CDP Climate Change Questionnaire 2018

C0 Introduction

Introduction

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

IGM Financial Inc. (hereinafter “IGM Financial” or “the Corporation”) is one of Canada’s premier financial services companies, providing investment advisory and related services. IGM Financial is well diversified through its multiple distribution channels, product types, investment management units and fund brands. The Corporation’s activities are carried out through its operating companies: Investors Group Inc. (“Investors Group”), Mackenzie Financial Corporation (“Mackenzie Investments”), and Investment Planning Counsel Inc. (“Investment Planning Counsel”). IGM Financial Inc. is a member of the Power Financial Corporation group of companies.

Investors Group, founded in 1926, delivers personalized financial solutions to Canadians through a network of about 4,150 financial advisors (called “Consultants”) located throughout Canada, with $88 billion in mutual fund assets under management as at December 31, 2017. In addition to an exclusive family of mutual funds and other investment vehicles, Investors Group offers a wide range of insurance, securities, mortgage products and other financial services.

Mackenzie Investments was founded in 1967, and is an investment management firm providing investment advisory and related services. With $64.6 billion in assets under management as at December 31, 2017, Mackenzie Investments distributes its products and services primarily through a diversified distribution network of third party financial advisors.

Investment Planning Counsel was founded in 1996, and is an independent distributor of financial products, services and advice in Canada. Investment Planning Counsel is a financial planning organization in Canada, with over 800 financial advisors and $27.6 billion in client assets under administration as at December 31, 2017, which includes over $5.3 billion in mutual fund assets under management in Counsel Portfolio Services Inc.

The scope of our business combined with our association with the Power Financial Corporation group of companies, has placed IGM Financial in a position of leadership and strength in the financial services industry. As of December 31, 2017, IGM Financial and its operating companies had 3,286 permanent employees and a total of CAD $156.5 billion in total assets under management.

Fundamental to this strength is our long-standing commitment to responsible management, and the emphasis we place on good governance, operational integrity, ethical practices and respect for the environment. As part of our responsible management philosophy, we have been proactively integrating a consideration of climate-related impacts on our business, through our own operations, financial products and services, and supply chains.

The report describes the approach taken by IGM Financial and its operating companies in addressing and managing climate-related matters in our business. This report reflects our commitment to increasing disclosure of climate-related matters to our stakeholders.

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

Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

Start date	End date	Indicate if you are providing emissions data for past reporting years
From: 01/01/2017	To: 12/31/2017	No

(C0.3) Select the countries for which you will be supplying data.

Please complete the following table:

Country
Canada

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

Currency
Canadian Dollars

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this value should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.

Select one of the following options:

✓ **Financial control**
Operational control
Equity share
Other, please specify

C1 Governance

Board oversight

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

Select one of the following options:

✓ **Yes**

No

(C1.1a) Identify the position(s) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual (s)	Please Explain
Board / Executive Board	IGM Financial Board of Directors is responsible for providing oversight on corporate responsibility, which includes climate-related matters. Furthermore, through its risk management responsibilities, the Board is also responsible for ensuring that material climate-related risks and opportunities are appropriately identified, managed and monitored. We believe that climate change has potential implications on strategy, risk management and financial performance. Having board oversight responsibilities for climate change is important for our company to ensure we effectively anticipate, assess, manage and disclose climate change risks and opportunities.

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

Frequency with which climate-related issues area scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please Explain
Scheduled – Some meetings	✓ Reviewing and guiding strategy ✓ Reviewing and guiding risk management policies ✓ Reviewing and guiding annual budgets ✓ Monitoring and overseeing progress against goals and targets for addressing climate related issues	The Board annually reviews and guides strategy and policy on IGM's corporate responsibility initiatives, and oversee progress against goals and targets including climate-related matters. The Board reviews the company's Enterprise Risk Management program annually, which includes environmental and climate risks. The Board reviews and guides annual budgets and risk management policies, including those pertaining to climate-related matters.

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

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the Board on climate-related issues
Chief Financial Officer	✓ Both assessing and managing climate-related risks and opportunities	✓ Half yearly
Corporate Responsibility Committee	✓ Other – please specify See question 1.2a	✓ Annually
Risk Committee	✓ Other – please specify Oversight of ERM, including climate risk	✓ Annually

(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.

At the executive level, the Chief Financial Officer (CFO) oversees implementation of Corporate Responsibility, including climate change, as well as the Corporation's Enterprise Risk Management (ERM) program. The CFO is also a member of the executive-led Corporate Responsibility Committee that is responsible for ensuring implementation of policy and strategy, establishing goals and initiatives, measuring progress, and approving annual reporting for environmental, social and governance matters, including climate change.

The Corporate Responsibility management team reports to the CFO and is responsible for reporting, stakeholder engagement and collaborating with business leaders who are accountable for advancing progress on climate change risks and opportunities. The management team participates on a cross-company committee with parent company, Power Financial Corporation, and sister company Great-West Lifeco. Progress on strategy and initiatives, including relevant climate-related matters, is communicated to the Board of Directors on an annual basis and more frequently, where relevant, during quarterly meetings.

The Enterprise Risk Management (ERM) department also reports to the CFO and is responsible for developing and maintaining the Corporation's ERM program, framework and processes; providing risk management guidance and training to the company; and providing oversight, analysis and reporting on the Company's risks, including environmental risks, to the executive-management level Risk Management Committee.

Employee incentives

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

Select one of the following options:

✓ **Yes**

No

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues.

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized Performance Indicator	Comment
Executive Officer: Senior Vice-President and Treasurer	Monetary Reward	Sustainability strategy implementation	The Senior Vice-President and Treasurer, a member of the executive team, has annual objectives to integrate climate-related considerations into corporate responsibility strategy and initiatives as well as efforts to disclose and report carbon and energy management performance.
Facilities Manager	Monetary reward	Efficiency project	Property managers and their leaders at IGM Financial Inc.'s operating companies are incentivized through the annual bonus structure for progress on achieving BOMA and LEED certification at our corporate properties. They also have annual objectives to address climate-related issues in building operations. These incentives align with our carbon reduction targets of 40% by 2020 and 50% by 2036 for Scope 1 and 2 emissions (based on 2013 emissions).
Environment/Sustainability manager	Monetary reward	Behaviour change related indicator	The Vice-President, Finance and Corporate Responsibility and Manager, Corporate Responsibility's annual objectives include integrating climate-related considerations into corporate responsibility initiatives to reduce emissions, efforts to disclose and report carbon and energy management performance, and plans to engage our people in behaviour changes supporting our energy and climate management plans.

C2 Risks and opportunities

Time horizons

(C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.

Time Horizon	From (years)	To (years)	Comment
Short-term	0	2	Short-term time horizon aligns with our enterprise risk management framework which considers risk events that are likely to occur once in a one to two year period.
Medium-term	2	5	The medium-term horizon aligns with our enterprise risk management framework which considers risk events that are likely to occur once in a two to five year period.
Long-term	5	20	The long-term horizon aligns with our enterprise risk management framework which considers risk events that are likely to occur once in a five to 20 year period.

Management processes

(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.

Select one of the following options:

✓ **Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes**

A specific climate change risk identification, assessment, and management process

There are no documented processes for identifying, assessing, and managing climate-related issues

(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying, and assessing climate-related risks.

Frequency of Monitoring	From (years)	Comment
Six monthly or more frequently	> 6 years	Assessments and management of climate-related risks and opportunities are integrated into our Enterprise Risk Management Framework. We conduct our risk assessments formally on an annual basis, and more frequently when we experience changes to our business. Our executive-led Risk Management Committee meets quarterly to review enterprise-wide risks, including climate change.

(C2.2b) Provide further details on your organization's process(es) for identifying and assessing climate-related risks.

Process for Identifying Climate-Related Risks
The identification and assessment of risks at a company level is coordinated through the Enterprise Risk Management Department who provide oversight, analysis and reporting on the level of risks relative to the established risk appetite of the Corporation.

Business leaders are responsible for identifying risks, ongoing risk assessments and mitigation plans within their respective departments, which are overseen by the Chief Executive Officers of the respective operating companies, and ultimately by the executive-led IGM Risk Management Committee who meet on a quarterly basis to review enterprise-wide risks.

Through our risk assessments, climate-related risks identified include issues such as: demand we are not able to meet for environmentally-focused investment products and services, credit risk and asset volatility from carbon-exposed investments, and exposure to weather-related events that could impact our investments, corporate properties, information technology systems and business continuity plans.

Process for Assessing Climate Related Risks and Definition of a Substantive Financial Impact
Climate-related risks are assessed by taking into consideration both the likelihood and severity of the impact of the risk event using a standard set of assessment criteria including consideration of financial, reputational, operational, and regulatory/compliance impact. Each one of the risk categories is assessed to determine the overall impact to the Corporation. This assessment enables us to determine the inherent risk (absent of controls) and the residual risk (after controls). The executive-led Risk Management Committee establishes the appetite for different risk types, and prioritization is conducted by reviewing residual risks relative to risk appetite.

Through the Enterprise Risk Management process, a risk with a significant long term impact is defined as one with a major impact to capital or market capitalization. A significant long-term risk can also be defined as one with a significant impact on the Company's reputation, a significant operational impact, or an enforcement action by a regulator or judicial authority.

(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?

Risk Type	Relevance & Inclusion	Please Explain
Current regulation	Relevant, always included	Climate-related risks are considered through the environmental category of our ERM process, which includes current regulation. We assess GHG emission regulations in Canada in the context of our corporate properties, energy suppliers and properties held in the Investors Real Property Fund. Given the nature and scope of our activities, our corporate office buildings and investment properties do not currently meet GHG emission limits and reporting thresholds, and are not subject to any new building efficiency standards. In addition, we assess our other investment funds for exposure to material changes in GHG regulations which, if not managed effectively, could impact the performance of the funds, and company revenues. Diversification of our assets under management and consideration of material environmental risks, including current climate regulations, is inherent in our business strategy. For example, of our total equity holdings for Investors Group and Mackenzie Investments, 0.04% is invested in the coal and consumable fuel industry, which is an industry exposed to current climate-related regulation. Therefore, through the inherent diversification of our assets under management, we have limited risk exposure to climate-related current regulations.
Emerging regulation	Relevant, always included	Climate-related risks are considered through the environmental category of our ERM process, which includes emerging regulations. We assess potential climate risks associated with the changing regulatory landscape in Canada, and the potential impact on our corporate properties, energy suppliers and properties held in the Investors Real Property Fund. Given the nature and scope of our activities, the impact of carbon pricing and emerging regulation does not present a substantive impact on our operations, specifically since energy costs represent less than 1% of our operating costs. Furthermore, we assess our investment funds for exposure to emerging GHG regulations, which if not managed effectively, could impact the performance of the funds, and company revenue. Diversification of our assets under management and consideration of material environmental risks, including emerging regulations, is inherent in our business strategy. For example, of our total equity holdings for Investors Group and Mackenzie Investments, 0.04% is invested in the coal and consumable fuel industry, which is an industry exposed to emerging regulatory change. Therefore, through the inherent diversification of our assets under management, we have limited risk exposure to emerging climate-related regulations.
Technology	Relevant, sometimes included	Climate-related risks are considered through the environmental category of our ERM process, which includes climate-related technology risks, where relevant. We assess risks of not transitioning our buildings to smarter and more efficient technologies to optimize energy efficiency as part of our business planning process. Given our relatively small building footprint and that energy costs represent less than 1% of operating costs, these risks are not considered substantive to our business. We also assess climate-related technology risks in certain sectors in our investment funds, particularly within exposed industries such as coal which are facing pressure to transition to a low-carbon economy. We assess our exposures to technology risk, which if not managed effectively, could impact the performance of our funds, and company revenue. Through this process we have not identified any climate-related technology risks that could be substantive to our business. For example, of our total equity holdings for Investors Group and Mackenzie Investments, we determined that 0.04% is invested in the coal and consumable fuel industry, which is an industry exposed to technology risk. Therefore, we have limited risk exposure to climate-related technology risks.

Risk Type	Relevance & Inclusion	Please Explain
Legal	Relevant, always included	Climate-related risks are considered through the environmental category of our ERM process, which includes climate-related legal risks. Specifically, we assess the potential for material climate-related litigation against specific sectors in our investment funds that may be highly exposed to climate change impacts, particularly in industries such as coal which have been subject to recent litigation. Despite this potential exposure, the impact of climate-related legal risk on our investment funds would not generate a substantive impact on performance of our funds, and the Corporation's revenues. For example, of our total equity holdings for Investors Group and Mackenzie Investments, 0.04% is invested in the coal and consumable fuel industry, which is an industry exposed to legal risk. Therefore, we have limited risk exposure to climate-related legal risk.
Market	Relevant, always included	Climate-related risks are considered through the environmental category of our ERM process, which includes climate-related market risks. We assess demand for products that integrate climate related factors, and consider the risk of not meeting client demand on our revenues. Based on our assessment, despite this potential exposure, we determined that the risk of not meeting demand is not currently substantive to our business. For example, our total investment funds with specific environmental and social mandates represented 0.3% of the Corporation's assets under management at December 31st (versus 0.4% in 2016). Therefore, we have limited risk exposure of not meeting current market demand, and are well positioned to meet future demand.
Reputation	Relevant, always included	Climate-related risks are considered through the environmental category of our ERM process, which includes climate-related reputational risks. We assess exposure to reputation risk from increasing stakeholder expectations for the financial services sector to enhance disclosures on how climate-related issues are being proactively addressed and managed. These reputational risks are not considered to be substantive when compared to other reputational risks potentially impacting our business, such as client privacy and product and service compliance. For example, in 2017 we had one client inquiry regarding the potential implementation of recommendations from the Task Force on Climate Related Financial Disclosures. The nature of this risk is reviewed on an ongoing basis through our ERM process. Therefore, we have limited risk exposure to climate-related reputational issues.
Acute Physical	Relevant, always included	Climate-related risks are considered through the environmental category of our ERM process, which includes acute physical risks. We assess the impact of warming temperatures, floods, wild fires, and other extreme weather events on our corporate and investment properties, and the properties and valuations of client mortgages. We recognize that these properties could be exposed to property damage and operational disruptions from extreme weather-related events, which if not addressed proactively, could impact financial performance and the ability to use the assets long-term. Based on our assessment, despite these risks, our exposure to acute physical risk is not considered to generate a substantive impact on our business. For example, we reviewed Investors Group's mortgage portfolio for risks driven by extreme weather events which, if not addressed proactively, could impact the financial performance of our business. In 2018, our mortgage portfolio contained 1,100 mortgages in British Columbia and New Brunswick impacted by flooding from extreme weather events, which represented less than 1.9% of total mortgages under administration. Diversification limits, including those based on the geographic location of our clients is an inherent part of our business strategy. Therefore, through diversification limits, we have limited risk to acute physical risks.

Risk Type	Relevance & Inclusion	Please Explain
Chronic Physical	Relevant, always included	Climate-related risks are considered through the environmental category of our ERM process, which includes chronic physical risks. We assess the risk impact that general warming and increases in sea level could present on some of our corporate and investment properties, and the properties and valuations of client mortgages. We recognize that these properties could be exposed to chronic physical risks, which if not addressed proactively, could impact financial performance and the ability to use the assets long-term. For example, from an operational perspective, we have reviewed our corporate office properties, of which energy costs represent less than 1% of our operating costs. Therefore, the impact of general warming trends do not generate a substantive risk exposure.
Upstream	Relevant, sometimes included	Climate-related risks are considered through the environmental category of our ERM process, which includes climate-related upstream risks, specifically with respect to suppliers. We assess the impact of exposure of our energy suppliers to GHG emission regulations, and exposure to the impact of increased energy costs from our suppliers related to the operation of the properties we lease. We determined that if we were exposed, we would be in a similar position as other financial services peers in having to address rising energy costs. For example, in 2017, energy costs represented less than 1% of our operating costs. Therefore, we do not have a substantive risk exposure to energy cost increases related to changes in regulations for our suppliers.
Downstream	Relevant, always included	Climate-related risks are considered through the environmental category of our ERM process, which includes climate-related downstream risks, specifically with respect to our investment and mortgage products. We assess the risk of not meeting demand for products and services that specifically address climate-related issues. Despite this potential risk exposure, the impact is not considered to be substantive. For example, as a result of our consideration of environmental information in our business strategy, we offer mortgage products that provide mortgage insurance inducements for energy efficient homes. The current use of this program has been extremely low. We also provide our clients with the opportunity to invest in eligible Investors Group and Mackenzie Investments' charitable giving funds. Some of the organizations funded are active on programs that address climate change including the David Suzuki Foundation, Nature Conservancy of Canada and the World Wildlife Fund. These investments represent 0.15% of our assets under management. We also offer mutual funds with specific environmental and social mandates, including one of Canada's largest Socially Responsible Investment (SRI) funds – the Investors Summa SRI Fund, and three new Mackenzie Investments funds launched in 2017 with ESG-specific mandates, with represent 0.3% of our assets under management. The risk of not meeting client demand for climate-related investment and mortgage products is not substantive.

(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.

Description of a process for managing climate-related risks and a Case Example of a physical risk and transition risk
The Enterprise Risk Management Department is responsible for providing oversight, analysis and reporting on risk management activities. On an annual basis, or where changes warrant a more frequent review, business leaders are responsible for conducting ongoing risk assessments within their respective activities. These risk assessments include a consideration of the likelihood and impact of the risk using a standard of set assessment criteria: financial, operational, regulatory, and reputational risks. The assessment enables us to determine the inherent risk (absence of controls) and the residual risks (with controls).

These risks are reported and reviewed quarterly with the executive-led Risk Management Committee of IGM Financial. The Risk Management Committee establishes the appetite for different risk types, and a prioritization is conducted by reviewing residual risks relative to the risk appetite to determine material risks. Where risks are material, we ensure controls are adequate to address the risk relative to the risk appetite.

As an example of a physical risk, we assess the impact of warming temperatures, floods, wild fires, and other extreme weather events, including hurricanes, tornadoes and cyclones on our corporate and investment properties, and the properties and valuations of client mortgages. In 2018, we determined our mortgage portfolio contained 1,100 mortgages in British Columbia and New Brunswick impacted by flooding from extreme weather events, which represented less than 1.9% of total mortgages under administration. Diversification limits, including those based on the geographic location of our clients is an inherent part of our business strategy. Therefore, through diversification limits, we have limited risk to acute physical risks.

As an example of a transition risk, as part of our ERM and business planning processes, we assess the impact of not transitioning our buildings to smarter and more efficient technologies to optimize energy efficiency. Given our relatively small building footprint and that energy costs represent less than 1% of operating costs, these risks are not considered substantive to our business.

Description of a process for managing climate-related opportunities and a Case Example of a physical opportunity and transition opportunity
Through a review of our risk assessments, market trends and other business impacts, we identify potential opportunities that could impact our revenues and expenses. On an annual basis, our business leaders review climate-related opportunities as part of our annual corporate plans, which include clearly defined strategic priorities, initiatives and budgets.

An example of a physical opportunity is our offering of Investors Group mortgages with insurance inducements for energy efficient homes through our partnership with the Canada Mortgage and Housing Corporation, Canada Guaranty and Genworth.

In addition, an example of transition opportunity is our ability to offer products to our clients that incorporate climate-related considerations. Some examples which are consistent with our commitment to integrate environmental, social and governance considerations across all our funds include:

- The Investors Summa SRI Fund prioritizes investment in climate-change related opportunities. Some examples include investing in companies with a clear path to transition to cleaner fuels, and assessing insurance companies to ensure they are positioned to manage more severe and more frequent acute physical climate-related events.
- In 2017, Mackenzie Investments launched its Global Sustainability and Impact Balanced Fund which invests sustainably and uses its voice to engage with companies to promote climate-friendly behaviour.
- We also provide our clients the opportunity to invest in charitable giving funds. Some of the organizations funded are active in climate change including the David Suzuki Foundation, Nature Conservancy of Canada and the World Wildlife Fund.

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

Yes

✓ **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
Risks exist, but none with potential to have a substantive financial or strategic impact on business	Process used to assess why Company is not exposed to climate related risks Through our Enterprise Risk Management process, climate-related risks are assessed by taking into consideration the likelihood and impact severity of the risk using a standard set of criteria including financial, reputational, operational, and regulatory/compliance impact. Risks are assessed to determine the overall impact to the Corporation. Through our assessments, we have not identified any climate-related risks with the potential to have a substantive financial impact on our business, which is defined in section 2.2b. When conducting this assessment, we take into consideration both physical and transition risks, as illustrated below. As part of our process, we assess both acute and chronic physical risks, including warming temperatures, floods, wild fires and other extreme weather events. We take into consideration our operations and investment funds. For example, we reviewed Investors Group's mortgage portfolio for risks driven by extreme weather events which, if not addressed proactively, could impact the financial performance of the business. In 2018, our mortgage portfolio contained 1,100 mortgages in British Columbia and New Brunswick impacted by flooding from extreme weather events, which represented less than 1.9% of total mortgage under administration. Diversification limits, including those based on the geographic location of our clients is an inherent part of our business strategy. Therefore, through diversification limits, we have limited risk to acute physical risks. As part of our process, we assess a broad range of climate transition risks, including regulatory, reputational and legal risks. For example, we assess the potential for material climate-related litigation against specific sectors in our funds that may be highly exposed to climate change impacts, particularly in industries such as coal which have been subject to recent litigation. Despite this potential exposure, the impact of climate-related legal risk on our investment funds would not generate a substantive impact on performance of our funds, and the Corporation's revenues. For example, of our total equity holdings for Investors Group and Mackenzie Investments, 0.04% is invested in the coal and consumable fuel industry, which is an industry exposed to legal risk. Therefore, we have limited exposure to climate-related legal risk.

Opportunity disclosure

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

Yes

Yes, we have identified opportunities but are unable to realize them

✓ **No**

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

Primary reason	Please explain
Opportunity exists, but none with the potential to have a substantive financial or strategic impact on business	Process used to assess why the Company does not have substantive climate related opportunities Climate-related opportunities are identified and assessed at a company level through our product development process and our annual business planning process, which includes clearly defined strategic priorities, initiatives and budgets. Through our assessments, we have not identified any climate-related opportunities with the potential to have a substantive financial impact on our business, as defined in section 2.2b.As part of our process we assess a broad range of opportunities, including new green markets, resource efficiencies and opportunities to launch new products and services, as illustrated by the examples below. As part of our process, we assess potential opportunities that may arise from both acute and chronic physical impacts from climate change, taking into consideration operations and investments. For example, we assess whether changes in physical climate parameters could increase investment demand for our products like our charitable giving programs that enable our clients to fund charities like the David Suzuki Foundation, Nature Conservancy of Canada and the World Wildlife Fund. While important, demand for these funds has been limited. The program represents 0.15% of our assets under management and is therefore not substantive to our business. As part of our process, we assess potential opportunities related to new green markets, resource efficiency and new products that may result from climate related issues. For example, we offer products incorporating climate-related considerations. Investors Group offers the Investors Summa SRI Fund which prioritizes investment in climate-change related opportunities, including investing in companies with a clear path to transition to cleaner fuels, and assessing insurance companies to ensure they are positioned to manage more severe and more frequent acute physical climate-related events. In 2017, Mackenzie Investments also launched three new socially, responsible and impact funds including the Global Sustainability and Impact Balanced Fund which invests sustainably and uses its voice to engage companies in promoting climate-friendly behaviour. While these products are important, demand has been limited, representing 0.3% of total assets under management, which is not substantive to our business.

(C2.5) Describe where and how the identified risks and opportunities have impacted your business.

Area	Impact	Description
Products and services	We have not identified any risks and opportunities	We have not identified any inherent risks and opportunities associated with climate change that have impacted our products and services substantively. For example, as a result of our consideration of environmental information in our business strategy, we offer mortgage products that provide mortgage insurance inducements for energy efficient homes. The current use of this program has been extremely low. We also provide our clients with the opportunity to invest in eligible Investors Group and Mackenzie Investments' charitable giving funds. Some of the organizations funded are active on programs that address climate change, including the David Suzuki Foundation, Nature Conservancy of Canada and the World Wildlife Fund. These investments represent 0.15% of our assets under management. We also offer mutual funds with specific environmental and social mandates, including one of Canada's largest Socially Responsible Investment (SRI) funds – the Investors Summa SRI Fund, and three new Mackenzie Investments funds launched in 2017 with ESG-specific mandates. These funds currently represent 0.3% of our assets under management and are not substantive to our business. Therefore, we do not have substantive risks or opportunities regarding climate-related products and services. Please see risks and opportunities 2.3b and 2.4b for further detail.
Supply chain and/or value chain	We have not identified any risks and opportunities	We have not identified any inherent climate-related risks and opportunities in the supply and/or value chain that have impacted our business substantively. For example, we assess the impact of exposure of our energy suppliers to GHG emission regulations, and exposure to the impact of increased energy costs from our suppliers related to the operation of the properties we lease. In 2017, energy costs represented less than 1% of our operating costs. Therefore, we do not have substantive risks or opportunities regarding climate issues with our suppliers. Please see risks and opportunities 2.3b and 2.4b for further detail.
Adaptation and mitigation activities	We have not identified any risks and opportunities	We have not identified any inherent climate-related risks and opportunities associated with adaptation and mitigation activities that have impacted our business substantively. For example, we assess risks of not transitioning our buildings to smarter and more efficient technologies to optimize energy efficiency as part of our business planning process. Given our relatively small building footprint and that energy costs represent less than 1% of operating costs, these risks are not considered substantive to our business. We also consider the evolution of green building standards and energy efficient product standards and the opportunity to continuously upgrade our properties. Today, our corporate owned or leased properties that are currently either BOMA or LEED certified now represent 94% of our office square footage. However, with our current energy costs representing less than 1% of our overall operating costs, these opportunities do not have a substantive impact on our business operations and expenditures. Please see risks and opportunities 2.3b and 2.4b for further detail.

Area	Impact	Description
Investment in R&D	We have not identified any risks and opportunities	We have not identified any inherent climate-related risk and opportunities associated with investments in R&D that have impacted our business substantively. For example, we assess government incentives for research and development in renewable energy and cleaner technology market sectors. While investments in research and development to continuously upgrade our properties could present an opportunity, particularly with respect to green building standards and new smarter building applications, these opportunities would not impact the business given that our current energy costs represent less than 1% of our overall operating costs. Please see risks and opportunities 2.3b and 2.4b for further detail.
Operations	We have not identified any risks and opportunities	We have not identified any inherent climate-related risk and opportunities that have impacted our operations substantively. Specifically, we have assessed the impact of increasing energy costs from third party suppliers exposed to carbon pricing on our corporate owned and leased properties. However, with our current energy costs representing less than 1% of our overall operating costs, these potential risk exposures would not have a substantial impact on our business operations and expenditures. At the same time, we have continued to take advantage of our green building standards and energy efficient product standards and are continuously updating our properties. In 2017, our corporate owned and leased properties that are currently BOMA or LEED certified now represent 94% of our office building square footage. While these building updates are important, we do not see such opportunities to present a substantive impact on our business. Please see risks and opportunities 2.3b and 2.4b for further detail.
Other Please specify	Not applicable.	Not applicable.

(C2.6) Describe where and how the identified risks and opportunities have factored into your financial planning process.

Area	Relevance	Description
Revenues	We have not identified any risks and opportunities	While climate related events do not pose any inherent risks or opportunity from a revenue standpoint that could be substantive to our business, we do consider potential revenues from products and service that include climate-related considerations as part of our financial planning. For example, we consider revenues from clients that invest in eligible Investors Group and Mackenzie Investments' charitable giving funds. Some of the organizations funded are active on programs that address climate change including the David Suzuki Foundation, Nature Conservancy of Canada and the World Wildlife Fund. These investments represent 0.15% of our assets under management and would not be substantive to our business. We also consider revenue from our funds addressing specific environmental and social causes. We continue to offer one of Canada's largest Socially Responsible Investment (SRI) funds – the Investors Summa SRI Fund, and Mackenzie Investments added three SRI funds to its investment fund offering in 2017. While important to a segment of our client base, these funds currently represent 0.3% of our assets under management. For more information, please see the risks and opportunities section of this questionnaire.
Operating costs	We have not identified any risks and opportunities	While climate related events do not pose any inherent risk or opportunity on our operating costs that could be substantive to our business, we do factor energy costs as part of our financial planning process. In 2017, we invested in technology at the Investors Group head office to automatically turn off the office lighting after business hours to reduce ongoing energy costs and educate employees on the importance of energy saving measures. Energy costs, however, represented less than 1% of our operating costs and therefore, and enhancements do not have a substantive impact on our business operations or expenditures. For more information, please see the risks and opportunities section of this questionnaire.
Capital expenditures / capital allocations	We have not identified any risks and opportunities	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. In 2017, we invested in technology at the Investors Group head office to automatically turn off the office lighting after business hours to reduce ongoing energy costs and educate employees on the importance of energy saving measures.
Acquisitions and divestments	We have not identified any risks and opportunities	We have not identified any inherent climate-related risks or opportunities that could be substantive to our business, although we continuously look at acquisition opportunities as part of our financial and strategic planning process.
Access to capital	We have not identified any risks and opportunities	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.
Assets	We have not identified any risks and opportunities	While climate related events do not pose any inherent risk or opportunity on our assets that could be substantive to our business, we do factor the maintenance of our corporate property as part of our financial planning process. For example, in 2017, we invested in technology at the Investors Group head office to automatically turn off the office lighting after business hours to upgrade our asset, reduce ongoing energy costs and educate employees on the importance of energy saving measures. For more information, please see the risks and opportunities section of this questionnaire for more information.
Liabilities	We have not identified any risks and opportunities	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 in potential climate-related liabilities into our financial planning process.
Other	N/A	Not applicable

(C3.1) Are climate-related issues integrated into your business strategy?

✓ **Yes**

No

(C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?

Yes, qualitative

Yes, quantitative

Yes, qualitative and quantitative

✓ **No, but we anticipate doing so in the next two years**

No, and we do not anticipate doing so in the next two years

(C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy

How business objectives and strategy have been influenced by climate-related issues
We inform our business objectives and strategy through the information we compile from corporate business planning, enterprise risk assessments, market trends and opportunities, and through the ongoing communications with financial advisors, clients, investors and other stakeholders.

As a result of market trends and increasing requests from clients and ESG rating firms on how climate change and other ESG issues are integrated into our products, we have continued to strengthen our business strategy. Specifically, Investors Group and Mackenzie Investments have increased the number of funds addressing ESG and climate-related considerations, consistent with our strategy to offer a broad number of investment options for our clients. For example, we offer mortgage products that provide mortgage insurance inducements for energy efficient homes. We also provide our clients with the opportunity to invest in eligible Investors Group and Mackenzie Investments' charitable giving funds where some of the organizations funded actively address climate change like the David Suzuki Foundation, Nature Conservancy of Canada and the World Wildlife Fund. We also offer mutual funds with specific environmental and social mandates, including one of Canada’s largest Socially Responsible Investment funds – the Investors Summa SRI Fund, and three new Mackenzie Investments funds launched in 2017 with ESG-specific mandates.

Explanation of whether the business strategy is linked to an emission reduction target or energy reduction target
Our business strategy is linked to our emission reduction targets. To address the potential energy cost increases associated with third party suppliers from carbon pricing in Canada, we reinforced our carbon and energy building management strategies. This strategy not only enables us to improve our operational efficiencies, but also ties to our carbon reduction target of 40% of Scope 1 and 2 by 2020, based on a 2013 baseline. Specifically, to meet this target, and as part of our carbon and energy building management strategy, we are investing in green building upgrades at our corporate and regional offices, including installing efficient heating and cooling systems, air handling units, information technology systems, LED lighting and motion sensors. We also continue to review the footprint of Investors Group and Mackenzie head offices and Investors Group's region offices to ensure we are using space efficiently. Since 2015, we have also been purchasing green natural gas to match the annual conventional natural gas used at the Investors Group and Mackenzie Investments head offices to further manage our carbon impact. Not only does this investment lower our greenhouse gas emissions enough to exceed our 2020 goal, it supports the development of the renewable energy industry in Canada.

Example of the most substantial business decision made during the reporting year that has been influenced by the climate change driven aspects of the strategy
The most substantial business decision made in 2017 influenced by climate change driven aspects of the strategy was the decision to expand Mackenzie Investments' suite of socially, responsible and impact funds including the launch the Mackenzie Global Sustainability and Impact Balanced Fund. This fund invests in a sustainable way and uses its voice to engage with companies to promote climate-friendly behaviour. This decision is consistent with our strategy to offer a broad number of investment options responding to client demand.

(C3.1g) Why does your organization not use climate-related scenario analysis to inform your business strategy?

Currently, there is no recognized methodology for the financial services sector to set targets in line with the Paris Agreement 2 degree pathway. We are therefore awaiting developments by the Science Based Targets Initiative, which is currently in the process of developing 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. As a result, we have not yet been able to inform our business strategy using climate-related scenario analysis, but plan to do so in the next two years once more guidance has been defined.

C4 Targets and performance

Targets

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

- ✓ **Absolute target**
- Intensity target
- Both absolute and intensity targets
- No target

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

Target reference number	Scope	% emissions in Scope	% reduction from base year	Base year	Start year	Base year emissions covered by target (metric tons CO2e)	Target year	Is this a science-based target?	% achieved	Target status	Please explain
Absolute 1	Scope 1+2 Market-Based	100%	40%	2013	2015	2,332	2020	No, but we anticipate setting one in the next 2 years	100%	Under way	This target (2013–2020) applies to Scope 1 and 2 emissions in Canada, which includes property-level electricity, natural gas, jet fuel and refrigerants consumption at its corporate head office. Once the Science Based Organization methodology for financial services companies is established, we will be exploring the application to our business.
Absolute 2	Scope 1+2 Market-based	100%	50%	2013	2015	2332	2036	No, but we anticipate setting one in the next 2 years	100%	Under way	This target (2013–2036) applies to Scope 1 and 2 emissions in Canada, which includes property-level electricity, natural gas, jet fuel and refrigerants consumption at its corporate head office. Once the Science Based Organization methodology for financial services companies is established, we will be exploring the application to our business.

(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.

Target reference number	KPI Numerator	Base year	Start year	Target year	KPI in target year	% achieved	Target status	Please explain	Part of emission target	Is this target part of an overarching initiative
Renewable energy consumption	Our target is for at least 80% of the natural gas utilized at our owned property to be renewable. This is equal to 4,689 Megawatt hours.	2013	2015	2020	80%	100%	Under way	At this time, we are accomplishing 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 Financial receives a renewable energy credit. This process is audited and verified annually by Deloitte. Not only does this partnership significantly reduce our greenhouse gas emissions footprint, it supports the development of the green energy industry across Canada.	Because our owned office building is located in Manitoba, hydro electricity is almost zero emissions, therefore natural gas is the main focus of our target to reduce scope 1 and 2 GHG emissions by 40% by 2020 and 50% by 2036.	Voluntary reduction initiative

Emissions reduction initiatives

(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**

No

(C4.3a) Identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO_2e savings.

Stage of development	Number of projects	Total estimated annual CO_2e savings in metric tons CO_2e (only for rows marked *)
Under investigation	4	n/a
To be implemented*	3	551
Implementation commenced*	1	0
Implemented*	2	522
Not to be implemented	0	n/a

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

Activity type	Description of activity	Estimated annual CO_2e savings (metric tons CO_2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency, as specified in C0.4)	Investment required (unit currency, as specified in C0.4)	Payback period	Estimated lifetime of the initiative	Comment
Energy efficiency: Building services	Lighting	0.4	Scope 2	Voluntary	13,322	353,000	Greater than 25 years	21-30	Installation of automated system to turn lights off after business hours which will contribute to meeting our target to reduce scope 1 and 2 GHG emissions by 40% by 2020 and 50% by 2036.
Other	Leased space consolidation	522	Scope 3	Voluntary	2,900,000	0	<1 year	ongoing	More efficient use of leased office space across Canada.

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

Method	Comment
Other	For our facilities, we have an annual dedicated budget for building improvements. This budget includes energy efficiency projects, such as equipment replacements for boilers, lighting, air handling and HVAC systems.

Low-carbon products

(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

✓ **No**

C5 Emissions methodology

Base year emissions

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

Scope	Base year start	Base year end	Base year emissions (metric tons CO2e)	Comment
Scope 1	01/01/2013	31/12/2013	2,315	
Scope 2 (location-based)	01/01/2013	31/12/2013	17	
Scope 2 (market-based)	01/01/2013	31/12/2013	17	

Emissions methodology

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.

Select all that apply from the following options:

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

C6 Emissions data

Scope 1 emissions data

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

778

Scope 2 emissions reporting

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

Scope 2, location-based	Scope 2, market-based	Comment
✓ We are reporting a Scope 2, location-based figure	✓ We are reporting a Scope 2, market-based figure	

Scope 2 emissions data

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

Scope 2, location-based	Scope 2, market-based (if applicable)	Comment
8	8	IGM does not purchase Scope 2 market based contractual instruments.

(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?

Yes

✓ **No**

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

Sources of Scope 3 emissions	Evaluation status	Metric tons CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Purchased goods and services	Not relevant, explanation provided	0	N/A	N/A	The main source of emissions would be the procurement of paper goods. As a company operating within the financial services sector, these emissions are marginal when compared to Scope 3 emissions from investments held within client investment funds.
Capital goods	Not relevant, explanation provided	0	N/A	N/A	The main source of emissions would be from the production of IT infrastructure, and building equipment. As a company operating within the financial services sector, these emissions are marginal when compared to Scope 3 emissions from investments held within client investment funds.
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Not relevant, explanation provided	0	N/A	N/A	The main source of emissions would relate to diesel and kerosene fuel used in our operations (excluding scope 1 emissions). As a company operating within the financial services sector, these emissions are marginal when compared to Scope 3 emissions from investments held within client investment funds.
Upstream transportation and distribution	Not relevant, calculated	0.1	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.	100	This would include emissions associated with the distribution of water to and from the Investors Group head office. As a company operating within the financial services sector, these emissions are marginal when compared to Scope 3 emissions from investments held within client investment funds.

Waste generated in operations	Not relevant, calculated	134	Indirect measurement using provincial emission factors. Source: Environment Canada. Greenhouse Gas Division, National Inventory Report 1990–2015: Greenhouse Gas Sources and Sinks in Canada Part 2. (Ottawa: Environment Canada, 2017.), 192-195.	100	The main source of emission relates to the waste we generate in our business. As a company operating within the financial services sector, these emissions are marginal when compared to Scope 3 emissions from investments held within client investment funds. Despite our limited impact we have calculated the emissions from waste generated at our owned property.
Business travel	Not relevant, calculated	3,081	Source: EPA, Optional Emissions from Commuting, Business Travel and Product Transport https://www.epa.gov/sites/production/files/2015-12/documents/emission-factors_nov_2015.pdf	100	The main source of emission relates to the business travel. As a company operating within the financial services sector, these emissions are marginal when compared to Scope 3 emissions from investments held within client investment funds.
Employee commuting	Not relevant, explanation provided	0	N/A	N/A	The main source of emission relates to our employee travel to and from work. As a company operating within the financial services sector, these emissions are marginal when compared to Scope 3 emissions from investments held within client investment funds.
Upstream leased assets	Not relevant, explanation provided	0	N/A	N/A	The main source of emissions relates to office space leased to Investors Group Advisors. As a company operating within the financial services sector, these emissions are marginal when compared to Scope 3 emissions from investments held within client investment funds.
Downstream transportation and distribution	Not relevant, explanation provided	0	N/A	N/A	The main source of emissions relates to the transport of financial advisors to clients. As a company operating within the financial services sector, these emissions are marginal when compared to Scope 3 emissions from investments held within client investment funds.
Processing of sold products	Not relevant, explanation provided	0	N/A	N/A	Given the nature of our business, we do not process products for sale.
Use of sold products	Not relevant, explanation provided	0	N/A	N/A	Given the nature of our business, we do not sell physical products.

End of life treatment of sold products	Not relevant, explanation provided	0	N/A	N/A	Given the nature of our business, we do not sell physical products. Therefore, end of life treatment of sold products is not relevant.
Downstream leased assets	Not relevant, calculated	7,086	Indirect measure using provincial emissions factors. Source: Environment Canada. Greenhouse Gas Division, National Inventory Report 1990–2015 Parts 2 and 3: Greenhouse Gas Sources and Sinks in Canada. (Ottawa: Environment Canada, 2017.)	100	The main source of emissions calculated relate to natural gas and electricity usage within corporate leased properties and leased Investors Group region offices. As a company operating within the financial services sector, these emissions are marginal when compared to Scope 3 emissions from investments held within client investment funds.
Franchises	Not relevant, explanation provided	0	N/A	N/A	We do not own franchises.
Investments	Relevant, not yet calculated	0	N/A	N/A	This relates to the emissions from our investment business. As a company operating within the financial services sector, we have determined that the potential emissions associated with investments held within client investment funds would represent the majority of our Scope 3 footprint. We are closely monitoring guidance being developed on the GHG protocol on Scope 3 emissions from investment funds as we explore opportunities to measure these emissions in the future.
Other (upstream)	Not relevant, explanation provided	0	N/A	N/A	
Other (downstream)	Not relevant, explanation provided	0	N/A	N/A	

Carbon dioxide emissions from biologically sequestered carbon

(C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

Yes

✓ **No**

Emissions intensities

(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	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator	Metric denominator: Unit total	Scope 2 figure used	% change from previous year	Direction of change	Reason for change
0.0000002	785	Unit total revenue	3,154,000,000	Location-Based	14.6%	Increase	Revenue increased by 3.58% and year-over-year GHG emissions increased by 130 tCO2e, due to increased Scope 1 travel.
0.36	785	Full time equivalent (FTE) employee	2,176	Location-Based	19.3%	Increase	Employee count decreased by 0.5% while emissions increased by 130 tCO2e due to increased Scope 1 travel.
0.00291	785	square foot	269,938	Location-Based	18.7%	Increase	Increase was due to rising need for Scope 1 travel.

C7 Emissions breakdown

Scope 1 breakdown: GHGs

(C7.1) Does your organization have greenhouse gas emissions other than carbon dioxide?

✓ **Yes**
No
Don't know

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type providing the used global warming potential (GWP), and the source of each GWP.

Greenhouse gas	Scope 1 emissions (metric tons of selected GHG, in CO2e)	GWP Reference
CO_2	771	IPCC Fourth Assessment Report (AR4 - 100 year)
CH_4	0.2	IPCC Fourth Assessment Report (AR4 - 100 year)
N_2O	6.4	IPCC Fourth Assessment Report (AR4 - 100 year)

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Canada	778

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

- ✓ By business division (not applicable for companies responding to sector questionnaires)
- By facility
- By activity (not applicable for companies responding to sector questionnaires)

(C7.3a) Break down your total gross global Scope 1 emissions by business division

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
Investors Group	607		
Mackenzie Investments	171		

Scope 2 breakdown: country

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
Canada	8	8	5,884	5,884

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

- ✓ **By business division (not applicable for companies responding to sector questionnaires)**
- By facility
- By activity (not applicable for companies responding to sector questionnaires)

(C7.6a) Break down your total gross global Scope 2 emissions by business division

Facility	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Investors Group	8	8

Emissions performance

(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?

✓ **Increased**
Decreased
Remained the same overall
This is our first year of reporting, so we cannot compare to last year
We don’t have any emissions data

(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.

Reason	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	43	Increase	2.69%	Please note that in order to calculate our use of renewable energy, we used our total Scope 1 and 2 emissions, prior to the application of RECs. In 2017, there was an increase in natural gas use of 43 tCO2e, which was offset by the purchase of green natural gas RECs. Calculation is as follows: (980-937) tCO2e/1,599 tCO2e)*100 = 2.69%. Please note that CDP confirmed when reporting our Scope 1 and 2 total emissions, we should report after the application RECs.
Other emissions reduction activities			0.0%	
Divestment			0.0%	
Acquisitions			0.0%	
Mergers			0.0%	
Change in output	130	Increase	19.65%	There was an increase in air miles flown due to increased business travel requirements. Calculation is as follows: (130 tCO2e/662 tCO2e)*100 = 19.65%
Change in methodology	1.18	Increase	0.18%	The Manitoba Hydro electricity emissions factor increased from 1.1 gCO2e/kWh in 2016 to 1.3 gCO2e/kWh in 2017. Calculation was as follows (1.18 tCO2e/662)*100 = 0.18%
Change in boundary				
Change in physical operating conditions				
Unidentified				
Other	8	Decrease	1.21%	No refrigerant top up was required in the Head Office in 2017, resulting in a decrease in refrigerant emissions of 8 tCO2e. Calculation was as follows (-8/662)*100 = -1.21%

(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**
Market-based
Don’t know

C8 Energy

Energy spend

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

Select one of the following options:

- ✓ **More than 0% but less than or equal to 5%**

Energy-related activities

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

Activity	Indicate whether your organization undertakes this energy-related activity
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	No
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.

Energy carrier	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (MWh's in LHV)	HHV	5,334	2,904	8,237
Consumption of purchased or acquired electricity	N/A	5,884		5,884
Consumption of purchased or acquired heat	N/A		-	-
Consumption of purchased or acquired steam	N/A		-	-
Consumption of purchased or acquired cooling	N/A	-	-	-
Consumption of self-generated non-fuel renewable energy	N/A	-	-	-
Total energy consumption	-	11,218	2,904	14,121

(C8.2b) Select the applications of your organization’s consumption of fuel.

Fuel application	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels	Heating value	Total MWh consumed by the organization	MWh consumed for the generation of electricity	MWh consumed for the generation of heat	MWh consumed for the generation of steam	MWh consumed for the generation of cooling	MWh consumed for cogeneration or trigeneration
Aviation Gasoline	HHV	2,904	-	-	0	0	0
Natural Gas	N/A	5,334	-	5,334	0	0	0

(C8.2d) List the average emission factors of the fuels reported in C8.2c.

Fuels	Emission factor (in units of metric tons CO2e per MWh)	Unit	Emission factor source	Comment
Aviation Gasoline	0.002582	metric tons CO2e per liter	Environment Canada. Greenhouse Gas Division, National Inventory Report 1990–2015: Greenhouse Gas Sources and Sinks in Canada Part 2. (Ottawa: Environment Canada, 2017.), 240.	Canadian aviation turbo fuel emissions factor
Natural Gas	0.0000	metric tons CO2e per m3	Bullfrog Green Natural Gas.	All Scope 1 natural gas is from Bullfrog Energy, which states a 0 tCO2e/m3 emissions factor

(C8.2f) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.

Basis for applying a low-carbon emission factor	Low-carbon technology type	MWh consumed associate with low-carbon electricity, heat, steam or cooling	Emission factor (in units of metric tons CO2e per MWh)	Comment
Contract with suppliers or utilities (e.g. green tariff), not supported by energy attribute certificates	Hydropower	5,884	0.0013	Electricity purchased from Manitoba Hydro for the Head Office comes predominantly (99.6% of grid mix) from low carbon energy sources, such as utility-scale hydro and other renewables.

C9 Additional metrics

Other climate-related metrics

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

Description	Metric value	Metric numerator	Metric denominator (intensity metric only)	% change from previous year	Direction of change	Please explain
Waste	134	tCO2e		32.7%	Decrease	Waste generation from by the Head Office decreased by 65 tCO2e (emissions were 199 tCO2e in 2016). Waste was previously estimated and is now measured more accurately.
Other: Leased Properties	7,086	tCO2e		3.5%	Increase	Emissions from the leased portfolio increased by 240 tCO2e, largely due to an increase in natural gas emissions (363 tCO2e), which was likely weather related. This was countered by a reduction in electricity of 121 tCO2e.
Other: Water	0.11	tCO2e		29.5%	Decrease	Water emissions in from the Head Office decreased by 0.04 tCO2e.
Other: Business Travel	3,081	tCO2e		16.7%	Decrease	Business Travel emissions were reduced by 618 tCO2e, due to the introduction of an online training environment for Investors Group Advisors and an increased use of video conferencing equipment, thereby requiring less air travel.

C10 Verification

Verification

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

Scope	Verification/assurance stats
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 and/or Scope 2 emissions and attach the relevant statements.

Scope	Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported emissions verified (%)
Scope 1	Annual process	Complete	Limited Assurance			ISAE 3410	100%
Scope 2 Location-Based	Annual process	Complete	Limited Assurance			ISAE 3410	100%
Scope 2 Market-Based	Annual process	Complete	Limited Assurance			ISAE 3410	100%

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

Question dependencies

Scope	Verification or assurance cycle in place	Status in the current reporting year	Attach the statement	Page/ section reference	Relevant standard
Scope 3- at least one applicable category	Annual process	Complete			ISAE 3410

Other verified data

(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**

In progress

No, but we are actively considering verifying within the next two years

No, we are waiting for more mature verification standards and/or processes

No, we do not verify any other climate-related information reported in our CDP disclosure

(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.
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.
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.

C11 Carbon pricing

Carbon pricing systems

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

No, but we anticipate being regulated in the next three years

✓ **No, and we do not anticipate being regulated in the next three years**

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

Select one of the following options:

✓ **Yes**

No

(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	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits cancelled	Purpose e.g. compliance
Credit purchase	Biomass energy	Canada's Renewable Fuels Regulations (SOR 2010-189) under the Canadian Environmental Protection Act 1999. Various Used Cooking Oil and/or Crude Fish Oil By-product from Omega 3 production facilities	Other, please specify – Govt. of ON Greener Diesel requirements	20.8	20.8	Yes	Voluntary Offsetting
Credit purchase	Landfill gas	Landfill Capture and Flare. Fredericton Region Solid Waste Commission, BlueRegistry Project 49-1	VER+ (TÜV SÜD standard)	833.33	833.33	Yes	Voluntary Offsetting

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

Select one of the following options:

- Yes
- No, but we anticipate doing so in the next two years
- ✓ **No, and we don’t anticipate doing so in the next two years**

C12 Engagement

Value chain engagement

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

Select all that apply from the following options:

✓ **Yes, our suppliers**
✓ **Yes, our customers**
✓ **Yes, other partners in the value chain**
No, we do not engage

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

Type of engagement	Details of engagement	% of suppliers by number	% total procurement spend (direct and indirect)	% Scope 3 emissions as reported in C6.5	Rationale for the coverage of your engagement	Impact of engagement, including measures of success	Comment
Information collection (understanding supplier behavior)	Included climate change in supplier selection / management mechanism	30	48	100	We engaged with our Investors Group Advisors in 2016 and 2017 to better understand the importance of environmental management issues in our business processes and investment funds through a Corporate Responsibility and Diversity Survey.	Our engagement has allowed us to better understand the importance of climate change and environmental issues, from the perspective of Investors Group Advisors. Our measure of success was the number of survey respondents, which exceeded prior surveys.	The percentage of suppliers relates to the total Investor Group Advisors that were sent the survey.

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

Type of engagement	Details of engagement	Size of engagement	% Scope 3 emissions as reported in C6.5	Please explain the rationale for selecting this group of customers and scope of engagement
Education / Information sharing	Run an engagement campaign to education customers about your climate change performance and strategy	0.3%	0%	Mackenzie Investments surveyed 2,400 Canadians and 412 advisors through the assistance of Environics and PMG Intelligence to create its 50 Insights campaign. The survey helped us better understand investor expectations regarding SRI fund demand, including funds addressing climate impacts. Our measure of success will be our ability to meet client demand for these products.

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

Method of Engagement - Through the activities of IGM's subsidiaries, we are committed to ensuring we engage with companies in our investment portfolios on material environmental, social and governance risks and opportunities, including climate change. Our Mackenzie Investments internal investment managers and sub-advisors for all three operating companies engage through proxy voting on environmental issues, as well as through meetings and discussions to better inform our financial and ESG analysis of companies. IGM's subsidiary, Investment Planning Counsel also uses the engagement services of ISS to enhance its engagement on ESG issues, including climate change.

Strategy for Prioritizing Engagements - IGM Financial will prioritize engagements where there may be material climate-related issues. For example, Mackenzie Investments engaged with TransAlta in 2017 to understand its strategy to transition away from coal-fired power capacity. This engagement was driven by the Government of Alberta's mandate to end coal-fired power generation by 2030. Coal-fired power plants represent about 10% of electricity generated in Canada, with most of the remaining generation taking place in Alberta. Furthermore, TransAlta represents more than half of this remaining coal-fired power capacity.

The Mackenzie Investments team engaged with TransAlta to better understand their timeline for conversion, influence a quicker conversion timeline to maximize environmental benefits of the conversion, recognizing that carbon emissions are almost halved and particulate emissions are effectively eliminated from converted generation. In 2017, members of the team discussed these issues with the CFO and Treasurer, and had a follow-up meeting with the Chairman and a Director of the Board.

Measure of Success - IGM Financial's measure of success is in having influenced companies towards strategies that support a low carbon economy, in a way that ensures their long-term resilience as a business. Following these discussions, TransAlta issued a press release on March 1, 2018, indicating it had strengthened its environmental commitment specifically stating: "everything we do in 2018 will move us closer to 100% clean power by 2025."

(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?

Direct engagement with policy makers

Trade associations

✓ **Funding research organizations**

✓ **Other**

No

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

✓ **Yes**

No

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

We engage with a number of organizations on various climate-related issues, and encourage our staff to get involved in the causes we support as a Corporation. For example, the Public Transit Incentive Programs offered to staff provide a detailed illustration of an engagement we undertake.

Method of Engagement – We engage through partnership agreements with various city transit organizations to incentivize the use of public transport for our employees to enable carbon reductions from their travel to and from work. Specifically, we have partnership agreements between Investors Group and Winnipeg Transit and the Montreal Metropolitan Transit Agency. In addition, Mackenzie Investments and Investment Planning Council have partnerships with the Toronto Transit Commission’s Volume Incentive Program (VIP).

Topic of Engagement – We engage with the above agencies so our employees have access to cleaner transportation modes with a lower carbon impact.

Nature of Engagement – The engagements relate specifically to the agency incentive programs aimed at promoting public transit.

Actions advocated as part of the Engagement – Through our engagement with these organizations, we actively advocate for continuation of these programs and possible enhancements to subsidize the cost for employees that use public transit. Through these subsidies, we expect to reduce the use of our employees’ personal vehicles, which ultimately reduce their carbon emissions. In 2017, we estimated that the use of public transit by our employees saved approximately 730 tonnes of CO_2 emissions compared to employees taking their own personal vehicles to work every day.

We also undertake to engage with groups that research and support various climate-related issues. Some examples include:

- Commuter Challenge – We support this program financially and through the Investors Group Green Committee who work 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, we 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. The mission of the program is to reduce total energy use by 10% in participating buildings. Investors Group participated in the program over 2017, engaging with local businesses and employees.
- Business Council for Sustainability - We are a member of the Conference Board of Canada BCS, a network of senior business leaders responsible for environmental management and sustainability who convene to learn and share best practices across a wide range of organizations.
- Fort Whyte Alive – In 2017, we supported the installation of a new solar panel farm at Fort Whyte Alive in Winnipeg. In addition to being a clean energy source, the solar farm will be an educational centrepiece for FortWhyte, which sits on 640 acres of protected urban green space and is known for its programs that foster sustainability and connect people with nature. The centre welcomes more than 100,000 visitors a year and already includes climate change in its programming for school groups. Investors Group has supported environmental programming at Fort Whyte since 1986.

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

Our Corporate Responsibility Committee, comprised of our senior executives, provides oversight to ensure that all direct and indirect public policy activities related to the environment are consistent with our internal policies, strategies and procedures, including our climate strategy.

The programs our operating companies support have publicly disclosed criteria that are available on the program websites. We review these criteria for alignment with the overall giving and business strategies within our operating companies. Each operating company implements its own philanthropic programs, supporting local and national activities and organizations. Our community giving programs, each defined by detailed guidelines, are a balance between centralized giving directed from our corporate head offices and decentralized decisions made by our people. At each operating company, philanthropy and employee involvement strategies are approved by the respective President and CEO. The Sponsorship and Community Engagement management teams of our operating companies review their community investment strategies annually.

Investors Group's funding programs, in particular, provide direct support to a broad range of charitable organizations including organizations active in environmental and climate change issues. For example, Green Action Centre and Fort Whyte were some of the environmental organizations funded in 2017.

(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	Status	Attach the document	Content Elements
In voluntary sustainability report	Complete	2018 Corporate Responsibility Report and Data Tables attached	Governance Strategy Emission figures Emission targets Other metrics

C14 Signoff

Signoff

(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.

Job title	Corresponding job category
President and Chief Executive Officer, IGM Financial Inc. and President and Chief Executive Officer, Investors Group Inc. All other members of IGM Financial’s Corporate Responsibility Committee have also approved the report: President and Chief Executive Officer, Mackenzie Investments; Executive Vice-President and Chief Financial Officer, IGM Financial Inc.; Senior Vice-President, General Counsel, Secretary and Chief Compliance Officer, IGM Financial Inc.; and Senior Vice-President & Treasurer	✓ **Chief Executive Officer (CEO)**