors that could result in health impacts and exposure to morbidity and mortality risks. Furthermore, research and analysis are done regularly to provide the basis for establishing pricing and valuation assumptions that properly reflect the insurance market, including potential climate-related health impacts.

C-FS2.2d Do you assess your portfolio’s exposure to water-related risks and opportunities?

	We assess the portfolio’s exposure	Portfolio coverage	Please explain
Investing (Asset manager)	Yes	Minority of the portfolio	Water risks and opportunities are assessed mainly through Lifeco and IGM, where a majority of our assets (98%) are held. Lifeco’s asset management affiliates GWL Realty Advisors and Putnam Investments assess their portfolio’s exposure to water risks and opportunities. Specifically, Putnam Investments conducts water risk sector analysis to inform engagement with investee companies. Meanwhile, GWL Realty Advisors monitors and measures water consumption data from the real estate investment portfolio under management to inform resource efficiency strategies. As part of the 2020 CDP non-disclosure campaign, Lifeco’s asset management affiliate, Irish Life Investment Managers, engaged181 companies to respond to the CDP’s Water Security Disclosure Request. Water-related risks and opportunities are also considered during portfolio construction and rebalance for their Sustainable Equity Fund as part of the Sustainalytics' ESG Risk Rating, which includes a company’s exposure (water use, regional water stress) and a company’s management (water risk and management programmes, water intensity) scores. Water is also included in the positive tilt applied to favour Green Revenues by Sustainalytics sources from products and services that provide access to water, increase water efficiency, and/or contribute to the sustainable management of water resources as they relate to SDGs 6 and 9. Water use is also considered for monitoring controversies that if assessed as Level 5 are included in Irish Life Investment Managers’ exclusion list. At IGM, each internal investment team or external sub-advisor is responsible for how they integrate water issues into their investment processes. This includes water-related risks such as drought, flooding, and water scarcity, and opportunities such as cost savings, access to new markets, and

	We assess the portfolio's exposure	Portfolio coverage	Please explain
			supply chains. These types of water-related risks and opportunities will be assessed when considered material to the issuing company. For example, the Mackenzie fixed income teams consider environmental impact within six core themes that includes water stress exposure. As a result of the analysis, the team decided to exclude a major food manufacturer from their sustainable bond portfolio due to a significant portion of their 2019 and 2020 water being sourced from high water-stressed regions.
Investing (Asset owner)	Yes	Minority of the portfolio	Water risks and opportunities are assessed by Lifeco as part of the management of the owned real estate assets. Through its subsidiary GWL Realty Advisors, water-related risks and opportunities are assessed through the Sustainability and Conservation Benchmarking Program (SCBP) for the office portfolio. As part of the SCBP, water consumption is assessed, and risk and opportunities are identified in the context of corporate-wide water reduction targets. In 2020, by minimizing risks and maximizing the opportunities in the office portfolio, Lifeco achieved an 11% reduction in overall water consumption.
Insurance underwriting (Insurance company)	Not applicable		We do not assess exposure to water-related risks in the insurance business of Lifeco given that water risks would not be relevant to life and health insurance business lines.
Other products and services, please specify	Not applicable		

C-FS2.2e Do you assess your portfolio’s exposure to forests-related risks and opportunities?

	We assess the portfolio's exposure	Portfolio coverage	Please explain
Investing (Asset manager)	Yes	Minority of the portfolio	Forest-related risks and opportunities are assessed by some of our portfolio companies. For example, at IGM, each internal investment team or external sub-advisor is responsible for how they integrate forest-related issues into their investment processes. This includes forest-related risks such as fires, loss of license to operate, supply chain disruption, and loss of revenue due to deforestation and forest degradation. It also includes opportunities such as cost savings, and access to new markets. These types of forest-related risks and opportunities will be assessed when there are material issues to the issuing company. For example, sustainable land-use and biodiversity are areas of increasing focus for Mackenzie Investments’ engagement service provider. In addition to their current focus on creating more sustainable food supply chains, they are looking into ways to directly affect land-use change through sustainable management and production of palm oil and timber. Four percent of their environmental engagements for Mackenzie in 2020 were directly focused on forestry and land use. With respect to Lifeco, their asset management affiliate, Irish Life Investment Managers, as part of the 2020 CDP non-disclosure campaign, participated in engaging 107 companies to respond to the CDP’s Forests disclosure request.

	We assess the portfolio's exposure	Portfolio coverage	Please explain
Investing (Asset owner)	No, but we plan to do so in the next two years		As asset owners, we do not currently assess forest-related risks. In the next two years, our subsidiary Lifeco had indicated that it will explore the possibility to assess the exposure to potential forestry risks and opportunities.
Insurance underwriting (Insurance company)	Not applicable		Lifeco does not assess exposure to forestry-related risks and opportunities in its insurance business given that forestry risks would not be relevant to their life and health insurance business lines.
Other products and services, please specify	Not applicable		

C-FS2.2f Do you request climate-related information from your clients/investees as part of your due diligence and/or risk assessment practices?

	We request climate-related information	Please explain
Investing (Asset manager)	Yes	As an international management and holding company, asset management due diligence and/or risk assessments are conducted through our major subsidiaries, Lifeco and IGM, where a majority (approximately 98%) of our assets are held. As an asset manager, Lifeco requests climate-related information from clients/investees through the investments made in the insurance General Account (on balance sheet investments for Lifeco) as well as investments of third-party clients mainly managed through Lifeco's asset management affiliates. For example, both Irish Life Investment Managers (ILIM) and Putnam Investments request climate-related information from investees through their proxy voting and engagement processes as part of their research and risk assessment practices when the information is deemed to be material and additive to the investment process. ILIM requests climate-related information for risk investment purposes through its direct and collaborative engagements (ie. Climate Action100+ and CDP NDC), and its third-party ESG and proxy providers request climate-related information for the purpose of risk assessments and to inform voting decisions. Meanwhile, GWL Realty Advisors requests climate-related information from its clients and the real estate investment properties under management as part of its risk management practices to inform emission reduction and efficiency improvements. At IGM, climate-related information is requested in cases when it is a material issue to the investee company and an engagement is either ongoing or will be undertaken. For example, IG Wealth Management and Investment Planning Counsel request all managers to provide ESG-related policies, accountability structures and specific metrics and examples through the Request for Information and Due Diligence processes, with specific reference to climate change. At Investment Planning Counsel, a pooled engagement service provider is

	We request climate-related information	Please explain
		used to work with companies to enhance corporate behaviour and strategy related to topics including climate change. Mackenzie Investments, through its engagement service provider, its internal investment teams and its central Sustainable Investing Centre of Excellence team, engages with companies on a variety of issues including climate change risks and opportunities, and disclosures. Climate change has been specifically identified as a priority engagement topic internally and externally. Its engagement provider has been working with companies to undertake low-carbon scenario analyses and to report on the resilience of their companies to the effects of climate change. This includes physical and financial risks or the potential for asset stranding due to regulatory changes, and the company's preparation for such eventualities. The company actively monitors and reviews the learnings from its provider through quarterly calls, regular reports and a client facing portal which allows them to refer to the full history of engagement with each company and track progress. In addition, their internal teams also advocate for TCFD reporting from their investee companies to allow their investment professionals to make better informed investment decisions.
Investing (Asset owner)	Yes	As asset owners, Power Corporation and its major subsidiary, Lifeco, conduct due diligence assessments of potential acquisitions, holdings and divestments, which can include climate-related information where deemed material. For example, in the management of the Canadian Segregated Fund, Lifeco requests climate-related information from investees and/or clients, including with respect to carbon emission data, carbon management and performance. The information is used to identify and assess performance related to climate-related risks and opportunities.
Insurance underwriting (Insurance company)	Yes	As an insurance provider, Lifeco will request climate-related information from clients as part of the due diligence decision-making process for reinsurance underwriting. Information requested could include physical climate risk exposure ratings related to property and casualty insurance.

	We request climate-related information	Please explain
Other products and services, please specify	Yes	At IGM, their mortgage underwriting and appraisal process ensures that all properties are assessed so that the risks are appropriately identified and mitigation measures are in place at an acceptable level. For example, mortgages in non-urban locations are adjudicated more conservatively due to limited infrastructure to protect against environmental events. The process includes gathering information on 100% of client mortgage origination about location, building details, and insurance through appraisal reports or a CMHC “emili” property valuation tool. Their underwriters use the process to inform the overall risk assessment, which is factored into the lending decision.

C2.3 Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

No

C2.3b Why do you not consider your organization to be exposed to climate-related risks with the potential to have a substantive financial or strategic impact on your business?

	Primary reason	Please explain
Row 1	Risks exist, but none with potential to have a substantive financial or strategic impact on business	We assess climate risk exposure through engagement with the senior management at our subsidiaries and portfolio companies as part of our risk and investment analysis process. We assess the extent to which it represents a substantive risk, focusing on our subsidiaries Lifeco and IGM, which represent a majority of our interests (98% of assets). We did not identify climate-related risks with substantive impacts on our business in 2020. Both Lifeco and IGM carry diverse products and services, limiting exposure to any one particular sector, market or geography. For example, Lifeco conducted climate scenario analysis of its insurance general accounts, which identified 4% of potential areas of vulnerability mainly within bonds, conventional mortgages, real estate holdings and equity sectors. The inherent diversification of these investments limits their exposure to these vulnerabilities. Within bond holdings in potentially vulnerable sectors, they inherently maintain high-quality holdings that are of shorter duration (less than 10 years), limiting their concentration risk. Commercial mortgage properties are regionally diversified, and vulnerable properties have P&C insurance. Finally, within equity holdings, vulnerable sectors such as metals and mining, power generation, oil & gas, and chemicals, comprise less than 1% of the total asset portfolio. Lifeco concluded the balance sheet remains strong and resilient. Within reinsurance, Lifeco monitors peak perils at the most significant locations to assess likelihood, severity and velocity of extreme weather, including windstorms, hurricanes and cyclones, which in turn informs pricing models. They establish risk limits to cap the maximum exposure through property catastrophe coverage in accordance with its risk appetite and preference. For life/health insurance, Lifeco has diversification between mortality and longevity risk, and limit concentrations in any one specific region or geography. Ongoing research and analysis are done to provide the basis for establishing and re-establishing pricing assumptions that properly

	Primary reason	Please explain
		reflect the insurance market, including climate-related impacts. No substantive impacts were identified. IGM has not identified substantive risks. Their review of IG Wealth Management's mortgage portfolio for risks driven by extreme weather indicated that less than 10% were impacted by severe flooding, representing less than 0.04% of total mortgages under administration. No losses were incurred.

C2.4 Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

No

C2.4b Why do you not consider your organization to have climate-related opportunities?

	Primary reason	Please explain
Row 1	Opportunities exist, but none with potential to have a substantive financial or strategic impact on business	We assess climate-related opportunities in our business through engagement with the senior management at our subsidiaries and portfolio companies and through the investment analysis process. In 2020, we did not identify climate-related opportunities that could substantively impact our business. Lifeco, where we have a majority of our revenue, disclosed in their CDP submission they did not identify climate-related opportunities to be substantive to their businesses. With respect to products and services, Lifeco's asset management affiliates, GLC Asset Management, Putnam Investments, and Irish Life Investment Managers (who are signatories to the UNPRI), manage responsible investment funds comprising more than $121 billion across a number of ESG-related strategies. While these products are important, the benefits are not considered substantive given Lifeco's diversified businesses and extensive distribution reach. For example, in 2020 the income from responsible investment options represented less than 1% of its total fee income. Furthermore, Lifeco's 4.4 billion investments in the clean energy market represented approximately 2% of the company's invested assets. IGM indicated substantive opportunities from increased demand for low emission investment products. At Mackenzie Investments, their climate-oriented fund was the fastest growing fund over the past year, from $32 million at the end of 2019 to $611 million at the end of 2020.To help meet demand, they acquired the sub-advisor to the fund Greenchip Financial Corp. They also acquired an interest in Northleaf Capital Partners providing clients access to investments in the low carbon transition. Many of our other businesses are taking advantage of climate-related opportunities. For example, Power Sustainable is investing in solar and wind energy, LED lighting and zero-emission vehicles. Though important to the respective companies, our investments in these businesses representing less than 2% of our assets and therefore the opportunities would not be substantive to our business.

C3. Business Strategy

C3.1 Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes, and we have developed a low-carbon transition plan

C3.1a Is your organization's low-carbon transition plan a scheduled resolution item at Annual General Meetings (AGMs)?

	Is your low-carbon transition plan a scheduled resolution item at AGMs?	Comment
Row 1	No, but we intend it to become a scheduled resolution item within the next two years	Through our subsidiaries, Lifeco and IGM, we are exploring opportunities for low carbon transition plans to become a scheduled resolution item at their AGMs.

C3.2 Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative and quantitative

C3.2a Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
Other, please specify Modelling is used for the Property & Catastrophe portfolio in the Reinsurance department	Our major subsidiary Lifeco’s climate scenario testing incorporates top-down analysis to assess the future potential exposure of the balance sheet to climate risks and opportunities; and, bottom up analysis to identify potential areas of vulnerability in the asset portfolio of the general account, including bonds, mortgages, real estate and stocks. It involves a structured multi-dimensional approach and considers disruptive themes that could present risk downside and upside opportunities, as well as resilience themes. In order to assess the potential impact of a range of outcomes, three scenarios were developed: a) Green scenario (2 C) with orderly transition: Government policies facilitate the transition to a low carbon environment in an orderly manner, in line with the Paris Accord, and becoming GHG-neutral by 2050. In this scenario, the transition takes place gradually. b) Green scenario (2 C) with disorderly transition: While the green environment is still achieved, in the absence of government intervention, it is driven by grassroots movements. The transition occurs quickly, limiting the ability to adapt and there is an increasing financial market volatility. c) Brown scenarios (4 C): Limited corrective transition response in a business-as-usual scenario. The fall-out from natural disasters and litigious environment leads to volatile financial markets. The impact of climate change includes high mortality rates, property damage, decline in property values, business disruption and a pandemic environment. The time horizon was extended over a 50-year period to reflect the emergence of transition impacts ahead of physical impacts, which was important for their business planning needs. For the top-down stress and scenario testing, Lifeco assessed all risks (market, credit, insurance, and operational risk). In the bottom-up testing, they assessed Lifeco’s invested assets in the general account. In 2020, Lifeco conducted an extension of the bottom-up review of the investment portfolio, with a specific focus on properties exposure to climate change, both coastal and inland.

Climate-related scenarios and models applied	Details
	The results indicate that Lifeco is well-positioned for known risks of climate change. Bond exposure in vulnerable industries primarily represents high-quality holdings and shorter average durations. The main exposure to transition risk in the bond portfolio is through the energy sector, which is well-positioned, and they continue to review opportunities with respect to renewable energy financing. In 2020, Lifeco determined that climate change was most significant for properties located in a coastal or low-lying area, primarily in the UK, Ireland, Vancouver (Canada), California and Central London. All these properties are covered under P&C insurance. In the U.S., separate hazard policies are required for commercial mortgage property in flood/hurricane zones. As such, the balance sheet remains strong and resilient with respect to the climate change scenarios. The scenario analysis reinforced Lifeco's existing business objectives and strategies to limit exposures in vulnerable mortgage/property investments and continue opportunities to invest in clean energy growth and ESG-related strategies and clean energy markets. As a case example, $4.4 billion is invested in renewable energy investments in the general account, and CA$121 billion managed across several ESG-related strategies within Lifeco's Asset Management affiliates as at year-end 2020. The results have directly informed strategies to consider selectively trimming exposure in longer maturities, and limits related to vulnerable industries and coverage of P&C insurance on vulnerable properties.

C3.3 Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Climate-related risks and opportunities have influenced our group's products and service strategies within a 1-3-year horizon. At Power Corporation, our alternative asset investment platform Power Sustainable made the decision to continue to grow investments in clean energy. This includes Potentia Renewables, a renewable energy generation company, and Nautilus, a company that acquires, develops, finances and manages distributed solar projects across community, municipal/utility-scale, commercial and industrial markets. At December 2020, Power Sustainable had invested a total of $609 million in its renewable energy infrastructure portfolio. Power Sustainable also holds indirectly a controlling interest of 60.5% in Lumenpulse, a leading manufacturer of high-performance, specification-grade LED lighting solutions, and a 44.1% interest in Lion Electric, an all-electric truck and bus manufacturer in North America. Lifeco increased the integration of climate-related considerations into investment products. In 2020, Lifeco, through its various asset management affiliates, increased investments into sustainable funds that include climate-related considerations, which totalled approximately CA$121 billion. Lifeco also increased investments in the clean energy market, which in 2020 amounted to $4.4 billion in wind, solar and hydro renewable energy projects, as well as purchases of Ontario and Québec's green bonds. Lifeco continued to grow its property and casualty reinsurance business, influenced by the economic growth driving the number of houses in areas prone to single events (e.g. hurricanes), changes in industry modelled locations, occurrence and severity of windstorms, and the availability of capital to support such risks.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
		IGM made strategic decisions to invest in ESG themes or funds that optimize environmental or social needs. The launch of its first “climate-oriented” or “environmental focused” fund in 2018, has today become one of its flagship products. To capitalize on market growth, IGM is now focused on products related to sustainable, responsible and impact investing. In 2020, they acquired Greenchip Financial, previously a sub-advisor to its Global Environment Equity Fund and added a sustainability-focused boutique called Betterworld.
Supply chain and/or value chain	Yes	Climate-related risks and opportunities have influenced our group’s supply chain / value chain strategies. For example, at Lifeco, climate-related risks and opportunities have strengthened the company’s approach to third-party services providers, who conduct investments on their behalf, to ensure the company integrates climate-related information into decision-making processes over the next three years. One of the substantive decisions Lifeco has made is to integrate climate-related information into their third-party service providers selection process to ensure they align with the company’s expectations to have climate change topics embedded into their investee proxy voting and engagement process. For example, Irish Life Investment Manager’s third parties have specific requirements to integrate climate-related information into their investee proxy voting and engagement process. They also monitor climate metrics in third party assessments, such as ISS. By their focus on selecting high-quality investment firms as sub-advisors, IGM made the strategic decision to include climate risks and opportunities into Request for Proposal (RFP) and ongoing assessments. As part of the RFP and ongoing assessments, their teams request information about how ESG, including climate risks and opportunities, is resourced, what processes and tools are used, and how strategy and governance are influenced. Some specific examples include requests for data and analysis relating to emission footprints, use of scenario analysis and outputs, and public support for the Paris Agreement, TCFD, and Climate Action 100+. Sub-advisor relationships are considered for the longer-term (over 5 years) and evaluations occur annually to ensure that requirements are being met. A

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
		strategic decision made by IGM was to require all sub-advisors to be PRI signatories, through IG Wealth Management and Mackenzie.
Investment in R&D	Yes	Given the nature of our business as a financial services insurance company, we do not typically invest in research and development. While our subsidiary Lifeco does conduct research into various emerging trends and their impacts on health and life insurance, including climate change, changing demographics and market conditions, they do not, however target any strategic investments in research and development related to their products and services broadly. Our subsidiary IGM's business strategy includes investing in research and development relating to the introduction of new products and services, which includes consideration of climate-related risks and opportunities for the short to medium term. An example of a strategic decision for R&D influenced by climate-related risks and opportunities is IGM's recent integration and customization of S&P Trucost into their investment systems, processes and reports. In 2020/21, they developed customized portfolio-level carbon performance reporting and continued to advance the implementation into systems, investment analysis and decision-making. Another example of leading research practices is from the Mackenzie Fixed Income team who have developed a sophisticated proprietary country risk model that integrates climate-related factors alongside various ESG indicators.
Operations	Yes	Within our operations, climate-related risks and opportunities have influenced our strategy with respect to our carbon emissions and reporting. At Power Corporation, we have made the decision to continue to strengthen our disclosure on climate-related risks and opportunities. In 2019, in addition to strengthening our climate-related disclosures on our website and through the CDP, we also made the decision to include additional language in our annual report related to sustainability risks.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
		Our subsidiary Lifeco's climate-related risks and opportunities have influenced their strategy with respect to their carbon emissions as well as their corporate reporting and disclosures. Lifeco made the strategic decision to set a carbon emission reduction target to achieve a 27.3% reduction by 2025 and 50.4% reduction by 2036, based on a 2013 baseline. It also started to strengthen its strategy towards even greater energy efficiency to achieve its targets, including with respect to building equipment retrofits, data centre optimization and green building certifications such as BOMA BEST® and/or LEED®. Our subsidiary IGM invests in efficiencies in its corporate and regional offices to address potential energy cost increases associated with third-party suppliers from carbon pricing, while creating greener buildings and reducing costs in alignment with its reduction target of 40% of Scope 1 and 2 emissions by 2020 and 50% by 2036, based on a 2013 baseline. IGM made the strategic decision to invest in green building upgrades, including installing efficient heating and cooling systems, air handling units, information technology systems, LED lighting and motion sensors. In addition, the IG Wealth Management and Mackenzie head offices and IG Wealth Management region offices continue to be optimized to ensure space is being used efficiently and carbon emissions are well-managed. Furthermore, since 2015, IGM has made the strategic decision to purchase green natural gas to match the annual conventional natural gas used at the IG Wealth Management and Mackenzie Investments head offices to further manage carbon impacts. This investment lowers the operational carbon emissions enabling IGM to exceed its 2020 goal, while also supporting the development of the renewable energy industry in Canada.

C3.4 Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Capital expenditures Acquisitions and divestments Access to capital Assets Liabilities	The following financial planning elements have been reviewed for the 0-2 year time horizon. Revenue: While climate-related events do not pose inherent risks or opportunities from a revenue standpoint that could be substantive to our group's business, we do consider potential revenue from climate-related products and investments. For example, at Power Corporation, our financial planning takes into consideration revenues from our investments in cleaner energy through our alternative asset investment platform Power Sustainable. Our subsidiary Lifeco determined that while climate-related events do not pose any inherent risks or opportunities from a revenue standpoint that could be substantive to their business, they do consider potential revenue losses in their financial planning process in the context of their reinsurance business. Using robust weather models, Lifeco monitors peak perils at the most significant locations to assess the likelihood, severity and velocity of extreme weather events. The information enables the company to assess the potential quantum of losses, which in turn informs their pricing models. Based on this modelling of two worst-case scenarios, Lifeco determined it would not result in a substantive impact on its business. For example, Lifeco established reserves of $175 million for claims relating to losses from hurricanes Harvey, Irma and Maria, which did not result in a substantive impact to the business. Notably, these extreme weather events resulted in no significant losses in their other lines of business, including their other US operations, products, and services. Furthermore, Lifeco places contractual limits, which cap exposure on the portfolio. The company also renegotiates its reinsurance contracts annually, which enables them to revisit risk exposures and limits on an ongoing basis. Direct costs: While climate-related events do not pose any inherent risks or opportunities on our group's direct costs that could be substantive to our business, we do factor energy costs as part of our financial planning process. For example, at Power Corporation, we continued ongoing annual building upgrades and retrofits. Our major subsidiary Lifeco increased investments into more energy efficiency programs in its corporate and investment properties, including building equipment

	Financial planning elements that have been influenced	Description of influence
		retrofits, data centre optimization and green buildings, which align well with their Scope 1+2 GHG targets for Canadian properties to achieve a 27.3% GHG reduction by 2025 and a 50.4% reduction by 2036, based on a 2013 baseline year. As at year-end 2020, 92% of GWL Realty Advisors' eligible portfolio by floor area had green certifications (BOMA BEST® and/or LEED®). While these are important efficiency improvements, Lifeco's energy spend is less than 1% of its overall expenditures, and therefore these are not noticeable increases in their operating costs. At IGM, climate-related risks and opportunities have influenced direct costs in their 1-3-year financial planning processes. Specifically, financial planning related to direct costs has included: dedication of internal and external resources for reporting to CDP, PRI, and corporate reporting in alignment with the GRI, SASB and TCFD. It has also influenced direct costs related to hiring professional climate experts to advance TCFD recommendations, responsible investing, as well as initiatives to reduce carbon emissions in operations such as continuous building improvements, purchasing Bullfrog green natural gas, purchasing the services of an energy data management company to measure and manage energy and emissions at their corporate properties and IG Mackenzie Real Property Fund, and sustainable investing advancements for which climate change is a priority ESG topic. Capital expenditures / Capital allocations : We have not identified any inherent climate-related risks and opportunities that could be substantive to our business, and therefore have not had to factor them into capital expenditures as part of our financial planning process. For example, Lifeco has resilience built into their owned corporate properties, many of which are located in areas that have relatively lower exposure to climate-related extreme weather patterns. Acquisitions and divestments: While climate-related events do not pose any inherent risks or opportunities on our group's acquisitions and divestments that could be substantive to our business, such investments are factored into the financial planning process of our subsidiaries. For example, IGM recently invested in two investment firms focused on environmental change, including climate change. These included Greenchip Financial Corp. and Northleaf Capital Partners.

	Financial planning elements that have been influenced	Description of influence
		Access to capital: We have not identified any inherent climate-related risks or opportunities that could be substantive to our business, and therefore have not had to factor them into access to capital considerations as part of our financial planning process. It is important to note that, together with our major subsidiaries Lifeco and IGM, we engage with various organizations on climate-related requests and have been ranked highly for carbon management by independent third parties. Power Corporation has been responding to the CDP Climate Change Program for the past nine years. In addition, Lifeco has attained leadership status on its CDP submissions for the past five years, scored in the top quartile among its global industry peers on MSCI's "Climate Change Vulnerability Performance" ranking on its ESG Scorecard assessment, and its real estate subsidiary GWL Realty Advisors, which manages their corporate head offices and investment assets in Canada, has consecutively attained the highest, 'Green Star', ranking on the Global Real Estate Sustainability Benchmark (GRESB), for the past four years. This performance has enhanced their positioning from a reputational standpoint and possibly indirectly strengthened investor confidence for Power Corporation and its group companies. Assets: While climate-related events do not pose any inherent risks or opportunities on Lifeco's assets that could be substantive to their business, they may sometimes factor climate-related opportunities as part of their financial planning process through a consideration of investments into cleaner energy. For example, in 2020 Great-West Lifeco had invested over $4.4 billion in renewable energy projects, which included wind, solar, and hydro energy projects. However, with less approximately 2% of Lifeco's General Account investments tied to investments in the clean energy markets, the growth opportunities are currently not considered substantive to the financial or strategy impact on the business. Liabilities: Lifeco has not identified any inherent climate-related risks or opportunities that could be substantive to its business, and therefore have not had to factor in potential climate-related liabilities into its financial planning process.

C3.4a Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

N/A

C-FS3.6 Are climate-related issues considered in the policy framework of your organization?

Yes, climate-related issues are integrated into our general policy framework that relates to our financing activities

C-FS3.6a In which policies are climate-related issues integrated?

	Type of policy	Portfolio coverage of policy	Description
Investing (Asset manager)	Sustainable/Responsible Investment Policy Proxy voting policy	Majority of the portfolio	As an asset manager, climate-related issues are integrated through our group companies' responsible investment policies. For example, Lifeco's major investment affiliates, including GLC Asset Management, Irish Life Investment Managers, Setanta Asset Management, and Putnam Investments, have integrated climate-related issues into their sustainable/responsible investment policies. Their signatory status with the United Nations-led Principles for Responsible Investment (UN PRI) supports their respective policies towards ESG considerations, including with respect to climate change, in their investment processes. IGM is committed to incorporating material ESG issues into their investment process across all of their assets under management (100% of AUM). Each internal investment team or external sub-advisor is responsible for how they integrate climate issues into their processes. Overall, the sustainable investment policies centre on: Active ownership: This includes engagement with company management and proxy voting, which are important value-added practice within the investment process. Integration of material ESG factors in investment analysis and decision-making processes: ESG factors, including climate change, are considered as part of the investment process. The relative importance of the ESG factors varies across industries, geography and time. In analyzing the risks of each investment, its investment management team looks to identify, monitor and mitigate ESG risks and opportunities that are, or could become material to long-term performance. In addition to integrating ESG factors into its

	Type of policy	Portfolio coverage of policy	Description
			mainstream investing practices, the company also employs screening and thematic investment strategies for some of its clients and manage exclusions for institutional clients to address their unique ESG needs. Divestment only in exceptional circumstances: IGM generally adopts a policy of engagement over divesting a holding. This approach is consistent with its responsibility to engage companies and improve performance on ESG issues. Selling an investment for ESG reasons alone is an option of last resort. At IG Wealth Management and Investment Planning Counsel, the sustainable investing policies are carried out through selection and monitoring of all sub-advisors. ESG topics are covered in the Due Diligence questionnaire, including requests for specific climate-related information. At Mackenzie Investments, the Sustainable Investing policy pertains primarily to the investment activities undertaken by the 14 boutique teams. Climate change is a priority ESG topic that is incorporated when it is a material matter to the investee company. The determination of the portfolio coverage of the respective policies is based on the fact that these policies apply to all our major subsidiaries where there is an asset manager role, thereby representing a majority of the Power Corporation portfolio.
Investing (Asset owner)	Sustainable/Responsible Investment Policy Proxy voting policy	All of the portfolio	As an asset owner, climate-related issues are integrated through our group companies' respective responsible investment policies. At Power Corporation, we have integrated climate-related issues into the environmental policy and the Corporate Social Responsibility Statement, through our commitment to incorporate environmental, social

	Type of policy	Portfolio coverage of policy	Description
			and governance factors into the investment analysis process and active ownership approach. Our major subsidiary Lifeco formalized its Sustainable Investment Policy, which expresses the principles and commitments relevant to the incorporation of Environmental, Social and Governance (ESG) considerations into its investment processes, decision-making, and ownership practices, including with respect to climate change factors. The coverage of the policy has been identified in the Policy Statement, which indicates it applies to all Lifeco subsidiary operating companies and investment management affiliates, and to the investment processes for both direct investments by the Lifeco and investment products. Lifeco also formalized sustainability and specifically climate change risks into its Enterprise Risk Management Framework, which applies to the entire portfolio. In doing so, the policies, processes and controls now explicitly incorporate climate change risk considerations across all risk types.
Insurance underwriting (Insurance company)	Insurance underwriting policy	Majority of the portfolio	Our major subsidiary Lifeco has integrated climate-related considerations into their insurance underwriting policies, which includes requirements to conduct scenario modelling on climate-related events and the impact on their entire reinsurance business. These insurance-underwriting policies require Lifeco to model peak perils at the most significant locations in order to assess the likelihood, severity and velocity of extreme weather events, including windstorms, hurricanes and cyclones. The information from these scenario models enables them to assess the potential quantum of losses, which in turn informs their pricing models.

	Type of policy	Portfolio coverage of policy	Description
			The determination of the portfolio coverage of the policy is based on the fact that these insurance underwriting policies cover all of Lifeco’s P&C reinsurance underwriting processes. It therefore covers a majority of the reinsurance policy portfolio.
Other products and services, please specify			

C-FS3.7 Are climate-related issues factored into your external asset manager selection process?

Yes, for some assets managed externally

C-FS3.7a How are climate-related issues factored into your external asset manager selection process?

	Process for factoring climate-related issues into external asset management selection	Comment
Row 1	Review asset manager's climate-related policies Assessment of asset manager's climate-related performance (e.g. active ownership, proxy voting records, under-weighting in high impact activities)	Lifeco includes climate-related considerations as part of the selection process for external managers. Specifically, external managers are encouraged to have clear policies that align with Lifeco's ESG principles, including with respect to climate change. In addition, through Lifeco's major investment affiliates, including GLC Asset Management, Irish Life Investment Managers and PanAgora Asset Management, external manager selection is undertaken through detailed due diligence assessments that cover ESG factors broadly, including specific climate-related criteria. IG Wealth Management and Investment Planning Counsel, two of IGM's subsidiaries, offer investment funds to their retail clients which are managed by high-quality external investment managers (sub-advisors). Mackenzie Investments employs sub-advisors on select mandates. As a result, their role is to monitor and evaluate the RI practices of these sub-advisors, including their incorporation of climate issues. They request all managers to provide ESG related policies, accountability structures and specific metrics and examples through the RFI and Due Diligence processes, with specific reference to climate change. The responsibility lies with their external managers to manage the oversight and implementation of ESG integration and active management with the issuers.

C4. Targets and performance

C4.1 Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number
Abs 1

Year target was set
2012

Target coverage
Company-wide

Scope(s) (or Scope 3 category)
Scope 1+2 (location-based)

Base year
2011

Covered emissions in base year (metric tons CO2e)
74.13

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

0.1

Target year

2020

Targeted reduction from base year (%)

8

Covered emissions in target year (metric tons CO2e) [auto-calculated]

68.1996

Covered emissions in reporting year (metric tons CO2e)

29.65

% of target achieved [auto-calculated]

750.033724538

Target status in reporting year

Achieved

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Target ambition

Please explain (including target coverage)

This target relates to the Scope 1 and 2 emissions of Power Corporation, covering our GHG emissions from electricity and natural gas at our head office properties. The reduction achieved to date was mainly driven by emission reduction activities related to LED lighting and building equipment upgrades. Please note that the reduction since 2011 is 60%, which divided by our reduction target of 8% yields a 750% achieved reduction.

Target reference number
Abs 2

Year target was set
2014

Target coverage
Country/region

Scope(s) (or Scope 3 category)
Scope 1+2 (location-based)

Base year
2013

Covered emissions in base year (metric tons CO2e)
25,168.45

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)
40.69

Target year
2025

Targeted reduction from base year (%)
27.3

Covered emissions in target year (metric tons CO2e) [auto-calculated]
18,297.46315

Covered emissions in reporting year (metric tons CO2e)
19,620.97

% of target achieved [auto-calculated]
80.7377473004

Target status in reporting year
Underway

Is this a science-based target?
No, but we anticipate setting one in the next 2 years

Target ambition

Please explain (including target coverage)
This target (2013-2025) applies to Scope 1 and 2 emissions for Lifeco's owner-occupied and investment properties in Canada. The target excludes Scope 1 + 2 GHG emissions associated with corporate jet fuel use, backup generator diesel fuel use, and refrigerants. The target includes emissions associated with property-level electricity, natural gas, and steam consumption at its corporate head office and investment properties. The reductions achieved to date (80.7% towards target completion) are in part due to emissions reduction activities (e.g. energy efficiency focused retrofits and behavioural changes) at Lifeco's corporate head office and investment properties in scope for this target, as well as COVID-19 related closures and travel restrictions in 2020.

Target reference number
Abs 3

Year target was set
2014

Target coverage
Country/region

Scope(s) (or Scope 3 category)
Scope 1+2 (location-based)

Base year
2013

Covered emissions in base year (metric tons CO2e)
25,168.45

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)
40.69

Target year
2036

Targeted reduction from base year (%)
50.4

Covered emissions in target year (metric tons CO2e) [auto-calculated]
12,483.5512

Covered emissions in reporting year (metric tons CO2e)
19,620.67

% of target achieved [auto-calculated]
43.7353114713

Target status in reporting year
Underway

Is this a science-based target?
No, but we anticipate setting one in the next 2 years

Target ambition

Please explain (including target coverage)

This target (2013-2036) applies to Scope 1 and 2 emissions for Lifeco's owner-occupied and investment properties in Canada. The target excludes Scope 1 + 2 GHG emissions associated with corporate jet fuel use, backup generator diesel fuel use, and refrigerants. The target includes emissions associated with property-level electricity, natural gas, and steam consumption at its corporate head office and investment properties. The reductions achieved to date (43.7% towards target completion) are in part due to emissions reduction activities (e.g. energy efficiency focused retrofits and behavioural changes) at Lifeco's corporate head office and investment properties in scope for this target, as well as COVID-19 related closures and travel restrictions in 2020.

Target reference number

Abs 4

Year target was set

2015

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (market-based)

Base year

2013

Covered emissions in base year (metric tons CO2e)

2,331

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2020

Targeted reduction from base year (%)

40

Covered emissions in target year (metric tons CO2e) [auto-calculated]

1,398.6

Covered emissions in reporting year (metric tons CO2e)

244.6

% of target achieved [auto-calculated]

223.7666237666

Target status in reporting year

Achieved

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Target ambition

Please explain (including target coverage)

This target (2013-2020) applies to IGM's Scope 1 and 2 emissions in Canada, which includes property-level electricity, natural gas, jet fuel, back-up diesel, and refrigerants consumption at its corporate head office. IGM is exploring the new Science Based Organization Targets Initiative methodology for financial services companies and its application to its business.

Target reference number

Abs 5

Year target was set

2015

Target coverage
Company-wide

Scope(s) (or Scope 3 category)
Scope 1+2 (market-based)

Base year
2013

Covered emissions in base year (metric tons CO2e)
2,331

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)
100

Target year
2036

Targeted reduction from base year (%)
50

Covered emissions in target year (metric tons CO2e) [auto-calculated]
1,165.5

Covered emissions in reporting year (metric tons CO2e)
244.6

% of target achieved [auto-calculated]
179.0132990133

Target status in reporting year
Achieved

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Target ambition

Please explain (including target coverage)

This target (2013-2036) applies to IGM's Scope 1 and 2 emissions in Canada, which includes property-level electricity, natural gas, jet fuel, back-up diesel, and refrigerants consumption at its corporate head office. IGM is exploring the new Science Based Organization Targets Initiative methodology for financial services companies and its application to its business.

C4.2 Did you have any other climate-related targets that were active in the reporting year?

Target(s) to increase low-carbon energy consumption or production

C4.2a Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number

Low 1

Year target was set

2015

Target coverage

Company-wide

Target type: absolute or intensity
Absolute

Target type: energy carrier
Heat

Target type: activity
Consumption

Target type: energy source
Renewable energy source(s) only

Metric (target numerator if reporting an intensity target)
Percentage

Target denominator (intensity targets only)

Base year
2013

Figure or percentage in base year
0

Target year
2020

Figure or percentage in target year
80

Figure or percentage in reporting year
100

% of target achieved [auto-calculated]

125

Target status in reporting year

Achieved

Is this target part of an emissions target?

Yes, Abs 1 and Abs 2 are successfully achieved in large part due to target Low 1. Since IGM's owned office building is located in Manitoba, hydroelectricity is almost zero emissions, therefore natural gas is the main focus of this target to reduce Scope 1 and 2 GHG emissions by 40% by 2020 and 50% by 2036

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain (including target coverage)

Our subsidiary IGM accomplished this goal through an agreement with Bullfrog Power to purchase green natural gas from a unique methane capture project situated on a Canadian landfill. The gas is injected into the Canada-wide pipeline system and IGM receives a renewable energy credit. This process is audited and verified annually by Deloitte. Not only does this partnership significantly reduce IGM's greenhouse gas emissions footprint, it supports the development of the green energy industry across Canada. Target is for 80% of natural gas used in IGM's owned property (Scope 1) to be renewable by 2020. Target was achieved in 2020, with 100% achievement (3,414 MWH).

C4.3 Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	39	
To be implemented*	14	888.76
Implementation commenced*	2	79
Implemented*	3	232.08
Not to be implemented	0	

C4.3b Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings

Building Energy Management Systems (BEMS)

Estimated annual CO2e savings (metric tonnes CO2e)

0.08

Scope(s)

Scope 2 (location-based)

Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
3,600

Investment required (unit currency – as specified in C0.4)
157,000

Payback period
>25 years

Estimated lifetime of the initiative
>30 years

Comment
The building automation system was upgraded in IGM's owned office building. The building is located in Manitoba which uses hydro-electricity, and therefore related emissions are very low.

Initiative category & Initiative type
Energy efficiency in buildings
Motors and drives

Estimated annual CO2e savings (metric tonnes CO2e)
230.84

Scope(s)
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

14,671

Investment required (unit currency – as specified in C0.4)

121,171

Payback period

4-10 years

Estimated lifetime of the initiative

6-10 years

Comment

Installation of high efficiency motors/pumps or VFDs for motors/pumps

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Initiative category & Initiative type

Energy efficiency in buildings
Lighting

Estimated annual CO2e savings (metric tonnes CO2e)

1.13

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

3,750

Investment required (unit currency – as specified in C0.4)

250,000

Payback period

>25 years

Estimated lifetime of the initiative

11-15 years

Comment

This initiative relates to our major subsidiary Lifeco's lighting retrofit to LED for base building.

C4.3c What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Other	As part of Power Corporation's commitment to continuously reduce its limited carbon and energy impacts, a number of building upgrades and retrofits are conducted annually.
Dedicated budget for energy efficiency	Lifeco has a dedicated budget for energy efficiency projects. Each year, an investigation is made into possible energy efficiency projects. The dedicated budget will vary based on the type of projects, return on investment, and overall positive sustainability impact (e.g. GHG emissions reduction potential). In 2020, Lifeco dedicated over CA$8 million to energy efficiency-focused projects within its international owner-occupied and investment property portfolio. While significant investments were made in energy efficiency-related projects, only some of these projects had emission reductions accounted for and reported.
Financial optimization calculations	Financial optimization calculations are conducted on a project-by-project basis by asset management and property management teams for major capital expenditures at Lifeco's corporately owned properties as well as all investment (segregated fund) properties managed by its subsidiary GWL Realty Advisors.

Method	Comment
Employee engagement	Employee engagement is a core component of Lifeco's sustainability strategy. In 2020, Lifeco continued to expand the work of its Corporate Properties Sustainability Working Group (CPSWG). The CPSWG, consisting of experienced property management and building operations employees, helps to direct sustainability initiatives with a particular focus on greenhouse gas (GHG) reductions at its corporate properties. So far, the CPSWG has concentrated on retrofits focusing on energy, water and waste reduction, and the sharing of best practices and strategies among its facilities. The CPSWG also helps coordinate environment-themed employee engagement activities, such as its participation in the longstanding Earth Day and Earth Hour events. Additionally, sustainability initiatives that can lead to emission reductions at the corporate level are run throughout the year, including energy awareness programs, waste reduction initiatives (e.g. paper use reduction), and the promotion of sustainable commuting strategies.
Other	At IGM, a budget includes energy efficiency projects, such as equipment replacements for boilers, lighting, air handling and HVAC systems.

C4.5 Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Group of products

Description of product/Group of products

Property management services through Lifeco’s subsidiary GWL Realty Advisors

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

Green buildings (e.g., LEED/BOMA BEST)

% revenue from low carbon product(s) in the reporting year

1

% of total portfolio value

1

Asset classes/ product types

Investing

Real Estate/ Property

Comment

Through Lifeco's subsidiary GWL Realty Advisors, select assets under management have been certified as green buildings under LEED® certifications and/or BOMA BEST® certifications. Furthermore, GWL Realty Advisors is working with building owners and tenants in their office and multi-residential portfolio to minimize the carbon footprint of these assets by prudently managing their overall environmental impact.

Level of aggregation

Group of products

Description of product/Group of products

ESG Funds through Lifeco

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

ESG related investment mandates that include low carbon criteria

% revenue from low carbon product(s) in the reporting year

1

% of total portfolio value

6.1

Asset classes/ product types

Investing

Listed Equity

Comment

Lifeco affiliates had CAD $121 billion in ESG related investment mandates as at year-end 2020, of which climate change is a component. This group of products include low carbon finance, sustainable fund options as well as integration into mainstream investment decisions by applying an ESG lens. The coverage of these products is as follows: Five GLC Socially Responsible Investment funds, Five ILIM ESG mandates, indices and strategies; three PanAgora ESG mandates; seven Putnam ESG funds, and one Setanta Socially Responsible Investment fund.

Level of aggregation

Group of products

Description of product/Group of products

IGM’s subsidiary Mackenzie Global Environmental Equity Fund, Maximum Diversification Funds and ETFs

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

Mackenzie Global Environmental Equity Fund invests in the low carbon transition. The Maximum Diversification funds and ETFs optimize to 20% less carbon.

% revenue from low carbon product(s) in the reporting year

0.81

% of total portfolio value

0.81

Asset classes/ product types

Investing

Listed Equity

Comment

IGM's has approximately 0.81% of revenue from low-carbon products and avoided emissions as it relates to its Mackenzie Global Environment Equity Fund, Maximum Diversification Funds and ETFs. The percentage of total portfolio value is calculated as the Assets Under Management (AUM) value of the low carbon product as a % of IGM's total AUM, as at December 31, 2020. Revenue is assumed to be the same proportion.

Level of aggregation

Group of products

Description of product/Group of products

Corporate and government green bonds

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

Corporate and government green bonds

% revenue from low carbon product(s) in the reporting year

0.26

% of total portfolio value

0.26

Asset classes/ product types

Investing

Listed Equity

Comment

The percentage of total portfolio value is calculated as the Assets Under Management (AUM) value of the low carbon product as a % of IGM's total AUM, as at December 31, 2020. Revenue is assumed to be the same proportion.

C5. Emissions methodology

C5.1 Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1, 2013

Base year end

December 31, 2013

Base year emissions (metric tons CO2e)

29,016.17

Comment

Scope 2 (location-based)

Base year start

January 1, 2013

Base year end

December 31, 2013

Base year emissions (metric tons CO2e)

41,903.42

Comment

Scope 2 (market-based)

Base year start

January 1, 2013

Base year end

December 31, 2013

Base year emissions (metric tons CO2e)

41,903.42

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1 What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

18,481.97

Comment

C6.2 Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We have no operations where we are able to access electricity supplier emission factors or residual emissions factors and are unable to report a Scope 2, market-based figure

Comment

C6.3 What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

27,370.74

Comment

We are reporting location-based emissions only. While IGM has approximately 4tCO2e reported as part of their maarket-based Scope 2 emissions , the Power Corporation and Lifeco Scope 2 emissions are location-based as we do not have operations where we are able to access electricity supplier-specific emission factors or residual emission factors and therefore are unable to report a Scope 2, market-based figure.

C6.4 Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5 Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status
Not relevant, calculated

Metric tonnes CO2e
3,160.84

Emissions calculation methodology
Weight of paper purchased was multiplied by appropriate emission factors based on % post-consumer content.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
These emissions relate to the procurement of office paper for Great-West Life (Canada) corporate properties. Emissions are associated with the production and of paper products used by Great-West Life employees.

Capital goods

Evaluation status
Not relevant, explanation provided

Please explain
Given the nature of our business, we do not consider capital goods to contribute significantly to our total Scope 3 emissions.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not relevant, explanation provided

Please explain

These emissions are from diesel and kerosene fuel used in IGM's operations (excluding Scope 1 emissions) as well as from the production of Lifeco's office buildings, assets, and infrastructure. When considered in the context of the Scope 3 emissions from our investments, these emissions are considered to be immaterial.

Upstream transportation and distribution

Evaluation status

Not relevant, calculated

Metric tonnes CO2e

206.07

Emissions calculation methodology

Cubic meters of water used by building was multiplied by 1.276 kWh/m3 and then multiplied by appropriate electricity emissions factor to represent electricity required to distribute the water.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

61

Please explain

These emissions relate to the transportation and distribution of water that Lifeco purchases for its corporate buildings as well as that purchased for the IGM Head Office. Given the nature of our business, we do not consider upstream transportation and distribution to contribute significantly to our total Scope 3 emissions.

Waste generated in operations

Evaluation status

Not relevant, calculated

Metric tonnes CO2e

3,796.56

Emissions calculation methodology

Weight of landfill waste was multiplied by country specific emissions factors. Waste to energy was multiplied by country specific emissions factors. Waste to energy and landfill waste emissions were combined.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

86

Please explain

This includes emissions related to the waste generated by the corporate properties of Power Corporation, Lifeco, IGM and Square Victoria Real Estate. Given the nature of our business, we do not consider waste generated in operations to contribute significantly to our total Scope 3 emissions.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

2,738.1

Emissions calculation methodology

Distance traveled and/or litres of fuel used were multiplied by country-specific emissions factors.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

This includes emissions generated from both air and ground business travel for Power Corporation, Lifeco and IGM. Given the nature of our business, we do not consider business travel to contribute significantly to our total Scope 3 emissions.

Employee commuting

Evaluation status

Not relevant, explanation provided

Please explain

This includes travel by our employees, such as bus, rail and automobile. Given the nature of our business, we do not consider employee commuting to contribute significantly to our total Scope 3 emissions.

Upstream leased assets

Evaluation status

Not relevant, calculated

Metric tonnes CO2e

8,612.44

Emissions calculation methodology

Energy, water and waste data collected from leased properties was multiplied by appropriate emissions factors provided by Environment Canada, National Inventory Report, 1990–2019.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

56

Please explain

Upstream leased assets are outside of our financial and operational control. These emissions are associated with Lifeco and IGM external (third-party managed) field offices and leased areas, and Power Corporation's leased offices.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

Given the nature of our business, we do not consider downstream transportation and distribution to contribute significantly to our total anticipated Scope 3 emissions.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Given the nature of our business, we do not process products for sale.

Use of sold products

Evaluation status

Not relevant, explanation provided

Please explain

We do not sell products in our business where the use of sold products would be relevant.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Please explain

We do not sell products in our business where end of life treatment would be relevant.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

The operation of assets that are owned by Power Corporation and Lifeco (acting as lessors) and leased to other entities in the reporting year are already included in Scope 1 or Scope 2.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

We do not own any franchises.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Please explain

No other upstream emissions are considered material.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Please explain

No other downstream emissions are considered material.

C6.10 Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.00000071

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

45,852.71

Metric denominator

unit total revenue

Metric denominator: Unit total

64,616,000,000

Scope 2 figure used

Location-based

% change from previous year

42.3

Direction of change

Decreased

Reason for change

Power Corporation revenues increased by 32.3% and year-over-year GHG emissions decreased by 23.7% due to COVID-19 related office closures and travel restrictions. The largest reductions were from natural gas, aviation fuel and electricity. Another reduction (non-COVID-19 related) was from fewer refrigerant top ups, resulting in an emission decrease of 1,225 tCO2e.

Intensity figure

1.68

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

45,852.71

Metric denominator

full time equivalent (FTE) employee

Metric denominator: Unit total

27,226

Scope 2 figure used

Location-based

% change from previous year

25.53

Direction of change

Decreased

Reason for change

Employee count at Power Corporation increased by 2.5% and year-over-year GHG emissions decreased by 23.7% due to COVID-19 related office closures and travel restrictions. The largest reductions were from natural gas, aviation fuel and electricity. Another reduction (non-COVID-19 related) was from fewer refrigerant top ups, resulting in an emission decrease of 1,225 tCO2e.

Intensity figure

0.00401

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

45,852.71

Metric denominator

square foot

Metric denominator: Unit total

11,434,253

Scope 2 figure used

Location-based

% change from previous year

23.66

Direction of change

Decreased

Reason for change

Power Corporation's square footage remained consistent year over year and GHG emissions decreased by 23.7% due to COVID-19 related office closures and travel restrictions. The largest reductions were from natural gas, aviation fuel and electricity. Another reduction (non-COVID-19 related) was from fewer refrigerant top ups, resulting in an emission decrease of 1,225 tCO2e.

C7. Emissions breakdowns

C7.9 How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	In 2020, there was no change in renewable energy consumption when compared to 2019 at the IGM Head Office. As a result, Scope 1 and 2 emissions were 0 tCO2e. We divided this number by 60,064 tCO2e (the total Scope 1 and 2 emissions in 2019) and multiplied it by 100 to achieve an overall 0% no change. The calculation is as follows: (0 tCO2e/60,064 tCO2e) * 100 = 0.00%.
Other emissions reduction activities	0.02	Decreased	0.003	In 2020, we decreased our Scope 1 and 2 emissions by 0.003% due to an upgrade to the Building Automation System at the IGM Head Office that amounted to a 0.02 tCO2e reduction as well as 232 tCO2e reduction at Lifeco from energy efficiency projects at their owner occupied and investment properties. As a result, Scope 1 and 2 emissions were reduced by 232.02 tCO2e. We divided this number by 60,064 tCO2e (the total Scope 1 and 2 emissions in 2019) and multiplied by 100 to achieve an overall 0.003% decrease. The calculation was as follows: (-232.02 tCO2e/60,064 tCO2e) = 0.003%.
Divestment	0	No change	0	
Acquisitions	0	No change	0	

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Mergers	0	No change	0	
Change in output	10,482.45	Decreased	17.45	In 2020, we decreased our Scope 1 and 2 emissions by 17.45% due to a reduction in business travel from COVID-19 travel restrictions and a reduction in electricity and natural gas consumption from office closures at the Lifeco offices in Canada, Ireland, the UK and the U.S. As a result, Scope 1 and 2 emissions were reduced by 10,482.45 tCO2e. We divided this number by 60,064 tCO2e (the total Scope 1 and 2 emissions in 2019) and multiplied by 100 to achieve an overall 17.45% decrease. The calculation is as follows: The calculation is as follows: (10,482 tCO2e/60,064 tCO2e = -17.45%)
Change in methodology	211.14	Decreased	0.35	In 2020, we decreased our Scope 1 and 2 emissions by 0.35% at the Lifeco offices due to a change in emission factors for UK electricity. As a result, Scope 1 and 2 emissions were reduced by 211.14 tCO2e. We divided this number by 60,064 tCO2e (the total Scope 1 and 2 emissions in 2019) and multiplied by 100 to achieve an overall 0.35% decrease. The calculation is as follows: (211 tCO2e/60,064 tCO2e = -0.35%).
Change in boundary	0	No change	0	
Change in physical operating conditions	2,091	Decreased	3	In 2020, we decreased our Scope 1 and 2 GHG emissions by 3%, resulting from weather and occupancy changes at Lifeco. As a result, Scope 1 and 2 emissions were reduced by 2,091 tCO2e. We divided this number by 60,064 tCO2e (the total

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
				Scope 1 and 2 emissions in 2019) and multiplied by 100 to achieve an overall 3% decrease. The calculation is as follows: (2091 tCO2e/60,064 tCO2e = -3%).
Unidentified	1.01	Increased	0.002	In 2020, we increased our Scope 1 and 2 GHG emissions by 0.002%, resulting from unidentified changes at IGM, which could be related to weather or rounding of figures. As a result, Scope 1 and 2 emissions increased by 1.01 tCO2e. We divided this number by 60,064 tCO2e (the total Scope 1 and 2 emissions in 2019) and multiplied by 100 to achieve an overall 0.002% increase. The calculation is as follows: (1.01 tCO2e/60,064 tCO2e = 0.002%).
Other	1,194.27	Decreased	1.99	In 2020, we decreased our Scope 1 and 2 GHG emissions resulting from the decrease in the use of diesel and refrigerant top-ups. As a result, Scope 1 and 2 emissions decreased 1,194.27 tCO2e. We divided this number by 60,064 tCO2e (the total Scope 1 and 2 emissions in 2019) and multiplied by 100 to achieve an overall 1.99% decrease. The calculation is as follows: (1194 tCO2e/60,064 tCO2e = -1.99%).

C7.9b Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1 What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2 Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	3,413.58	92,184.91	95,598.49
Consumption of purchased or acquired electricity		117,933.11	34,447.28	152,380.39
Consumption of purchased or acquired steam			10,146.5	10,146.5
Total energy consumption		121,346.69	136,778.69	258,125.38

C9. Additional metrics

C9.1 Provide any additional climate-related metrics relevant to your business.

Description

Waste

Metric value

3,460.49

Metric numerator

tCO2e

Metric denominator (intensity metric only)

% change from previous year

32.7

Direction of change

Decreased

Please explain

Lifeco's landfill waste from the Canadian Corporate and International properties decreased from 2019 to 2020 by 1680 tCO2e, largely as a result of COVID-19 office closures and employees working from home.

Description

Other, please specify

Lifeco Waste to Energy

Metric value

8.76

Metric numerator

tCO2e

Metric denominator (intensity metric only)

% change from previous year

84.8

Direction of change

Decreased

Please explain

Lifeco's waste to energy generation from the Canadian Corporate and International properties decreased from 2019 to 2020 by 49 tCO2e, as a result of COVID-19 office closures.

Description

Other, please specify

Lifeco GWLRA-managed Segregated Fund Properties

Metric value

74,068.03

Metric numerator

tCO2e

Metric denominator (intensity metric only)

% change from previous year

9.6

Direction of change

Decreased

Please explain

Emissions from Lifeco's Canadian Segregated Fund properties decreased by 7,827 tCO2e. This was due to large decreases in natural gas (3,818 tCO2e) and electricity emissions (3,468 tCO2e). These decreases were mainly due to COVID-19 office closures from March to December of 2020.

Description

Other, please specify

Lifeco Leased Properties

Metric value

4,083.11

Metric numerator

tCO2e

Metric denominator (intensity metric only)

% change from previous year

8.3

Direction of change

Decreased

Please explain

Emissions from Lifeco's Canadian Leased properties decreased by 367 tCO2e. This was due to a large decrease in landfill waste emissions (640 tCO2e), mainly due to COVID-19 office closures from March to December of 2020 and employees working from home. An increase in natural gas emissions of 234 tCO2e was from the addition of three new leases.

Description

Other, please specify

Lifeco Water Consumption-related GHG Emissions

Metric value

206.06

Metric numerator

tCO2e

Metric denominator (intensity metric only)

% change from previous year

17.2

Direction of change

Decreased

Please explain

Lifeco's water emissions in Canadian Corporate and International properties has decreased by 43 tCO2e, mainly due to COVID-19 office closures from March to December of 2020 and employees working from home.

Description

Other, please specify

Lifeco Business Travel

Metric value

2,280.49

Metric numerator

tCO2e

Metric denominator (intensity metric only)

% change from previous year

81.7

Direction of change

Decreased

Please explain

Lifeco's business travel emissions were reduced by 10,175 tCO2e, due to COVID-19 travel restrictions and stay-at-home orders for most of 2020.

Description

Other, please specify

Lifeco Paper Use

Metric value

3,160.84

Metric numerator

tCO2e

Metric denominator (intensity metric only)

% change from previous year

24.5

Direction of change

Increased

Please explain

Lifeco's paper emissions increased by 622 tCO2e due to variability in the types of paper purchased.

Description

Other, please specify

Lifeco Energy Usage

Metric value

234,680,136.49

Metric numerator

KWH

Metric denominator (intensity metric only)

% change from previous year

19

Direction of change

Decreased

Please explain

Lifeco's absolute energy usage in the corporate properties was reduced by 54,919 MWH. This was largely due to decreases in natural gas usage of 26,214 MWH, and in electricity usage of 20,108 MWH from COVID-19 office closures.

Description

Other, please specify

Lifeco Energy Usage Intensity

Metric value

21.65

Metric numerator

KWH

Metric denominator (intensity metric only)

ft2

% change from previous year

19

Direction of change

Decreased

Please explain

As a result of large decreases in natural gas and electricity usage from COVID-19 office closures, Lifeco's energy intensity in the Corporate properties decreased by -19.0% or -5.07 kWh/ft2.

Description

Other, please specify

Lifeco Water Use

Metric value

599,304.56

Metric numerator

m3

Metric denominator (intensity metric only)

% change from previous year

18.7

Direction of change

Decreased

Please explain

Lifeco's water consumption decreased by 137,855 m3 as a result of reductions in water usage from COVID-19 office closures and employees working from home.

Description

Other, please specify

Lifeco Water Use Intensity

Metric value

0.06

Metric numerator

m3

Metric denominator (intensity metric only)

ft2

% change from previous year

18.7

Direction of change

Decreased

Please explain

Lifeco's water use intensity decreased by 0.013 m3/ft due to a decrease in water usage from COVID-19 office closures and employees working from home

---

Description

Other, please specify

Lifeco Landfill Waste

Metric value

1,666.25

Metric numerator

Metric tonnes

Metric denominator (intensity metric only)

% change from previous year

33.5

Direction of change

Decreased

Please explain

Lifeco's landfill waste generation decreased by 839 metric tonnes, due primarily to decreases from the Canadian Corporate Properties of 410.7 tonnes and the Empower Retirement/Putnam properties of 427.5 tonnes. These decreases were mainly due to COVID-19 office closures and employees working from home.

Description

Other, please specify

Lifeco Waste to Energy (tonnes)

Metric value

123.43

Metric numerator

metric tonnes

Metric denominator (intensity metric only)

% change from previous year

57

Direction of change

Decreased

Please explain

Lifeco's waste to energy generation decreased by 163 metric tonnes, due to a decrease from the Irish Life properties of 95.7 tonnes and no waste to energy data being reported for the Canadian corporate properties in 2020.

Description

Other, please specify

Lifeco Waste Diversion Rate

Metric value

57

Metric numerator

Percent

Metric denominator (intensity metric only)

% change from previous year

2.8

Direction of change

Decreased

Please explain

Lifeco's waste diversion rate decreased slightly due to an overall reduction in waste to landfill, waste to energy and recycling, as a result of COVID-19 office closures and employees working from home.

Description

Waste

Metric value

81.12

Metric numerator

tCO2e

Metric denominator (intensity metric only)

% change from previous year

31.85

Direction of change

Decreased

Please explain

IGM's waste generation from the Head Office decreased by 38 tCO2e due to COVID-19 restrictions, requiring offices to close and employees to work from home.

Description

Other, please specify

IG Mackenzie Real Property Fund

Metric value

60,737.83

Metric numerator

tCO2e

Metric denominator (intensity metric only)

% change from previous year

4.29

Direction of change

Decreased

Please explain

IGM's emissions from the IG Mackenzie Real Property Fund portfolio decreased by 2724 tCO2e from 2019 to 2020, largely due to reductions in electricity and natural gas usage as a result of COVID-19 office closures.

Description

Other, please specify

IGM Leased Properties

Metric value
4,484.08

Metric numerator
tCO2e

Metric denominator (intensity metric only)

% change from previous year
22.24

Direction of change
Decreased

Please explain
IGM's emissions from the leased portfolio decreased by 1283 tCO2e from 2019 to 2020, largely due to COVID-19 restrictions requiring stores, warehouses and offices to close or reduce hours during lockdown periods.

Description
Other, please specify
IGM Water

Metric value
0.02

Metric numerator
tCO2e

Metric denominator (intensity metric only)

% change from previous year

51.31

Direction of change

Decreased

Please explain

IGM's water emissions from the Head Office decreased by 0.02 tCO2e from 2019 to 2020 due to COVID-19 restrictions requiring employees to work from home during lockdown periods.

Description

Other, please specify

IGM Business Travel

Metric value

412.95

Metric numerator

tCO2e

Metric denominator (intensity metric only)

% change from previous year

81.55

Direction of change

Decreased

Please explain

IGM's business Travel emissions were reduced by 1865 tCO2e from 2019 to 2020, due to COVID-19 travel restrictions, requiring employees to work from home and travel to be ceased for non-essential purposes.

Description

Waste

Metric value

232.49

Metric numerator

tCO2e

Metric denominator (intensity metric only)

% change from previous year

39.1

Direction of change

Decreased

Please explain

Power Corporation's waste generation from corporate offices decreased by 149 tCO2e due to COVID-19 restrictions, requiring offices to close and employees to work from home.

Description

Other, please specify

Power Corporation Leased Properties

Metric value

105.13

Metric numerator

tCO2e

Metric denominator (intensity metric only)

% change from previous year

18.4

Direction of change

Decreased

Please explain

Emissions from Power Corporation’s leased offices decreased by 24 tCO2e between 2019 and 2020 largely due to COVID-19 restrictions requiring offices, stores and warehouses to close or reduce hours during lockdown periods.

Description

Other, please specify

Power Corporation Corporate Air Travel

Metric value

35.66

Metric numerator

tCO2e

Metric denominator (intensity metric only)

% change from previous year

83.5

Direction of change

Decreased

Please explain

Power Corporation's business travel emissions were reduced by 180 tCO2e from 2019 to 2020, due to COVID-19 travel restrictions, requiring employees to work from home and travel to be ceased for non-essential purposes.

Description

Other, please specify

Lifeco Waste to Energy (GHG Emissions)

Metric value

8.76

Metric numerator

tCO2e

Metric denominator (intensity metric only)

% change from previous year

84.8

Direction of change

Decreased

Please explain

Lifeco's waste to energy generation from the Canadian Corporate and International properties decreased from 2019 to 2020 by 49 tCO_2e, as a result of COVID-19 office closures.

C10. Verification

C10.1 Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

PCC_PwC Limited assurance report on GHG Statement_Final_July 2 2021.pdf

Page/ section reference

Please see pages 3-7 for details on the limited level assurance statement from PwC (e.g. scope and subject matter, independence and quality control, conclusions, etc.). All Scope 1 GHG emissions for Power Corporation were in scope as listed on page 3.

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1b Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

PCC_PwC Limited assurance report on GHG Statement_Final_July 2 2021.pdf

Page/ section reference

Please see pages 3-7 for details on the limited level assurance statement from PwC (e.g. scope and subject matter, independence and quality control, conclusions, etc.). All Scope 2 GHG emissions for Power Corporation were in scope as listed on page 3.

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1c Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Upstream transportation and distribution

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

PCC_PwC Limited assurance report on GHG Statement_Final_July 2 2021.pdf

Page/section reference

Please see pages 3-7 for details on the limited level assurance statement from PwC (e.g. scope and subject matter, independence and quality control, conclusions, etc.). All Scope 3 GHG emissions for Power Corporation were in scope as listed on pages 3 and 4.

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Waste generated in operations

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

PCC_PwC Limited assurance report on GHG Statement_Final_July 2 2021.pdf

Page/section reference

Please see pages 3-7 for details on the limited level assurance statement from PwC (e.g. scope and subject matter, independence and quality control, conclusions, etc.). All Scope 3 GHG emissions for Power Corporation were in scope as listed on pages 3 and 4.

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Business travel

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

PCC_PwC Limited assurance report on GHG Statement_Final_July 2 2021.pdf

Page/section reference

Please see pages 3-7 for details on the limited level assurance statement from PwC (e.g. scope and subject matter, independence and quality control, conclusions, etc.). All Scope 3 GHG emissions for Power Corporation were in scope as listed on pages 3 and 4.

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Investments

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

PCC_PwC Limited assurance report on GHG Statement_Final_July 2 2021.pdf

Page/section reference

Please see pages 3-7 for details on the limited level assurance statement from PwC (e.g. scope and subject matter, independence and quality control, conclusions, etc.). All Scope 3 GHG emissions for Power Corporation were in scope as listed on pages 3 and 4.

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.2 Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C6. Emissions data	Year on year change in emissions (Scope 1)	ISAE 3410	PwC verified the year-on-year change in emissions for Scope 1, Scope 2, and Scope 3. See attached PwC Assurance Statement. [1]
C6. Emissions data	Year on year change in emissions (Scope 2)	ISAE 3410	PwC verified the year-on-year change in emissions for Scope 1, Scope 2, and Scope 3. See attached PwC Assurance Statement. [1]
C6. Emissions data	Year on year change in emissions (Scope 3)	ISAE 3410	PwC verified the year-on-year change in emissions for Scope 1, Scope 2, and Scope 3. See attached PwC Assurance Statement. [1]
C6. Emissions data	Change in Scope 3 emissions against a base year (not target related)	ISAE 3410	PwC verified the year-on-year change in emissions for Scope 1, Scope 2, and Scope 3. See attached PwC Assurance Statement. [1]

[1]PCC_PwC Limited assurance report on GHG Statement_Final_July 2 2021.pdf

C11. Carbon pricing

C11.2 Has your organization originated or purchased any project-based carbon credits within the reporting period?

Yes

C11.2a Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

Credit origination or credit purchase

Credit purchase

Project type

Landfill gas

Project identification

IGM has purchased project-based carbon credits related to a landfill gas project through the Integrated Gas Recovery Services Inc. (IGRS). IGRS operates the IGRS Essex-Windsor Regional Landfill Gas Capture and Destruction Project, a facility designed for the collection and flaring of landfill gas (LFG) originating at the Essex-Windsor Regional Landfill.

Verified to which standard

Other, please specify

CSA Group Supply

Number of credits (metric tonnes CO2e)

296.1

Number of credits (metric tonnes CO2e): Risk adjusted volume

296.1

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

C11.3 Does your organization use an internal price on carbon?

Yes

C11.3a Provide details of how your organization uses an internal price on carbon.

Objective for implementing an internal carbon price

Navigate GHG regulations
Stakeholder expectations

GHG Scope

Scope 1
Scope 2

Application

The price is applied to all Lifeco owner-occupied and investment properties in Canada through its subsidiary GWL Realty Advisors.

Actual price(s) used (Currency /metric ton)

20

Variance of price(s) used

Lifeco has assessed the carbon tax/pricing implications on utility costs for its Canadian portfolio through GWL Realty Advisors. The GHG emissions inventory report for GWL Realty Advisors, includes forward-looking carbon pricing assessments based on the government of Canada's commitment to carbon pricing (the Greenhouse Gas Pollution Pricing Act). For example, carbon taxes are currently targeted at a rate of between $20.4/tonne (QC) to $45/tonne (BC), with the aim of $50/tonne across the country by 2022, although some exceptions may apply as provinces implement their own federally approved programs. Under the Federal proposal, the government would increase the carbon price by $15 per year starting in 2023 rising to $170 per tonne in 2030. The forward-looking carbon pricing analysis (transition risk assessment) includes a scenario of pricing at $170/tonne CO_2e by 2030.

Type of internal carbon price

Shadow price
Implicit price

Impact & implication

GWL Realty Advisors, a wholly-owned asset management subsidiary of Lifeco, uses carbon prices for informational purposes – to determine potential future operating cost increases (e.g., utility expenditure) at properties within its Canadian managed portfolio. These prices are assessed under different pricing scenarios, reflecting carbon prices that are considered necessary to achieve various carbon reduction and carbon neutrality targets set forth by the Government of Canada. Together, these shadow price scenarios provide insight into possible future operating expenses and associated operational and financial risks across the real estate portfolio. On an ad hoc basis, GWL Realty Advisors considers implicit carbon prices during capital budgeting and expenditure on energy retrofits for Lifeco’s owner-occupied and investment properties. These prices help determine the true financial payback, and point to the efficacy of conservation initiatives and retrofits, that span more than 1-2 years. Overall, the use of shadow and implicit carbon prices (and different carbon pricing scenarios) by GWL Realty Advisors has not significantly impacted Great-West Lifeco's business decisions. This is due to operating costs from utilities expenditures (at Lifeco's Canadian owner-occupied and investment properties) accounting for <1% of total operating costs under all assessed carbon prices.

Objective for implementing an internal carbon price

Navigate GHG regulations
Stakeholder expectations

GHG Scope

Scope 1
Scope 2

Application

The price is applied to all Lifeco owner-occupied and investment properties in Canada through its subsidiary GWL Realty Advisors.

Actual price(s) used (Currency /metric ton)

30

Variance of price(s) used

Lifeco has assessed the carbon tax/pricing implications on utility costs for its Canadian portfolio through GWL Realty Advisors. The GHG emissions inventory report for GWL Realty Advisors, includes forward-looking carbon pricing assessments based on the government of Canada's commitment to carbon pricing (the Greenhouse Gas Pollution Pricing Act). For example, carbon taxes are currently targeted at a rate of between $20.4/tonne (QC) to $45/tonne (BC), with the aim of $50/tonne across the country by 2022, although some exceptions may apply as provinces implement their own federally approved programs. Under the Federal proposal, the government would increase the carbon price by $15 per year starting in 2023 rising to $170 per tonne in 2030. The forward-looking carbon pricing analysis (transition risk assessment) includes a scenario of pricing at $170/tonne CO2e by 2030.

Type of internal carbon price

Shadow price
Implicit price

Impact & implication

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Objective for implementing an internal carbon price

Navigate GHG regulations

Stakeholder expectations

GHG Scope

Scope 1

Scope 2

Application

The price is applied to all Lifeco owner-occupied and investment properties in Canada through its subsidiary GWL Realty Advisors.

Actual price(s) used (Currency /metric ton)

45

Variance of price(s) used

Lifeco has assessed the carbon tax/pricing implications on utility costs for its Canadian portfolio through GWL Realty Advisors. The GHG emissions inventory report for GWL Realty Advisors, includes forward-looking carbon pricing assessments based on the government of Canada's commitment to carbon pricing (the Greenhouse Gas Pollution Pricing Act). For example, carbon taxes are currently targeted at a rate of between $20.4/tonne (QC) to $45/tonne (BC), with the aim of $50/tonne across the country by 2022, although some exceptions may apply as provinces implement their own federally approved programs. Under the Federal proposal, the government would increase the carbon price by $15 per year starting in 2023 rising to $170 per tonne in 2030. The forward-looking carbon pricing analysis (transition risk assessment) includes a scenario of pricing at $170/tonne CO2e by 2030.

Type of internal carbon price

Shadow price
Implicit price

Impact & implication

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Objective for implementing an internal carbon price

Navigate GHG regulations
Stakeholder expectations

GHG Scope

Scope 1

Scope 2

Application

The price is applied to all Lifeco owner-occupied and investment properties in Canada through its subsidiary GWL Realty Advisors.

Actual price(s) used (Currency /metric ton)

50

Variance of price(s) used

Lifeco has assessed the carbon tax/pricing implications on utility costs for its Canadian portfolio through GWL Realty Advisors. The GHG emissions inventory report for GWL Realty Advisors, includes forward-looking carbon pricing assessments based on the government of Canada's commitment to carbon pricing (the Greenhouse Gas Pollution Pricing Act). For example, carbon taxes are currently targeted at a rate of between $20.4/tonne (QC) to $45/tonne (BC), with the aim of $50/tonne across the country by 2022, although some exceptions may apply as provinces implement their own federally approved programs. Under the Federal proposal, the government would increase the carbon price by $15 per year starting in 2023 rising to $170 per tonne in 2030. The forward-looking carbon pricing analysis (transition risk assessment) includes a scenario of pricing at $170/tonne CO2e by 2030.

Type of internal carbon price

Shadow price

Implicit price

Impact & implication

GWL Realty Advisors, a wholly-owned asset management subsidiary of Lifeco, uses carbon prices for informational purposes – to determine potential future operating cost increases (e.g., utility expenditure) at properties within its Canadian managed portfolio. These prices are assessed under different pricing scenarios, reflecting carbon prices that are considered necessary to achieve various carbon reduction and carbon neutrality targets set forth by the Government of Canada. Together, these shadow price scenarios provide insight into possible future operating expenses and associated operational and financial risks across the real estate portfolio. On an ad hoc basis, GWL Realty Advisors considers implicit carbon prices during capital budgeting and expenditure on energy retrofits for Lifeco's owner-occupied and investment properties. These prices help determine the true financial payback, and point to the efficacy of conservation initiatives and retrofits, that span more than 1-2 years. Overall, the use of shadow and implicit carbon prices (and different carbon pricing scenarios) by GWL Realty Advisors has not significantly impacted Great-West Lifeco's business decisions. This is due to operating costs from utilities expenditures (at Lifeco's Canadian owner-occupied and investment properties) accounting for <1% of total operating costs under all assessed carbon prices.

Objective for implementing an internal carbon price

Navigate GHG regulations
Stakeholder expectations

GHG Scope

Scope 1
Scope 2

Application

The price is applied to all Lifeco owner-occupied and investment properties in Canada through its subsidiary GWL Realty Advisors.

Actual price(s) used (Currency /metric ton)

170

Variance of price(s) used

Lifeco has assessed the carbon tax/pricing implications on utility costs for its Canadian portfolio through GWL Realty Advisors. The GHG emissions inventory report for GWL Realty Advisors, includes forward-looking carbon pricing assessments based on the government of Canada's commitment to carbon pricing (the Greenhouse Gas Pollution Pricing Act). For example, carbon taxes are currently targeted at a rate of between $20.4/tonne (QC) to $45/tonne (BC), with the aim of $50/tonne across the country by 2022, although some exceptions may apply as provinces implement their own federally approved programs. Under the Federal proposal, the government would increase the carbon price by $15 per year starting in 2023 rising to $170 per tonne in 2030. The forward-looking carbon pricing analysis (transition risk assessment) includes a scenario of pricing at $170/tonne CO_2e by 2030.

Type of internal carbon price

Implicit price

Impact & implication

GWL Realty Advisors, a wholly-owned asset management subsidiary of Lifeco, uses carbon prices for informational purposes – to determine potential future operating cost increases (e.g., utility expenditure) at properties within its Canadian managed portfolio. These prices are assessed under different pricing scenarios, reflecting carbon prices that are considered necessary to achieve various carbon reduction and carbon neutrality targets set forth by the Government of Canada. Together, these shadow price scenarios provide insight into possible future operating expenses and associated operational and financial risks across the real estate portfolio. On an ad hoc basis, GWL Realty Advisors considers implicit carbon prices during capital budgeting and expenditure on energy retrofits for Lifeco's owner-occupied and investment properties. These prices help determine the true financial payback, and point to the efficacy of conservation initiatives and retrofits, that span more than 1-2 years. Overall, the use of shadow and implicit carbon prices (and different carbon pricing scenarios) by GWL Realty Advisors has not significantly impacted Great-West Lifeco's business decisions. This is due to operating costs from utilities expenditures (at Lifeco's Canadian owner-occupied and investment properties) accounting for <1% of total operating costs under all assessed carbon prices.

C12. Engagement

C12.1 Do you engage with your value chain on climate-related issues?

Yes, our suppliers
Yes, our customers
Yes, our investee companies
Yes, other partners in the value chain

C12.1a Provide details of your climate-related supplier engagement strategy.

Type of engagement

Innovation & collaboration (changing markets)

Details of engagement

Run a campaign to encourage innovation to reduce climate impacts on products and services

Other, please specify

Innovation and collaboration

% of suppliers by number

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

As part of our Responsible Procurement Policy and Third-Party Code of Conduct, we engage with our suppliers and contractors to influence the provision of environmentally friendly products and services for our business.

Impact of engagement, including measures of success

By engaging with suppliers and contractors, we have been able to source more environmentally friendly products, including LED lighting, energy efficient building equipment, sustainably sourced paper products, among others. Our measure of success is the collaboration and innovation we influence in our supply chain and the number of more environmentally friendly products and services we procure.

Comment

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

Other, please specify

Included climate change in supplier selection / management mechanism

% of suppliers by number

22

% total procurement spend (direct and indirect)

30

% of supplier-related Scope 3 emissions as reported in C6.5

100

Rationale for the coverage of your engagement

Lifeco specifically engages with its critical suppliers to understand the products and services that could reduce the environmental footprint of its buildings, operations, and processes. Supplier evaluation and its Supplier Risk Management Policy includes sustainability (including climate change) as one of its considerations. This includes suppliers that support Lifeco in improving the sustainability of its real estate assets, as well as other products and services that enable the company to reduce energy, water, and material consumption (e.g. building equipment retrofits, utility providers, data centre optimization, LED lighting, paper, and building materials). By working collaboratively with these suppliers to encourage alternative and green products and services, it enables Lifeco to meet its green building certification targets as well as its GHG Scope 1+2 reduction target for Canadian properties to achieve a 27.3% GHG reduction by 2025 and a 50.4% reduction by 2036, based on a 2013 baseline year. Please note that the data provided for this question relates to Lifeco's Canadian operations only.

Impact of engagement, including measures of success

The measure of success is the ability for Lifeco to achieve its green building certification targets and its ability to reduce GHG emissions. For example, by engaging with its suppliers to provide products and services that reduce its environmental footprint, Lifeco has been able to achieve its green building certification targets for its corporate head offices and investment properties.

Furthermore, the use of more environmentally friendly products and services from its suppliers has contributed to its targeted GHG reductions for Canadian properties. Specifically, in 2020, Lifeco achieved a 22% reduction in the GHG scope 1 and 2 emissions when compared to its baseline year of 2013.

Comment

Based on Lifeco's response to question 6.5, the company engages with 100% of its Scope 3 suppliers, which include the waste management companies, water utilities, paper suppliers, and corporate travel suppliers who provide the necessary information for Lifeco to calculate the environmental impact (e.g., GHG emissions) of its operations.

Type of engagement

Other, please specify

Education/information sharing

Details of engagement

Other, please specify

Run an engagement campaign to educate customers about your climate change performance and strategy

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% of supplier-related Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

Through its subsidiary, GWL Realty Advisors (GWLRA), Lifeco engages with the tenants, residents, and occupants of its downstream real estate assets under management, to better understand their changing needs, to enhance its services, and to endeavour to exceed their expectations, including with respect to energy management. For example, GWLRA engages to share information on sustainability-related metrics such as green building certification status, energy performance (e.g., energy reductions), water use efficiency, waste production and GHG emissions of the property.

GWLRA commercial and multi-residential property managers continue to engage and educate tenants on topics of interest, including sharing relevant climate change-related information, such as GHG emissions performance and programs in place to improve GHG emissions at the property-level, such as the Sustainability Benchmarking and Conservation Program for GWLRA managed office assets (establishing energy, water, waste, and GHG targets). GWLRA holds monthly tenant meetings, interact through green teams, workshops and education events, issue newsletters, and host building events to encourage tenant participation in activities, such as Earth Hour, Earth Day/Week, and National Waste Reduction Week. Please note these Scope 3 emissions are specifically associated with the categories “Waste generated in operations” and “Investments” listed in question 6.5.

Impact of engagement, including measures of success

The measure of success is Lifeco's ability to strengthen the efficiency of its assets under management through its subsidiary GWL Realty Advisors and the reduction of GHG emissions across the portfolio. For example, on an ongoing basis, GWLRA conducts tenant and resident engagement (satisfaction) surveys to inform our continuous improvement efforts at both our commercial and multi-residential properties under management. Results from these satisfaction surveys are tied to the internal performance metrics of property management teams. Property and asset management teams, as required, address issues and follow-ups pertaining to the surveys. By engaging with the occupants of its buildings, GWLRA is able to contribute to the continuous improvement of the efficiency of its assets under management, for example, engagement by GWLRA staff can lead tenants to adopt and install higher efficiency equipment for their spaces. In 2020, GWLRA achieved a 32% reduction of GHG emissions across its office and multi-residential portfolio, compared to its 2013 baseline, in part due to the efforts of tenants and residents.

Comment

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

1

% total procurement spend (direct and indirect)

92

% of supplier-related Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

IGM's Investors Real Property Fund invests in commercial, industrial and residential buildings across Canada. Due to the nature of the fund, they work with a third-party energy data management company to collect energy data and calculate emissions. They solicit information from all property managers across the fund annually and estimate data where information is not available to determine total portfolio emissions.

Impact of engagement, including measures of success

IGM's property managers are engaged to optimize the level of actual energy data used in the management and calculation of emissions. IGM's measure of success will be an increase in the % of actual emission data reported for the Investors Real Property fund versus estimates. Actual data increased from 19% in 2019 to 37% in 2020. Another measure of success is a decrease in the square footage emission intensity of the buildings. This was achieved with 0.0049 tonnes CO2e per square foot in 2019 and 0.0047 tonnes CO2e per square foot in 2020.

Comment

C12.1b Give details of your climate-related engagement strategy with your customers.

Type of engagement

Education/information sharing

Details of engagement

Run an engagement campaign to education customers about your climate change performance and strategy

% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

100

Portfolio coverage (total or outstanding)

Minority of the portfolio

Please explain the rationale for selecting this group of customers and scope of engagement

Through its subsidiary, GWL Realty Advisors, Lifeco engages with the tenants, residents, and occupants of its downstream real estate assets under management, to better understand their changing needs, to enhance its services, and to endeavour to exceed their expectations, including with respect to energy management. For example, GWL Realty Advisors engages to share information on sustainability related metrics such as green building certification status, energy performance (e.g., energy reductions), water use efficiency, waste production and GHG emissions of the property.

GWL Realty Advisors' commercial and multi-residential property managers continue to engage and educate tenants on topics of interest, including sharing relevant climate change-related information, such as GHG emissions performance and programs in place to improve GHG emissions at the property-level, such as the Sustainability Benchmarking and Conservation Program for GWL Realty Advisors managed office assets (establishing energy, water, waste, and GHG targets). GWL Realty Advisors holds monthly tenant meetings, interacts through green teams, workshops and education events, issues newsletters, and hosts building events to encourage tenant participation in activities, such as Earth Hour, Earth Day/Week, and National Waste Reduction Week. Please note these Scope 3 emissions are specifically associated with the categories "Waste generated in operations" and "Investments" listed in question 6.5.

Impact of engagement, including measures of success

On an ongoing basis, GWL Realty Advisors conducts tenant and resident engagement (satisfaction) surveys to inform its continuous improvement efforts at both its commercial and multi-residential properties under management. Results from these satisfaction surveys are tied to the internal performance metrics of property management teams. Property and asset management teams, as required, address issues and follow-ups pertaining to the surveys. By engaging with the occupants of its buildings, GWL Realty Advisors is able to contribute to the continuous improvement of the efficiency of its assets under management. For example, engagement by GWL Realty Advisors staff can lead tenants to adopt and install higher efficiency equipment for their spaces. In 2020, GWL Realty Advisors achieved a 32% reduction of GHG emissions across its office and multi-residential portfolio, compared to its 2013 baseline, in part due to the efforts of tenants and residents.

Type of engagement

Education/information sharing

Details of engagement

Run an engagement campaign to education customers about your climate change performance and strategy

% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

0

Portfolio coverage (total or outstanding)

Minority of the portfolio

Please explain the rationale for selecting this group of customers and scope of engagement

Through its asset management affiliate, GLC Asset Management, Lifeco engages with clients to promote acceptance and better education for investors, financial advisors and investment consultants. In 2019 and 2020, the engagement included developing a robust advisor training module, case studies, videos and interactive exercises; and, expanding the breadth and depth of the GLC Responsible Investing webpage, including the development of short videos, articles and RI policies.

Impact of engagement, including measures of success

The measure of success of the education and awareness campaign is tracked based on the number of clients engaged on responsible investing, including climate-related issues through the provision of training modules as well as the traffic and use of the GLC Asset Management Responsible Investing webpage. Since its inception in 2019, the education and awareness campaign has been completed by 181 advisors, with a further 111 having made progress on the module. The revamped GLC Asset Management Responsible Investing webpage debuted in early 2020 and recorded a 3% increase in the number of unique visitors.

C-FS12.1c Give details of your climate-related engagement strategy with your investee companies.

Type of engagement

Information collection (Understanding investee behavior)

Details of engagement

Included climate change in investee selection / management mechanism

% of investees by number

100

% Scope 3 emissions as reported in C-FS14.1a/C-FS14.1b

0

Portfolio coverage

Minority of the portfolio

Rationale for the coverage of your engagement

Through its subsidiary, Irish Life Investment Managers (ILIM), Lifeco engages with investee companies on specific climate related topics. As part of the Non-Disclosure Campaign – ILIM has joined a group of 88 investors who focus on companies that did not disclose last year and some of the biggest emitters on 20 of the largest exchanges across the world. They also conduct collaborative engagement through the Climate Action 100+ Group focusing on major industrial GHG emitters to ensure their transition plans align with the Paris Agreement.

ILIM also conducts specific proxy voting on shareholder proposals regarding climate-related issues through its third-party provider, ISS. When determining the merits of a shareholder proposal, ILIM will consider emission targets alignment with the Paris Agreement, realistic climate strategies and incentives, and disclosures related to the TCFD and CDP.

Impact of engagement, including measures of success

ILIM's engagement efforts last year have enabled collaborative engagement with 546 companies to respond to CDP's Climate Change disclosure request, as part of the CDP Non-Disclosure Campaign.

In the 2020 cycle, ILIM obtained an 18% response rate for the 546 engagement letters it co-signed on climate change. This included 12 fossil fuel companies who disclosed their climate-related exposure to climate-related issues through CDP. Furthermore, in 2020, ILIM conducted 24 direct climate change engagements with companies and climate-related shareholder proposals, of which 3 passed that focused the companies on aligning their strategies and lobbying with the Paris Agreement, and conducting climate risk scenario analysis.

Type of engagement

Information collection (Understanding investee behavior)

Details of engagement

Collect climate change and carbon information at least annually from long-term investees

% of investees by number

100

% Scope 3 emissions as reported in C-FS14.1a/C-FS14.1b

2

Portfolio coverage

Minority of the portfolio

Rationale for the coverage of your engagement

Through its asset management affiliate, Putnam Investments, Lifeco engages with the top holdings across Putnam-held corporate issuers. For example, Putnam sends annual individually tailored letters to CEOs, acknowledging efforts to date and encouraging future progress on key sustainability issues specific to each company, including disclosure and action on climate-related matters. This year, Putnam again sent CEO letters to the firm’s top equity holdings representing approximately 50% of equity assets under management.

Impact of engagement, including measures of success

Lifeco assesses its success by the number of companies engaged and the progress they exhibit on financially material sustainability issues, including climate-related action and disclosures.

Several companies in the Lifeco portfolio have published inaugural sustainability reports, increased communications on ESG metrics, including climate-related information, or made significant progress in identifying material sustainability issues after working with multiple stakeholders including Lifeco’s team.

C12.1d Give details of your climate-related engagement strategy with other partners in the value chain.

Other partners – Power Corporation engagement with its major subsidiaries

Method of engagement – We engage with our major subsidiaries through a group-wide CSR committee on a range of initiatives, including GHG emissions and climate change.

Strategy for prioritizing engagements – We prioritize our engagements with subsidiaries where we have financial control and significant influence, specifically our major publicly traded subsidiaries, Lifeco and IGM.

Measures of success – We measure our success based on the progress being achieved. For example, over the past year, we had ongoing discussions with our major subsidiaries to understand their carbon and energy management strategies, including an awareness session held with third-party matter experts. Considerable efforts were made by our major subsidiaries to strengthen their commitments on reducing GHG emissions and disclosing their climate change strategies, resulting in external recognition:

- In 2020, Power Corporation was added to the Euronext Vigeo Eiris World 120 Index, which distinguishes 120 companies from Europe, North America, and the Asia-Pacific regions for having achieved the most advanced ESG performance.
- Power Corporation and IGM maintained listing status on the FTSE4Good Global Index.
- Lifeco's real estate subsidiary GWL Realty Advisors has been recognized as a leader in sustainability by the Global Real Estate Sustainability Benchmark (GRESB), earning a Green Star ranking for the sixth consecutive year and its fourth consecutive GRESB '5 Star' (top quintile) rating. The GRESB Real Estate Assessment has placed GWLRA among the top 9 percent of participants in the global 'Diversified/Non-Listed/Core' category (of 201 submissions).
- IGM maintained its listing status on Sustainalytics' Jantzi Social Index.

Other partners – Lifeco's engagement with community organizations

Method of engagement – Lifeco defines other partners in its value chain as community organizations they interact with on climate-related issues, such as Earth Rangers in 2020. Lifeco interacts with communities through ongoing dialogue and face-to-face meetings to explore opportunities to support community-based needs on a wide range of sustainability issues, including but not limited to climate change.

Strategy for prioritizing engagements – Engagements are prioritized based on the needs identified by the community organizations and their specific focus areas. Within Lifeco's environment focus, they prioritize organizations that are supporting carbon mitigation and adaptation strategies.

Measures of success – Lifeco measures its success by the number of community projects and their associated impacts in addressing climate change issues. For example, in 2020, Lifeco engaged with the Earth Rangers as a national sponsor to support educating children and their families about biodiversity & climate change, inspiring them to adopt sustainable behaviours, and empowering them to become directly involved in protecting animals and their habitats. As a national sponsor, Lifeco supported three activities: During Earth Week they introduced their employees to Earth Rangers and offered a special membership signup opportunity; in the summer they supported a mission, Live Love Local, encouraging young Canadians to learn more about where their food comes from and how it contributes to climate change and to choose local, or even grow their own food right at home; and during its Canada Life Summer Camp in August, they connected employees and their families to a Facebook live event to get up close and personal with Earth Rangers and their amazing animal ambassadors! This live animal meet & greet gave families across Canada the opportunity to learn about interesting species, how climate change impacts their habitats, ask questions, and see demonstrations of natural behaviours, right from home. As a result of the activities, more than 1,500 young Canadians, and counting, completed the Live Love Local mission in 2020. Members completed more than 50,000 Missions in 2020, making a significant and positive impact on the environment and their local communities.

C12.3 Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Trade associations
Funding research organizations
Other

C12.3b Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

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

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The IEF is committed to heightening knowledge and awareness of the major issues concerning economic globalization, with a particular emphasis on the relations between the Americas and other continents. They include issues related to climate change. In April 2021, the IEF published a piece entitled "We can't go back to business as usual: How can the economic sector act for the environment", which concluded that world economic globalization has largely contributed to climate change and with its socio-economic consequences, and as such it is urgent to shift towards more sustainable economic models.

How have you influenced, or are you attempting to influence their position?

Power Corporation's Chairman (and Co-CEO until February of 2020), Paul Desmarais, Jr., is the Chair of the Board of Governors of the IEF (Canada). Through his involvement in the IEF, we support efforts being taken to increase awareness and collaboration between international governments on a wide range of issues, including climate change.

Trade association

Brookings International Advisory Council

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Brookings established the International Advisory Council, a group of distinguished international business and community leaders, to extend its outreach and relevance to other countries and increase its ability to inform the American public and policymakers about global developments, including energy and environment issues, as well as climate change. It has launched the Brookings Initiative on Climate Research & Action, which brings together experts who are shaping workable solutions for local, national, and global leaders to meet the climate challenge and seize opportunities for climate-resilient growth around the world.

How have you influenced, or are you attempting to influence their position?

Power Corporation's Chairman (and Co-CEO until February of 2020), Paul Desmarais Jr., is Co-Chairman of The Brookings International Advisory Council and a member of their Board of Trustees. Through his involvement, we support efforts being taken to develop effective, pragmatic policies for addressing national and global issues including energy and environmental issues.

Trade association

C.D. Howe Institute

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association’s position

Since its founding, the C.D. Howe Institute has worked to research and publish policy challenges and potential solutions aimed at improving the performance of Canada’s economy and raising Canadians’ living standards. In a series of Intelligence Memos published on their website, various experts discuss how climate change represents one of the most urgent public policy challenges facing Canadians today, and the unique challenges it poses for Canadian businesses.

How have you influenced, or are you attempting to influence their position?

Power Corporation’s President & CEO, Jeffrey Orr, serves on the National Council of the C.D. Howe Institute. Through our involvement with the research institute, we

collaborate with a distinguished group of Canadian business leaders, academics, former public officials and other experts to support the development of strategic perspectives about emerging policy challenges, including climate change and the environment.

Trade association

Business Council of Canada (BCC)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association’s position

The Business Council of Canada (BCC) brings together experts and leaders from across Canada to discuss and propose policy recommendations with the objective to help strengthen the country’s economy, social fabric, and democratic institutions. In terms of climate change and clean growth, the organization’s objective is to develop and promote effective policies that reduce pollution and the environmental footprint of Canadian businesses, communities, and citizens. In November 2020, the BCC published a statement supporting net-zero emission target and offering to work constructively with the federal government to develop a roadmap towards this goal.

How have you influenced, or are you attempting to influence their position?

Power Corporation's President & CEO, Jeffrey Orr, and its Chairman (and co-CEO until February of 2020), Paul Desmarais Jr., are both members of the BCC. Through their involvement, we share our expertise and support the development of unique insights, in-depth analysis and data-based policy recommendations across a broad range of economic, social and environmental issues.

Trade association

Canadian Institute of Actuaries (CIA)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The CIA supports the advancement of knowledge into better understanding the impact of climate change and has developed a Climate Change and Sustainability Committee. Part of the Institute's role is to raise awareness of climate change and environmental sustainability with both members and the public.

How have you influenced, or are you attempting to influence their position?

Through the membership of Lifeco's employees on the CIA, Lifeco is engaging within the industry to better understand how climate change could impact insurance pricing and valuation models.

Trade association

American Academy of Actuaries

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The American Academy of Actuaries supports knowledge and raises awareness among policymakers and the public at large of the increasing risks from extreme weather events. It aims to evaluate and help manage exposure to these risks from an insurance perspective, by combining current climate science knowledge with actuarial experience.

How have you influenced, or are you attempting to influence their position?

As members of the American Academy of Actuaries, Lifeco supports and is increasing its own knowledge of climate risks.

Trade association

Chartered Financial Analyst (CFA) Institute

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association’s position

The mission of the CFA Institute is served by generating value for core investment management professionals and engaging with the core investment management industry to advance ethics, market integrity, and professional standards of practice, which collectively contributes value to society. The CFA Institute provides knowledge on climate change risks, pricing, and management.

How have you influenced, or are you attempting to influence their position?

As members of the CFA Institute, Lifeco is supporting and increasing its own knowledge of climate risks.

Trade association

REALpac (Real Property Association of Canada)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association’s position

REALpac recognizes the significant economic, environmental, social, governance (EESG) impact of Canada's commercial real estate sector, and the need for an industry-driven approach toward supporting national and provincial strategies on greenhouse gas reduction (climate change action), the importance of reasoned discourse with political and policy officials, and the value of persuasive arguments for sustainable economic growth. The Association also recognizes the need for industry-wide "green" benchmarking data and shared best practices and is working with its constituents and its national and international counterparts to help to responsibly ensure the sector is well positioned for a sustainable future.

How have you influenced, or are you attempting to influence their position?

As members of REALpac, as well as REALpac's Environment, Social and Governance Committee, Lifeco supports initiatives to increase awareness on energy improvements and increase government incentives towards energy efficient existing and new commercial real estate

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Trade association

Building Owners and Managers Association (BOMA) and its regional chapters

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

BOMA is the voice of the Canadian commercial real estate industry, addressing issues of national concern, and promotes excellence in the industry through information, education, advocacy and recognition, including on issues of carbon and energy efficiency. BOMA Canada implements timely, responsible and consistent policy positions on issues of critical importance to the Canadian commercial real estate industry (including climate change-related legislation).

How have you influenced, or are you attempting to influence their position?

Through Lifeco's Board membership with BOMA, the company supports initiatives to increase awareness of energy and climate change issues, and incentives to increase building energy and carbon efficiency investments.

Trade association

Canada Green Building Council (CaGBC)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The CaGBC's mission is to "Lead and accelerate the transformation to high-performing, healthy green buildings, homes and communities throughout Canada." This includes the adoption of green building practices that ultimately lead to reduced greenhouse gas emissions. The CaGBC is working with federal, provincial and municipal leaders and government officials to support the development and implementation of green building policies and sustainability practices across Canada and is working with CaGBC members and stakeholders to set and report against ambitious targets and action plans that will contribute to COP21 goals.

How have you influenced, or are you attempting to influence their position?

Through Lifeco's membership with the CaGBC, the company supports initiatives to increase the adoption of green building practices, participation in green building certification systems, and incentives to increase energy and carbon efficiency investments.

Trade association

NAIOP (Commercial Real Estate Development Association)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The NAIOP is an organization for developers, owners, and investors of office, industrial, retail and mixed-use real estate. They provide strong advocacy, education and business opportunities on a range of issues. The organization is committed to providing its members with education and resources that encourage environmentally responsible choices, as well as issuing policy statements that promote the utilization of sustainable building practices. Energy efficiency is a legislative priority for the NAIOP and the "NAIOP supports the advancement of higher levels of energy efficiency for commercial buildings through solutions that incorporate federal incentives, and realistic time frames for the financial recoupment of efficiency investments through utility savings."

How have you influenced, or are you attempting to influence their position?

Through Lifeco's membership on the NAIOP, the company supports initiatives to increase awareness of energy and climate change issues as part of a broader mandate for real estate operations.

Trade association
Urban Land Institute (ULI)

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association’s position
The Urban Land Institute (ULI) is the oldest and largest network of cross-disciplinary real estate and land use experts in the world. The ULI provides leadership in the responsible use of land and in creating and sustaining thriving communities worldwide. One of the ULI’s six commitments is to “Exploring issues: Of urbanization, conservation, regeneration, land use, capital formation, and sustainable development”. ULI also maintains a Centre for Sustainability and Economic Performance that is “dedicated to creating healthy, resilient, and high-performance communities around the world. Through the work of its Green print and Urban Resilience programs, the Center provides leadership and support to land use professionals to invest in energy performance and portfolio resilience while reducing risks due to a changing climate.”

How have you influenced, or are you attempting to influence their position?
Through Lifeco’s membership in ULI, the company supports 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.

Trade association
Sustainability Accounting Standards Board (SASB)

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association’s position
SASB’s mission is to connect businesses and investors on the financial impacts of sustainability. Their work includes the development of an industry-specific taxonomy of financially material sustainability issues.

How have you influenced, or are you attempting to influence their position?
Through its membership on the SASB Investor Advisory Group, Lifeco is supporting disclosure of financially material sustainability issues, including related to climate change.

Trade association

Association of Institutional Investors (AII)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The AII is a member led organization of institutional investment advisors that represents the interests of investors and strives to advance good practices and promote fair and efficient financial markets through open engagement with policy makers and others. The ESG working group is focused on advancing knowledge and awareness for investors on environmental, social and governance factors.

How have you influenced, or are you attempting to influence their position?

Through its membership on the AII, Lifeco chairs the ESG working group for the association.

Trade association

Responsible Investment Association (RIA) of Canada

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The RIA supports the Expert Panel on Sustainable Finance's recommendation to build a Canadian focused collaborative engagement group to focus on transitioning the high emitting issuers and industries in Canada. This recommendation aligns with IGM's strategy of engaging versus divesting and the need for a customized approach to address Canadian issuers.

How have you influenced, or are you attempting to influence their position?

IGM has to date not been involved in influencing or attempting to influence their position.

C12.3d Do you publicly disclose a list of all research organizations that you fund?

No

C12.3e Provide details of the other engagement activities that you undertake.

Power Corporation funds various organizations that produce public work on climate change. The following provides examples of the research organizations we support:

· Nature Conservancy of Canada (NCC): We have been supporting the NCC since 2005. The NCC 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.

Earth Rangers: We have provided funding for Earth Rangers 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, to habitat stewardship.

David Suzuki Foundation: We have provided funding for the Foundation from 2007 to 2015 and renewed our commitment for 2019-2020. The David Suzuki Foundation works with government, business and individuals to conserve the environment by providing science-based education, advocacy and policy work, and acting as a catalyst for social change.

The support that we provide to these foundations is in line with our strategy to contribute to community projects and initiatives that increase awareness and knowledge on climate change. We also invest in companies that share our philosophy and values, supporting a wide array of causes, including organizations promoting environmental stewardship. Our subsidiaries support organizations that produce public work on climate change and encourage their staff to get involved with environmental causes the companies support.

The following provides examples of engagements by our subsidiary Lifeco:

Earth Rangers:

Method of Engagement: Lifeco is engaged with the Earth Rangers as a national sponsor to support educating children and their families about biodiversity & climate change.

Topic of Engagement: They focused on providing educational opportunities for their employees, their families and young Canadians to create a generation of conservationists and raise awareness of climate change.

Nature of Engagement: During Earth Week they introduced their employees to Earth Rangers and gave families across Canada the opportunity to learn about interesting species and how climate change impacts their habitats.

Actions Advocated: More than 1,500 young Canadians completed the Live Love Local mission in 2020. Missions relate back to protecting animals and the mitigating impacts of climate change.

The following provides examples of engagements by our subsidiary IGM:

Commuter Challenge: IGM supports this program financially and through the IG Wealth Management Green Committee who works to increase staff engagement. Participation demonstrates business support for sustainable commuting which in turn influences infrastructure, program and policy.

MB Race to Reduce: In 2016, IGM joined the Leadership Advisory Council of Manitoba Race to Reduce, engaging with leaders of the largest property owners and management companies in Winnipeg to design the program, whose mission is to reduce total energy use by 10% in participating buildings over four years. IG Wealth Management participated in the program, engaging employees and using the program's metrics to influence building improvements. IG Wealth was the winner of three final awards: **Largest Natural Gas Reduction, Most Improved Energy Use and Sustained Excellence.**

Business Council for Sustainability: IGM is a member of the Conference Board of Canada BCS, a network of senior business leaders responsible for environmental management and sustainability. Many of the expert speakers at events have a focus on climate-related topics.

In 2020, IGM continued support for environmental programming at Fort Whyte Alive, provided since 1986. Fort Whyte sits on 640 acres of protected urban green space and is known for its programs that connect people with nature and foster sustainability, including education about climate change. The centre sees more than 100,000 visitors a year. One attraction is to visit the solar farm, built with the financial support of IG Wealth Management.

C12.3f What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

The CSR Lead provides oversight on matters related to the Corporation's corporate social responsibility initiatives. Through this role, the CSR Lead ensures that direct and indirect activities that influence public policy are consistent with the Corporation's overall responsible management strategy, including topics that relate to climate change.

C12.4 Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

Great-West Lifeco Inc. 2020 Annual Report .pdf

Page/Section reference

Pages 7, 8, 49, 91

Content elements

Governance

Risks & opportunities

Comment

The 2020 Annual Report discloses information related to Lifeco's responsible investing approach as well as sustainability risk exposure, including with respect to climate change.

Publication

In mainstream reports

Status

Complete

Attach the document

2020-Lifeco-Annual-Information-Form.pdf

Page/Section reference

Pages 17-18

Content elements

Risks & opportunities

Comment

The 2020 Lifeco Annual Information Form outlines the company's approach to managing sustainability risk, including climate change-related risks.

Publication

In mainstream reports

Status

Complete

Attach the document

2020 Public Accountability Statement.pdf

Page/Section reference

Pages 25, 28, 29

Content elements

Emissions figures

Emission targets

Other, please specify

Green building certifications

Comment

The 2020 Public Accountability Statement relates to Lifeco's operating company Canada Life and describes the CSR, ESG, and sustainability-related activities, including climate change-related initiatives, of Canada Life and its subsidiaries.

Publication

In voluntary communications

Status

Underway – previous year attached

Attach the document

2019-Lifeco-esg-key-performance-indicators.pdf

Page/Section reference

Content elements

Emissions figures
Other metrics

Comment

The Environmental, Social and Governance (ESG) Scorecard provides standardized ESG disclosures for Lifeco's operating companies in Canada and internationally. These include The Canada Life Assurance Company (Canada Life) including its Canadian and international subsidiaries, Great-West Life & Annuity Insurance Company (Empower Retirement and Great-West Financial), and Putnam Investments, LLC (Putnam). The data is prepared in alignment with the Global Reporting Initiative (GRI) Standards.

Publication

In voluntary communications

Status

Complete

Attach the document

GWL Realty Advisors 2020 Annual Review.pdf

Page/Section reference

Pages 8-10, 17-19, 27-37

Content elements

Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

The GWL Realty Advisors, a wholly owned subsidiary of Lifeco, discloses its greenhouse gas emissions figures/performance, emission targets, and management of climate risk in the Annual Review document.

Publication

In voluntary sustainability report

Status

Complete

Attach the document

Putnam Sustainability and Impact Report.pdf

Page/Section reference

Pages 4, 6

Content elements

Risks & opportunities
Other metrics
Other, please specify
Climate-related engagement

Comment

Putnam Investments, a wholly owned subsidiary of Lifeco, discloses its approach to integrating climate-related matters into its investment decisions through its Sustainability and Impact Report.

Publication

In voluntary sustainability report

Status

Complete

Attach the document

Putnam Engagement Report.pdf

Page/Section reference

Pages 9, 13, 18, 20, 21, 31, 33, 36, 39

Content elements

Risks & opportunities
Other metrics
Other, please specify
Climate-related engagement

Comment

Putnam Investments, a wholly owned subsidiary of Lifeco, discloses how it engages with investee companies as it relates to climate change issues.

Publication

In voluntary sustainability report

Status

Complete

Attach the document

ILIM's Responsible Investing Annual Review 2020.pdf

Page/Section reference

Pages 6-8

Content elements

Governance

Risks & opportunities

Comment

Irish Life Investment Managers (ILIM), a wholly owned subsidiary of Irish Life, which is a wholly owned subsidiary of Lifeco, discloses climate related information through its Responsible Investment Annual Review.

Publication

In mainstream reports

Status

Complete

Attach the document

Canada Life's Public Accountability Statement.pdf

Page/Section reference

Pages 22-23

Content elements

Emissions figures

Emission targets

Other, please specify

Green building certifications

Comment

Lifeco's 2019 Public Accountability Statement relates to the pre-amalgamation Canadian operations of The Canada Life Assurance Company, The Great-West Life Assurance Company and London Life Insurance Company; and to Canada Life Financial Corporation and The Canada Life Insurance Company of Canada. It also describes the corporate social responsibility activities of GLC Group Ltd. and GWL Realty Advisors Inc.

Publication

In mainstream reports

Status

Complete

Attach the document

2020-IGM-Financial-Annual Report.pdf

Page/Section reference

Pages 88, 89

Content elements

Governance

Strategy

Risks & opportunities

Comment

IGM publishes information on its environmental and social risk in the annual report. Specific information on climate governance, strategy, risks and opportunity are included.

Publication

In voluntary sustainability report

Status

Complete

Attach the document

IGM Financial 2020 Sustainbility Report.pdf

Page/Section reference

Governance: Pages 20-21
Risk Management: Pages 27-29
Sustainable Investment: Pages 38-42
Environmental Footprint: Pages 61-63
Environmental Data Table: Pages 73-74
TCFD Reporting: Pages 84-87

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

N/A

C-FS12.5 Are you a signatory of any climate-related collaborative industry frameworks, initiatives and/or commitments?

	Industry collaboration	Comment
Reporting framework	Task Force on Climate-related Financial Disclosures (TCFD)	Lifeco is now an official supporter of the recommendations of the TCFD, recognizing the importance of climate-related disclosures with respect to governance, strategy, risk, and metrics and targets. IGM and its operating companies are also TCFD supporters.
Industry initiative	Principles for Responsible Investment (PRI) Climate Action 100+ Other, please specify Non-Disclosure Campaign	Lifeco' asset management affiliates are signatories to the UNPRI, including Irish Life Investment Managers (since 2010); Putnam Investments (since 2011); PanAgora Asset Management (since 2011), GLC Asset Management (since 2016) and Setanta Asset Management (since 2020). IGM and its operating companies are also signatories to the UNPRI. In addition, our alternative asset investment platforms, Power Sustainable and Sagard Holdings, are also signatories to the UNPRI. Lifeco's asset management affiliates, Irish Life Investment Managers and GLC Asset Management, are part of the Climate Action 100+, focused on engaging the top 100 global greenhouse gas emitters to disclose their transition plans in alignment with the Paris Agreement. IGM is also a signatory of the Climate Action 100+. Lifeco's asset management affiliate, Irish Life Investment Managers, is part the Non-Disclosure Campaign – a group of 88 investors who focus on companies that did not provide sustainability and climate-related disclosure representing some of the biggest emitters on 20 of the largest exchanges across the world. In addition, its affiliate, Putnam Investments, is a member of the Sustainable Roundtable Inc., which provides benchmarks for sustainable workplace opportunities.
Commitment		

C14. Portfolio Impact

C-FS14.1 Do you conduct analysis to understand how your portfolio impacts the climate? (Scope 3 portfolio impact)

	We conduct analysis on our portfolio's impact on the climate	Disclosure metric	Comment
Investing (Asset manager)	Yes	Category 15 "Investment" total absolute emissions	At Lifeco, an analysis of assets under management is undertaken to determine alignment with a 2-degree world compared to a referenced indices or benchmark. This type of analysis is undertaken by Lifeco's asset management affiliates, including GLC Asset Management, Irish Life Investment Managers, and PanAgora, with regard to their sustainability strategies related to sustainable funds. They also conduct analysis of the Canadian segregated real estate Fund Investment Properties (managed by GWL Realty Advisors) and the US Property Fund (managed by EverWest) by measuring the carbon footprint of the assets under operational/financial control. IGM also conducts analysis to understand how the portfolio impacts the climate.
Investing (Asset owner)	Yes	Category 15 "Investment" total absolute emissions	Lifeco conducts analysis of the General Account stock (listed equities) portfolio. They measure the scope 1 and 2 GHG emissions of the General Account, using the GHG Protocol Corporate Accounting and Reporting Standard (Category 15, Scope 3 emissions). Scope 1 and 2 GHG emissions are allocated to the investee based on an equity ownership approach, based on the share of a company's total market capitalization (equity).

	We conduct analysis on our portfolio's impact on the climate	Disclosure metric	Comment
Insurance underwriting (Insurance company)	No, but we plan to do so in the next two years		Lifeco will be exploring opportunities in the next two years to conduct an analysis of the insurance business on climate.
Other products and services, please specify	No, but we plan to do so in the next two years		IGM will be exploring opportunities in the next two years to conduct a climate impact analysis as it relates to their mortgage portfolio.

C-FS14.1a What are your organization’s Scope 3 portfolio emissions? (Category 15 “Investments” total emissions)

Category 15 (Investments)

Evaluation status

Relevant, calculated

Scope 3 portfolio emissions (metric tons CO2e)

1,007,131

Portfolio coverage

More than 0% but less than or equal to 10%

Percentage calculated using data obtained from client/investees

54

Emissions calculation methodology

In order to conduct this calculation, we aggregated scope 3 portfolio emissions of Lifeco and IGM.

Lifeco measures the carbon footprint of the Canadian Segregated Fund real estate investment portfolio (managed by GWL Realty Advisors) and the U.S. Property Fund (managed by EverWest) based on building invoices. They also include Lifeco's General Account global stock (listed equities) portfolio, covering Scope 1 and 2 of the investee companies, obtained through the Sustainalytics carbon data platform.

Per section 15.2 of the GHG protocol, IGM is optionally reporting investments managed on behalf of clients. As a company operating within the financial services sector, IGM has determined that the potential emissions associated with investments held within client investment funds would represent the majority of its Scope 3 footprint. Their reported emissions represent those of their IG Makenzie Real Property Fund, a mutual fund available to retail clients to invest in the Canadian Real Property market. In 2020, they reported emissions for 100% of the fund.

Please explain

Lifeco's investment carbon footprint analysis is based on the Canadian Segregated Fund properties that are managed by GWL Realty Advisors. They obtain primary carbon footprint data from the real estate properties. For the US Property Fund portfolio owned by GWLRA, invoices are collected from the properties directly.
IGM's recent integration of an industry-leading emissions measurement for equities and fixed income tool will allow them to expand the coverage of their portfolio emissions.

IGM is optionally reporting investments managed on behalf of clients. As a company operating within the financial services sector, they have determined that the potential emissions associated with investments held within client investment funds would represent the majority of their Scope 3 footprint. Their reported emissions represent those of their IG Makenzie Real Property Fund, a mutual fund available to retail clients to invest in the Canadian real property market. This is the third year that they are including emissions from this fund. In 2018 they reported emissions from multi-tenant commercial and residential buildings for properties where they could obtain actual data (about 30% of portfolio square footage). For 2019/2020, they reported emissions for 100% of the fund. In many of their properties, tenants are directly billed for their energy consumption.

Their recent integration of an industry-leading emissions measurement tool for equities and fixed income will allow them to expand the coverage of their portfolio emissions.

C-FS14.1c Why do you not conduct analysis to understand how your portfolio impacts the climate? (Scope 3 Category 15 “Investments” emissions or alternative carbon footprinting and/or exposure metrics)

The reason our subsidary, Lifeco, does not conduct analysis of the impact of our insurance underwriting portfolio is because the data on the carbon impact is currently unavailable. They will therefore be exploring opportunities to conduct an analysis of the insurance portfolio and are currently investigating methods to quantify financed GHG emissions of Lifeco’s general account public fixed income investments. Over the next two years, they plan to investigate methods to quantify the emissions of the general account public fixed income investments.

Furthermore, IGM has not conducted the analysis of the climate impact of other products and services related to the mortgage portfolio due to the lack of tools and methodologies. Specifically, the tools and methodology for analyzing the climate impact of mortgage portfolios are a rapidly developing space within the finance industry. The Partnership for Carbon Accounting Financials (PCAF) is developing a methodology for measuring portfolio emissions and they are following developments in models and approaches. The Mortgage team is represented in their TCFD Working Group. In the next 2 years, they expect that through their work in this group, as well as that through the Mortgage department and their Corporate Sustainability team, they will be implementing tools and be better able to conduct analysis to understand how their mortgage portfolio impacts the climate.

C-FS14.2 Are you able to provide a breakdown of your organization's Scope 3 portfolio impact?

	Scope 3 breakdown	Comment
Row 1	Yes, by asset class	Lifeco calculates the emissions impact from the commercial real estate asset class through the quantification of the Canadian Segregated Fund properties, which are managed by their subsidiary GWL Realty Advisors.

C-FS14.2a Break down your organization’s Scope 3 portfolio impact by asset class.

Asset class	Metric type	Metric unit	Scope 3 portfolio emissions or alternative metric	Please explain
Commercial real estate	Total carbon absolute emissions (CO2e)	Metric tons CO2e	84,505	The scope 3 portfolio impact emissions relate to Lifeco’s commercial real estate asset class, covering their investments in the Canadian Segregated Fund properties
Listed equity	Total carbon absolute emissions (CO2e)	Metric tons CO2e	861,888	The Scope 3 portfolio impact emissions includes Lifeco's General Account global stock (listed equities) portfolio, representing 861,888 tonnes CO2e of the total reported value of 946,393 tonnes CO2e of reported portfolio investment Scope 3 emissions.

C-FS14.3 Are you taking actions to align your portfolio to a well below 2-degree world?

	We are taking actions to align our portfolio to a well below 2-degree world	Please explain
Investing (Asset manager)	Yes	Through Lifeco's asset management subsidiaries, GLC Asset Management, Irish Life Investment Managers and PanAgora Asset Management are assessing equity and corporate fixed income holdings to a well below 2-degree world, by applying the PACTA tool on portions of the portfolio with regard to their respective sustainability strategies. Furthermore, GLC Asset Management, Irish Life Investment Managers and PanAgora Asset Management are also part of the Climate Action 100+ Group enabling them to support engagement with the top 100 greenhouse gas emitters globally on developing their climate transition plans in alignment with the Paris Agreement. At IGM, they have taken a number of steps to align their portfolio with a well-below 2-degree world. In 2020, IGM and all operating companies committed to the TCFD recommendations, which are in line with a well-below 2-degree scenario, and set up a TCFD working group to action implementation of the recommendations. IGM is monitoring advancements of the Science Based Targets Initiative and other Net Zero collaborative commitments as they further develop a harmonized methodology framework and implementation guidelines for financial institutions to set climate targets for their investing and lending portfolios in line with the Paris Agreement.
Investing (Asset owner)	Yes	Through its insurance General Account investments, Lifeco is assessing their equity and corporate fixed income holdings to a well below 2-degree world, by applying the PACTA tool on portions of the portfolio. For example, through these assessments, Lifeco's asset management affiliate GLC Asset Management, Irish Life Investment Managers and PanAgora Asset Management are part of the Climate Action 100+ Group, enabling them to support engagement with the top 100 GHG emitters globally on developing their climate transition plans in alignment with the Paris Agreement.

	We are taking actions to align our portfolio to a well below 2-degree world	Please explain
Insurance underwriting (Insurance company)	No, but we plan to do so in the next two years	Lifeco plans to explore climate science targets across its portfolio once the Science-Based Target Initiative releases guidance for financial institutions.
Other products and services, please specify	Yes	At IGM, their mortgage underwriting and appraisal process ensures that all properties are assessed so that the risks are appropriately identified, and mitigation measures are in place at an acceptable level. For example, mortgages in non-urban locations are adjudicated more conservatively due to limited infrastructure to protect against environmental events. The process includes gathering information on 100% of client mortgage origination about location, building details, and insurance through appraisal reports or a CMHC “emili” property valuation tool. Their underwriters use the process to inform the overall risk assessment, which is factored into the lending decision.

C-FS14.3a Do you assess if your clients/investees' business strategies are aligned to a well below 2-degree world?

	We assess alignment	Please explain
Investing (Asset manager)	Yes, for some	Through Lifeco's asset management subsidiaries, Irish Life Investment Managers, PanAgora Asset Management, and GLC Asset Management, the company is part of the Climate Action 100+ Group that is engaging the top 100 greenhouse gas emitters globally on developing their climate transition plans in alignment with the Paris Agreement. IGM Subsidiary Mackenzie Investments' third-party engagement service provider is a supporter of the Transition Pathway Initiative (TPI), a global initiative that assesses companies' preparedness for the transition to a low carbon economy. TPI evaluates how companies' planned or expected future carbon performance compares to international targets and national pledges made as part of the Paris Agreement. The TPI enables assessment of how companies are managing climate change and the risk it poses to their business. Analysis of the materiality of climate risk is part of the process to determine which investees will be engaged.
Investing (Asset owner)	No, but we plan to do so in the next two years	N/A
Other products and services, please specify		

C-FS14.3b Do you encourage your clients/investees to set a science-based target?

	We encourage clients/investees to set a science-based target	Please explain
Investing (Asset manager)	Yes, for some	At IGM, its subsidiary, Mackenzie Investments' service provider engages with investee companies in the portfolio to encourage companies to set science-based targets. The engagements also focus on ensuring companies do not lobby policymakers or regulators to hinder the achievement of the Paris Agreement goals. This is in line with IGM and Makenzie partnerships with Climate Action 100+ and its third-party engagement service provider, EOS Hermes.
Investing (Asset owner)	Yes, for some	Irish Life Asset Management encourages its investees to set science-based targets. For example, when evaluating the merits of a shareholder proposal with requests related to greenhouse gas (GHG) emissions, disclosures and strategies related to direct emissions, emissions from electricity, and emissions related to the company's products and supply chain are considered. Through its third party provider, Irish Life will evaluate whether the investee company has set emissions reduction targets that are aligned with Paris Agreement goals of limiting warming to well below 2 degrees Celsius and whether the company has realistic strategies and incentives in place to achieve those targets. They will also consider if the company reports according to the TCFD framework and/or whether it answered the CDP climate-related survey, and the company's CDP rating. In alignment with policy, Irish Life will support shareholder requests for analysis and disclosure on whether a company's strategy is realistically aligned with Paris Agreement goals, including requests for disclosure of assumptions and scenario analyses.
Other products and services, please specify		

C15. Signoff

C-FI Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1 Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Executive Officer	Chief Executive Officer (CEO)

SC. Supply chain module

SC0.0 If you would like to do so, please provide a separate introduction to this module.

SC0.1 What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	

SC0.2 Do you have an ISIN for your company that you would be willing to share with CDP?

SC1.1 Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2 Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3 What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges

SC1.4 Do you plan to develop your capabilities to allocate emissions to your customers in the future?

SC2.1 Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2b Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

SC4.1 Are you providing product level data for your organization's goods or services?

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain questions?
I am submitting my response	Investors Customers	Public	Yes, I will submit the Supply Chain questions now

Please confirm below

I have read and accept the applicable Terms