

# 2021

IGM Financial Sustainability Report

## Bettering lives for tomorrow



TSX: IGM





## Our purpose

IGM Financial's family of companies are committed to bettering the lives of Canadians, by better planning and managing their money.

Across our different businesses and communities, we've seen first-hand the power of better planned and managed money, and how it can change lives. It's what inspires and unites us, and drives our business forward.





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KEY TERMS

**Sustainability** – We use the term sustainability to describe a business approach to creating long-term value that takes into consideration how a company impacts the environment, society and economy. Sustainability reporting meets the needs of a variety of stakeholders.

**Environmental, Social and Governance (ESG)** – ESG is a term generally used in the financial industry to describe the environmental, social and governance (ESG) factors considered alongside financial factors in investment decision making.

**Strategic priorities** – We use this term to describe the areas where we – as wealth and asset managers – can make the greatest impact.

**Responsible business practices** – We use this term to describe the ESG topics that are fundamental to our success and creating value, but not unique to our business model.





# Introduction

At IGM Financial, we're committed to being a force for good for our people, clients, communities and shareholders. Bettering lives, for today and tomorrow.

- » About this report
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# About this report

This sustainability report describes the management approaches and performance of IGM Financial and its three principal operating companies: IG Wealth Management, Mackenzie Investments and Investment Planning Counsel. Archived versions of previous reports can be found on our [website](#).

Unless otherwise noted, the information presented here is as at December 31, 2021, and all dollar amounts are in Canadian funds (CAD). Aggregated performance data can be found in our 2021 ESG Data Table beginning on [page 60](#).

Our report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. A GRI Index can be found on [page 71](#). We are also reporting to disclosures within the Sustainability Accounting Standards Board (SASB) Standard that align closest to our company (Asset Management & Custody Activities) and aligning our climate change reporting with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. See [page 80](#) and [page 81](#), respectively.

## Report structure and topics

We have structured this year's report to align with the three strategic priorities that are central to our business and sustainability strategy, and to how we can genuinely create value for society: building financial confidence, advancing sustainable investing, and accelerating diversity, equity and inclusion (DE&I) in finance.

The other two sections focus on our approach to strengthening policies, practices and performance that are the essential components of a responsible business. Report topics are based on our ongoing materiality review (see [page 13](#)).

## External assurance

The information and data in this report were collected and reviewed by subject matter experts across our business. While we conduct internal checks on the accuracy and completeness of the data we report, we also recognize inherent data uncertainty.

Our Greenhouse Gas (GHG) Statement for the year ended December 31, 2021 was independently assured by PricewaterhouseCoopers LLP (PwC). PwC performed a limited assurance engagement over the following: total Scope 1 emissions, total Scope 2 emissions and business travel (air and ground) Scope 3 emissions. The results of PwC's limited assurance engagement are documented in an assurance statement available [here](#).



## YOUR FEEDBACK »

**If you have comments, suggestions or questions, please contact us at [sustainability@igmfinancial.com](mailto:sustainability@igmfinancial.com).**

## RELATED PUBLICATIONS »

[IGM Annual Report](#)

[Management Proxy Circular](#)

[CDP Report](#)

[Mackenzie Investments Sustainable Investing Report](#)

[ESG Analyst Hub for related reports and policies](#)



# About IGM

IGM Financial Inc. is a leading wealth and asset management company supporting financial advisors and the clients they serve in Canada, and institutional investors throughout North America, Europe and Asia.









Our head office is in Winnipeg, Manitoba, and our common shares trade on the Toronto Stock Exchange (TSX: IGM). IGM’s family of companies provide a broad range of financial planning and investment management services to help Canadians meet

their financial goals. The company creates value for shareholders through three key areas:

- Wealth management
- Asset management
- Strategic investments

LEARN MORE »

To learn more about our sustainability commitments and partnerships, and the recognition we have earned for our strong business practices, please see the Corporate Sustainability section of our [website](#).

Metrics as of December 31, 2021		Employees <sup>1</sup>	Products and services	Distribution channels	Clients	Clients assets	Office locations
Wealth Management		2,001	Financial planning and/or advice; mutual funds; private wealth solutions; managed asset programs; securities, insurance, banking and mortgage products	3,278 financial advisors and associates	1M+ retail clients	\$119.6B assets under advisement	Corporate offices in Winnipeg, Toronto and Québec <b>125</b> region offices across Canada
		432		675 financial advisors	198K retail clients	\$33.1B assets under advisement	Corporate and distribution offices across Canada
Asset Management		1,394	Mutual funds; ETFs; private assets; private wealth solutions; managed asset programs; other related services	30,000+ third-party advisors and institutional investors	1M+ retail and institutional clients	\$210.3B <sup>2</sup> assets under management	Corporate offices in Canada, Hong Kong, Beijing, Dublin, London and Boston
Strategic Investments							

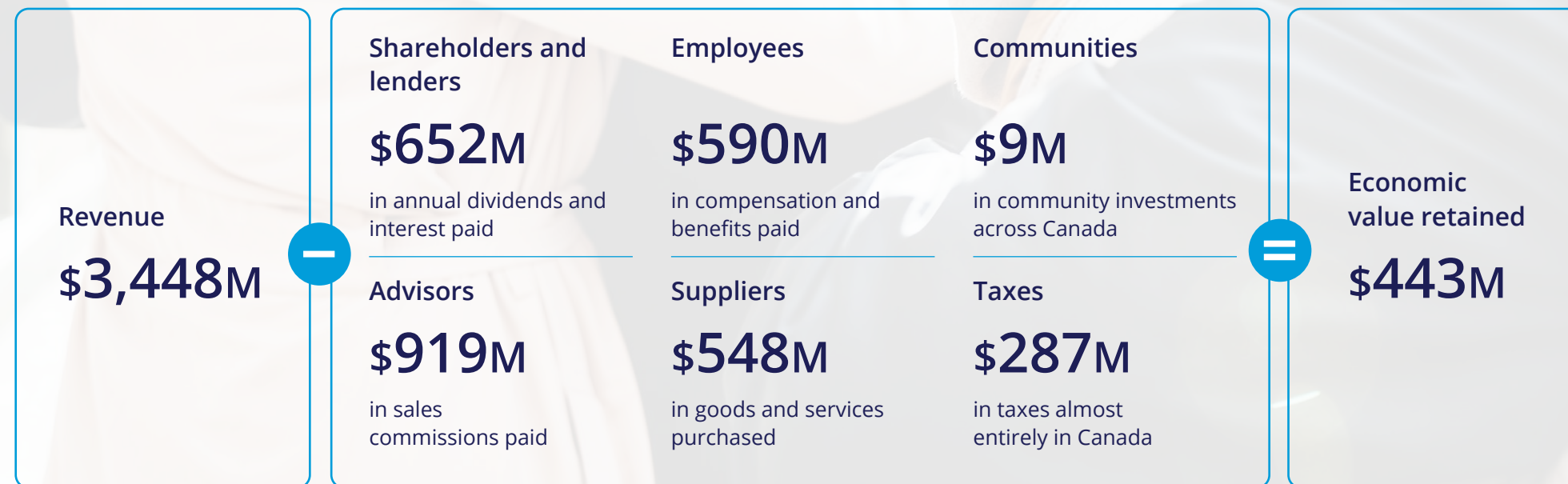
1 Represents permanent employees.  
2 Includes assets sub-advised to IG Wealth Management and IPC of \$81.2 billion.



# Creating shared value

By helping clients better plan and manage their money, we better their lives and create economic value for our shareholders, employees, financial advisors and partners. We also contribute to a healthy financial system and healthy communities – for the benefit of all Canadians. See the [IGM Annual Report](#) for more information.

## 2021 ECONOMIC VALUE DISTRIBUTED







# Message from our CEO

As the world emerges from the pandemic, IGM's purpose – *to better the lives of Canadians, by better planning and managing their money* – reminds us of the role we can play in helping people get back on track to leading the life they desire and to confidently planning for a better future.

Through the pandemic, we've prioritized the health and wellness of our employees and advisors, helped our clients navigate financial challenges, and supported the communities in which we live and work. Though this time has forced us all to take many pauses, we've continued to work with an eye to the future and to how we can create better tomorrows for our stakeholders.

In line with the theme of this year's report – *bettering lives for tomorrow* – we've forged ahead with our strategic sustainability priorities and announced new commitments and collaborations aimed at tackling some of the most pressing social, economic and environmental issues. Our sustainability strategy is focused on accelerating positive change in specific areas where we – as wealth and asset managers – can make the greatest impact. I'm proud to report progress in each of these areas.

## Building financial confidence

Building financial confidence is at the core of our business. We believe that providing Canadians with the knowledge and resources they need to understand and feel confident about their financial plan will help them build a better future and, in turn, improve other aspects of their lives.

In 2021, IG and IPC advisors continued to provide comprehensive financial planning, advice and related services to millions of Canadians in communities from coast to coast. We also rolled out digital tools to enable our advisors to offer an increasingly sophisticated level of counsel. This included, for example, Conquest's next-generation financial planning software to help IG advisors and clients work together to navigate the complexities of planning and create personalized IG Living Plans. Mackenzie, meanwhile, offered independent financial advisors relevant information, news, tools and resources to build their clients' confidence, and their business.

This work with our clients carried over into our communities, where we seek to remove barriers to building financial confidence for youth, seniors, newcomers and Indigenous Peoples. In 2021, IG delivered more than 50 virtual financial literacy workshops, reaching over 4,500 people. As part of this commitment, and our focus on truth and reconciliation, IG is also partnering with Prosper Canada

**James O'Sullivan**  
President and Chief  
Executive Officer,  
IGM Financial

**“Though this time has forced us all to take many pauses, we’ve continued to work with an eye to the future and to how we can create better tomorrows for our stakeholders.”**



to deliver customized financial literacy and education training to Indigenous Peoples in isolated, rural communities.

## Advancing sustainable investing

Sustainable investing continues to gain momentum, as growing numbers of investors look for their investments to deliver superior risk-adjusted returns, while making a farther-reaching impact – such as tackling climate change or promoting equity and inclusion. Mackenzie, IG and IPC are all stepping up to meet the demand.

As an asset manager, Mackenzie is on a mission to make it easy for investors and advisors to integrate sustainable solutions into their portfolios. In addition to launching several products, Mackenzie introduced a new sustainability-focused investment boutique, Mackenzie Betterworld, which invests in companies that are making a positive impact on people and the planet. Thanks to efforts like these, Mackenzie’s assets under management in sustainable solutions grew to \$4.3 billion by year-end 2021, from \$1.6 billion in 2020, and more than 7,000 advisors are now using its sustainable products.

IG launched the innovative IG Climate Action Portfolios this past year – a suite of four diversified managed solutions that offer a new way for clients to support the world’s transition to net-zero emissions and take advantage of the growth opportunities therein. In light of the growing interest, IG also significantly increased its training for advisors on climate change and sustainable investing strategies and solutions, so they can make ESG a regular part of their conversations with retail clients.

## Accelerating DE&I in finance

Events of the past few years have challenged us to think more broadly about systemic racism and inequities that hold people back from realizing their full potential. We’re determined to be a catalyst for change, and the best place to start is within our company and industry. We aim to be a leading voice for advancing DE&I across the financial services industry.

In line with this ambition, we hired our first Vice-President of Diversity, Equity and Inclusion, who helped redefine our strategy to infuse DE&I into our workplace culture, business practices and brand. We’re making good progress – including rolling out objectives for all people leaders to help advance DE&I practices within their teams, and launching volunteer, employee-led business resource groups to elevate the role played by our diverse communities.

In 2021, we endorsed the Canadian Truth and Reconciliation Commission’s Call to Action #92, which asks companies to ensure that Indigenous Peoples are included in and benefit from their business activities. Additional highlights included the recently launched Mackenzie Together community platform, which is dedicated to creating a more inclusive investment world by advancing women through education, financial security and career opportunities.

At the same time, we recognize that achieving our goal of accelerating DE&I will require sustained effort and we are prepared to put in the work.

## Investing in a strong foundation

Underpinning everything we do is a commitment to responsible business practices. We continually invest in the capabilities needed to ensure that we’re meeting our responsibilities and creating value for today and for a sustainable future.

In 2021, we declared our support for a stronger global response to climate change and our commitment to climate action. I encourage you to read the Q&A with our Senior Vice-President, Enterprise Sustainability and Financial Risk ([page 11](#)) to learn more about this.

We also invested in the people who fuel our performance and the culture that inspires them to live our purpose. With the vast majority of our employees and advisors working from home for another year, I cannot thank them enough for being innovative, staying connected to our clients and one another, and remaining productive.

Our people truly are the engine of our success, and the reason why we continue to earn industry accolades. In 2021, all three IGM operating companies ranked as Top 100 Employers, nationally for IG and in the Greater Toronto Area for Mackenzie and IPC. In addition, IGM was recognized in *Corporate Knights’* Global 100 Most Sustainable Corporations for the third year – ranking as the top capital markets and asset management firm in 2022.

We look to the new year with growing confidence that the worst of the pandemic is behind us, and excitement for what’s ahead as we deliver on our purpose. Thank you for your interest in our progress.



**James O’Sullivan**  
President and Chief Executive Officer

# Our sustainability approach

As a leading Canadian financial services organization and an allocator of capital worldwide, we believe that we have a responsibility to engage and act on the issues that matter most to our business and stakeholders.

- » The world around us
- » Recent climate actions
- » Our climate position
- » Material ESG topics
- » Sustainability strategy
- » Sustainable Development Goals
- » Stakeholder engagement



# The world around us

Here's a look at some of the external issues that have influenced IGM's sustainability strategy and its implementation in the past year.

## Net zero

Climate change is a defining challenge of our time with transformative and far-reaching impacts on the global economy and society. In 2021, Canadians witnessed the real risks and impacts of climate change in the extreme weather events in British Columbia and around the world. We also saw growing momentum for climate action with the launch of the Glasgow Financial Alliance for Net Zero (GFANZ) and the outcomes of the United Nations Climate Change Conference (COP26).

As a large Canadian financial services organization and an allocator of capital worldwide, we have a responsibility to both manage the risks posed by climate change, and support the transition to a net-zero economy through our operations, our investment processes and products, and our engagement with clients and others.

## Global pandemic

The global pandemic affected people around the world again in 2021, as new variants and waves of COVID-19 infection resulted in the further loss of lives, pressure on healthcare systems, supply chain disruptions, financial worries and more.

Our employees and advisors continued to work from home for most of the year, and their health and well-being remained a top priority. IG and IPC advisors were in frequent contact with their clients, helping them navigate evolving market conditions and inflation concerns. Most of our community programming was conducted virtually.

## Inequality

Inequalities exacerbated by the pandemic have led to disproportionate impacts on groups of people who were already facing social and economic disadvantages, including women, and Black, Indigenous and other racialized communities.

Accelerating DE&I is a priority in our workplace, and for our industry engagement, community programs and sustainable investing practices.

## Indigenous reconciliation

With the tragic discovery of 215 unmarked Indigenous graves in Kamloops, British Columbia, and then thousands more in other provinces, Canadians faced ugly truths about the legacy of residential schools and the harmful effects many Indigenous Peoples continue to endure.

We believe every generation of Canadians must learn the truth about Indigenous history and participate in the healing journey. While we have increased our support of Indigenous communities throughout our business, we know there's more that we – and our whole country – can do.

## Regulations and reporting

As investor interest in sustainability grows, there's mounting pressure on companies to provide more information on their ESG governance, risk, strategies, targets and performance. Regulators are responding by introducing ESG disclosure requirements that

promote transparency, reliability and consistency in the way this information is reported. Standards-setters are contributing by coming together to deliver a consolidated, global set of sustainability-related disclosure standards.

IGM supports the standardization of ESG data both as an issuer and in support of our sustainable investing practices. We are following the developments and are participating in consultations to inform the future direction. We also commit to evolving our practices in line with emerging reporting standards.



# Recent climate actions

## Interview with Andrea Carlson

### Why was it important for IGM to release a Climate Position Statement in 2021?

At IGM, we've long recognized the role we can play in tackling climate change and the need to be transparent about our plans and progress. IGM was an early adopter of voluntary reporting to CDP and, in 2019, we committed to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

To implement TCFD, we gathered a working group of cross-functional leaders to spearhead our efforts. One of their early recommendations was to define our north star, so as to ensure clear alignment across the company on our climate commitments and plans, and this recommendation ultimately led to our Climate Position Statement. We rallied around three commitments that would contribute to driving progress on global climate objectives: investing in a greener, climate resilient economy; collaborating and engaging to help shape the transition; and demonstrating alignment through our corporate actions. These commitments are now guiding us as we move forward.

### How has the statement furthered your approach to tackling climate change?

It has helped deepen our collective understanding of climate change and how it relates to our business, and clarified the actions we are prepared to take. It has also facilitated discussions on what more we can do.

We've started to evaluate climate metrics beyond traditional emissions measurements, and we're enhancing our tools, resources and target setting across our Scope 1, 2 and 3 emissions. We're also participating in more climate discussions within our industry and in collaborative engagements.

**"Each year, we look to enhance our climate and reporting practices as we implement the TCFD recommendations."**



**Andrea Carlson**  
SVP, Enterprise  
Sustainability and  
Financial Risk

Our commitment to be carbon neutral in our own operations is also driving an increased focus on how we can further reduce emissions from our offices and travel so that our use of carbon offsets decreases over time. Our corporate services and sustainability teams are working together to review and enhance our long-term plans.

### What are the next big milestones you want to achieve?

As part of Mackenzie's commitment to the Net Zero Asset Managers initiative, we'll be setting short-term targets for a portion of Mackenzie's assets under management in line with the global goal to achieve net zero by 2050. We're also enhancing our climate-related engagement practices and encouraging companies to set their own science-based emissions reduction targets.

IG is making a concerted effort to work with each of its investment sub-advisors to better understand where they are in their climate journeys and to inform the next steps that it can take.

Across IGM, there's an ongoing focus on educating employees and advisors, and reviewing advancements in net-zero standards and science-based target-setting methodologies. As part of our

commitment to the Partnership for Carbon Accounting Financials, we're also working with our peers to bring industry-wide consistency to the measurement and reporting of investment emissions.

### What are your plans for reporting in the coming year?

Each year, we look to enhance our climate and reporting practices as we implement the TCFD recommendations.

We provide TCFD-compliant information in our annual sustainability report and financial reports to align with the goal of including climate disclosure in mainstream reporting. We've been reporting to CDP since 2013 and have been recognized at a leadership level for the past five years, despite the requirements becoming increasingly stringent every year in line with the TCFD recommendations.

Mackenzie will be reviewing its disclosure requirements under the Net Zero Asset Managers initiative, including the need to publish a climate action plan and related targets in 2022.



# Our climate position

In November 2021, IGM officially introduced its climate commitments, in support of the global climate momentum achieved during COP26. Our commitments focus on the three areas where we can make our greatest contribution to the global transition to a low-carbon economy:



## 1. Investing in a greener, climate-resilient economy

Our investment processes and products give us the opportunity to manage climate risks and create innovative solutions to ongoing climate issues.



## 2. Collaborating and engaging to help shape the global transition

We play a vital role in bringing climate-smart investment advice and solutions to clients, helping companies adapt, and participating in industry and policy advancements.



## 3. Demonstrating alignment through our corporate actions

We will hold ourselves to a similar standard that we expect from the companies we invest in and empower our employees to stand behind our commitments.

With our Climate Position Statement as a north star, our operating companies are empowered to pursue climate risks and opportunities in the way that best represents their distinct identities and business models and where they bring unique value to or impact global climate objectives.

Our full Statement, with our detailed commitments, is posted on our [website](#).

17 PARTNERSHIPS FOR THE GOALS



## Collaborating for change

Engaging in regulatory and policy dialogue, and collaborating to advance science-based approaches, data and tools, play a big role in how we're helping our sector stand as a confident ally in the fight against climate change. Recent initiatives include the following:

- IGM joined the [Partnership for Carbon Accounting Financials](#) to support our journey to measure and disclose the GHG emissions associated with our loans and investments.
- IG and Mackenzie became founding signatories to the [Canadian Investor Statement on Climate Change](#), calling for increased accountability in the private sector.
- IG and Mackenzie joined [Climate Action 100+](#), an investor-led initiative to ensure the world's largest corporate emitters take action on climate change.
- Mackenzie became a signatory to the [Net Zero Asset Managers Initiative](#), joining global asset managers committed to supporting the goal of net-zero financed emissions.
- Mackenzie is a founding participant in [Climate Engagement Canada](#), a finance-led initiative driving dialogue with industry to promote a just transition to a net-zero economy.



# Material ESG topics

To succeed as a company, we need to identify, understand and manage the ESG topics that matter most to our stakeholders and our business. Guided by the GRI Standards materiality principle, we have an ongoing process for identifying and prioritizing relevant social, environmental, governance and economic topics.

When identifying topics, we consider emerging trends and issues relevant to our industry – including sector-relevant topics addressed by peers, the GRI Standards, SASB Standards and TCFD recommendations. We also consider issues raised in public discussions and through our interactions with ESG rating agencies and research firms.

Our prioritization of topics considers input from both internal and external stakeholders, including feedback from our business leaders and the Sustainability Committee. While much of our stakeholder engagement takes place on a day-to-day basis through regular interactions, we also employ formal methods of engagement such as surveys, forums and meetings. Examples of topics raised in 2021 through stakeholder engagement are provided on [page 16](#).



**Our prioritization of topics considers input from both internal and external stakeholders, including feedback from our business leaders and the Sustainability Committee.**

The outcome of our process is a list of material topics that we include in our sustainability strategy and report ([page 14](#)). Topics are grouped into two categories:

- **Strategic priorities** – Topics that are central to our business and sustainability strategy, representing areas where we can make our greatest contribution to accelerating sustainable development and creating long-term business and societal value.
- **Responsible business practices** – Topics that are managed in the regular course of our business and that enable us to meet our sustainability commitments and stakeholder promises, and to enhance trust in our company.

Due to their interconnectedness with other topics, client experience and climate change do not have their own sections in this report. Rather, information on our approach to these topics is woven throughout the report on relevant pages. Aspects of client experience are also discussed in our 2021 Annual Report. Discussions on climate change can be found in the Risk Management, Sustainable Investing and Environmental Footprint sections of this report, and in the TCFD Report in the Appendix.

## MATERIALITY PROCESS

### IDENTIFY ESG TOPICS



External disclosure frameworks (GRI, SASB, TCFD)



Assess material topics from ESG rating agencies, industry and emerging trends



List of potential ESG topics

### ASSESS AND SET PRIORITIES



Business strategy & leader interviews



Stakeholder feedback mechanisms



Sustainability Committee review

### CURRENT MATERIAL ESG TOPICS

- Strategic priorities
- Responsible business practices



# Sustainability strategy

Our sustainability strategy keeps us focused on what matters most to our business and our stakeholders, and seeks to accelerate positive change in areas where we – as wealth and asset managers – can make the greatest impact.



## MATERIAL ESG TOPICS

### STRATEGIC PRIORITIES

- Financial confidence
- Sustainable investing
- Diversity, equity and inclusion

### RESPONSIBLE BUSINESS PRACTICES

- Corporate governance
- Ethics and compliance
- Risk management
- Information security and privacy
- Talent and culture
- Community support
- Environmental footprint
- Client experience
- Climate change



### BUILDING FINANCIAL CONFIDENCE

Offering resources and expertise to help Canadians feel confident about their finances, so they can achieve their goals and own their financial future.



### ADVANCING SUSTAINABLE INVESTING

Advancing sustainable investing practices to generate positive outcomes for our clients' portfolios and the world around us.



### ACCELERATING DIVERSITY, EQUITY AND INCLUSION (DE&I) IN FINANCE






Breaking down barriers in our industry for women; individuals who are Black, Indigenous and People of Colour; and other traditionally disadvantaged groups.

### BEING **HIGHLY TRUSTED** COMPANIES AND THE **BEST** PLACES TO WORK

Being responsibly managed companies that consider social, economic and environmental impacts, and empowering employees to thrive as we pursue sustainable growth.

# Sustainable Development Goals

The UN Sustainable Development Goals (SDGs) are a set of 17 goals that provide a framework for a more sustainable world by 2030. While we contribute directly and indirectly to each of the 17 goals, we recently undertook an exercise to re-examine the SDG indicators that are most relevant to our business. Our findings are described below.

SDGs and relevant indicators		Our contributions
	<p><b>4.5</b> By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable</p> <p><b>4.6</b> By 2030, ensure that all youth and a substantial proportion of adults achieve literacy and numeracy</p>	<ul style="list-style-type: none"><li>Ensuring inclusive and equitable quality education through the development of our employees and advisors, support for students, and a focus on the financial literacy of our clients and community. See Building financial confidence, <a href="#">page 21</a>; Accelerating DE&amp;I in finance, <a href="#">page 29</a>; and Talent and culture, <a href="#">page 48</a>.</li></ul>
	<p><b>10.2</b> By 2030, empower and promote the social, economic and political inclusion of all</p> <p><b>10.4</b> Adopt policies that progressively achieve greater equality</p> <p><b>10.5</b> Improve the regulation and monitoring of global financial markets and institutions and strengthen the implementation of such regulations</p>	<ul style="list-style-type: none"><li>Tackling inequalities through our new diversity, equity and inclusion strategy, our Empower Your Tomorrow programs, and our commitment to a just transition to net zero.</li><li>Where previously we identified SDG#1 (No Poverty) and SDG#5 (Gender Equality), we believe that the expanded scope of our activities is more closely aligned to the delivery of SDG#10. See Building financial confidence, <a href="#">page 21</a>; Advancing sustainable investing, <a href="#">page 24</a>; and Accelerating DE&amp;I in finance, <a href="#">page 29</a>.</li></ul>
	<p><b>13.2</b> Integrate climate change measures into national policies, strategies and planning</p> <p><b>13.3</b> Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning</p>	<ul style="list-style-type: none"><li>Managing climate change through our risk management and sustainable investing processes, engaging with investee companies, reducing our environmental footprint, and demonstrating transparency in climate-related disclosures. See Advancing sustainable investing, <a href="#">page 24</a>; Risk management, <a href="#">page 42</a>; and Environmental footprint, <a href="#">page 56</a>.</li></ul>
	<p><b>16.5</b> Substantially reduce corruption and bribery in all their forms</p> <p><b>16.6</b> Develop effective, accountable and transparent institutions at all levels</p> <p><b>16.7</b> Ensure responsive, inclusive, participatory and representative decision making at all levels</p>	<ul style="list-style-type: none"><li>Playing a role in Canada's financial services sector through our leadership in a number of regulatory, governance and standards associations, which work in the interests of the investing public. See Advancing sustainable investing, <a href="#">page 24</a>; Corporate governance, <a href="#">page 36</a>; and Ethics and compliance, <a href="#">page 39</a>.</li></ul>
	<p><b>17.16</b> Enhance global partnerships for sustainable development to support the achievement of the goals in all countries</p>	<ul style="list-style-type: none"><li>Our joint commitments and collaborations are identified throughout this report. A full list of our <a href="#">recognition and commitments</a> can be found on our website.</li></ul>



# Stakeholder engagement

Through engagement with stakeholders, we learn about their needs, expectations and concerns, ensure their voices are considered in our decision making and activities, and collaborate to advance greater progress.

## Clients



### WAYS WE ENGAGE

- Annual client and advisor surveys
- Client service call centres
- Advisory panels and focus groups
- In-person and virtual communications

See [page 18](#) for details.

### KEY TOPICS IN 2021

- Navigating volatile markets, including inflation concerns
- Sustainable investing education and events, including climate-focused events
- Diversity, equity and inclusion

## Shareholders



### WAYS WE ENGAGE

- Annual General Meeting
- Quarterly earnings calls
- Conferences and road shows
- Investor/analyst meetings, ad hoc communications
- ESG rating agency and research firm communications
- Board engagement mechanisms

### KEY TOPICS IN 2021

- ESG and climate disclosures
- Board diversity
- Indigenous-oriented actions and reconciliation
- Enhancing governance disclosures
- Implementing an advisory vote for Say on Pay

## Employees



### WAYS WE ENGAGE

- Engagement and pulse surveys
- Employee forums and intranet
- Performance and development discussions
- Email bulletins
- Team meetings and townhalls with local leaders
- Q&A webcasts with executives

### KEY TOPICS IN 2021

- Business/performance updates
- Corporate values
- Health and wellness
- Diversity, equity and inclusion events and training
- Indigenous reconciliation
- Environmental responsibility

Stakeholder engagement (continued)



We’re having more conversations around ESG with investors and analysts, seeing increased interest from clients on sustainable investing, and engaging more frequently with employees and others on environmental and social issues.

Financial advisors



WAYS WE ENGAGE

- Surveys, meetings, focus groups
- Client service teams and call centres
- Conferences, training and webinars
- Online collaboration platforms

KEY TOPICS IN 2021

- Client service products and new digital tools
- Climate change and sustainable investing
- Product and service needs for diverse clients

Industry partners



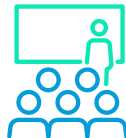
WAYS WE ENGAGE

- Memberships on regulatory committees and industry associations
- Participation on regulatory roundtables, public submissions, industry working groups and technical committees
- Meetings, conferences and events

KEY TOPICS IN 2021

- Just transition to net zero
- Privacy, including new and proposed provincial and federal privacy laws
- Canadian Securities Administrators’ client-focused reforms implementation
- Climate and ESG disclosure and regulatory changes

Communities



WAYS WE ENGAGE

- Community partnership meetings, events
- Community workshops
- Focus groups and sustainability networks
- Financial literacy initiatives and programs

KEY TOPICS IN 2021

- Financial planning
- Financial literacy
- Indigenous reconciliation
- Gender equality



Surveying clients and advisors



IG regularly surveys clients to evaluate their relationship with our company, their advisor and their experience with financial planning. Results are used to align employee and advisor compensation with client satisfaction. Select clients also share their insights and ideas with senior leadership through a client advisory council chaired by the Executive Vice-President, General Counsel.

Through separate quarterly satisfaction surveys, we gather feedback from financial advisors about the quality of their business relationship with us. Advisors also participate in external surveys in which they are asked to rate their firms.

In 2021, we hired a Head of Client Experience to lead a team that will, among other things, bring additional focus to the areas of client and advisor experience, and client affinity segments and loyalty.



8.6/10

In the Investment Executive 2021 Dealers' Report Card, which surveys financial advisors about their firms and the overall wealth management industry, IG's scores increased in 26 of the 27 business categories, the most of any firm in the study. IG's overall score rose from 8.0 in 2020, to 8.6 in 2021. The feedback IG advisors shared in the study showed that the changes put in place to transform the experience for our advisors and clients were making an impact.



IPC surveys its network of financial advisors three times per year. The survey results feed into an Advisor Satisfaction Index, giving advisors a voice and providing us with insights into what's important for our advisors and how we can help them build better businesses. The results captured through this index also influence employees' year-end compensation and give us a Net Promoter Score, which measures the likelihood that an IPC advisor would recommend the firm to another advisor in the industry.



9.0/10

Rated at 9.0 out of 10, IPC was one of the top firms for advisor support and communication in the *Investment Executive* 2021 Dealers' Report Card.



At Mackenzie, advisor satisfaction is measured through the annual Environics Advisor Perception Study and other proprietary surveys, including quarterly brand-tracking surveys conducted by Ipsos.



Strong performance

In 2021 brand tracking, Mackenzie enjoyed stronger relative performance versus competitors in helping or supporting advisors as they build their business, and in its ESG leadership.

ISSUES RESOLUTION

Should issues arise, our operating companies have formal procedures to handle written or verbal complaints from clients. These procedures are guided by the principles of fairness, timeliness and reasonability in their assessment of each issue.

Each client's first point of resolution is their advisor. Call centres at each company assist with routine inquiries and complaints. When problems are escalated, the resolution process includes a

thorough examination of the complaint by dedicated compliance professionals. The investigator contacts the client and conducts a personalized review of the client's concern. Upon completion, the client receives a written summary of the investigation. If a client has a complaint regarding their accounts that cannot be resolved to their satisfaction, they may also contact the Ombudsman for Banking Services and Investments in writing through its website at [obsi.ca](https://obsi.ca).

# Strategic priorities

Our sustainability strategy is focused on positive change in the three areas where we – as wealth and asset managers – can make the greatest impact.

- » Building financial confidence
- » Advancing sustainable investing
- » Accelerating DE&I in finance



# 2021 highlights

## BUILDING FINANCIAL CONFIDENCE



**80+**

virtual financial literacy workshops delivered to more than 7,300 people

**4,000+**

IG and IPC advisors delivering holistic financial planning, advice, and promoting the financial well-being of clients

**\$5M**

commitment between 2021 and 2023 to further the financial confidence of Indigenous communities in Canada



## IG streaming series

takes Indigenous, newcomer, senior and youth entrepreneurs on a financial education journey to unlock their dreams

## ADVANCING SUSTAINABLE INVESTING



**\$4.3B**

assets under management in sustainable solutions at year-end 2021

**7,000+**

advisors using Mackenzie sustainable products

**743**

companies engaged on climate in Mackenzie managed investments

**50%**

of Mackenzie retail investment products received the Morningstar low carbon designation

## Product launches

New environmentally focused products:

- IG Climate Action Portfolios
- Mackenzie Global Green Bond Fund and the Mackenzie Global Sustainable Bond Fund and ETF

## ACCELERATING DE&I IN FINANCE



## Call to Action #92

IGM endorsed the Truth and Reconciliation Commission Call to Action

## DE&I objectives

linked to annual incentives for all people leaders

## Centre of Excellence

established to develop and execute the IGM DE&I strategy and programs

## Gender pay equity

audit undertaken with no significant pay gaps identified



# Building financial confidence

Building financial confidence and well-being is at the core of our business. We believe that providing Canadians with the knowledge and resources they need to understand and feel confident about their personal finances will help them build a better financial future for themselves, and in turn improve other aspects of their lives. The more people we can reach, the better it is for them, for society and for our company.

## Financial planning and advice

Across our operating companies, we build financial confidence by sharing our expertise and relevant news, tools and resources with financial advisors, clients and communities.

IG and IPC advisors provide comprehensive financial planning, advice and related services to Canadians in communities from coast to coast. Advisors' one-on-one relationships with clients often span decades, as the advisors work closely with their clients to help them meet financial goals at different stages of their lives. At Mackenzie, the focus is on helping advisors stay at the forefront of our industry, keeping them informed and educated so they can support their clients and build their financial future.

We continue to introduce sophisticated digital tools and new processes to modernize the client experience and free up more time for our advisors to attend to their clients' financial planning needs. One of the latest, CapIntel, helps IG advisors monitor client investment portfolios and efficiently address expanded "know your client (KYC) and know your product (KYP) rules that are part of new client-focused reforms, enabling them to spend more time on financial planning.

In 2021, we created the role of Head of Financial Planning at IG to advance our financial planning and advice strategies and offerings. This new position and team will also work to enhance advisors' skills and knowledge, and act as thought leaders and ambassadors in promoting the value of comprehensive financial planning.

As we evolve our high net worth (HNW) wealth management services, IPC added a similar role, Head of Wealth Management, to strengthen capabilities to support services such as tax, estate and financial advice. IPC is also focused on deepening its talent in portfolio advisory to deliver high-value portfolio design consultation to support advisors' growth.







## Tracking financial confidence

The IG Financial Confidence Index, which is part of the IG Empower Your Tomorrow program, tracks and reports on Canadians' overall financial confidence through 10 survey questions.

The 2021 end-of-year survey showed Canadians' financial confidence steadily climbing from late 2020, to spring of 2021, to the fall. However, certain groups such as Indigenous communities still sit below the national average, and only one in two women feels she's better off coming out of the pandemic. Here are some of the findings.

### National service desks

We firmly believe that building long-term relationships with clients is the best way to help individuals reach their financial goals – at every stage of their lives. The IG National Service Centre and IPC National Accounts Desk are centralized services for providing account support and financial advice to client households with smaller accounts, enabling us to offer a targeted, consistent and real-time experience.

The licensed financial representatives leverage technology to help clients manage their plans and investment accounts, and they assist with mortgage, banking and insurance needs. As their needs evolve, clients have access to advisors who focus on more complicated and sophisticated financial planning.

**57**

The average financial confidence of Canadians rose seven points from 2020

**53%**

of women feel they are better off financially coming out of the pandemic

**64**

Canadian seniors and new Canadians scored seven points above the national average

**79%**

of Canadians who consulted a financial planner felt prepared and on track to meet their financial goals (vs. 59% who had not)

**49**

Indigenous Canadians scored eight points lower than the national average

## Financial literacy

Financial literacy is an essential life skill. Having the knowledge, tools and confidence to make responsible financial decisions not only improves a person's financial well-being, it also goes a long way to improving other aspects of their life and their prospects for the future.

IG's longstanding partnership with the Canadian Foundation for Economic Education (CFEE) is one of our main vehicles for advancing financial literacy. Together, we've impacted the financial education curriculum in provinces across Canada and improved the ability of hundreds of thousands of Canadians to better undertake their financial decisions.

We shifted to virtual financial literacy workshops partway through 2020 and continued this format in 2021. The results were outstanding – over 80 workshops delivered to more than 7,300 seniors, youth, parents and teachers in sessions during the year. Given the success, we intend to offer both virtual and, when circumstances permit, in-person sessions going forward.



**IG's longstanding partnership with the Canadian Foundation for Economic Education (CFEE) is one of our main vehicles for advancing financial literacy.**

## Financial inclusion

### IG Empower Your Tomorrow

Alongside our business activities, we promote financial confidence through our community program, IG Empower Your Tomorrow. Through IG advisors, national partnerships, community seminars, events and educational materials, the program works to remove barriers to financial confidence among four traditionally underserved groups, as follows.

**Indigenous Peoples** – Canada’s Indigenous Peoples are a vital part of our country’s culture, yet many face unique barriers to financial wellness on a daily basis. We partner with organizations like [Opportunities for Employment](#) to provide financial education and job training.

2021 was the first official year of the IG Empower Your Tomorrow Indigenous Commitment, which will dedicate \$5 million over five years to support programs and initiatives to further the financial confidence of Indigenous communities in Canada. As part of this commitment, we’re partnering with [Prosper Canada](#) to deliver customized financial literacy and education training. This education focuses on vital topics, such as access to personal identification, tax filing, benefits applications, money management and Registered Education Savings Plan (RESP) workshops. Through a train-the-trainer approach, this work will include a capacity-building element for Indigenous communities that will benefit future generations.

**Newcomers** – Learning the financial systems of a new country can be daunting, which is why we work with the [Immigrant and Refugee Community Organization of Manitoba](#) (IRCOM) to provide financial education in newcomers’ first language. We also have a longstanding partnership with United Way and support local chapters across the country so they can offer financial literacy programs to newcomers.

**Seniors** – Seniors in our communities often face unique financial challenges that come with age. We offer support through financial planning workshops and webinars designed to guide seniors through financial considerations in collaboration with our national partners, including the Alzheimer Society of Canada. The IG Walk for Alzheimer’s is an annual event to raise awareness and funds to support people and families living with Alzheimer’s disease and other dementias. A virtual walk for the past two years, the event raised \$5.2 million in 2021. Learn more about our community investments on [page 54](#).

**Youth** – In addition to our CFEE partnership, and recognizing basic literacy as a precursor to financial literacy, we support Dyslexia Canada’s Mark It Read national campaign, which raises awareness and support for the 10–20% of Canadian children living with dyslexia.

### PRESENTING THE DREAM TEAM

In time for Financial Literacy Month in November, the IG Empower Your Tomorrow program presented an eight-episode CBC Gem series called *The Dream Team*.

The series took Canadians on a journey of financial education as passionate Indigenous, newcomer, senior and youth entrepreneurs overcame barriers to unlock their dreams. The show demonstrated the powerful impact of supporting communities with foundational financial education and advice.

Led by Manjit Minhas of Dragon’s Den fame, The Dream Team was a group of business and financial experts (including IG experts) who guided these promising entrepreneurs.





# Advancing sustainable investing

Over the past two years, the pandemic, climate change and other environmental and social issues have accelerated an already increasing focus on sustainable investing. More investors are looking to drive positive change in their portfolios and the world, to mitigate the risks of ESG trends and to capitalize on the opportunities these trends present.

At IGM, we have a longstanding practice of being sustainable investors to better manage risk and generate long-term sustainable returns for our clients. All of our operating companies have formalized their commitments through sustainable investment policies, which outline the approach taken to integrate ESG criteria in investment analysis and decision making processes, and to enable active ownership through engagement and proxy voting.

This approach is aligned with the long-term interests of our clients, with the financial markets and economies in which we operate, and ultimately with broader social and environmental goals. IG and Mackenzie are signatories to the PRI, which offers a framework for integrating ESG factors into the investment analysis and decision making process for mainstream investment managers.

There are, however, differences between our operating companies because of their distinct business models. IG and IPC offer investment funds to their retail clients, which are primarily managed by high-quality external sub-advisors (asset managers). As a result, their primary role is to monitor and evaluate the sustainable investing practices of these sub-advisors, and to select those uniquely positioned to deliver on certain fund mandates.

Mackenzie is an investment manager providing investment solutions to retail, institutional and strategic accounts through a boutique structure that includes internal investment teams along with external sub-advisors in select specialized areas. Investment boutiques implement tailored approaches to sustainable investing – from more conventional ESG risk mitigation strategies to impact investing, whose principal goal is to bring about positive societal impact while also delivering attractive returns.

More information about each company's approach and progress is provided on the following pages.



» **Mackenzie has started using an ESG investment tool which leverages the SDGs to measure the sustainable impact of a company's products and services. Funds are assessed to identify the positive or negative contribution of each holding's products or services toward the SDGs, and the results translate into an overall score.**

## Who has responsibility

Oversight of sustainable investment policies and processes is the responsibility of the Senior Vice-President, IG Investments, at IG; the Chief Investment Officer (CIO) at IPC; and the two CIOs and Head of Sustainability at Mackenzie. IG and Mackenzie both have Sustainable Investing Committees that include broad representation to advance implementation of sustainable investing practices.

SUPPORTING A JUST TRANSITION TO NET ZERO

13 CLIMATE ACTION



Ahead of the United Nations COP26, IG and Mackenzie joined Canadian institutional investors managing \$5.5 trillion in signing the [Canadian Investor Statement on Climate Change](#). The Statement calls on companies to act on their material climate risks and makes clear the actions major Canadian investors will take to advance the global pursuit of net zero.

In adding their names, investors also signalled their support for a distinctly Canadian transition to net zero that leaves no worker or community behind, is informed by Indigenous perspectives and supports Indigenous economic opportunities.

Mackenzie was also a founding participant in [Climate Engagement Canada](#), a Canadian-focused initiative driving dialogue with industry to promote a just transition to a net-zero economy.



Sustainable investing approach





IG's commitment to sustainable investing includes being a member of Canada's Responsible Investment Association (RIA), and a signatory to the PRI, the TCFD and [Climate Action 100+](#). We partner exclusively with asset managers who are also signatories to the PRI and share our commitment to sustainable investing through:

- **ESG integration** – Sub-advisors must assess material ESG factors in investment analysis and decision making, in order to better understand risks and identify opportunities that maximize investment performance
- **Active ownership** – Sub-advisors are expected to be active owners through proxy voting and engagement, as a way of influencing and improving corporate ESG behaviour
- **Collaboration efforts** – We and our sub-advisors collaborate with like-minded organizations to promote and advance the sustainable investing landscape

Sub-advisors are selected through a rigorous due diligence process that includes evaluation of their ESG integration and active ownership practices. The ongoing oversight process includes an annual comprehensive sustainable investing assessment and a thorough competencies review.

In early 2022, we enhanced our expectations of sub-advisors through a formal letter encouraging them to support the [Glasgow Financial Alliance for Net Zero \(GFANZ\)](#) by joining the Net Zero Asset Managers Initiative, and to become signatories to both the TCFD and [Climate Action 100+](#). The letter will be followed by meetings with the sub-advisors to talk about their climate action commitments and strategies.

## IG CLIMATE ACTION PORTFOLIOS

The [IG Climate Action Portfolios](#) are a suite of four diversified managed solutions developed with leading global asset managers, sub-advised by Mackenzie Investments, as a new way for clients to support the world's transition to net-zero emissions and take advantage of the growth opportunities therein. Launched in late October 2021, the Portfolios have been very well received.

The Portfolios invest in equity and fixed-income securities that are believed to reduce the risks, and/or are expected to benefit from the opportunities, associated with climate change or the transition to a net-zero emissions global economy.

Coincident with the launch, IG University, our learning institute for IG advisors, rolled out training on the Portfolios, climate change and sustainable investing in general, which will be expanded in the coming year to further equip our people to educate and advise their clients.

## ALIGNED WITH NET ZERO

Like the global net-zero initiative, IG Climate Action Portfolios will aim to balance the greenhouse gases emitted by their underlying investments with the amount they remove from the atmosphere using carbon offsets.

### Investment strategy

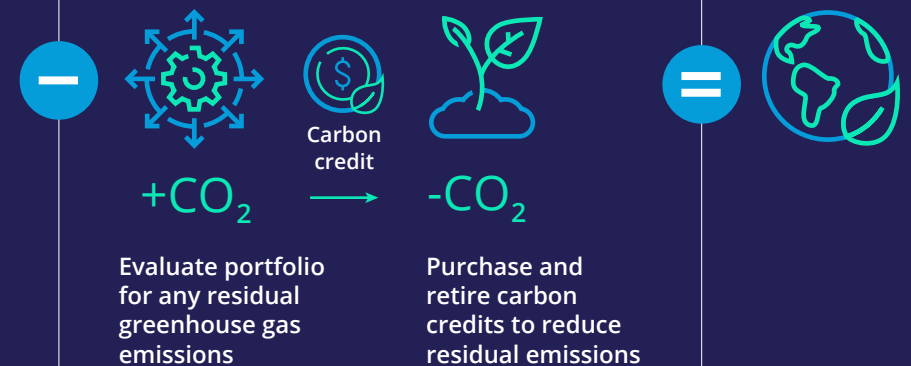
IG Climate Action Portfolios are designed to provide exposure to one or more of the following types of climate-related approaches:

- 1 **Best-in-class investing:** In companies with leading climate policies and practices.
- 2 **Help fuel the transition:** Invest in companies or products that are helping advance the green transition.
- 3 **Bypass GHG emissions:** Avoid high greenhouse gas emitters and invest in funds that focus on lower-carbon intensive sectors.
- 4 **Active climate stewardship:** Engage with company management and utilize proxy voting or prioritize climate policies and outcomes.

### Offsetting strategy

The portfolios will seek to reduce the greenhouse gas emissions from the underlying investments.

#### How it works







At IPC, we recognize the growing importance of integrating ESG factors into investment processes to deliver sustainable long-term returns. This is particularly true for macro themes like climate change, which will have potentially significant impacts on all assets in the future. As such, sustainable investing for us is primarily about managing risk, rather than imposing one social theme or belief on investors.

Our approach to sustainable investing focuses on three pillars, which are applied across all of our actively managed solutions and which work together to enhance the sustainable characteristics of our sub-advised investment mandates and maintain and improve long-term outcomes for the benefit of our clients:

- Active ownership through proxy voting and corporate engagement
- Exclusion of companies that contravene ESG standards or whose operations involve anti-social business activities (e.g., controversial weapons, thermal coal mining and tobacco) ESG integration practices of sub-advisors

- We evaluate ESG integration practices in selecting new sub-advisors and in the regular due diligence process for existing sub-advisors

We use the services of ISS, a leading provider of corporate governance and sustainable investment solutions, for proxy voting and engagement. ISS analysts make recommendations on proxy voting to promote ESG policies, which we and our sub-advisors follow in casting our votes. Through ISS, we participate in a pooled engagement service that targets companies that have identifiable ESG risks in their business or that are laggards in their industry on key ESG themes.

We also offer dedicated ESG-focused solutions for both our retail and high net worth clients who want to align their portfolios with their principles.



As an asset manager, Mackenzie is on a mission to make it easy for investors and advisors to integrate sustainable solutions into their portfolios. With efforts spearheaded by our Sustainability Centre of Excellence, we're advancing our sustainable investing capabilities, culture and impact by focusing on three areas:

- Strengthening our corporate and investment management sustainability practices
- Meeting investors' growing demand for sustainable solutions with in-house investment and reporting capabilities
- Solidifying our role with consistent advocacy, thought leadership and disclosure founded on ESG research and insights

### Five key principles guide our approach to sustainable investing:

- 1 Creating value:** We prioritize creating value for our clients by achieving compelling long-term, risk-adjusted returns across a diversified investment shelf.
- 2 Integrating material ESG factors:** Our investment boutiques integrate factors material to risk and return, including material ESG factors, which present financial risks and opportunities.
- 3 Engaging companies and issuers:** As long-term investors and stewards of capital, we believe in company and debt issuer engagement and proxy voting to promote good governance and management of material ESG issues. We prefer constructive engagement over divestment.
- 4 Aligning values:** We offer sustainable core, thematic and impact solutions that aim to generate returns and meet the demands of clients who want to align their investments with their values.
- 5 Prioritizing advocacy:** We believe that by aligning our internal and external efforts, we can make a greater impact on building a more sustainable future. We prioritize good governance, climate action, and diversity, equity and inclusion.

Mackenzie Investments (continued)

2021 was a year of significant progress for Mackenzie, which saw assets under management in sustainable solutions rise to \$4.3 billion by year-end 2021, from \$1.65 billion in 2020. In addition, more than 7,000 advisors are now using our sustainable products as part of their clients’ portfolios.

Other achievements included the following:

- Updating and simplifying our Sustainable Investing Policy
- Releasing our first stewardship report
- Introducing a new investment boutique, Mackenzie Betterworld, which invests in companies that are making a positive impact on people and the planet
- Launching several sustainable solutions, including the Mackenzie Global Green Bond Fund and the Mackenzie Global Sustainable Bond Fund and ETF
- Signing on to industry climate commitments (see [page 12](#)) and advancing our firm-wide climate action plan, by identifying the 100 companies in our retail equity portfolios that account for 70% of our retail equity carbon intensity, and developing a strategy to engage with these companies to drive meaningful progress
- Providing foundational climate training across our investment teams

LEARN MORE »

[2021 Mackenzie Sustainable Investing Report](#)



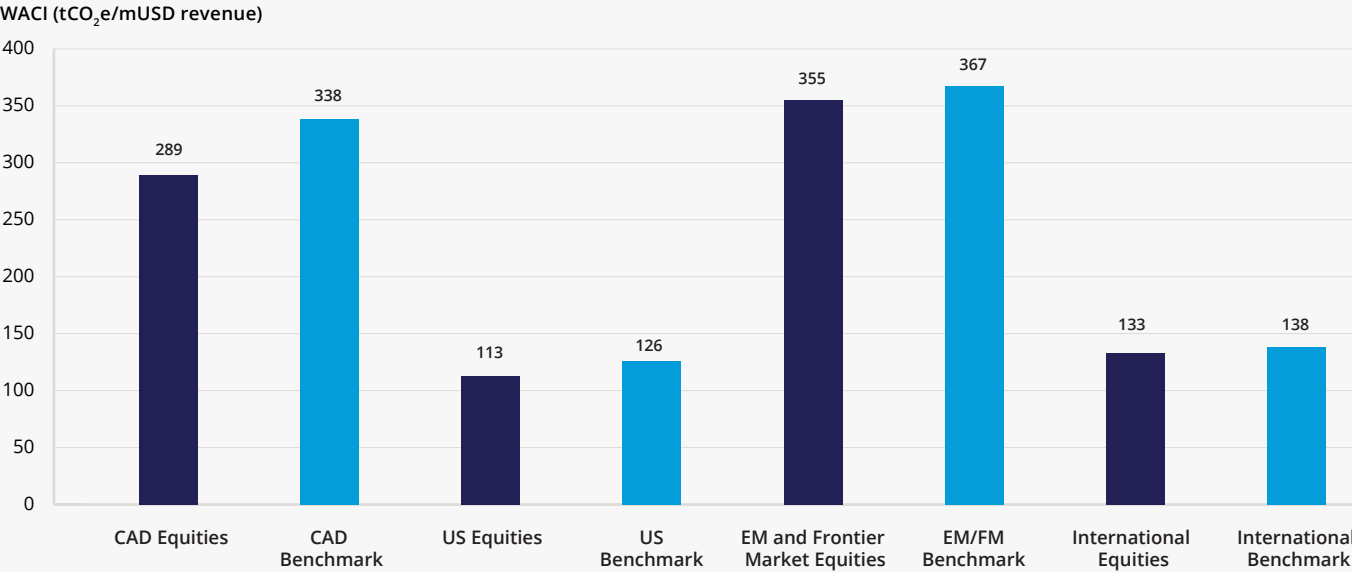
WEIGHTED AVERAGE CARBON INTENSITY (WACI)



Following TCFD recommendations, Mackenzie performed its first comprehensive measurement of GHG emissions in its equities in 2021. While we believe that data quality will continue to improve in the coming years, we feel that tracking and disclosing the data available to us at this time is an important first step toward improving our transparency and decarbonizing our portfolios. We remain committed to improving our data quality over time and are collaborating with peers to establish consistent rules for measuring and disclosing the GHG emissions associated with our investment activities.

With representation from across Mackenzie’s investment boutiques, a climate champions working group was established to manage climate risk, primarily through engagement with our highest emitters in Canada, where we have the bulk of our assets and financed emissions. Going forward, this group will work to deliver on Mackenzie’s commitment to the Net Zero Asset Managers initiative, including target setting, which will take place later in 2022.

The chart below shows Mackenzie’s weighted average carbon intensity versus benchmarks, broken down over different regions.



Includes Scope 1 and 2 emissions at Dec. 31, 2021 for: Mackenzie managed equities in Canada (CAD 52bn), US (CAD 52bn), EM/frontiers markets (CAD 5bn) and International (CAD 22bn).

Benchmarks: CAD Equity vs. S&PTSX Composite Index, US Equity vs. Solactive US Large Cap Index, EM and Frontier Market Equity vs. Solactive GBS Emerging Markets Lrg & Mid Cap Index, International Equity vs. Solactive GBS Dev Mkts ex NA Lrg & Mid Cap Index.

Source: S&P Global Trucost, a leader in carbon and environmental data and risk analysis. Trucost uses a variety of publicly disclosed sources, such as company financial reports. In the absence of disclosures, Trucost’s environmentally extended input-output model combines industry-specific environmental impact data with quantitative macroeconomic data on the flow of goods and services between different sectors in the economy to estimate carbon emissions.

# Accelerating DE&I in finance

Two years marked by striking social challenges have made us acutely aware of the inequalities that exist in our world and the barriers that hold too many people back. The need for change has never been more evident, and companies like ours can make a difference. We believe one of the greatest contributions we can make is through sustained action on DE&I within our company, our investments, our industry and our communities.

We aim to use our voice to advance DE&I across the financial services industry by creating an inclusive culture where difference is embraced and leveraged, and our connections to each other and to our clients, stakeholders and communities are strengthened.

In line with our ambition, we endorsed the Canadian Truth and Reconciliation Commission’s Call to Action #92, which calls on companies to ensure that Indigenous Peoples are included in and benefit from their business activities. IG signed the Winnipeg Indigenous Accord in 2017 and has reported on its goals and [progress](#) each year since.

We have also committed to the UN’s Women’s Empowerment Principles, and all of our operating companies have made public pledges to end anti-Black systemic racism by signing on to the BlackNorth Initiative.

In 2021, we hired our first VP, Diversity, Equity and Inclusion to refresh, expand and implement our strategy across all of IGM. We also required that all IGM people leaders have a DE&I objective as part of their annual short-term incentive objectives. For information on Board diversity, please see our [Management Proxy Circular](#). We also promote DE&I in our investment processes and products. See [Advancing sustainable investing, page 24](#), to learn more.

## Who has responsibility

Our Diversity, Equity and Inclusion Centre of Excellence partners with leaders to accelerate IGM’s mandate to integrate DE&I into all business and people practices, and works directly with the business to deliver programs and initiatives that accelerate inclusive practices and enable business success.

Our DE&I strategy is focused on three pillars as follows:



### Inclusive workplace

**Nurturing a culture of allyship and inclusive leadership by:**

- Embedding a DE&I lens into everything we do
- Expanding DE&I awareness, capabilities and behaviours
- Supporting business resource groups (BRGs) to deliver on their goals



### Diverse talent

**Attracting, developing, retaining and accelerating diverse talent by:**

- Driving accountability for diverse representation
- Engaging with external partners to access talent
- Collaborating with IGM leaders on talent initiatives



### Clients and marketplace

**Leveraging DE&I in the marketplace by:**

- Building synergy with IGM’s sustainable investing and corporate sustainability efforts
- Amplifying our social media voice and thought leadership
- Pursuing partnerships that enhance our strategy

## RELATED PUBLICATIONS »

- [Code of Conduct](#)
- [Workplace Harassment and Discrimination Prevention Policy](#)



DE&I governance

Our newly adopted DE&I governance structure involves people at all levels of the organization, helping us set a clear tone from the top and encouraging local and grassroots efforts.



All IGM people leaders have a DE&I objective as part of their annual short-term incentive objectives.

IN 2021, WE UPDATED OUR DE&I TARGETS TO:

- 35% women VP+ by 2025 (40% AVP+ by 2025)
- 3.5% Black executive representation by 2025
- 3% Indigenous workforce by 2025



Inclusive workplace

We’re committed to building a culture where everyone thrives and is deeply aware of the role they can play in being an ally and supporter of inclusion.

Business resource groups

Elevating the important role our diverse communities play in supporting strategic business priorities, we created business resource groups (BRGs) to replace our more informal Partners in Action teams.

BRGs are volunteer employee-led groups with a common goal of cultivating an inclusive work environment through a focus on career development, mentoring, networking and business impact. We created a BRG playbook to support their success and help them align their goals and activities with our overall DE&I and those of other BRGs. BRG co-chairs and executive sponsors are able to allocate 5–10% of their bonusable performance objectives toward this work.



Inclusive practices

In June, concurrent with many Pride celebrations across the country, we invited all employees to start adding their pronouns to their email signatures as a way of showing their support for individuals with diverse gender identities and gender expressions.

We later launched a French Language Policy to ensure, for example, that English and French communications to any audience that includes Québec stakeholders be distributed at the same time and through the same or comparable medium. All employees are invited to enter their preference of either English or French in our central database so that all company communications they receive are in their preferred language.

TRAINING AND AWARENESS EVENTS IN 2021

330

people attended Advancing Allyship and Anti-racism workshops

4

Allyship and Indigenous Reconciliation webinars

10+

education and engagement events

5

virtual Kairos blanket exercises to deepen understanding of the historic and contemporary relationships between Indigenous and non-Indigenous peoples in Canada

65%

of IGM employees completed inclusive behaviours training



Diverse talent



We’re taking intentional steps to increase diversity at all levels of our organization.

Talent acquisition

Our talent acquisition team continued to embed DE&I into recruiting practices through initiatives such as:

- Ensuring inclusive language in job postings with the help of special software and adding candidate diversity self-identification to the job application process
- Conducting interview training for leaders and hiring managers to reduce bias
- Creating new partnerships and deepening existing relationships with organizations serving diverse communities
- Connecting with students in Canadian universities and colleges, hosting 10 campus events during the 2020–2021 campus season and 23 in the 2021–2022 season

Building a pipeline of talent

In Winnipeg, we created a new role of Senior Talent Advisor, Indigenous Relations, to help build a pipeline of strong Indigenous talent across IGM. The person hired to this role will work closely with our recruiting and DE&I teams to support our business and increase our presence in the Indigenous space.

**The Onyx** Initiative helps Black students and recent graduates access placements, mentorships and coaching. Our partnership enables us to advertise jobs with them, attend their annual career night, host information sessions and provide mentors.

**Accelerate Her Future** specializes in developing and connecting Black, Indigenous and women of colour with employers. We provide mentors and have access to the organization’s events and annual resume book.

Gender pay equity

We are committed to the principles of pay equity for employees and are compliant with all provincial and federal pay equity legislation. In 2021, we retained a third-party firm to conduct a gender pay audit among our senior managers and above to identify any pay disparities that may exist between men and women engaged in work of similar value. The results showed that IGM did not have a statistically significant gender pay gap. In the few cases where differences existed, we took action to close the gap.



We created a new role of Senior Talent Advisor, Indigenous Relations, to help build a pipeline of strong Indigenous talent across IGM.

EXPANDING OUR DE&I METRICS

Understanding the demographic make-up of our workforce is critical for setting representation targets and tracking our progress. We launched the *Count me in!* voluntary self-ID initiative in late 2020 to gather data on many aspects of our employees’ identity. The data collected through our talent management system is

confidential. Thus far, over half of our employees have provided their information, and we are encouraging greater participation to make the data more useful for programming. We also now require new hires to self-identify as part of their onboarding process.



22%

Racialized

3.89%

Black

1.11%

Indigenous

1.25%

Disability

1.49%

2SLGBTQIA+

\* Based on the 57% of employees who self-identified.





## Clients and marketplace

To better represent the clients and communities we serve, we're working with partners to infuse DE&I into our products and services and into the finance industry as a whole.

### Partners on our journey

External partnerships are vital for accelerating DE&I in finance. We have both longstanding and fairly new partners who help guide our strategy, reinforce the transformative work we're looking to tackle, and contribute to driving DE&I more broadly within our industry and communities. Here are some of these partners:

### Community platform

Mackenzie Together is a newly launched community platform dedicated to creating a more inclusive investment industry by advancing women through education, financial security and career opportunities. The platform features personal stories from women in leadership, details about products like the Mackenzie Global Women's Leadership Fund that promote female empowerment, and more. Mackenzie is also creating training modules to help advisors better meet women's financial needs and help companies build their roster of female advisors and clientele.



**In partnership with  
Wealthsimple, Mackenzie  
launched Canada's first  
Shariah-compliant ETF in 2021.**

### WOMEN'S FUNDS »

Mackenzie Global Women's Leadership Fund and ETF are aimed at driving social and governance change through a focus on companies that promote gender diversity and the benefits of women in leadership.



# Responsible business practices

Underpinning everything we do is a commitment to responsible business practices. We continually invest in the capabilities needed to ensure that we're meeting our responsibilities and creating value for today, and for a sustainable future.

- » Corporate governance
- » Ethics and compliance
- » Risk management
- » Information security and privacy
- » Talent and culture
- » Community support
- » Environmental footprint

# 2021 highlights

## CORPORATE GOVERNANCE



**33%**  
of Board positions held by women

**Say on Pay**  
advisory vote implemented in 2022



Continued to implement the recommendations across IGM

## TALENT AND CULTURE



**79%**  
overall employee engagement index



IG recognized as one of the Top 100 Employers in Canada  
Mackenzie and IPC among Greater Toronto's Top Employers

## ETHICS, RISK MANAGEMENT, INFORMATION SECURITY



**Enhanced IS security training**  
with a focus on *Essentials Beyond the Office* for our new hybrid work model

**100%**  
of employees agree to Code of Conduct annually

**Increased**  
focus on ESG considerations in purchasing decisions

**Climate training**  
for executives across IGM on climate risk and its business impacts

## COMMUNITY SUPPORT



***Imagine a Canada***  
Sponsored the National Centre for Truth and Reconciliation's national art and leadership program that inspires youth to envision and aspire for reconciliation

**\$9.2M**  
contributed to community and charitable organizations across Canada

## ENVIRONMENTAL FOOTPRINT



**Carbon neutral**  
commitment for 2022 in operations including facilities and travel

**132 tonnes**  
(or 26 elephants) of office furniture and equipment donated to non-profit



# Corporate governance

We believe that strong governance practices ensure the accountability, transparency and responsible decision making needed to support our business and to be a purpose-led industry leader over the long-term.

The effectiveness of our corporate governance starts with our Board of Directors, which provides oversight of the business so we grow responsibly. The Board has established robust governance structures, processes and practices to perform its duties effectively.

The Board has put in place structures and procedures to ensure its independence from management and to ensure that conflicts of interest between our company and any related entities, including our company's majority shareholder, are dealt with appropriately.

In our 2022 Management Proxy Circular, we significantly increased disclosure on our executive compensation practices, and provided additional information to inform shareholders' Say on Pay advisory vote.

## Responsible ownership

We operate through a number of different businesses. When considering potential acquisitions, we conduct a robust business assessment to identify the potential long-term risks and opportunities of the investment. ESG factors are considered in this process.

We oversee our investments through an active ownership approach where our executives sit on the boards of directors of the companies we control or in which we strategically invest. Through regular interaction with the senior management and boards of these companies, we engage on ESG issues to ensure that our investments are being managed in a manner consistent with IGM's responsible management philosophy and Corporate Sustainability Statement.



### RELATED PUBLICATIONS »

[Management Proxy Circular](#)  
[Statement of Corporate Governance Practices](#)  
[Corporate Sustainability Statement](#)  
[Board Committee Charters](#)

Our TCFD Report, [page 81](#), outlines our climate governance practices.

Sustainability governance

Our Board has approved a Corporate Sustainability Statement, which formalizes our longstanding commitment to corporate sustainability. The Board monitors implementation of the policy and our corporate sustainability strategy, and discusses corporate sustainability plans and ESG issues at least annually.

In 2021, the Board was engaged by management in the following sustainability-related topics:

- Annual report on sustainability strategy and progress
- Update on emerging ESG issues, regulations and reporting
- Update on TCFD implementation, IGM Climate Position Statement
- Development of IGM’s Purpose Statement
- Discussions on sustainable investing, DE&I and climate through regular business reporting

Our Sustainability Committee, consisting of the most senior executives – including IGM’s Chief Executive Officer (CEO), who is also a Board Director – is responsible for ensuring the implementation of the Board’s Corporate Sustainability Statement and our sustainability strategy, as well as the approval of annual reporting. The Committee reports to the Board annually or as necessary where critical concerns arise, and no such concerns were raised in 2021.

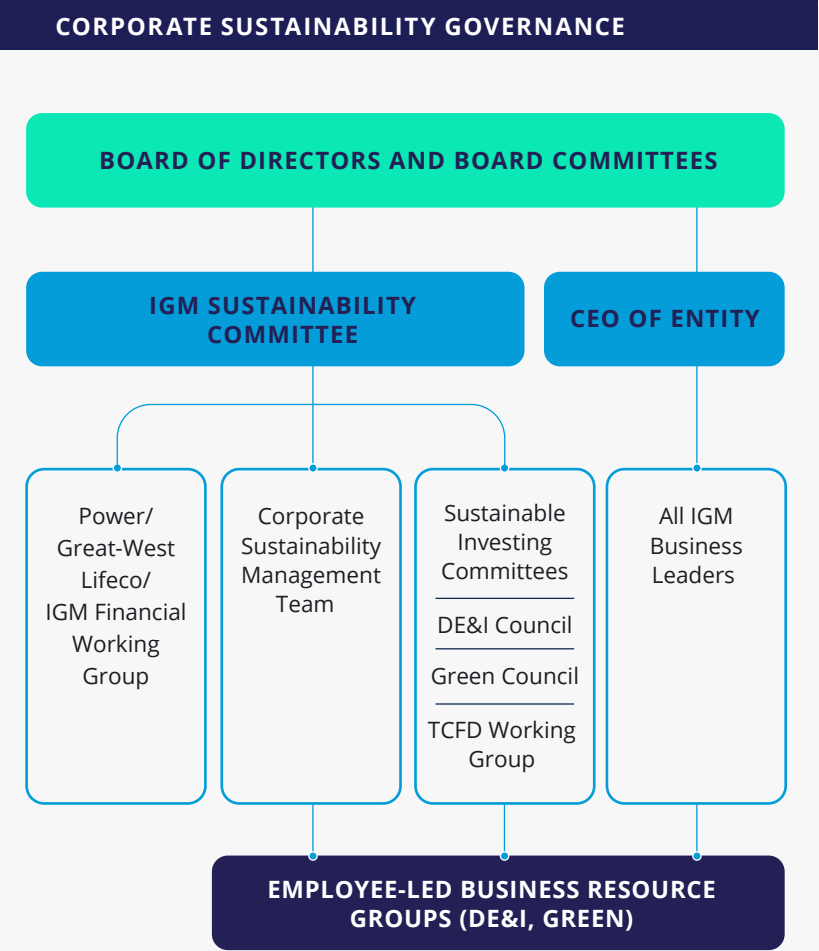
Our Executive Risk Management Committee is responsible for oversight of the risk management process, including environmental and social risks.

The leaders of our various business units have primary ownership and accountability for identifying and managing ESG risks and opportunities across their businesses.

Supporting the Sustainability Committee is a Corporate Sustainability Team responsible for reporting, stakeholder engagement and collaborating with leaders across the business to advance ESG-related initiatives. Team members also meet regularly with colleagues across the Power Corporation of Canada group of companies to align commitments and share knowledge on best practices.

Also advancing sustainability efforts across our business are a number of committees with focused environmental and social mandates. Examples of the current supporting committees are:

- Operating company sustainable investing committees, which consist of cross-functional leaders working to advance ESG incorporation into the products and services of the individual operating companies
- IGM DE&I Executive Council, which provides leadership and oversight regarding our internal DE&I focus and Board interests
- IGM Green Council, which oversees continuous environmental improvements to business operations within our facilities, travel and procurement
- TCFD Working Group, which leads our implementation of the recommendations of the Financial Stability Board’s Task Force on Climate-related Financial Disclosures (TCFD)
- Business resource groups (BRGs) are volunteer employee-led groups centred around a common sustainability goal, actioned through a focus on career development, mentoring, networking and business impact



## Board and executive diversity

The Board and Senior Management DE&I Policy includes provisions relating to the process used to identify and evaluate individuals for both Board and executive management roles. Under the Policy, diversity includes, but is not limited to, business experience, geography, age, gender, disability, race, ethnicity and sexual orientation.

Our Board had a diversity objective of at least 30% both women and men directors by calendar-end 2021 – which was surpassed.

IGM also had a target for women to hold 35% of VP+ roles by the end of 2021. While we did not meet this target, increasing the representation of women and Black, Indigenous and other racialized communities in our leadership is a priority in our corporate strategy. To drive continued progress, we have updated our leadership targets to 35% women at the VP+ level by 2025 (including 40% at the AVP+ level) and 3.5% Black executive representation by 2025.

## ESG in leadership objectives

All IGM people leaders have a DE&I objective as part of their annual short-term incentive objectives. See [DE&I section](#) for more information. As we advance our implementation of the TCFD recommendations, climate-related objectives are increasingly being assigned to specific departments and roles. See our [CDP Report](#) for more information and DE&I section for more information.

IN 2021, WE UPDATED OUR LEADERSHIP DE&I TARGETS TO:



35%  
women VP+ by 2025 (40% AVP+ by 2025)



3.5%  
Black executive representation by 2025



Our Board had a diversity objective of at least 30% both women and men directors by calendar-end 2021 – which was surpassed.





# Ethics and compliance

As a financial services company, we have legal and ethical responsibilities to act in our clients’ best interests. Moreover, we see exemplary business conduct as essential for upholding our company’s reputation and maintaining public and investor trust in our industry and in the Canadian financial system.

We have robust compliance policies, programs and controls across our operating companies, which are regularly assessed and updated to keep pace with changes in business models, client expectations and regulatory requirements. In developing new products and services, we conduct thorough reviews to ensure an in-depth understanding of the related legal and client-focused obligations and our capacity to fulfil them.

Key policies include the following:

- Our Code of Conduct (Code) is the foundation for all of our activities and our guide for ethical conduct. The Code is distributed annually to all of our directors, officers and employees for review and acknowledgement. Employees also complete annual compliance training to remind them of requirements under our privacy, anti-money laundering and anti-terrorist financing, anti-corruption and anti-bribery, and whistleblower policies. At the end of the training, they must acknowledge that they understand their obligations and agree to comply with them.

- Along with the Code, our Advisor Code of Conduct and Supplier Code of Conduct have similar provisions and expectations regarding ethical conduct for our advisors and suppliers, respectively.
- Our Whistleblower Policy encourages employees and others to report suspected violations of laws, regulations, the Code or IGM policies. The policy outlines a confidential process for raising concerns, including a 24/7 whistleblower hotline and website which can be used anonymously, and a detailed process for investigations where warranted.

Our Conflicts of Interest Committee has a mandate to educate and foster a shared understanding of what gives rise to a conflict of interest within the IGM business models, to consider affiliate conflicts, to promote a consistent approach to managing conflicts of interest across IGM in the best interest of clients, and to support the maintenance of conflicts of interest inventories. In 2021, IGM and its relevant subsidiaries enhanced Conflicts of Interest Policies to align with the Canadian Securities Administrators’ Reforms to Enhance the Client-Registrant Relationship (Client Focused Reforms) regulations for all registrants.

**In 2021, IGM and its relevant subsidiaries enhanced Conflicts of Interest Policies to align with the Canadian Securities Administrators’ Reforms to Enhance the Client-Registrant Relationship (Client Focused Reforms) regulations for all registrants.**

**RELATED PUBLICATIONS »**

- [Code of Conduct](#)
- [Supplier Code of Conduct](#)
- [Whistleblower Policy](#)
- [Anti-Corruption and Anti-Bribery Policy](#)
- [Privacy Policy](#)
- [Lobbying Policy](#)
- [Anti-Money Laundering Policy](#)

## Who has responsibility

Our Chief Compliance Officer has overall responsibility for compliance matters and provides regular reports to the IGM Audit Committee. Separate boards and committees at the operating company-level also oversee investment management and distribution compliance of our funds.

Anti-money laundering and anti-terrorist financing

Our enterprise-wide anti-money laundering (AML) and anti-terrorist financing (ATF) compliance program is designed to detect, deter and report money laundering and terrorist financing. The overarching AML Policy applies to all subsidiary companies and ensures that the most stringent of either Canadian or local AML regulations apply to our global subsidiaries.

Elements of our AML/ATF compliance program include the following:

- Designation of a Chief Anti-Money Laundering Officer
- Risk assessments of each IGM company, including an assessment of affiliate risk
- Monitoring and reporting related to suspicious transactions, large cash transactions, terrorist property and sanctions screening
- Training delivered to new hires and annually to all employees: topics include our key AML/ATF obligations; how we could be vulnerable to such activities; employees’ role in preventing, detecting and deterring such activities; and how to report suspicious activity
- Independent effectiveness reviews of our program, its policies and procedures, risk assessments, training and recordkeeping

The effectiveness of our program is tested regularly to ensure compliance with applicable regulations and guidance set out by the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) and other applicable regulatory bodies.

In 2021, we updated our program in response to regulatory changes and enhanced our AML/ATF technology to better support it.

Political involvement and lobbying

Our Code of Conduct, our Anti-Corruption and Anti-Bribery Policy and our Lobbying Policy describe our positions on political contributions and lobbying.

Our company’s money, assets, property or other things of value may not be contributed, loaned or made available to any candidate, party or political committee. While we may, from time to time, make charitable contributions, under no circumstances should charitable contributions be made in an attempt to influence any decision or obtain an advantage. In addition, while we support and respect employees’ right to participate in the political process, they are prohibited from using company funds, goods or services as contributions to, or for the benefit of, candidates or political organizations in Canada.

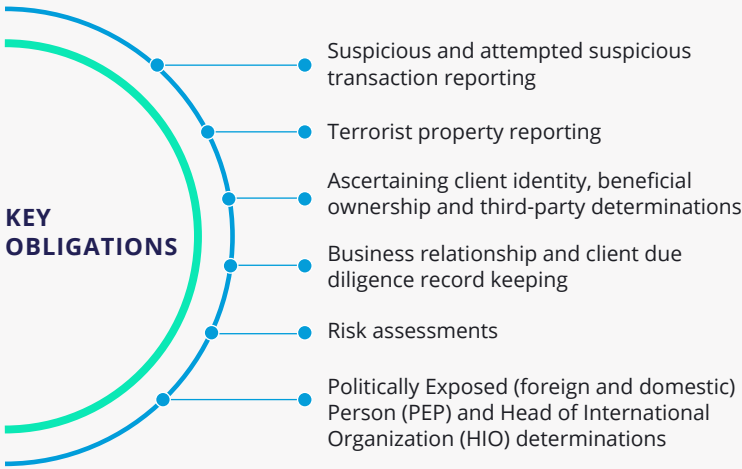
The Lobbying Policy establishes a framework for compliance with lobbying legal requirements and outlines employee and Board activity and approval processes.

Anti-corruption and anti-bribery

While local standards and practices may vary as to what constitutes bribery, we maintain a high standard, outlined in our Anti-Corruption and Anti-Bribery Policy, which can be summarized as follows: employees may not provide (or offer to provide), directly or indirectly, anything of value to anyone to get business or retain business, to obtain a commercial advantage, or to receive favoured treatment, anywhere in the world.

All of our operations are assessed annually for risks related to corruption, and no critical concerns were raised in 2021.

EMPLOYEE ANNUAL TRAINING ADDRESSES  
KEY OBLIGATIONS UNDER OUR AML/ATF PROGRAM



**The Lobbying Policy establishes a framework for compliance with lobbying legal requirements and outlines employee and Board activity and approval processes.**

## Responsible marketing and sales

IGM operating companies are subject to securities legislation addressing marketing and sales communications.

Sales communications related to investment funds are regulated by *National Instrument 81-102*, which has prescriptive rules about when and how performance data can be included, required disclosures and warnings, advertisements and more. The guiding principle is that all communications must provide full, true and plain disclosure, with nothing misleading. Overly predictive language, unsubstantiated claims and unfair comparisons are not permitted. In addition, every fund facts document delivered to investors prior to purchasing a fund must show the fund’s best and worst three-month returns. To promote compliance, our Legal team has produced a marketing materials guidance booklet for our Marketing teams, provides training to these teams, and reviews and approves all materials before they can be used.

Our securities dealers are bound by similar advertising and sales communication rules set out by the Mutual Fund Dealers Association of Canada and the Investment Industry Regulatory Organization of Canada.

*National Instrument 81-105* regulates investment fund sales practices and related compensation arrangements, and we have established sales practices, policies and procedures to ensure compliance with it.

## Knowing our clients and products

Financial advisors affiliated with IG and IPC acquire a deep understanding of clients’ financial and personal situations to design investment portfolios that will help their clients meet their financial goals. Their process follows strict, internal KYC and KYP rules to ensure the suitability of the investments they recommend. Mackenzie distributes its products through third-party advisors and dealers who are subject to their internal rules.

With the Client Focused Reforms coming into full effect at the end of 2021, we ensured that we were ready. These reforms require firms to put clients first when discharging their KYC, KYP and suitability obligations; address material conflicts of interest in the best interest of the client; and do more to clarify for clients what they should expect from their dealers and advisors.



**WE PROVIDE KEY EXECUTIVE LEADERSHIP TO SUPPORT CANADA'S FINANCIAL SERVICES SECTOR THROUGH ROLES IN MANY ORGANIZATIONS, INCLUDING:**

[Canadian Coalition for Good Governance](#)  
[Chambre de la sécurité financière](#)  
[Conseil des fonds d'investissement du Québec \(CFIQ\)](#)  
[Fundserv Inc.](#)  
[Investment Funds Institute of Canada](#)  
[Investment Industry Association of Canada](#)  
[Investment Industry Regulatory Organization of Canada](#)  
[Mutual Fund Dealers Association of Canada](#)  
[Ombudsman for Banking Services and Investments](#)  
[Ontario Securities Commission](#)

**16** PEACE, JUSTICE AND STRONG INSTITUTIONS

**Financial advisors affiliated with IG and IPC acquire a deep understanding of clients’ financial and personal situations to design investment portfolios that will help their clients meet their financial goals.**



# Risk management

Our company is exposed to a variety of risks that are inherent in our business activities – some are traditional financial risks while others, like climate change and cyber security, are newer and growing. Our ability to manage these risks is key to our ongoing success.

Our risk management approach is carried out through our Enterprise Risk Management (ERM) Framework, which includes five core elements: risk governance, risk appetite, risk principles, a defined risk management process and our risk management culture. The ERM Framework is established under our ERM Policy, which is approved by the Executive Risk Management Committee, and aligns with industry best practices, including the COSO Enterprise Risk Management and Internal Control-Integrated Frameworks.

Significant risks that may adversely affect our ability to achieve our strategic and business objectives are identified and assessed through our ongoing risk management process, using a consistent methodology across our organizations and business units. The ERM department promotes and coordinates communication and consultation to support effective risk management and escalation.

The ERM department regularly reports on the results of risk assessments and on the assessment process to the executive and Board risk committees.

We look to continually improve our risk management practices. In 2021, this included creating a second-line fraud risk committee to strengthen oversight of fraud risks and related controls, allegations and investigations across the company.

We commissioned an independent review of IGM’s ERM program, with benchmarking to industry good practices and peers. The review confirmed the strong ERM foundation in place at IGM and recommended steps we could take to mature the ERM function and strategy, and increase their profile within the company. Many of the recommendations will be implemented in 2022.

## WELCOMING OUR NEW CHIEF RISK OFFICER



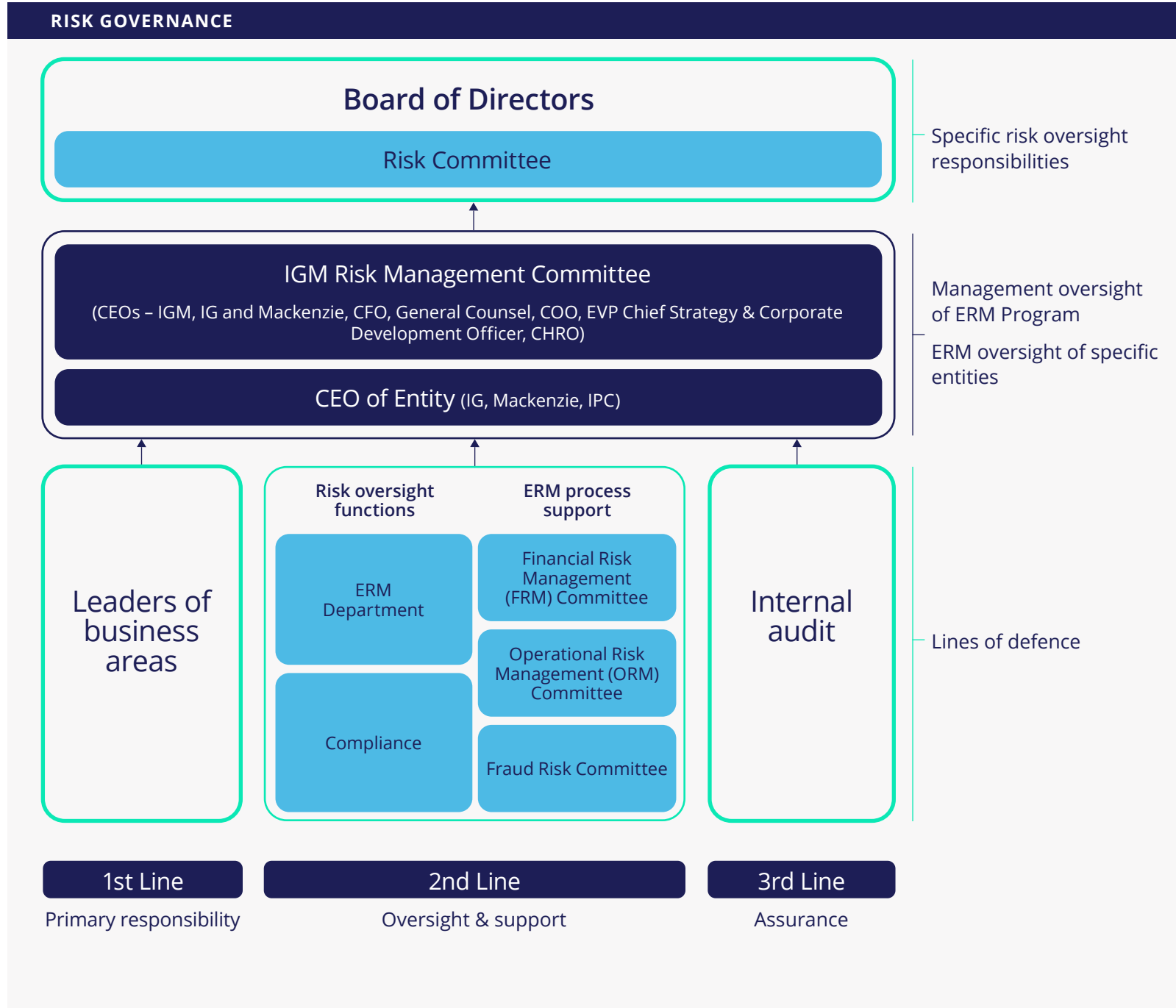
**Kelly Hepher**  
EVP & Chief Risk Officer

In April 2022, we hired our first Chief Risk Officer to lead IGM’s enterprise risk management, sustainability and internal audit programs. The integration of sustainability and risk marks an important evolution for IGM given the growing importance of ESG risks and opportunities to our business and stakeholders.

## Who has responsibility

The Risk Committee of the Board provides primary oversight of the ERM Framework. Our Executive Risk Management Committee is responsible for management oversight of the Framework and is accountable to the Board’s Risk Committee.

Additional oversight is provided by the ERM department, Compliance group and Internal Audit department. The CEOs of the operating companies have overall responsibility for overseeing risk management of their respective companies.



Responsibility for risk management is assigned using the “three lines of defence” model, with the first line reflecting the business units having primary responsibility for risk management, supported by second-line risk management functions and a third-line internal audit function providing assurance and validation of the design and effectiveness of the ERM Framework.

## Managing environmental and social risks

Environmental and social risks are identified as one of the five categories of risks within our ERM Framework. They include environmental risks related to climate change, biodiversity, pollution, waste and the unsustainable use of energy, water and other resources; they also include social risks related to human rights, Indigenous reconciliation, labour standards, diversity, equity and inclusion, and community impacts. We are increasingly focused on the transverse relationship of these risks to other material risks.

The Board's risk management oversight includes ensuring that material environmental and social risks are appropriately identified, managed and monitored. Our Executive Risk Management Committee provides oversight of the risk management process. Other management committees provide oversight of specific risks, including the Sustainability Committee, which is responsible for ensuring implementation of policy and strategy, establishing goals and initiatives, measuring progress, and approving annual reporting for ESG matters.

See [page 81](#) of our Annual Report for more information on our management of environmental and social risks.

We are further integrating climate change risk and opportunities into our business by implementing the TCFD recommendations. For details, see our TCFD disclosure on [page 81](#).

### Responsible purchasing

Responsible purchasing is one of the ways that we mitigate our E&S risks. We view our suppliers as partners who can help us advance our sustainability practices and uphold our high standards of responsible and ethical business conduct. We understand that risks in our supply chain could be material and are committed to enhancing our incorporation of ESG analysis into our purchasing. Our Supplier Code of Conduct was put in place to assist with addressing these risks.

In 2021, we added 11 questions related to suppliers' sustainability practices to our standard request for proposal (RFP) template. The questions cover topics such as a company's policies and disclosures, targets and initiatives to reduce its carbon footprint, fair labour practices, whether it is certified as a diverse supplier, and whether it has been subject to any human rights or sexual harassment allegations or rulings against it.

We are increasing our focus in this area and will continue to build out our processes and policies.

### SUSTAINABLE PROCUREMENT IN ACTION

We began using our new RFP template in select procurement initiatives in 2021 – for example, when looking for a coffee services provider who could supply our offices with fair trade coffee. Sustainability was the main component of the RFP, so we expected all potential vendors to answer our standard sustainability questions and some additional ones related to their use of recycled materials, how they were reducing their environmental impact, and other ESG practices.

The firm ultimately selected showed a strong commitment to sustainability in its operations, partnerships and future plans. Our contract with this vendor includes service-level agreements supporting the ESG requirements.





# Information security and privacy

As our company becomes more digital, our controls, policies and standards are also evolving to maintain the high levels of care our clients rightfully expect and to protect our business from risks that could compromise confidential information or lead to financial loss, reputational damage or regulatory actions.

We use systems and technology extensively to support our business operations and the client and financial advisor experience. To manage the associated cyber security risks, we have a broad range of company-wide policies, training, standards and governance processes. We also purchase cyber security insurance coverage through our corporate insurance program.

Our cyber security management framework and capabilities are benchmarked to industry best practices, including the National Institute of Standards and Technology Cybersecurity Framework (NIST-CSF). Key technology policies include our Acceptable Use of Technology, which outlines our expectations for all employees, advisors and contractors with respect to the proper use of technology and intellectual property and the protection of data in all of its forms across the complete information lifecycle.

We invest in security technologies, specialized security talent and industry leading vendor partnerships to identify, protect, detect and respond to cyber security threats in a timely manner. To remain resilient to such threats, we follow sound industry practices and have implemented threat and vulnerability assessment and response capabilities. Our endpoint detection and response software is integrated into our security operations centre, which is equipped to respond quickly to any threats in our environment. Proactive cyber response enables us to track intruders across our systems, understand root causes and contain any threats with minimal disruption to the business.

Should there be a major business disruption, we leverage a company-wide incident response and business continuity management program that covers remediation activities, continuity of critical operations and processes, and recovery of systems.

Recognizing that the human element is equally important in data protection, we have a continuous security awareness and training

program. Knowledge sharing is ongoing with regular and continuous mandatory training for employees, advisors and contractors. We plan to expand this training to clients in 2022.

Regular internal and third-party assessments of our security procedures ensure they remain relevant and effective. These include assessments against standards from the Office of the Superintendent of Financial Institutions and the Investment Industry Regulatory Organization of Canada. We also participate in industry-established forums and collaborate with peers on threat intelligence and critical security threats facing the global financial services sector.

## LEARN MORE »

[See our Annual Report, pages 77–78, for more on technology, cyber, privacy risks](#)

[IGM Privacy Policy](#)

## Who has responsibility

Our Senior Vice-President & Chief Information Security Officer (CISO) and the Technology Architecture and Information Security Office are responsible for all aspects of the implementation, management and execution of our information technology (IT) security, risk and compliance framework. The CISO ensures compliance with all relevant application security and cyber security standards, and applicable laws and regulations, and regularly reports to the Board on our cyber, IT risk and information security strategy.

## Enhancing security awareness

Our IT Risk group manages a security awareness and education continuous improvement program aimed at mitigating human cyber security risks. With most of our employees working from home, mandatory 2021 training included a *Security Essentials Beyond the Office* course, which reviewed the best security measures for working safely outside the office, securing corporate data and systems at home, and avoiding unsecured networks.

### PROGRAM COMPONENTS

Multi-layered annual mandatory cyber awareness training for all staff covering:



Review of common social engineering scams



Cyber self-defense tips and best practices



Securing your digital life



Reinforcement via phishing simulations

Information campaign aligned to the internationally recognized Cyber Security Awareness Month (CSAM) in October



### KEY OUTCOMES

- » Increased cyber awareness among IGM workforce
- » Linkage of key messages between employees' work and personal lives
- » Increased reporting of suspected phishing emails



Privacy

Our clients entrust us with their personal information, and we have a legal and ethical responsibility to protect it. While each operating company has its own privacy-related procedures relevant to its business, we have formalized our commitment to protecting the information we collect and generate through an overarching Privacy Policy applicable across IGM. A [summary](#) of the Policy is posted to our website and all operating companies also maintain privacy notices on their websites.

In accordance with Canadian privacy laws, we collect only personal information that is necessary to provide our products and services to clients, or where we have consent to do so. We provide ways for individuals to opt in or out of data collection and, where relevant, to verify, correct and delete their data.

We do not disclose personal information about clients unless required by law, when necessary to provide products or services to them, or as otherwise authorized by them. If we need to share clients’ personal information with third-party service providers, we remain responsible for that information and protect it through contracts that commit the service providers to maintain levels of protection comparable to ours.

Our operating companies have comprehensive procedures to respond to any privacy breaches, mitigate risks and prevent re-occurrence. If a breach is determined to pose a real risk of significant harm to a client, we will notify the individual, and the federal and/or provincial Privacy Commissioner where applicable, in a timely manner.

Privacy is covered in our annual, mandatory compliance training for employees and advisors. Topics include our privacy obligations, privacy tips and best practices, and how to handle privacy breaches, complaints and access to information requests. Each operating company also has its own Privacy Officer, who provides guidance to staff and manages our response to privacy concerns that may be raised by a client.

In 2021, we began preparations for complying with upcoming federal and provincial legislative changes, which will grant Canadians greater control and transparency over their personal data. The legislation is aimed at ensuring that Canada keeps pace with evolving global privacy laws and remains interoperable with other countries’ actions in trust and privacy.



Privacy is covered in our annual, mandatory compliance training for employees and advisors.

Who has responsibility

Our Chief Compliance Officer (CCO) leads and oversees our privacy program. Ultimately reporting to the CCO, Privacy Officers at each company work with front-line staff to address privacy matters.



# Talent and culture

Our company’s success is highly dependent on fostering a culture that attracts and empowers talented people from all backgrounds to join us and to help strengthen our connections to our clients and communities.

We bring together the best of both worlds for employees – the accountability and agility of a small player with the scale and impact of a big firm – while offering room to grow their careers. We aim to be known in the marketplace as the place to build one’s career.

As our business needs and employee expectations change, we’re also evolving our people programs, with an emphasis on flexibility and choice.

We are pursuing five-year strategic initiatives in key aspects of our culture and talent practices:

- **Strategic workforce planning** – Anticipating and driving change that aligns talent decisions with future business opportunities
- **Optimal organization design** – Better reflecting how work is done today and in the future, and ensuring that our structure and roles align with the business and workforce strategy

- **Talent culture** – Building greater capabilities and futureproofing the business through evolving leadership, development and succession management
- **Differentiated people value proposition** – Enabling employee and business success through clarity and focus on what makes our company special
- **Holistic approach to wellness and rewards** – Increasing resilience and engagement through holistic wellness and flexible and competitive total rewards packages
- **Talent management systems** – Equipping our leaders to make informed decisions through data-based insights driven by integrated systems and programs
- **Communications** – Providing a communication experience that is connected, accessible and invites people to provide their feedback

A second year into the pandemic, we maintained – and, in many cases, strengthened – programs and practices put in place in 2020 to ensure that our employees remained connected and felt supported at a challenging time. This included, for example, implementing summer hours, giving additional paid days off, transparent and frequent internal communications, and regularly surveying employees to find out how they were doing and what we needed to improve.

We also advanced our DE&I strategy (see [page 29](#)) and our future of work strategy (see [page 53](#)).

**RELATED PUBLICATIONS »**  
[Code of Conduct](#)  
[Workplace Harassment and Discrimination Prevention Policy](#)

## Who has responsibility

The Board’s Human Resources Committee reviews and approves compensation policies and guidelines and oversees risks relating to our key human resources policies. The senior executive-level IGM Operating Committee provides oversight on priorities, tracks performance and ensures that appropriate resources are allocated to deliver on human resource strategies. The Executive Vice-President and Chief Human Resources Officer oversees our integrated human resources policies and programs.

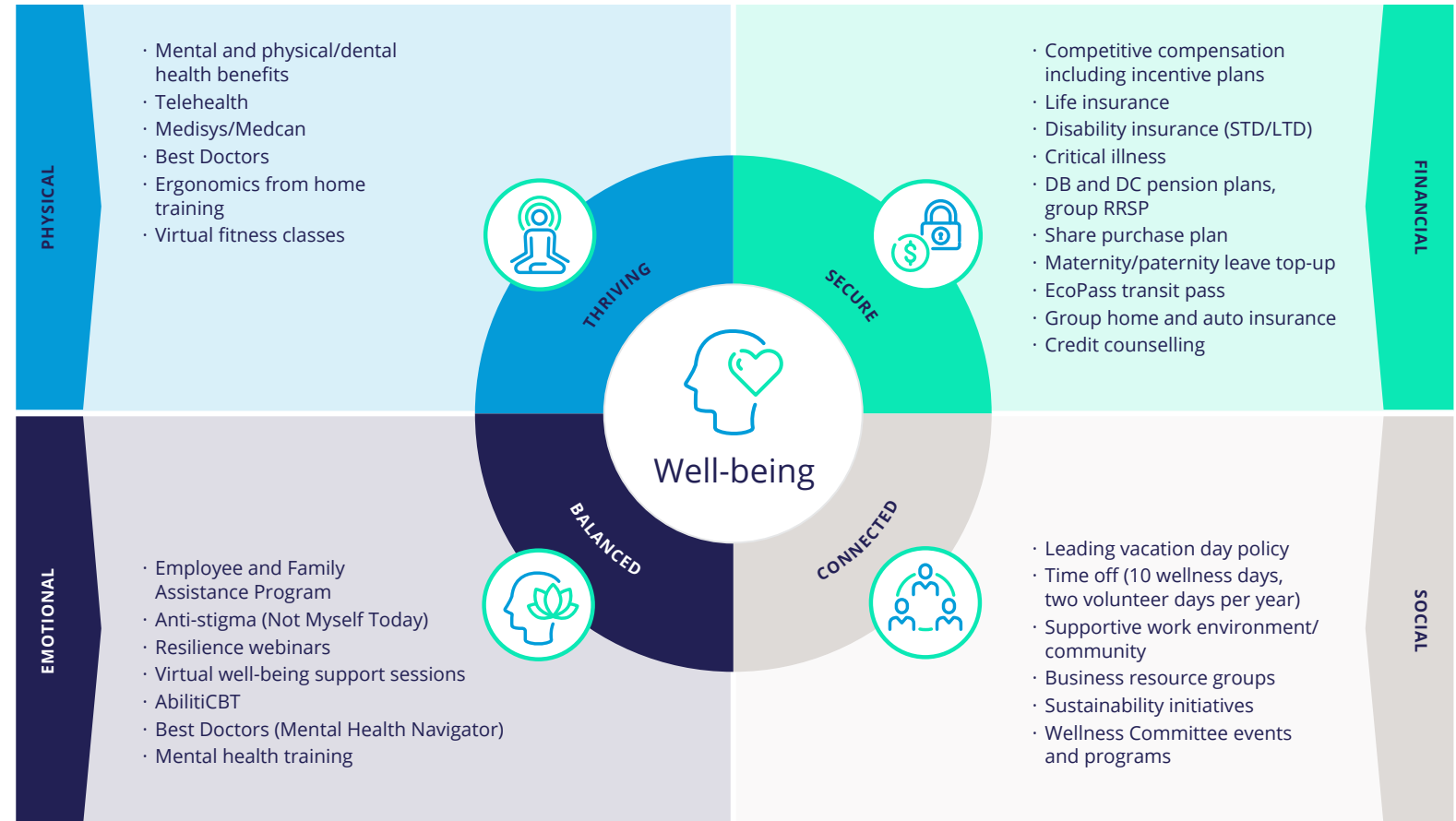
## Health and wellness

Our four-pillar approach to health and wellness aims to ensure that employees are physically thriving, emotionally balanced, financially secure and socially connected, by providing easy-to-access programs and resources, and flexible, real-time solutions.

Relaunched in 2021 as Wellness Watch, the program focuses on where employees are within a spectrum of wellness. In 2020 and 2021, the emphasis was on stress and resilience support, sleep, work-life balance, and financial resources and planning – areas that were identified in our wellness surveys as being most important to our people.

New programs and events in 2021 included:

- Mental health virtual wellness fair held during Canada's Mental Health Week, which saw close to 1,200 employees participate in wellness sessions and activities like yoga and Zumba
- Wellness 101 education sessions, held bi-monthly for all employees, and on request by 10 different business units
- Financial wellness webinars led by our internal financial planning professionals on topics such as optimizing retirement, cash flow and credit, and planning for the unexpected
- Mental health training to help people leaders better understand common mental health issues, recognize typical symptoms, have focused conversations with employees exhibiting symptoms and learn to take care of themselves
- Mental health awareness training to help employees understand the impact of mental illness, learn the importance of workplace support and develop strategies to help support those suffering from mental illness



\* IGM benefits are the same for part-time employees who work at least 20 hours.

### PARENTAL LEAVE TOP-UP



**62%** increase in number of non-birth parents utilizing parental leave, compared to the same period last year, since the launch of our parental leave top-up in January 2021.

Engaging our employees

Creating a highly engaging workplace experience for our employees is a strategic priority across IGM. Our leaders set the tone with regular updates from our CEO and Executive Vice-President and Chief Human Resources Officer via video, emails, webcasts and employee forums. Along with these updates, we have divisional townhall meetings, intranets and dedicated information hubs, as well as email bulletins and newsletters. Increasingly, we’re using technology for live questions and instant polling.

In addition to an annual employee engagement survey, we use short pulse surveys to gather timely feedback on specific topics – such as wellness, internal communications and returning to the office – and adjust our approaches if needed. Results and follow-up plans are broadly shared across the organization.

Technology enhancements enabled us to dig deeper into our 2021 engagement survey data to identify trends in different parts of the organization. While protecting anonymity, senior leaders were given access to their business area’s survey results, and worked with their teams to facilitate post-survey conversations aimed at understanding the story behind the numbers and taking relevant action.



Creating a highly engaging workplace experience for our employees is a strategic priority across IGM.

2021 ENGAGEMENT SURVEY HIGHLIGHTS

79%  
overall engagement index  
(vs. 74% for the global  
benchmark index)

85%  
are proud to  
work for IGM

84%  
think their  
people leader is an  
effective leader

83%  
feel they have the training  
they need to do their job

82%  
would gladly recommend  
IGM as a place to work





## Enabling performance and development

We are committed to the development and career goals of our employees. We approach learning and development through formal training, feedback, coaching and on-the-job experience – all supported through individual development plans that are required for all employees.

Our redesigned performance management program focuses on simplicity, flexibility and transparency. Leaders set clear expectations on performance objectives and competencies, provide ongoing coaching and feedback, and create personal development plans with all employees. Annual objectives are aligned with company strategy and leaders hold quarterly meetings to review progress. The competency framework gives employees clear indicators of what's expected of them at each career level and helps in creating their development plans. All tasks are completed through a digital talent management system that automates and integrates performance management and compensation tools.

Training programs include on-demand learning assets, which employees can access as they work toward their development goals. “Live” virtual learning experiences have also become an essential part of how we’ve supported employees during the pandemic. These experiences included both leadership development sessions and sessions for all employees.



**“Live” virtual learning experiences have also become an essential part of how we’ve supported employees during the pandemic.**

Our leadership development approach includes a consistent succession planning framework to identify and develop employees who have leadership potential, and to identify succession candidates for critical senior roles. Annual talent and succession reviews assess leadership potential and assist us in creating strategies to develop talent and take other steps, as required.

Leaders have access to additional training including two in-house designed leadership development programs. In 2021, we relaunched the LEAD program for high-potential leaders, which features experience-based development through work on real projects. The revised curriculum focuses on developing the competencies identified in our new competency framework.

We also relaunched the Leadership Fundamentals program for new and emerging leaders. This program focuses on core leadership concepts and practices that inspire high levels of team engagement and performance. The program was in such demand that we added extra sessions. A follow-up program aimed at developing coaching skills through small workshops was also well attended.

In 2021, all employees participated in inclusive behaviours training, which used self-reflection and discussion to increase awareness and action. Intact teams completed the training together so members could support each other and apply learnings directly to their work.

### PROFESSIONAL DEVELOPMENT FOR ADVISORS

IG University is IG’s enhanced learning institute for advisors. Programming is anchored to the core pillars of financial planning, professional responsibility, products and services, practice management and leadership development. Programs, training and resources include more than 2,400 hours of continuing education-accredited content. Approximately 57,420 courses were completed in 2021.

Mackenzie has a dedicated practice management team that supports advisors in managing and growing their business through workshops, keynotes, tools and resources. In 2021, the team delivered more than 602 advisor Zoom meetings and 30 formal presentations.

IPC’s Learning Network provides opportunities for employees and independent advisors to connect nationally, so they can benefit from knowledge and insights from across our company.



## Talent acquisition

In a competitive market for talent, we've developed a plan to deepen our talent pool by establishing a centralized talent attraction process, growing and diversifying our pipelines and networks, and leveraging social media, data and internal talent to target candidates. We've also improved the recruiting experience for candidates through the introduction of standardized processes and consistent interview techniques to minimize bias.

We continue to enhance our corporate onboarding program to instill confidence in new hires from their first day, by helping them understand our organization, our values, where they fit in and how they can contribute. The program highlights our emphasis on sustainability and community engagement. In 2021, we rolled out the next phase of onboarding, which includes an ambassador program, more touchpoints throughout the journey and additional tools to support leaders with onboarding their new hires.

We hired 48 summer interns in 2021 and eight new graduates for a rotation program that provides recent university graduates with opportunities to develop their leadership skills, build their business acumen and learn how each department contributes to the success of the organization.

A big focus in 2021 was on embedding DE&I into our hiring practices. This included having open conversations with hiring leaders on the topic, ensuring inclusive language in our communications, encouraging the use of diverse hiring panels and adding candidate diversity self-identification to the job application process. See [page 32](#) to learn more.



**We continue to enhance our corporate onboarding program to instill confidence in new hires from their first day, by helping them understand our organization, our values, where they fit in and how they can contribute.**



### ATTRACTING NEW ADVISORS

IG's dedicated team of talent specialists focus on attracting highly qualified professionals to the financial advisor opportunity. We have a highly selective recruiting process with only 3% of applicants ultimately being appointed. In 2021, over 200+ financial professionals chose IG. Toward our DE&I goals, we launched a digital content partnership with The Globe and Mail featuring stories of careers in wealth management as told by a diverse group of IG advisors. We also launched IG's first Podcast series to tell stories of empowerment, breakthrough and perseverance shared by inspirational women.



## Future of work

Over the past two years, we've advanced our future of work strategy, which recognizes that employees' expectations – and our view of what's needed to drive company performance – have changed since the start of the pandemic.

Consultations with leaders and employees showed a clear preference for ongoing hybrid office and remote work options post-pandemic. In 2021, we developed a playbook to provide context for our approach to the design of hybrid work and concrete practices to help teams make a smooth transition.

Two key hybrid work principles are guiding our approach – namely, that everyone needs to feel like they're part of the organization and their team, and that everyone can work according to individual preferences when the work allows for it. Our approach to implementing the new model emphasizes dialogue, rather than rules, and the playbook gives leaders a step-by-step guide for working with their teams to clarify individual preferences and discuss the team's work and interaction patterns.

As part of our strategy, we're also reimagining our office spaces to support changing needs and new modes of collaboration and connectivity, and to uphold strong wellness and environmental principles. To improve the employee experience, everyone will have access to natural light and there'll be an increased emphasis on ergonomics, indoor environmental comfort and collaboration spaces.

Implementation of the new workplace design has begun at the 180 Simcoe office in Toronto, and will be rolled out to all corporate campuses in the coming years. See [page 58](#) to learn more.

### TOP 100 EMPLOYERS

All three IGM companies were named top 100 employers in 2021 and we couldn't be more pleased.



IG Wealth Management was listed among Canada's top employers.



Mackenzie and IPC were listed among the top employers in the Greater Toronto Area.





# Community support

By sharing our time, talents and financial resources with our communities, we help build the foundation for a healthier, more prosperous, more equitable and more resilient society, which benefits us all.

Both IG and Mackenzie are designated as Caring Companies by Imagine Canada, which works to strengthen Canadian charities and non-profits. Caring Companies commit to contributing at least 1% of their average annual pre-tax profit to charitable/non-profit organizations, and to enabling personal giving and volunteer activities by their employees.

Each of our operating companies has its own community giving program, with its own guidelines and combination of centralized giving (directed from our corporate head offices) and decentralized decisions (made by our people). Our people have the ability to direct donations and grants to causes that are most important to them:

- At IG, advisors and employees support their respective communities through the employee-led Community Projects Fund, Matching Gift Program and Volunteer Support Program, and budgets and decision making are allocated directly to region offices across the country

- At Mackenzie, community initiatives – including donations and matching programs – are managed by employee volunteers and the Mackenzie Together Charitable Foundation
- At IPC, community giving is conducted through an employee-driven Spirit Committee and self-directed initiatives run by advisors in their communities, all under the banner of IPC Cares

We encourage our people to volunteer in their communities and we recognize exceptional contributions through various community service award programs. Volunteer efforts at each company are facilitated through planned events, two paid volunteer days per year and ongoing support for Canada's National Volunteer Week every April.



## Who has responsibility

At each operating company, philanthropy and employee involvement strategies are approved by the respective President and CEO. The Vice-President of IGM Sponsorship and Community Engagement works with the management teams of our operating companies to review the community investment strategies annually. Strategic oversight of the Mackenzie Together Charitable Foundation is performed by an independent board.

2021 HIGHLIGHTS



**\$9.2 million**

contributed to community and charitable organizations across Canada



**Record \$1.92 million**

raised by employees for United Way and the Mackenzie Together Charitable Foundation through the IGM Caring Company Campaign – 23% more than the prior year



**\$5.2 million+**

raised for Alzheimer Society of Canada through the IG Walk for Alzheimer's virtual walk



Sponsored, jointly with Power Corporation, the National Centre for Truth and Reconciliation's Imagine a Canada, a national art and leadership program that inspires youth to envision and aspire for reconciliation



Launch of Mackenzie Top Peak, a call to action for Canadian ski communities to show their spirit and bring skiers together for a chance to win \$50,000 towards a community investment project



Indigenous Commitment, which is delivering \$5 million over five years to Indigenous communities across Canada in the form of financial empowerment tools, resources and partnerships



**IPC Cares**

Our IPC family rallied around the Healing Cycle Foundation's annual bike ride in support of Canadians in palliative care and the Movember campaign in support of men's health, raising \$20,000 in total. They also raised \$18,500 for pandemic relief for communities in Honduras, where they would normally make an annual volunteer trip.



**Through the IG Empower Your Tomorrow program, we work to remove barriers to financial confidence among four traditionally underserved groups. See [page 23](#).**



# Environmental footprint

Recognizing the clear connection between a healthy business, healthy communities and a healthy planet, we challenge ourselves to reduce our environmental footprint.

We focus on managing direct impacts from our operations in four main areas – energy use, employee commuting and business travel, waste management and paper use. These are the areas where we have the greatest environmental impact and where improvements will help reduce our GHG emissions.

Specific environmental commitments are formalized in our [Environmental Policy](#) and, as of 2021, our [Climate Position Statement](#). Expectations for our suppliers, set out in our Supplier Code of Conduct, include compliance with applicable environmental laws and conducting their activities in an environmentally responsible manner.

We engage an energy and data management company to track and manage information across our owned and leased offices and make recommendations for operational improvements. Our GHG emissions-related targets and progress are made public in our annual carbon disclosure project (CDP) submission.

Employee green committees are drivers of many initiatives to reduce paper, waste and energy consumption. These volunteers raise awareness and engagement around the importance of adopting environmentally responsible practices at work, at home and in the community. Along with the growing focus on sustainability within our Facilities team, they are continually moving us forward. This included, for example, leading efforts to move all waste systems at corporate offices to centralized bins to divert at least 50% of waste from landfill. In 2021 the green committees spearheaded an employee green survey, a shoreline cleanup day across several major Canadian cities, and speaker events on topics such as climate change and Indigenous learnings.

Third-party reviews of our environmental practices are an integral part of our approach. We externally assure our annual GHG Emissions Statement for all Scope 1, 2 and 3 travel emissions and applicable reduction targets. We normally conduct annual waste audits in our corporate offices to identify improvement opportunities and increase engagement with employees; however, this activity was paused as we worked from home during the pandemic.



## RELATED PUBLICATIONS »

[Environmental Policy](#)

[Climate Position Statement](#)

[CDP Report](#)

## Who has responsibility

Our Chief Operating Officer is responsible for our facility leases and operational management, purchasing, travel management and virtual meeting capabilities. Responsible for creating a consistent culture of environmental awareness and practices across our operating companies, the Green Council consists of leaders from Facility Management, Human Resources, Corporate Sustainability, Information Services and Community Investments, and the chairs of the employee green committees. For climate governance, see our TCFD Report, [page 81](#).



Toward carbon neutral

In 2021, as part of our Climate Position Statement, we declared our intent to be carbon neutral in our corporate offices and travel by the end of 2022. While our focus will be on reducing our GHG emissions, we will initially need to purchase carbon offsets to achieve this goal so quickly.

Our journey to carbon neutrality includes the following steps:



**Rationalizing office space –** We’re implementing a multi-year strategy for reducing the amount of leased office space we occupy by over 20%, as a way to generate cost savings and lower our footprint



**Moving into higher-quality buildings –** When leases expire, we look to upgrade to more efficient buildings and preferably ones that are LEED certified



**Modernizing existing offices –** Environmental sustainability is incorporated into our workplace of the future design principles and throughout the renovation process



**Enhancing responsible energy, water, waste and paper management practices –** This includes establishing an energy efficiency and adaptation renovation plan for our owned and leased office space



**Reducing travel impacts –** Through the continued use of virtual meetings, support for employees using low-carbon commuting options, and transitioning to electric vehicles when taxi and limousine services are required

**See our TCFD Report, page 81, and our CDP Report to learn more about our approach to climate change and initiatives toward carbon neutral, and for information on our current targets.**

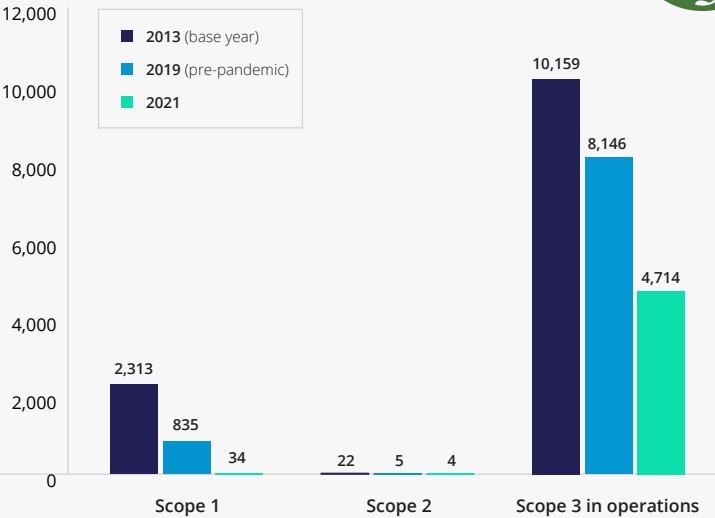
2021 GHG EMISSIONS

Market-based GHG emissions by scope

13 CLIMATE ACTION

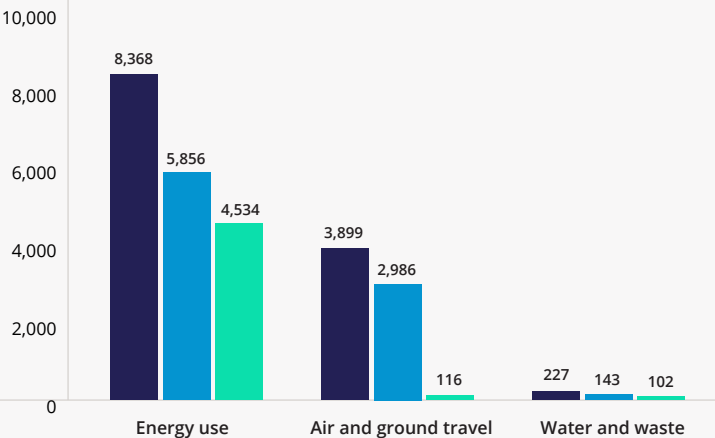


Tonnes of CO<sub>2</sub> equivalent



Market-based GHG emissions by source

Tonnes of CO<sub>2</sub> equivalent



## INTRODUCING THE WORKPLACE OF THE FUTURE

Five of the floors we occupy at 180 Simcoe Street, Toronto, will be the first to incorporate our workplace of the future design principles, as our renewed commitment to this office presented an opportunity to transform the space. In the coming years, we'll implement the new design at all corporate campuses.

The six design principles – collaboration and community, technology enablement, wellness, quality of light, sustainability, and simplicity of materials – reflect our goal of creating spaces that support employee well-being, promote collaboration and stimulate innovation. Sustainability features will include energy-efficient fixtures, and materials and furniture that prioritize recycled content, require low travel to the site, and can be recycled at the end of their useful life.

With the upgrading of the 180 Simcoe office in 2021, we made a good start of putting our commitment to sustainability into practice. We partnered with more than 12 companies to ensure sustainable practices throughout the process. Partners included Green Standards, a firm that facilitates charitable donations, resale and recycling to keep workplace furniture and equipment out of landfill while generating positive local community impact.

Following 83 days of removing workstations and moving boxes, Green Standards helped us turn 132 tonnes of corporate waste into charitable donations to six organizations – Madaniyaa Academy, Salvation Army, Korean Canadian Cultural Association, Canada Bodhi Dharma Society, Blue Veil Charity and Save the Students.

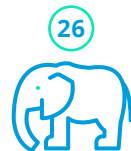
Great consideration was given to the responsible disposal of demolition materials, and the recyclability of usable office items to ensure no waste went to landfill. From clearing the affected floors of dated furniture, to the start of demolition with a sledgehammer, our focus on sustainability yielded emissions, waste and energy savings.



To put the numbers into perspective, our partnership with Green Standards achieved the equivalent of the following:



Preventing CO<sub>2</sub> emissions equal to the annual energy used by 207 homes



Diverting waste from landfill equal to the weight of 26 elephants



Avoiding 10,698 tank refills worth of gasoline through reduction tactics



Recycling office furniture and equipment

# Appendix

- » ESG Data Table
- » GRI Index
- » SASB Index
- » TCFD Report



# ESG Data Table

The following data tables apply to IGM Financial and its operating companies.

## Governance

GRI Standard	Topic	Measurement	2021	2020	2019	2018	2017
<b>BOARD COMPOSITION (a)</b>							
102-22	<b>Board directors</b>	Number	<b>15</b>	15	15	15	16
102-22	Executive Board members	Number	<b>1</b>	1	1	1	1
102-22	Non-executive Board members	Number	<b>14</b>	14	14	14	15
102-22	Women directors (b)	Number	<b>5</b>	5	5	5	4
102-22, 405-1	<b>Board gender diversity</b>	Percent of total Board	<b>33</b>	33	33	33	25
<b>Board age diversity</b>							
405-1	Over 70	Number	<b>2</b>	2	1	1	1
405-1	Between 50 and 70	Number	<b>13</b>	13	13	11	13
405-1	Between 30 and 49	Number	<b>0</b>	0	1	3	2
102-22	<b>Board tenure</b>	Average years	<b>11</b>	11	10	9	8
102-22	<b>Independent Board members (b)</b>	Number	<b>9</b>	9	9	9	8
102-22	Board independence	Percentage	<b>60</b>	60	60	60	50
102-22	Audit Committee independence	Percentage	<b>100</b>	100	100	100	100
102-22	Related Party and Conduct Review Committee independence	Percentage	<b>100</b>	100	100	100	100
102-22	Human Resources Committee independence	Percentage	<b>57</b>	50	50	50	20
102-22	Governance and Nominating Committee independence	Percentage	<b>50</b>	50	50	50	25
<b>Average Board and Committee meeting attendance rate</b>		Percentage	<b>98</b>	98	93	94	90
102-22	<b>Directors with 4 or less mandates (c)</b>	Percentage	<b>100</b>	100	100	100	100
<b>AUDITOR'S FEES</b>							
Audit fees		\$	<b>2,773,000</b>	2,427,000	2,746,000	2,562,000	2,616,000
Audit-related fees		\$	<b>192,000</b>	110,000	244,000	376,000	311,000
Tax fees		\$	<b>114,000</b>	163,000	74,000	64,000	149,000
All other fees		\$	<b>310,000</b>	236,000	314,000	281,000	629,000
Fees paid for services other than the audit		Percentage	<b>13</b>	14	11	11	21

(a) All Board composition data is as of the dates of the annual meetings in the respective years, except for the “Average Board and Committee meeting attendance rates” which are as of December 31.

(b) The Board of the Corporation is composed of 15 directors. Within the meaning of the CSA Guidelines and National Instrument 52-110 – Audit Committees and National Instrument 58-101 – Disclosure of Corporate Governance Practices (the “Instruments”) and in the Board’s view, the following nine directors (constituting a 60% majority of the Board), namely Marc A. Bibeau, Marcel R. Coutu, Gary Doer, Susan Doniz, Sharon Hodgson, Sharon MacLeod, Susan J. McArthur, John McCallum and Beth Wilson are independent and have no other relationships that could reasonably interfere with the exercise of their independent judgment in discharging their duties to the Corporation. Paul Desmarais, Jr., André Desmarais, Claude Genereux, R. Jeffrey Orr and Gregory D. Tretiak, being executive officers of Power Financial Corporation, are not independent within the meaning of the Instruments but, in the Board’s view, they are all independent of management.

(c) Represents mandates on public company boards outside Power Corporation and its subsidiaries (including Power Financial, Great-West Lifeco and IGM Financial).

Ethics and compliance

GRI Standard	Topic	Measurement	2021	2020	2019
<b>POLITICAL CONTRIBUTIONS</b>					
415-1	Amount of political contributions	\$	0	0	0
<b>PRODUCT AND SERVICE LABELING</b>					
417-2	Incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling in core documents, by type of outcomes. Core documents are those required under securities legislation in connection with distributions and continuous disclosure and include: Prospectuses, MRFPs, Fund Financial Statements, AIFs, Fund Facts. (d)	Total number	<b>IGM Financial and its operating companies did not have any significant incidents of non-compliance in 2021.</b>	IGM Financial and its operating companies did not have any significant incidents of non-compliance in 2020.	IGM Financial and its operating companies did not have any significant incidents of non-compliance in 2019.
<b>MARKETING COMMUNICATIONS</b>					
417-3	Incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship by type of outcomes (e,f)	Total number	<b>IGM Financial and its operating companies did not have any significant incidents of non-compliance in 2021.</b>	IGM Financial and its operating companies did not have any significant incidents of non-compliance in 2020.	IGM Financial and its operating companies did not have any significant incidents of non-compliance in 2019.
<b>CUSTOMER PRIVACY</b>					
418-1	Substantiated complaints regarding breaches of customer privacy and losses of customer data	Total number	<b>IGM Financial and its operating companies did not have any complaints substantiated by the Office of the Privacy Commissioner of Canada or provincial privacy commissioners in 2021.</b>	IGM Financial and its operating companies did not have any complaints substantiated by the Office of the Privacy Commissioner of Canada or provincial privacy commissioners in 2020.	IGM Financial and its operating companies did not have any complaints substantiated by the Office of the Privacy Commissioner of Canada or provincial privacy commissioners in 2019.
<b>LAWS AND REGULATIONS</b>					
419-1	Monetary value of significant fines and total number of non-monetary sanctions (g)	Dollars, total number	<b>Refer to Laws and Regulation section of <u>2021 Annual Information Form</u>.</b>	Refer to Laws and Regulation section of <u>2020 Annual Information Form</u> .	Refer to Laws and Regulation section of <u>2019 Annual Information Form</u> .

(d) Non-compliance issues are defined as material misstatements in core documents that would require IGM Financial or its operating companies to amend documents, re-file with the regulators and remedy with clients.

(e) Marketing communications are defined as corporate marketing materials and advertising, including sponsorships that are covered by the Mutual Fund Sales Practices Rule. Communications prepared by advisors with the operating companies are included.

(f) Non-compliance issues are defined as material misstatements that would require IGM Financial or its operating companies to amend documents and remedy with clients.

(g) Non-monetary sanctions are defined as significant suspensions or cancellations of registrations or material conditions or restrictions on registration pertaining to IGM Financial and its operating companies, and IG Wealth Management and Investment Planning Counsel advisors, imposed as a result of a hearing or formal settlement agreement with regulators or self-regulatory organizations.

## Taxes

GRI Standard	Topic	Measurement	2021	2020	2019	2018	2017
<b>TAXES</b>							
<b>Income taxes by jurisdiction</b>							
201-1	Federal Government (h)	\$ million	<b>174.6</b>	123.7	142.9	151.4	112.7
201-1	British Columbia	\$ million	<b>1.4</b>	1.0	1.7	1.8	0.9
201-1	Alberta (h)	\$ million	<b>1.1</b>	0.9	1.9	1.9	0.5
201-1	Saskatchewan (h)	\$ million	<b>0.5</b>	0.3	0.6	0.6	0.2
201-1	Manitoba (h)	\$ million	<b>37.0</b>	13.9	10.6	14.3	9.1
201-1	Ontario (h)	\$ million	<b>37.4</b>	22.3	35.3	36.3	19.3
201-1	Quebec (h)	\$ million	<b>4.0</b>	2.9	5.0	4.9	2.3
201-1	New Brunswick	\$ million	<b>0.2</b>	0.1	0.2	0.3	0.1
201-1	Nova Scotia	\$ million	<b>0.1</b>	0.1	0.3	0.2	0.1
201-1	PEI	\$ million	<b>0.1</b>	0.1	0.1	0.1	–
201-1	Newfoundland	\$ million	<b>0.1</b>	0.1	0.1	0.1	–
201-1	Total Canadian income taxes	\$ million	<b>256.5</b>	165.4	198.7	211.9	145.2
201-1	China	\$ million	<b>2.7</b>	1.4	1.0	1.1	1.1
201-1	Ireland	\$ million	<b>1.5</b>	1.0	1.2	1	1.8
201-1	Hong Kong	\$ million	<b>1.0</b>	0.8	0.3	0.6	0.5
201-1	United States	\$ million	<b>0.1</b>	-0.2	0.0	0	0
201-1	Total international income taxes	\$ million	<b>5.3</b>	3.0	2.5	2.7	3.4
201-1	Total current income taxes	\$ million	<b>261.8</b>	168.4	201.2	214.6	148.6
201-1	Total deferred income taxes	\$ million	<b>56.8</b>	32.3	18.5	-4.7	25.3
201-1	Total income taxes	\$ million	<b>318.6</b>	200.7	219.7	209.9	173.9
201-1	Total other taxes – capital, commodity, payroll, property, business and other (h)	\$ million	<b>34.0</b>	29.8	24.6	28.4	25.0

(h) Amounts include taxes that have been reclassified and recorded through retained earnings.



## Sustainable investing

GRI Standard	Topic	Measurement	2021	2020	2019	2018	2017
<b>MACKENZIE INVESTMENTS</b>							
	Number of companies engaged on ESG issues						
	Internal staff engagements (i)	Number	<b>467</b>	450	299	131	N/A
	Service provider engagements	Number	<b>969</b>	979	560	164	N/A
	Climate-related engagements (j)	Number	<b>743</b>	N/A	N/A	N/A	N/A
	Proxy votes cast during year by Mackenzie (k)	Percentage	<b>100</b>	100	100	100	100
	Sub-advisors who are PRI signatories	Percentage of AUM	<b>100</b>	100	90	90	86
<b>IG WEALTH MANAGEMENT</b>							
	Proxy votes cast during year by investment sub-advisors (k)	Percentage	<b>99</b>	100	100	N/A	N/A
	Sub-advisors who are PRI signatories	Percentage of AUM	<b>100</b>	100	100	97	96
<b>PRODUCTS DELIVERING SPECIFIC SOCIAL OR ENVIRONMENTAL BENEFITS – IGM FINANCIAL</b>							
	Best-in-class, thematic and impact investment funds (Sustainable Solutions) – assets under management (l)	\$ million	<b>4,320</b>	1,648.1	471.9	432.9	541.2
	ESG-labelled debt (m)		<b>2,512</b>	836	378	N/A	N/A
	Charitable giving funds – IG Wealth Management and Mackenzie Investments	\$ million	<b>373</b>	298.2	279.3	239.2	233.7
	Registered Disability Savings Plans	\$ million	<b>1,792.6</b>	1,384.2	1,106.2	811.7	680.5
	Percentage of total assets under management subject to negative environmental or social screens (n)	Percentage	<b>96</b>	97.5	98.0	99.0	0.3

(i) Restated 2020 to report companies engaged versus all engagements, including multiple engagements with a single company.

(j) Climate-related engagements are included in “Internal staff engagements” and “Service provider engagements.”

(k) Per PRI reporting and Proxy Voting Policy requirements found at: <https://www.bninvestissements.ca/content/dam/bni/en/regulatory/proxy-voting/proxy-voting-policy-Mackenzie.pdf>.

(l) Every investment boutique at Mackenzie utilizes ESG factors in their investment process. The \$4.32B in AUM quoted above includes only “sustainable investment” products where sustainability goals are explicitly outlined in the objectives and strategies of each product by prospectus.

(m) This represents the total AUM in sustainable and green bonds and sustainability-linked debt which includes \$209M reported in the Sustainable Solutions AUM of \$4.32B.

(n) Introduced exclusionary Policy on Cluster Munitions and Anti-Personnel Landmines in 2018 which applies to equity and corporate credit holdings, but not to investments in derivatives or other index exposures where our exposure is indirect and outside of our control.

## Talent

GRI Standard	Topic	Measurement	2021	2020	2019	2018	2017
<b>EMPLOYEES BY REGION</b>							
102-8	British Columbia	Total number	<b>99</b>	95	102	107	108
102-8	Alberta	Total number	<b>99</b>	90	88	89	85
102-8	Saskatchewan	Total number	<b>19</b>	15	17	18	20
102-8	Manitoba	Total number	<b>1,331</b>	1,327	1,324	1,311	1,378
102-8	Ontario	Total number	<b>1,924</b>	1,750	1,654	1,512	1,459
102-8	Quebec	Total number	<b>425</b>	414	424	424	388
102-8	Atlantic Canada	Total number	<b>44</b>	36	38	40	39
102-8	Canada – total	Total number	<b>3,941</b>	3,727	3,647	3,501	3,477
102-8	China	Total number	<b>1</b>	2	2	2	1
102-8	Ireland	Total number	<b>11</b>	12	11	10	11
102-8	Hong Kong	Total number	<b>12</b>	13	13	11	11
102-8	United States	Total number	<b>14</b>	13	11	11	4
102-7/102-8	Total employees (o)	Total number	<b>3,979</b>	3,767	3,684	3,535	3,504
<b>IG WEALTH MANAGEMENT ADVISORS BY REGION</b>							
102-8	Alberta	Total number	<b>447</b>	435	425	430	441
102-8	Atlantic Canada	Total number	<b>219</b>	218	215	247	281
102-8	British Columbia	Total number	<b>368</b>	381	394	429	482
102-8	Manitoba	Total number	<b>202</b>	194	202	220	232
102-8	Ontario	Total number	<b>1,167</b>	1,198	1,262	1,391	1,609
102-8	Quebec	Total number	<b>735</b>	734	735	820	907
102-8	Saskatchewan	Total number	<b>140</b>	144	148	174	194
	Total advisors (o)		<b>3,278</b>	3,304	3,381	3,711	4,146
<b>IG WEALTH MANAGEMENT ASSISTANTS BY REGION</b>							
102-8	Alberta	Total number	<b>191</b>	179	210	227	236
102-8	Atlantic Canada	Total number	<b>108</b>	91	82	94	100
102-8	British Columbia	Total number	<b>191</b>	193	207	214	233
102-8	Manitoba	Total number	<b>81</b>	69	84	96	99
102-8	Ontario	Total number	<b>501</b>	467	500	540	581
102-8	Quebec	Total number	<b>338</b>	270	298	334	359
102-8	Saskatchewan	Total number	<b>54</b>	48	50	67	66
	Total assistants (o)		<b>1,464</b>	1,317	1,431	1,572	1,674

## Talent (continued)

GRI Standard	Topic	Measurement	2021	2020	2019	2018	2017
<b>INVESTMENT PLANNING COUNSEL ADVISORS BY REGION</b>							
102-8	Alberta	Total number	<b>63</b>	68	66	67	69
102-8	Atlantic Canada	Total number	<b>30</b>	29	34	41	42
102-8	British Columbia	Total number	<b>71</b>	73	78	79	91
102-8	Manitoba	Total number	<b>37</b>	38	36	37	39
102-8	Ontario	Total number	<b>419</b>	429	449	470	497
102-8	Quebec	Total number	<b>34</b>	38	34	24	25
102-8	Saskatchewan	Total number	<b>20</b>	20	23	26	26
102-8	Territories	Total number	<b>1</b>	1	1	1	1
	Total advisors (o)		<b>675</b>	696	721	745	790
<b>EMPLOYEES BY GENDER AND TYPE</b>							
102-8	<b>Total</b>	Total number	<b>3,979</b>	3,767	3,684	3,535	3,504
102-8	Women	Total number	<b>2,279</b>	2,128	2,109	2,032	2,043
102-8	Men	Total number	<b>1,694</b>	1,637	1,575	1,503	1,461
102-8	Non-binary/Gender not listed/Prefer not to disclose (p)	Total number	<b>6</b>	2	N/A	N/A	N/A
102-8	<b>Permanent</b>	Total number	<b>3,827</b>	3,525	3,379	3,308	3,286
102-8	Women	Total number	<b>2,177</b>	1,993	1,943	1,897	1,908
102-8	Men	Total number	<b>1,644</b>	1,530	1,436	1,411	1,378
102-8	Non-binary/Gender not listed/Prefer not to disclose	Total number	<b>6</b>	2	N/A	N/A	N/A
102-8	<b>Temporary</b>	Total number	<b>152</b>	242	305	227	218
102-8	Women	Total number	<b>102</b>	135	166	135	135
102-8	Men	Total number	<b>50</b>	107	139	92	83
102-8	Non-binary/Gender not listed/Prefer not to disclose	Total number	<b>–</b>	–	N/A	N/A	N/A
102-8	<b>Full-time employees</b>	Total number	<b>3,921</b>	3,696	3,609	3,418	3,352
102-8	Women	Total number	<b>2,230</b>	2,063	2,038	1,932	1,917
102-8	Men	Total number	<b>1,685</b>	1,631	1,571	1,486	1,435
102-8	Non-binary/Gender not listed/Prefer not to disclose	Total number	<b>6</b>	2	N/A	N/A	N/A
102-8	<b>Part-time employees</b>	Total number	<b>58</b>	71	75	117	152
102-8	Women	Total number	<b>49</b>	65	71	100	127
102-8	Men	Total number	<b>9</b>	6	4	17	25
102-8	Non-binary/Gender not listed/Prefer not to disclose	Total number	<b>–</b>	–	N/A	N/A	N/A



## Talent (continued)

GRI Standard	Topic	Measurement	2021	2020	2019	2018	2017
<b>COLLECTIVE BARGAINING AGREEMENTS</b>							
102-41	Employees covered by collective bargaining agreements	Percent of total employees	–	–	–	–	–
<b>NEW EMPLOYEE HIRES</b>							
401-1	<b>Total new hires – permanent employees</b>	Total number	<b>592</b>	317	455	502	308
401-1	Percent total new hires (q)	Percent of total employees	<b>15.5</b>	9.0	13.5	15.2	9.4
<b>Employee age groups</b>							
401-1	Under 30 (q)	Percent of total employees	<b>29.6</b>	31.2	26.6	28.1	33.1
401-1	Age 30–50 (q)	Percent of total employees	<b>54.2</b>	58.0	59.1	58.4	52.3
401-1	Over 50 (q)	Percent of total employees	<b>16.2</b>	10.7	14.3	13.5	14.6
<b>Employee gender</b>							
401-1	Women (q)	Percent of total employees	<b>55.4</b>	46.1	59.1	54.4	55.5
401-1	Men (q)	Percent of total employees	<b>44.1</b>	53.9	40.9	45.6	44.5
401-1	Non-binary/Gender not listed/Prefer not to disclose	Percent of total employees	<b>0.5</b>	–	N/A	N/A	N/A
<b>EMPLOYEE TURNOVER</b>							
401-1	<b>Total turnover – permanent employees</b>	Total number	<b>491</b>	275	512	616	525
401-1	Percent total turnover (q,r)	Percent of total employees	<b>12.8</b>	7.8	15.2	18.6	16.0
401-1	<b>Voluntary turnover – permanent employees</b>	Total number	<b>400</b>	191	341	468	280
401-1	Percent voluntary turnover (q,r)	Percent of total employees	<b>10.5</b>	5.4	10.1	14.1	8.5
<b>Employee age groups</b>							
401-1	Under 30 (q)	Percent of total employees	<b>25.7</b>	24.4	23.6	16.9	16.4
401-1	Age 30–50 (q)	Percent of total employees	<b>54.2</b>	53.8	55.5	45.0	49.0
401-1	Over 50 (q)	Percent of total employees	<b>20.2</b>	21.8	20.9	38.1	34.7
<b>Employee gender</b>							
401-1	Women (q)	Percent of total employees	<b>51.9</b>	54.9	59.6	60.1	59.4
401-1	Men (q)	Percent of total employees	<b>47.7</b>	45.1	40.4	39.9	40.6
401-1	Non-binary/Gender not listed/Prefer not to disclose	Percent of total employees	<b>0.3</b>	–	N/A	N/A	N/A
<b>TRAINING AND EDUCATION</b>							
404-3	Employees receiving performance reviews (s)	Percent of total eligible employees	<b>100.0</b>	100.0	100.0	73.7	85.8

## Talent (continued)

GRI Standard	Topic	Measurement	2021	2020	2019	2018	2017
<b>DIVERSITY, EQUITY AND INCLUSION</b>							
<b>Employee gender</b>							
405-1	Women	Percent of total employees	<b>56.9</b>	56.5	57.2	57.5	58.3
405-1	Men	Percent of total employees	<b>43</b>	43.4	42.8	42.5	41.7
405-1	Non-binary/Gender not listed/Prefer not to disclose	Percent of total employees	<b>0.2</b>	0.1	N/A	N/A	N/A
<b>Employee age groups</b>							
405-1	Under 30	Percent of total employees	<b>13.7</b>	13.5	16.6	17.4	16.3
405-1	Age 30–50	Percent of total employees	<b>59.6</b>	61.0	59.0	59.2	58.2
405-1	Over 50	Percent of total employees	<b>26.7</b>	25.5	24.4	23.4	25.5
<b>Employee executive (t)</b>							
405-1	Women	Percent of total employees	<b>31.8</b>	33.3	34.0	30.9	27.5
405-1	Men	Percent of total employees	<b>67.8</b>	66.7	66.0	69.1	72.5
405-1	Non-binary/Gender not listed/Prefer not to disclose	Percent of total employees	<b>0.4</b>	–	N/A	N/A	N/A
405-1	Under 30	Percent of total employees	<b>–</b>	–	–	–	–
405-1	Age 30–50	Percent of total employees	<b>51.1</b>	54.0	56.0	56.5	58.5
405-1	Over 50	Percent of total employees	<b>48.9</b>	46	44.0	43.5	41.5
<b>Employee management (u)</b>							
405-1	Women	Percent of total employees	<b>46.4</b>	47.4	45.2	45.4	42.8
405-1	Men	Percent of total employees	<b>53.5</b>	52.6	54.8	54.6	57.2
405-1	Non-binary/Gender not listed/Prefer not to disclose	Percent of total employees	<b>0.1</b>	–	N/A	N/A	N/A
405-1	Under 30	Percent of total employees	<b>7.8</b>	7	4.6	6.1	3.5
405-1	Age 30–50	Percent of total employees	<b>64.6</b>	67.8	68.6	68.5	67.4
405-1	Over 50	Percent of total employees	<b>27.7</b>	25.3	26.8	25.4	29.1
<b>Employee non-management</b>							
405-1	Women	Percent of total employees	<b>67.3</b>	65.6	64.7	66.5	66.9
405-1	Men	Percent of total employees	<b>32.5</b>	34.3	35.3	33.5	33.1
405-1	Non-binary/Gender not listed/Prefer not to disclose	Percent of total employees	<b>0.2</b>	0.1	N/A	N/A	N/A
405-1	Under 30	Percent of total employees	<b>19.5</b>	19.6	23.4	25.1	22.6
405-1	Age 30–50	Percent of total employees	<b>56.9</b>	57.0	55.0	54.4	54.7
405-1	Over 50	Percent of total employees	<b>23.6</b>	23.5	21.6	20.4	22.7
<b>IG Wealth Management advisors (o)</b>							
405-1	Women	Percent of total advisors	<b>28</b>	27	28	28	29
405-1	Men	Percent of total advisors	<b>72</b>	73	72	72	71

Talent (continued)

GRI Standard	Topic	Measurement	2021	2020	2019	2018	2017
DIVERSITY, EQUITY AND INCLUSION (CONTINUED)							
IG Wealth Management advisors – new recruits							
405-1	Women	Percent of total new advisors	35	26	39	36	37
405-1	Men	Percent of total new advisors	65	74	61	64	63
Investment Planning Counsel advisors (o)							
405-1	Women	Percent of total advisors	20	20	20	21	20
405-1	Men	Percent of total advisors	80	80	80	79	80
WORKPLACE INJURIES AND FATALITIES							
403-2	Injuries (v)	Total number	1	2	7	6	5
403-2	Fatalities	Total number	–	–	–	–	–

(o) The total number of employees and advisors are based on head count as at December 31st.  
(p) In 2020 we implemented an HR system that allows employees to self-select gender in their profile.  
(q) The ratio is calculated using permanent employees only.  
(r) In 2018, IGM offered a voluntary early retirement program. Excluding the impact of this program, total employee turnover was 14.2% and total voluntary employee turnover was 9.8%.  
(s) In 2018, significant changes were made to the performance review program at IG Wealth Management and the collection of data for this operating company was in transition.  
(t) Includes Vice-President and above.  
(u) Excludes executive management.  
(v) Workplace injuries that resulted in lost time in the workplace subsequent to day of injury.



## Environment

GRI Standard	Topic	Measurement	2021	2020	2019	2018	2017	2013 – Base year
<b>ENERGY CONSUMED WITHIN THE ORGANIZATION (w)</b>								
302-1	Natural gas (heating) (x)	Megawatt hours	<b>2,395</b>	3,415	5,163	5,827	5,334	5,861
302-1	Jet kerosene (y)	Megawatt hours	<b>126</b>	779	3,005	2,704	2,904	4,611
302-1	Back-up diesel fuel (z)	Megawatt hours	<b>–</b>	14	–	–	12	–
302-1	Direct energy consumed	Megawatt hours	<b>2,521</b>	4,208	8,168	8,532	8,249	10,472
302-1	Indirect energy (electricity) consumed	Megawatt hours	<b>3,666</b>	4,298	5,441	5,648	5,884	6,648
302-1	Indirect energy (distribution of water) consumed	Megawatt hours	<b>8</b>	15	31	33	31	33
302-1	<b>Total energy consumed within the organization</b>	Megawatt hours	<b>6,195</b>	8,520	13,640	14,213	14,164	17,153
302-1	Percent of electricity consumed within the organization from low-carbon sources (aa)	Percent of total	<b>100</b>	100	100	100	100	100
302-1	Percent of energy consumed within the organization from low-carbon sources (aa)	Percent of total	<b>98</b>	91	78	81	79	39
<b>ENERGY CONSUMED OUTSIDE THE ORGANIZATION</b>								
302-2	Upstream leased properties	Megawatt hours	<b>38,504</b>	41,242	46,982	47,777	50,689	47,713
302-2	Investment fund properties (bb)	Megawatt hours	<b>276,888</b>	273,297	285,106	283,347	283,995	270,096
302-2	Business travel – air	Thousands of statute miles	<b>176</b>	1,951	13,043	13,515	16,524	15,334
302-2	Business travel – ground	Thousands of kilometres	<b>278</b>	624	2,026	1,998	2,536	2,458
<b>WATER AND WASTE CONSUMPTION</b>								
303-1	Water consumed in operations	Thousands of cubic metres	<b>96</b>	114	173	177	181	204
306-2	Waste generated in operations – owned facility (cc)	Tonnes	<b>46</b>	41	60	55	67	100
<b>ENERGY INTENSITY</b>								
302-3	Total energy consumed in owned and leased office space (dd)	Megawatt hours	<b>44,573</b>	48,983	57,617	59,286	61,950	60,255
302-3	Number of people in owned and leased premises	Number	<b>8,842</b>	8,179	8,437	8,703	8,910	9,050
302-3	Canadian office space (ee)	Average sq. ft.	<b>1,902,287</b>	1,936,497	1,930,688	1,987,246	2,062,954	1,926,250
302-3	Energy consumed per person	Megawatt hours/person	<b>5.04</b>	5.99	6.83	6.81	6.95	6.66
302-3	Energy consumed per square foot	Megawatt hours/sq. ft.	<b>0.023</b>	0.025	0.030	0.030	0.030	0.031

Environment (continued)

GRI Standard	Topic	Measurement	2021	2020	2019	2018	2017	2013 – Base year
TOTAL GREENHOUSE GAS (GHG) EMISSIONS (w,ff,gg)								
305-1	Market-based direct GHG emissions (Scope 1) (hh)	Metric tonnes of CO <sub>2</sub> e	34	241	835	724	781	2,313
305-2	Indirect GHG emissions (Scope 2)	Metric tonnes of CO <sub>2</sub> e	4	2	5	2	7	22
305-3	Other indirect GHG emissions (Scope 3)							
305-3	Emissions from upstream leased properties (hh)	Metric tonnes of CO <sub>2</sub> e	4,541	4,791	5,846	6,021	6,434	7,297
305-3	Emissions from investment fund properties (bb)	Metric tonnes of CO <sub>2</sub> e	41,822	41,346	44,700	42,766	45,199	48,235
305-3	Business travel – air	Metric tonnes of CO <sub>2</sub> e	24	272	1,760	1,829	2,355	2,153
305-3	Business travel – ground	Metric tonnes of CO <sub>2</sub> e	58	130	421	415	527	511
305-3	Waste generated in operations	Metric tonnes of CO <sub>2</sub> e	91	81	119	109	134	198
305-3	Total other indirect GHG emissions (Scope 3)	Metric tonnes of CO <sub>2</sub> e	46,536	46,619	52,846	51,139	54,648	58,394
	Total direct and indirect emissions (Scope 1, 2 and 3)	Metric tonnes of CO <sub>2</sub> e	46,574	46,862	53,685	51,866	55,436	60,729
EMISSIONS INTENSITY								
305-4	Total emissions from owned and leased office space (dd)	Metric tonnes of CO <sub>2</sub> e	4,752	5,516	8,985	9,100	10,238	12,494
305-4	Number of people in owned and leased premises	Number	8,842	8,179	8,437	8,703	8,910	9,050
305-4	Canadian office space (ee)	Average sq. ft.	1,902,287	1,936,497	1,930,688	1,987,246	2,062,954	1,926,250
305-4	Emissions per person	Metric tonnes of CO <sub>2</sub> e/person	0.54	0.67	1.07	1.05	1.15	1.38
305-4	Emissions per square foot	Metric tonnes of CO <sub>2</sub> e/sq. ft.	0.002	0.003	0.005	0.005	0.005	0.006

(w) 2013–2020 consumption and emission data is restated as improved estimates and/or amendments to prior year factors are available. Emissions restated May 19, 2022, after initial release of this report on May 6th, due to release of updated emission factors. Additionally, 2020 Scope 3 emissions are restated due to removal of 134,728 m³ of excess natural gas renewable energy credits.

(x) Conversion to MWh from volume of natural gas consumed was based on the conversion tool available at <http://www.nrcan.gc.ca/energy/publications/efficiency/buildings/5985>. Natural gas is used for heating.

(y) Conversion to MWh from volume of jet kerosene consumed was based on the conversion tool available at [https://www.neb-one.gc.ca/nrg/tl/cnvrsntbl/cnvrsntbl-eng.html#s2ss\\_auto5](https://www.neb-one.gc.ca/nrg/tl/cnvrsntbl/cnvrsntbl-eng.html#s2ss_auto5).

(z) Conversion to MWh from volume of back-up diesel fuel consumed was based on the conversion tool available at <http://www.nrcan.gc.ca/energy/publications/efficiency/buildings/5985>.

(aa) Renewable energy includes Manitoba Hydro and Bullfrog Power green natural gas.

(bb) As of 2019, measuring energy used in the IG Real Property Fund, equal to 13,842,543 average square feet in 2021. New developments were included from the date of initial operation, while for purchased properties, data was estimated back to the 2013 baseline, based on their earliest available data. This methodology is in line with GHG Protocol Guidance.

(cc) Waste generated from operations is from owned premises only. Weight is estimated by the third-party disposal contractor.

(dd) Includes owned and leased properties for operations. Does not include properties from investments – see footnote (bb).

(ee) Square footage is amended as needed based on updates and recent measurings. Where no specific reason exists for a change in area (expansion, etc.), the change is made for all years from 2013–2021.

(ff) Scope 1 and 2 GHG emissions are consolidated based on a financial control approach.

(gg) GHG emissions include emissions from the Canadian operations of IGM Financial and its operating companies and investments stated in footnote (bb), using a base year of 2013 – our first public year of reporting. The GHG Protocol was used. We applied global warming potentials from the National Inventory Report 1990–2020: Greenhouse Gas Sources and Sinks in Canada (Ottawa: Environment Canada, 2022).

(hh) Beginning in 2015, emissions from Scope 1 and Scope 3 natural gas are calculated based on the purchase of Bullfrog renewable natural gas renewable energy credits.

# GRI Index

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102-3: Location of headquarters	2021 Sustainability Report – About IGM (Page 5)
102-4: Location of operations	2021 Sustainability Report – About IGM (Page 5)
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102-10: Significant changes to the organization and its supply chain	<a href="#">2021 Annual Information Form – Description of Business (Page 6)</a> <a href="#">2021 Annual Information Form – Development of Business Over the Last Three Years (Page 7)</a>
102-11: Precautionary principle or approach	2021 Sustainability Report – Risk management (Page 42) 2021 Sustainability Report – Risk management – Managing environmental and social risks (Page 44) 2021 Sustainability Report – TCFD Report (Pages 81–84) <a href="#">2021 Annual Report – Risk Management (Pages 70–84)</a>
102-12: External initiatives	2021 Sustainability Report – Sustainable Development Goals (Page 15) 2021 Sustainability Report – Ethics and compliance (Page 41) 2021 Sustainability Report – GRI Index, SASB Index, TCFD Report (Pages 71–84) <a href="#">Recognition and commitments</a>



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102-14: Statement from most senior decision-maker	2021 Sustainability Report – Message from our CEO (Page 7)
102-16: Values, principles, standards and norms of behaviour	<a href="#">Corporate Sustainability Statement</a> 2021 Sustainability Report – Ethics and compliance (Page 39) <a href="#">IGM Financial Code of Business Conduct</a> <a href="#">Supplier Code of Conduct</a>
102-17: Mechanisms for advice and concerns about ethics	2021 Sustainability Report – Ethics and compliance (Page 39) <a href="#">Whistleblower Policy</a> <a href="#">IGM Financial Code of Business Conduct</a>
102-18: Governance structure	2021 Sustainability Report – Corporate governance – Sustainability governance (Page 37) <a href="#">2021 Management Proxy Circular – Statement of Corporate Governance Practices – Board and Committee Mandates (Page 73)</a>
102-19: Delegating authority	2021 Sustainability Report – Corporate governance – Sustainability governance (Page 37) 2021 Sustainability Report – TCFD Report (Pages 81–84) <a href="#">2021 Management Proxy Circular – Statement of Corporate Governance Practices – Board and Committee Mandates (Page 73)</a>
102-20: Executive-level responsibility for economic, environmental and social topics	2021 Sustainability Report – Corporate governance (Page 36) 2021 Sustainability Report – Corporate governance – Sustainability governance (Page 37)
102-22: Composition of the highest governance body and its committees	2021 Sustainability Report – Corporate governance – Sustainability governance (Page 37) <a href="#">2021 Management Proxy Circular – Election of Directors (Pages 18–35)</a> 2021 Sustainability Report – ESG Data Table – Governance (Page 60)
102-23: Chair of the highest governance body	<a href="#">2021 Management Proxy Circular – Election of Directors (Page 31)</a>
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102-36: Process for determining remuneration	<a href="#">2021 Management Proxy Circular – Compensation of Directors (Pages 36–38)</a> <a href="#">2021 Management Proxy Circular – Executive Compensation (Pages 40–46)</a>
102-40: List of stakeholder groups	2021 Sustainability Report – Stakeholder engagement (Pages 16–18)
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102-42: Identifying and selecting stakeholders	2021 Sustainability Report – Stakeholder engagement (Pages 16–18) Stakeholders are identified as any person or organization influential to our success or potentially impacted by our activities.
102-43: Approach to stakeholder engagement	2021 Sustainability Report – Material ESG topics (Page 13) 2021 Sustainability Report – Stakeholder engagement (Pages 16–18) 2021 Sustainability Report – Building financial confidence (Page 21) 2021 Sustainability Report – Corporate governance – Sustainability governance (Page 37) 2021 Sustainability Report – Talent and culture – Engaging our employees (Page 50) 2021 Sustainability Report – Community support (Page 54)

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102-47: List of material topics	2021 Sustainability Report – Material ESG topics (Page 13) 22021 Sustainability Report – Sustainability strategy (Page 14)
102-48: Restatements of information	2021 Sustainability Report – ESG Data Table – Footnote ‘w’ (Pages 69 and 70)
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102-56: External assurance	2021 Sustainability Report – About this report (Page 4)



GRI Standard		Disclosure Response
<b>SPECIFIC DISCLOSURES: ECONOMIC</b>		
<b>Economic Performance</b>	201-103: Management approach	2021 Sustainability Report – Creating shared value (Page 6) 2021 Sustainability Report – Risk management – Managing environmental and social risks (Page 44) 2021 Sustainability Report – TCFD Report (Pages 81–84) <a href="#">2021 Management Proxy Circular</a> <a href="#">CDP Response</a>
	201-1: Direct economic value generated and distributed	2021 Sustainability Report – Creating shared value (Page 6) <a href="#">2021 Annual Report – Consolidated Financial Statements (Page 91)</a>
	201-2: Financial implications and other risks and opportunities due to climate change	2021 Sustainability Report – Risk management – Managing environmental and social risks (Page 44) 2021 Sustainability Report – TCFD Report (Pages 81–84) <a href="#">CDP Response</a>
	201-3: Defined benefit plan obligations and other retirement plans	<a href="#">2021 Annual Report – Summary of Critical Accounting Estimates – Employee benefits (Page 88)</a> <a href="#">2021 Annual Report – Summary of Significant Accounting Policies – Employee benefits (Page 104)</a> <a href="#">2021 Annual Report – Notes to Consolidated Financial Statements – Employee benefits (Page 114)</a>
<b>Indirect Economic Impacts</b>	203-103: Management approach	2021 Sustainability Report – Creating shared value (Page 6) 2021 Sustainability Report – Building financial confidence (Pages 21–23) 2021 Sustainability Report – Advancing sustainable investing (Pages 24–28) <a href="#">2021 Management Proxy Circular – Statement of Corporate Governance Practices – Board and Committee Mandates (Page 73)</a>
	203-2: Significant indirect economic impacts	2021 Sustainability Report – Creating shared value (Page 6) 2021 Sustainability Report – Building financial confidence (Pages 21–23) 2021 Sustainability Report – Advancing sustainable investing (Pages 24–28)
<b>Anti-corruption</b>	205-103: Management approach	2021 Sustainability Report – Ethics and compliance (Page 39) 2021 Sustainability Report – Ethics and compliance – Anti-corruption and anti-bribery (Page 40) <a href="#">2021 Management Proxy Circular – Statement of Corporate Governance Practices – Ethical Business Conduct (Page 78)</a> <a href="#">Anti-Corruption and Anti-Bribery Policy</a>
	205-2 Communication and training about anti-corruption policies and procedures	2021 Sustainability Report – Ethics and compliance – Anti-corruption and anti-bribery (Page 40) <a href="#">2021 Management Proxy Circular – Statement of Corporate Governance Practices – Ethical Business Conduct (Page 78)</a> <a href="#">Anti-Corruption and Anti-Bribery Policy</a>

GRI Standard		Disclosure Response
	205-3 Confirmed incidents of corruption and actions taken	2021 Sustainability Report – Ethics and compliance – Anti-corruption and anti-bribery (Page 40) <a href="#">2021 Annual Information Form – Legal Proceedings and Regulatory Actions (Page 15)</a>
SPECIFIC DISCLOSURES: ENVIRONMENTAL		
Energy	302-103: Management approach	2021 Sustainability Report – Advancing sustainable investing (Pages 24–28) 2021 Sustainability Report – Risk management – Managing environmental and social risks (Page 44) 2021 Sustainability Report – Environmental footprint (Pages 56–58) <a href="#">CDP Response</a> <a href="#">Environmental Policy</a>
	302-1: Energy consumption within the organization	2021 Sustainability Report – ESG Data Table – Environment – Energy (Page 69)
	302-2: Energy consumption outside the organization	2021 Sustainability Report – ESG Data Table – Environment – Energy (Page 69)
	302-3: Energy intensity	2021 Sustainability Report – ESG Data Table – Environment – Energy (Page 69)
	302-4: Reduction of energy consumption	2021 Sustainability Report – Environmental footprint (Pages 56–58) <a href="#">CDP Response</a>
Emissions	306-103: Management approach	2021 Sustainability Report – Advancing sustainable investing (Pages 24–28) 2021 Sustainability Report – Risk management – Managing environmental and social risks (Page 44) 2021 Sustainability Report – Environmental footprint (Pages 56–58) 2021 Sustainability Report – TCFD Report (Pages 81–84) <a href="#">CDP Response</a> <a href="#">Environmental Policy</a>
	305-1: Direct (Scope 1) GHG emissions	2021 Sustainability Report – ESG Data Table – Environment – Emissions (Page 70)
	305-2: Energy indirect (Scope 2) GHG emissions	2021 Sustainability Report – ESG Data Table – Environment – Emissions (Page 70)
	305-3: Other indirect (Scope 3) GHG emissions	2021 Sustainability Report – ESG Data Table – Environment – Emissions (Page 70)
	305-4: Greenhouse gas (GHG) emissions intensity	2021 Sustainability Report – ESG Data Table – Environment – Emissions (Page 70)
	305-5: Reduction GHG emissions	2021 Sustainability Report – Environmental footprint (Pages 56–58) <a href="#">CDP Response</a>

GRI Standard		Disclosure Response
<b>MATERIAL TOPIC: SOCIAL</b>		
<b>Employment</b>	401-103: Management approach	2021 Sustainability Report – Risk management – Managing environmental and social risks (Page 44) 2021 Sustainability Report – Talent and culture (Page 48–53)
	401-1: New employee hires and employee turnover	2021 Sustainability Report – ESG Data Table – Talent – Employee turnover (Page 66)
	401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees	2021 Sustainability Report – Talent and culture – Health and wellness (Page 49) <a href="#">2021 Management Proxy Circular – Executive Compensation – Retirement Plan Benefits (Pages 65–67)</a>
	401-3: Parental leave	<a href="#">2021 Annual Report – IGM Financial Inc. – Critical Accounting Estimates and Policies (Page 87)</a> 2021 Sustainability Report – Talent and culture – Health and wellness (Page 49)
<b>Training and Education</b>	404-103: Management approach	2021 Sustainability Report – Risk management – Managing environmental and social risks (Page 44) 2021 Sustainability Report – Talent and culture (Pages 48–50) 2021 Sustainability Report – Talent and culture (Pages 51–52)
	404-2: Programs for upgrading employee skills and transition assistance programs	
	404-3: Percentage of employees receiving regular performance and career development reviews	2021 Sustainability Report – ESG Data Table – Talent – Training and education (Page 66)
<b>Diversity and Equal Opportunity</b>	405-103: Management approach	2021 Sustainability Report – Risk management – Managing environmental and social risks (Page 44) 2021 Sustainability Report – Accelerating DE&I in finance (Pages 29–34)
	405-1: Diversity of governance bodies and employees	2021 Sustainability Report – ESG Data Table – Talent – Diversity, equity and inclusion (Pages 67–68)
<b>Public Policy</b>	415-103: Management approach	2021 Sustainability Report – Ethics and compliance (Pages 39–41) <a href="#">IGM Financial Lobbying Policy</a>
	415-1: Political contributions	2021 Sustainability Report – Ethics and compliance – Political involvement and lobbying (Page 40) 2021 Sustainability Report – ESG Data Table – Ethics and compliance – Political contributions (Page 61)
<b>Marketing and Labeling</b>	417-103: Management approach	2021 Sustainability Report – Material ESG topics (Page 13) 2021 Sustainability Report – Ethics and compliance (Pages 39–41) 2021 Sustainability Report – Information security and privacy – Privacy (Page 47) <a href="#">2021 Annual Report – Wealth Management – Review of the Business (Pages 33–41)</a> <a href="#">IGM Privacy Policy</a>
	417-1: Requirements for product and service information and labeling	2021 Sustainability Report – Ethics and compliance – Responsible marketing and sales (Page 41)
	417-2: Incidents of non-compliance concerning product and service information and labeling	2021 Sustainability Report – ESG Data Table – Ethics and compliance (Page 61)
	417-3: Incidents of non-compliance concerning marketing communications	2021 Sustainability Report – ESG Data Table – Ethics and compliance (Page 61)



GRI Standard		Disclosure Response
Customer Privacy	418-103: Management approach	2021 Sustainability Report – Information security and privacy (Pages 45–47) <a href="#">2021 Annual Report – Risk Management – Technology and Cyber Risk (Page 77)</a> <a href="#">IGM Privacy Policy</a>
	418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	2021 Sustainability Report – ESG Data Table – Ethics and compliance (Page 61)
Socioeconomic Compliance	419-103: Management approach	2021 Sustainability Report – Corporate governance – Sustainability governance (Page 37) 2021 Sustainability Report – Ethics and compliance (Page 39) <a href="#">IGM Financial Code of Business Conduct</a>
	419-1: Non-compliance with laws and regulations in the social and economic area	2021 Sustainability Report – ESG Data Table – Ethics and compliance (Page 61) <a href="#">2021 Annual Information Form – Legal Proceedings and Regulatory Actions (Page 15)</a>
SECTOR DISCLOSURES		
Product Portfolio	PP-103: Management approach	2021 Sustainability Report – Advancing sustainable investing (Pages 24–28) <a href="#">2021 Annual Report – Wealth Management – Review of the Business (Pages 33–41)</a>
	G4-FS6: Percentage of the portfolio for business lines by specific region, size (e.g., micro/SME/large) and by sector	2021 Sustainability Report – ESG Data Table – Sustainable investing (Page 63)
	G4-FS7: Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	2021 Sustainability Report – ESG Data Table – Sustainable investing (Page 63)
Active Ownership	AO-103: Management approach	2021 Sustainability Report – Advancing sustainable investing (Pages 24–28) <a href="#">2021 Annual Report – Wealth Management – Review of the Business (Pages 33–41)</a> <a href="#">IG Wealth Management Sustainable Investing Policy</a> <a href="#">Mackenzie Investments Sustainable Investing Policy</a> <a href="#">Counsel Portfolio Services Sustainable Investing Policy</a> <a href="#">IG Wealth Management PRI Transparency Report</a> <a href="#">Mackenzie Investments PRI Transparency Report</a>
	G4-FS10: Percentage and number of companies held in the institution’s portfolio with which the reporting organization has interacted on environmental or social issues	2021 Sustainability Report – Advancing sustainable investing (Pages 24–28) 2021 Sustainability Report – ESG Data Table – Sustainable investing (Page 63) <a href="#">IG Wealth Management PRI Transparency Report</a> <a href="#">Mackenzie Investments PRI Transparency Report</a>
	G4-FS11: Percentage of assets subject to positive and negative environmental or social screening	2021 Sustainability Report – ESG Data Table – Sustainable investing (Page 63)

GRI Standard		Disclosure Response
Product and Service Labeling	PSL-103: Management approach	2021 Sustainability Report – Building financial confidence (Pages 21–23) 2021 Sustainability Report – Ethics and compliance (Pages 39–41) <u>2021 Annual Report – Strategic Investments and Other – Consolidated Financial Position (Pages 62–63)</u>
	G4-FS15: Policies for the fair design and sale of financial products and services	2021 Sustainability Report – Building financial confidence (Pages 21–23) 2021 Sustainability Report – Ethics and compliance (Pages 39–41)
	G4-FS16: Initiatives to enhance financial literacy by type of beneficiary	2021 Sustainability Report – Building financial confidence (Pages 21–23)

# SASB Index

## Asset Management & Custody Activities Sustainability Accounting Standard

SASB Topic	SASB Code	Accounting Metric	Category	Response
Transparent Information & Fair Advice for Customers	FN-AC-270a.2	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product related information to new and returning customers	Quantitative	2021 Sustainability Report – ESG Data Table – Ethics and compliance (Page 61)
	FN-AC-270a.3	Description of approach to informing customers about products and services	Discussion and Analysis	2021 Sustainability Report – Ethics and compliance (Page 39) 2021 Sustainability Report – Responsible marketing and sales and Knowing our clients and products (Page 41) 2021 Sustainability Report – Privacy (Page 47)
Employee Diversity & Inclusion	FN-AC-330a.1	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees	Quantitative	2021 Sustainability Report – ESG Data Table – Diversity, equity and inclusion (Page 67)
Incorporation of Environmental, Social, and Governance Factors in Investment Management & Advisory	FN-AC-410a.1	Amount of assets under management, by asset class, that employ (1) integration of environmental, social, and governance (ESG) issues, (2) sustainability themed investing, and (3) screening	Quantitative	<a href="#">IG Wealth Management PRI Transparency Report</a> <a href="#">Mackenzie Investments PRI Transparency Report</a>
	FN-AC-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment and/or wealth management processes and strategies	Discussion and Analysis	2021 Sustainability Report – Advancing sustainable investing (Page 24) <a href="#">IG Wealth Management Sustainable Investing Policy</a> <a href="#">Mackenzie Investments Sustainable Investing Policy</a> <a href="#">Counsel Portfolio Services Sustainable Investing Policy</a>
	FN-AC-410a.3	Description of proxy voting and investee engagement policies and procedures	Discussion and Analysis	<a href="#">IG Wealth Management PRI Transparency Report</a> <a href="#">Mackenzie Investments PRI Transparency Report</a>
Business Ethics	FN-AC-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations	Quantitative	2021 Sustainability Report – ESG Data Table – Ethics and compliance (Page 61)
	FN-AC-510a.2	Description of whistleblower policies and procedures	Discussion and Analysis	2021 Sustainability Report – Ethics and compliance (Page 39) <a href="#">Whistleblower Policy</a>
Activity Metrics	FN-AC-000.B	Total AUM	Quantitative	\$277.1B in Assets Under Management and Advisement at December 31, 2021.



# TCFD Report

We believe that financial services companies have an important role to play in addressing climate change, which is why we support the TCFD recommendations. We recognize that full implementation of TCFD will be a multi-year journey for IGM and our operating companies, involving various business areas including enterprise risk management, corporate sustainability, investment management and financial reporting.

Here is a summary of our approach in line with the TCFD recommendations, including the supplemental guidance for asset managers:

TCFD Topic	Our IGM Approach
<b>GOVERNANCE: Disclose the organization’s governance around climate-related risks and opportunities</b>	
Describe the Board’s oversight of climate-related risks and opportunities	<p>IGM’s Board is responsible for providing oversight on risk and strategy, which includes sustainability and climate-related matters.</p> <p>Our Board has approved a <a href="#">Corporate Sustainability Statement</a> which formalizes our longstanding commitment to sustainability. The Board meets with management at least annually to discuss plans and emerging ESG issues, including climate.</p> <p>Through its Risk Committee, the Board is responsible for ensuring that material ESG and climate-related risks are appropriately identified, managed and monitored. Its responsibilities include ensuring that appropriate procedures are in place to identify and manage risks and establish risk tolerances; ensuring that appropriate policies, procedures and controls are implemented to manage risks; and reviewing the risk management process on a regular basis to confirm that it is functioning effectively.</p>
Describe management’s role in assessing and managing climate-related risks and opportunities	<p>The senior-most leaders at each of our operating companies have primary ownership and accountability for the ongoing climate risk and opportunity management associated with their respective activities.</p> <p>IGM’s Sustainability Committee is composed of senior executives who are responsible for ensuring implementation of policy and strategy, establishing goals and initiatives, measuring progress, and approving annual reporting of ESG matters. The coordination and implementation of the program is carried out by IGM’s Corporate Sustainability Team. Our executive Risk Management Committee is responsible for oversight of the risk management process, including climate risks. Our Chief Financial Officer oversees implementation of the corporate sustainability and enterprise risk management programs.</p> <p>We have established a cross-functional, enterprise-wide TCFD Working Group of senior leaders to lead the planning and implementation of the TCFD recommendations. The group is focused on enhancing our knowledge and tools to quantify climate risks in tandem with our industry; further integrating climate into our business strategy, operations and product offerings; evolving our engagement approach with investee companies; and addressing increased disclosure expectations.</p> <p>The Mackenzie Sustainability Steering Committee is chaired by the Head of Sustainable Investing with executive membership from across IGM and Mackenzie, including the Mackenzie President and CEO, and Co-Chief Investment Officers. The committee is responsible for approving and governing corporate and sustainability related policies; approval and oversight for investment stewardship priorities, including climate; approval and monitoring for targets related to climate change; and evaluation of progress relative to key performance indicators, strategy roadmap and the market.</p> <p>The IG Wealth Management Sustainable Investment Committee is chaired by the Senior Vice-President, IG Investments and is composed of senior leaders across IG Wealth Management and IGM Financial. The committee is responsible for reviewing and approving sustainable investing and ESG matters brought forward to the committee. Sustainable investing matters include, but are not limited to, establishing beliefs, defining strategies/approach, consideration of new product needs, evaluating and considering climate-related risks and opportunities, monitoring industry developments, liaison with internal and external stakeholders, oversight of operational execution, research of service providers/tools, and communication with employees, consultants and clients.</p>

» Our support for TCFD is also aligned with our longstanding commitment to participate in the annual CDP survey, which promotes corporate disclosures on GHG emissions and climate change management. For the past five years, we were recognized by CDP as a corporate leader in climate change disclosure.

TCFD Topic	Our IGM Approach
<b>STRATEGY: Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy and financial planning where such information is material</b>	
Describe the climate-related risks and opportunities the organization has identified over the short-, medium-, and long-term	<p>Through IGM's wealth and asset management businesses the company plays a critical role in the global transition to a low-carbon economy. IGM has detailed its climate commitments in a position statement on our website, with a focus on three key areas:</p> <ol style="list-style-type: none"><li><b>1. Investing in a greener, climate resilient economy</b> – Our investment processes and products give us the opportunity to manage climate risks and create innovative solutions to our ongoing climate issues.</li><li><b>2. Collaborating and engaging to help shape the global transition</b> – We play a vital role in bringing climate-smart investment advice and solutions to clients, helping companies adapt, and participating in industry and policy advancements.</li><li><b>3. Demonstrating alignment through our corporate actions</b> – We will hold ourselves to a similar standard that we expect from the companies we invest in and empower our employees to stand behind our commitments.</li></ol> <p>Our operating companies are active participants in collaborative industry groups that support our climate commitments and are aimed at improving climate change governance, reducing emissions and strengthening climate-related financial disclosures. IGM Financial also joined the Partnership for Carbon Accounting Financials (PCAF) to support the journey to measure and disclose the GHG emissions associated with our mortgage loans and investments.</p>
Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy and financial planning	<p>Climate-related risks and opportunities are identified and assessed within IGM through our business planning processes that define our strategic priorities, initiatives and budgets. Our climate-related risks and opportunities can be grouped into the physical impacts of climate change and the impacts related to the transition to a low-carbon economy.</p> <p><b>Risks</b></p> <p>Our climate risks relate primarily to the potential for physical or transition risks to: negatively affect the performance of our clients’ investments, resulting in reduced fee revenue; harm our reputation; create market risks through shifts in product demand; or lead to new regulatory, legal or disclosure requirements that could affect our business. Diversification within and across our investment portfolios aids in managing exposure to any one company, sector or geographic region that might be exposed to climate-related risks.</p> <p>We are also exposed to the impact of extreme weather events on our corporate properties which could lead to business disruption, and on the valuations of investment properties and client mortgages, which if not addressed proactively, could affect financial performance and the ability to use the assets long-term.</p> <p>Our operating companies are committed to sustainable investing programs and policies that include a focus on climate risk. We provide data and tools for our investment teams to carry out current and forward-looking climate analysis and we integrate material climate risks into our investment and oversight processes for investment management sub-advisors. As part of the hiring process and ongoing assessment of sub-advisors, our teams request information about how ESG, including climate risks and opportunities, is resourced, what processes and tools are used, metrics and targets, and how strategy and governance are influenced. As we continue to implement the TCFD recommendations, we are devoting increased resources to areas such as training, analysis, metrics, target-setting, strategy planning and working collaboratively with organizations.</p> <p><b>Opportunities</b></p> <p>We are focused on meeting growing demand for sustainable investing and the opportunity to invest in the transition to a net-zero economy. We are also increasing our focus on educating and communicating with clients and advisors on sustainable investing and climate change.</p> <p>At Mackenzie, sustainable investing is an area of strategic emphasis, and we have established a dedicated team of nine experts within Mackenzie’s Sustainability Centre of Excellence who bring focus to ESG and climate across the organization. Mackenzie has an investment boutique, Greenchip, which focuses exclusively on thematic investing to combat climate change. In 2021, Mackenzie launched the Betterworld Team, which invests in companies that are making a positive impact on the people and the planet, and expanded its suite of climate offerings through the addition of the Mackenzie Greenchip Global Balanced Fund, the Mackenzie Global Sustainable Bond ETF, and the Mackenzie Global Green Bond Fund.</p> <p>At IG, we have integrated environmental and climate issues into our sub-advisory selection and oversight processes, and product development strategy. In 2021, IG launched its Climate Action Portfolios, a suite of four diversified managed solutions that aim to provide clients with the opportunity to support and benefit from the global transition to net-zero emissions.</p>

TCFD Topic	Our IGM Approach
Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	<p>We have implemented a tool to enhance our quantitative assessment of climate risks in our investment funds by analyzing emissions and other climate-related information at the investee company and portfolio levels. This system enables us to model potential transition pathways and track our portfolios against the goal of limiting global warming to 2°C above pre-industrial levels, and examine the adequacy of emissions reductions over time in meeting the goals of the Paris Agreement.</p> <p>We are exploring scenario analysis tools with external data providers to support us in our efforts to run climate-related scenario analysis across our business.</p>
Describe how risks and opportunities are factored into relevant products or investment strategies and describe related transition impact	<p>IG and Mackenzie, and their investment sub-advisors, are signatories to the PRI. Under the PRI, investors formally commit to incorporate ESG issues, including climate change, into their investment decision making and active ownership processes. In addition, IG, Mackenzie and IPC have implemented sustainable investing policies outlining the practices at their respective companies.</p> <p>We also offer a number of thematic and impact funds addressing ESG and climate-related considerations, consistent with our strategy to offer a broad number of investment options for our clients.</p>
<b>RISK MANAGEMENT: Disclose how the organization identifies, assesses and manages climate-related risks</b>	
Describe the organization's processes for identifying and assessing climate-related risk	<p>Assessment and management of climate-related risks is integrated into our ERM Framework.</p> <p>We use a consistent methodology across our organizations and business units for identification and assessment of risks, considering factors both internal and external to the organization. These risks are broadly grouped into five categories: financial, operational, strategic, business, and environmental and social (including climate change risks). We are increasingly focused on defining the relationship of climate risk to other material risks.</p>
Describe the organization's processes for managing climate-related risks	<p>Risks are assessed by evaluating the impact and likelihood of the potential risk event after consideration of controls and any risk transfer activities. The results of these assessments are considered relative to risk appetite and tolerances and may result in action plans to adjust the risk profile. Risk assessments are monitored and reviewed on an ongoing basis by business units and by oversight areas including the ERM department. The ERM department promotes and coordinates communication and consultation to support effective risk management and escalation. It regularly reports on the results of risk assessments and on the assessment process to the Risk Management Committee and to the Board of Directors.</p>
Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management	<p>At Mackenzie, each boutique investment team is responsible for determining when and how climate transition and physical risks are material, and for incorporating these risks into their investment process. At IG and IPC, management evaluates the sustainable investing practices of investment manager sub-advisors, including the integration of climate risks into their investment and active ownership practice.</p>
Describe how material climate-related risks are identified and assessed for each product or investment strategy	
Describe how material climate-related risks are managed for each product or investment strategy	



TCFD Topic	Our IGM Approach
Describe engagement activity with investee companies to encourage better disclosure and practices related to climate-related risks in order to improve data availability and asset managers' ability to assess climate-related risks	<p>To maximize stewardship efforts, engagement at Mackenzie is undertaken both internally and by a third-party engagement specialist where climate change is a priority engagement topic. At IPC, a pooled engagement service provider is used to work with companies to enhance corporate behaviour and strategy related to topics including climate change. At IG, investment management sub-advisors, including Mackenzie, are responsible for engagement activities and IG monitors their practices as part of regular due diligence and oversight.</p> <p>Mackenzie is a founding participant in Climate Engagement Canada and participates in CERES' Investor Network on Climate Risk. Both Mackenzie and IG joined Climate Action 100+ and became founding signatories to the Canadian Investor Statement on Climate Change.</p>
<b>METRICS AND TARGETS: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material</b>	
Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	<p>We set, monitor and report on climate change-related metrics and targets annually in our detailed CDP response and our Sustainability Report.</p> <p>At Mackenzie, each boutique investment team is responsible for integrating ESG into its investment process, including determining appropriate GHG emissions and other metrics to assess climate-related risks and opportunities in investment strategies. The teams have access to ESG data tools and metrics to support their assessment.</p> <p>We report Scope 1, 2 and 3 GHG emissions, where possible, including a portion of our Scope 3 investment emissions. We are continuing to expand and enhance our measurement and reporting of emissions related to our investment portfolios as tools and information improves.</p> <p>Our GHG Statement for the year ended December 31, 2021 was independently assured by PwC.</p> <p>PwC performed a limited assurance engagement over the following: total Scope 1 emissions, total Scope 2 emissions and business travel (air and ground) Scope 3 emissions.</p>
Describe metrics used to assess climate-related risks and opportunities in each product or investment strategy	
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks	
Asset managers should provide the weighted average carbon intensity, where data are available or can be reasonably estimated, for each product or investment strategy	
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	<p>Through IGM's Climate Position Statement, we have set a target to be climate neutral in our corporate offices and travel by 2022. We also commit to setting interim targets for investment portfolios, consistent with the global ambition to achieve net-zero emissions by 2050.</p> <p>As such, Mackenzie joined the Net Zero Asset Managers Initiative and will set, by the end of 2022, an interim investment target in line with the attainment of net-zero emissions by 2050.</p>

# Forward-looking statements

Certain statements in this report, other than statements of historical fact, are forward-looking statements based on certain assumptions and reflect IGM Financial's current expectations. Forward-looking statements are provided to assist the reader in understanding the Company's financial position and results of operations as at and for the periods ended on certain dates and to present information about management's current expectations and plans relating to the future. Readers are cautioned that such statements may not be appropriate for other purposes. These statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of the Company, as well as the outlook for North American and international economies, for the current fiscal year and subsequent periods. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "plans", "believes", "estimates", "seeks", "intends", "targets", "projects", "forecasts" or negative versions thereof and other similar expressions, or future or conditional verbs such as "may", "will", "should", "would" and "could".

This information is based upon certain material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking statements, including the perception of historical trends, current conditions and expected future developments, as well as other factors that are believed to be appropriate in the circumstances. While the Company considers these assumptions to be reasonable based on information currently available to management, they may prove to be incorrect.

By its nature, this information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved.

A variety of material factors, many of which are beyond the Company's and its subsidiaries' control, affect the operations, performance and results of the Company, and its subsidiaries, and their businesses, and could cause actual results to differ materially from current expectations of estimated or anticipated events or results. These factors include, but are not limited to: the impact or unanticipated impact of general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, management of market liquidity and funding risks, changes in accounting policies and methods used to report financial condition (including uncertainties associated with critical accounting assumptions and estimates), the effect of applying future accounting changes, operational and reputational risks, business competition, technological change, changes in government regulations and legislation, changes in tax laws, unexpected judicial or regulatory proceedings, catastrophic events, outbreaks of disease or pandemics (such as COVID-19), the Company's ability to complete strategic transactions, integrate acquisitions and implement other growth strategies, and the Company's and its subsidiaries' success in anticipating and managing the foregoing factors.

The reader is cautioned that the foregoing list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. The reader is also cautioned to consider these and other factors, uncertainties and potential events carefully and not place undue reliance on forward-looking statements.

Other than as specifically required by applicable Canadian law, the Company undertakes no obligation to update any forward-looking statements to reflect events or circumstances after the date on which such statements are made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results, or otherwise.

Additional information about the risks and uncertainties of the Company's business and material factors or assumptions on which information contained in forward-looking statements is based is provided in its disclosure materials, including the Management's Discussion and Analysis and its most recent Annual Information Form, filed with the securities regulatory authorities in Canada, available at [www.sedar.com](http://www.sedar.com).