



**Independent limited assurance report on selected subject  
matter areas presented within the IGM Financial Inc.'s  
Report on 2020 Greenhouse Gas Emissions**

Prepared in accordance with:

International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements ('ISAE 3410')

The contents of this report are strictly confidential, and its use is restricted. Unauthorized use of this report, in whole or in part, is strictly forbidden.



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**SECTION I: Independent practitioner’s limited assurance  
report on selected subject matter areas  
presented within the IGM Financial Inc.’s  
Report on 2020 Greenhouse Gas Emissions**

**To the Board of Directors and Management of IGM Financial Inc.**

We have undertaken a limited assurance engagement of the following selected subject matter areas (the “subject matter”), presented in the IGM Financial Inc.’s Report on 2020 Greenhouse Gas Emissions, for the year ended December 31, 2020.

**Scope and subject matter**

Our limited assurance engagement was performed on the following indicators for the year ended December 31, 2020:

Indicator	2020 Tonnes of CO <sub>2</sub> e	Mathematical accuracy of the variance	
		2020 vs 2019	2020 vs 2013
Scope 1 emissions (location based approach)	869	-51.4%	-62.4%
Scope 1 emissions (market based approach)	241	-71.1%	-89.6%
Scope 2 emissions (location based and market based approach)	4	-20.0%	-77.8%
Scope 3 emissions: Business Travel	422	-81.5%	-84.8%

We were not engaged to report on comparative figures for the prior years and we were not engaged to report on trends, variances and any other additional information not specifically mentioned in the table above.

The organizational boundaries and the applicable criteria for the determination of these metrics have been disclosed in the Report on 2020 Greenhouse Gas Emissions, included in Section II.

**Management’s responsibility**

Management is responsible for the preparation of the subject matter following the methodology outlined in the *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard financial control methodology* (the “criteria”), applied as explained in the IGM Financial Inc.’s Report on 2020 Greenhouse Gas Emissions, included in Section II. Management is also responsible for such internal control as management determines necessary to enable the preparation of the subject matter that is free from material misstatement.

**Inherent Uncertainty**

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Non-financial data is subject to more inherent limitations than financial data, given both the nature and the methods used for determining, calculating, sampling or estimating such data. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgments.

Greenhouse Gas quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

### **Our responsibility**

Our responsibility is to express limited assurance conclusion on the subject matter based on the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standards on Assurance Engagements 3410, *Assurance Engagements on Greenhouse Gas Statements ("ISAE 3410")*, issued by the International Auditing and Assurance Standards Board. This standard requires us to conclude whether anything has come to our attention that causes us to believe that the GHG Statement is not fairly prepared, in all material respects.

A limited assurance engagement involves performing procedures (primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures) and evaluating the evidence obtained. The procedures are selected based on our professional judgment, which includes identifying areas where the risks of material misstatement in preparing the selected subject matter in accordance with the criteria are likely to arise.

The extent of our procedures included but was not limited to inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records. Given the circumstances of the engagement, in performing the procedures listed above we:

- Through inquiries, obtained an understanding of IGM's control environment and information systems relevant to GHG emissions quantification and reporting;
- Analytical reviews and trend analysis of reported data for selected key performance measures;
- Evaluated whether IGM's methods for developing estimates are appropriate and had been consistently applied. However, our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate IGM's estimates;
- Reconciled the data back to underlying records for a limited sample of items for the selected subject matter;
- Checked the mathematical accuracy of the calculation related to the GHG emission variations on the comparative periods January 1, 2019 to December 31, 2019 and January 1, 2013 to December 31, 2013 reported in the GHG Report. This did not imply any assurance procedures on GHG emissions for the periods January 1, 2019 to December 31, 2019 and January 1, 2013 to December 31, 2013; and
- Reviewed the selected subject matter disclosure in the appendices to ensure consistency with the evidence obtained.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement and, consequently, the level of



assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

### ***Our independence and quality control***

We have complied with the relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Canadian Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements* and, accordingly, maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Conclusion**

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that IGM Financial Inc.'s selected subject matter information prepared in accordance with the criteria for the year ended December 31, 2020, is not fairly stated, in all material respects.

### **Purpose of statement and restriction of use and distribution**

This report has been prepared for the Board of Directors and Management of IGM Financial Inc. to assist Management in reporting on the Company's performance and activities. As a result, the selected subject matter may not be suitable for another purpose. Our report is intended solely for the use of IGM. We neither assume nor accept any responsibility or liability to any third party in respect of this report.

*PricewaterhouseCoopers s.r.l./s.e.n.c.r.l.<sup>1</sup>*

### **Partnership of Chartered Professional Accountants**

Montréal (Québec)

June 29, 2021



**SECTION II: REPORT ON 2020 GREENHOUSE GAS EMISSIONS**



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## Report on 2020 Greenhouse Gas Emissions

### Boundary Selection

For the information presented in this report for the calendar year ending December 31, 2020 with respect to our Scope 1, 2, and 3 greenhouse gas emissions, management used the financial control consolidation approach as defined in the GHG Protocol: A Corporate Accounting and Reporting Standard, Revised Edition. The application of this boundary definition resulted in the inclusion of owned facilities and owned aircraft in Scope 1 and 2 emissions and business travel in Scope 3 emissions for the purposes of determining IGM Financial Inc.'s carbon footprint.

### Data Collection Methodology

Data for utilities consumption for the owned facility was gathered from utility invoices. Electricity consumption was in kilowatt hours (kWh) and natural gas consumption was in cubic meters (m<sup>3</sup>). Data for jet fuel consumption and miles flown through the operation of the owned aircraft was provided by our management company in an Excel spreadsheet format and was checked against the monthly travel reports received for the period under review. Data for Scope 3 business travel was provided by our air travel management companies and from ground travel expense reimbursement reports.

Scope 1 and 2 emissions, location-based and market-based, were calculated taking into consideration the GHG Protocol and the CDP Climate Change Reporting Guidance.

### GHG Emissions Summary

<b>Emissions by scope in tonnes CO<sub>2</sub> equivalent (tCO<sub>2</sub>e)</b>	<b>2020 (tCO<sub>2</sub>e)</b>	<b>2019 (tCO<sub>2</sub>e)</b>	<b>2013 Base Year (tCO<sub>2</sub>e)</b>	<b>Variance 2020 to 2019</b>	<b>Variance 2020 to Base Year</b>
Scope 1 natural gas (location-based approach), backup fuel, refrigerants, and jet fuel	869	1,789	2,313	-51.4%	-62.4%
Scope 1 natural gas (market-based approach), backup fuel, refrigerants, and jet fuel <sup>1</sup>	241	835	2,313	-71.1%	-89.6%
Scope 2 Electricity (location and market-based approach)	4	5	18	-20.0%	-77.8%
Scope 3 Business Travel	422	2,287	2,780	-81.5%	-84.8%

<sup>1</sup>Scope 1 emissions in 2020 were reduced by 628 tCO<sub>2</sub>e due to the purchase of Bullfrog Power renewable natural gas certificates. The emissions factor associated with the combustion of this renewable natural gas effectively removes the CO<sub>2</sub>e emissions that otherwise would have been present with conventional natural gas, thereby reducing our natural gas emissions.

See Appendix A for the emissions factors used to calculate the stated 2020 CO<sub>2</sub>e emissions.

Dated this 11<sup>th</sup> day of May, 2021  
 Luke Gould  
 Executive Vice-President and Chief Financial Officer  
 IGM Financial Inc.

**Appendix A: 2020 Emissions Factors**

Emissions Source	Unit	Value	Source
<b>Electricity (Market-Based and Location-Based)</b>	tCO <sub>2e</sub> /kWh	0.00000088	Manitoba Hydro, <a href="https://www.hydro.mb.ca/environment/greenhouse_gas/">https://www.hydro.mb.ca/environment/greenhouse_gas/</a>
<b>Natural Gas (Location-Based)</b>	tCO <sub>2e</sub> /m <sup>3</sup>	0.001900	Manitoba Hydro, <a href="https://www.hydro.mb.ca/environment/greenhouse_gas/">https://www.hydro.mb.ca/environment/greenhouse_gas/</a>
<b>Renewable natural gas certificates (Natural Gas Market-Based)</b>	tCO <sub>2e</sub> /m <sup>3</sup>	0 <sup>1</sup>	<a href="https://www.bullfrogpower.com/wp-content/uploads/2020/09/GNG-Methodology-Document-2020.pdf">https://www.bullfrogpower.com/wp-content/uploads/2020/09/GNG-Methodology-Document-2020.pdf</a>  <i><sup>1</sup>Bullfrog Green Natural Gas has traceable amounts of Methane and Nitrous Oxide resulting in an emission factor of 0.000002 tCO<sub>2e</sub>/m<sup>3</sup>. Due to these GHG emissions de minimus materiality, Bullfrog Green Natural Gas emissions have been taken as net zero. This approach will be re-assessed next year in case the materiality changes.</i>
<b>Refrigerants</b>	tCO <sub>2e</sub> /tonne	1,810	Department of Energy and Climate Change, UK Government GHG Conversion Factors for Company Reporting, <a href="https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2020">https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2020</a>
<b>Corporate Jet</b>	tCO <sub>2e</sub> /l	0.002582	Environment and Climate Change Canada. National Inventory Report 1990–2018: Greenhouse Gas Sources and Sinks in Canada Part 2. (Ottawa: Environment and Climate Change Canada, 2020.) 219.
<b>Reimbursed mileage</b>	tCO <sub>2e</sub> /mile	0.00035	Emissions Factors for Greenhouse Gas Inventories (March 2018): <a href="https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf">https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf</a>
<b>Corporate Air Travel</b>			
<i>Short Haul</i>	tCO <sub>2e</sub> /mile	0.00023	Emissions Factors for Greenhouse Gas Inventories (March 2018): <a href="https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf">https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf</a>
<i>Medium Haul</i>	tCO <sub>2e</sub> /mile	0.00014	
<i>Long Haul</i>	tCO <sub>2e</sub> /mile	0.00017	

Note: Manitoba Hydro's 2020 electricity and natural gas emissions factors were not available before report completion, therefore the 2019 figures have been used as an estimate for 2020.