



**Independent limited assurance report on  
selected performance metrics presented within  
the IGM Financial Inc.'s Report on 2022  
Greenhouse Gas Emissions**

Prepared in accordance with:

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

This report is intended solely for use by IGM Financial Inc., and is not intended and should not be used for any other purpose.



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**SECTION I: REPORT ON 2022 GREENHOUSE GAS EMISSIONS**

## Report on 2022 Greenhouse Gas Emissions

### Boundary Selection

For the information presented in this report for the calendar year ending December 31, 2022 with respect to our Scope 1, 2, and 3 greenhouse gas emissions, management used the financial control consolidation approach as defined in the GHG Protocol: A Corporate Accounting and Reporting Standard, Revised Edition. The application of this boundary definition resulted in the inclusion of owned facilities in Scope 1 and 2 emissions and business travel in Scope 3 emissions for the purposes of determining IGM Financial Inc.'s carbon footprint.

### Data Collection Methodology

Data for utilities consumption for the owned facility was gathered from utility invoices. Electricity consumption was in kilowatt hours (kWh) and natural gas consumption was in cubic meters (m<sup>3</sup>). Data for Scope 3 business travel was provided by our air travel management companies and from ground travel expense reimbursement reports based on kilometres (km) or miles travelled; for the third-party private jet used, jet fuel consumption in pounds (lbs) was available for reporting purposes.

Scope 1 presents emissions before and after the application of renewable natural gas certificates and offsets. Scope 2 emissions, location-based and market-based, presents emissions before and after the application of offsets. Scope 3 presents business travel emissions before and after the application of offsets. All were calculated all calculated taking into consideration the GHG Protocol and the CDP Climate Change Reporting Guidance.

### GHG Emissions Summary

Emissions by scope in tonnes CO <sub>2</sub> equivalent (tCO <sub>2</sub> e)	Approach	2022 (tCO <sub>2</sub> e)	2021 (tCO <sub>2</sub> e)	2013 Base Year (tCO <sub>2</sub> e)	Variance 2022 to 2021	Variance 2022 to Base Year
Scope 1 before green natural gas certificates or offsets (natural gas, backup fuel and refrigerants)		617	468	1,078	32%	-43%
Scope 1 after green natural gas certificates and offsets (natural gas, backup fuel and refrigerants) <sup>1</sup>		0	0	1,078	0%	-100%
Scope 2 before offsets (Electricity) <sup>2</sup>	Location -based	8	7	22	20%	-62%
Scope 2 after offsets (Electricity) <sup>2</sup>	Location -based	6	7	22	-12%	-72%
Scope 2 before offsets (Electricity) <sup>3</sup>	Market - based	2	4	22	-43%	-90%
Scope 2 after offsets (Electricity) <sup>3</sup>	Market - based	0	4	22	-100%	-100%
Scope 3 Business Travel before offsets <sup>3</sup>		663	112	3,870	490%	-83%
Scope 3 Business Travel after offsets <sup>3</sup>		0	112	3,870	-100%	-100%

<sup>1</sup>Scope 1 emissions in 2022 were reduced by 613 tCO<sub>2</sub>e due to the purchase of Bullfrog Power renewable natural gas certificates. The emissions factor associated with the combustion of this renewable natural gas effectively removes the CO<sub>2</sub>e emissions that otherwise would have been present with conventional natural gas, thereby reducing our natural gas emissions. CSA certified offsets were also purchased in 2022, 4 tCO<sub>2</sub>e were applied to offset the emissions related to the use of back up diesel.

<sup>2</sup> Scope 2 location-based emissions in 2022 increased by 1 tCO<sub>2</sub>e due to a 20% increase in electricity usage at the owned property when compared to 2021. The 2022 electricity usage is more aligned with what we have seen historically at our owned property, which reflects the normalization of operations and occupancy post Covid-19. 2021 electricity usage has been the lowest since baseline year (2013) at this property, followed by 2022 numbers. After applying offsets, the 2022 electricity emissions were reduced by 2 tCO<sub>2</sub>e.

<sup>3</sup>In contrast, Scope 2 market-based emissions in 2022 and 2021 only accounted for 2 tCO<sub>2</sub>e and 4 tCO<sub>2</sub>e respectively, because the utility provider servicing our owned property (Manitoba Hydro) is a low-carbon energy source and its associated emission factors are lower than the ones available for the Province of Manitoba. Additionally, CSA certified offsets were applied to reduce the emissions associated with electricity for 2022 to 0tCO<sub>2</sub>e.

<sup>4</sup>Scope 3 Business Travel reflects a large increase year over year because travel is back to normal within the organization after the restrictions related to Covid-19. As a result, 663 tCO<sub>2</sub>e CSA certified offsets were purchased to offset the emissions related to business travel in 2022.

See Appendix A for the emissions factors used to calculate the stated 2022 CO<sub>2</sub>e emissions.

Dated this May 3<sup>rd</sup>, 2023.



**Keith Potter**  
Executive Vice-President and Chief Financial Officer  
IGM Financial Inc.

**Appendix A: 2022 Emissions Factors**

Emissions Source	Unit	Value	Source
<b>Electricity (Market-Based)</b>	tCO <sub>2</sub> e/kWh	0.00000051	Manitoba Hydro's Greenhouse Gas Emissions Factors PDF ( <a href="https://www.hydro.mb.ca/environment/pdf/ghg-emission-factors.pdf">https://www.hydro.mb.ca/environment/pdf/ghg-emission-factors.pdf</a> )
<b>Electricity (Location-Based)</b>	tCO <sub>2</sub> e/kWh	0.000002	Environment and Climate Change Canada. National Inventory Report 1990–2021: Greenhouse Gas Sources and Sinks in Canada Part 3. (Ottawa: Environment and Climate Change Canada, 2023.), Tables A13-1 to A13-14
<b>Natural Gas</b>	tCO <sub>2</sub> e/m <sup>3</sup>	0.001960	Manitoba Hydro, <a href="https://www.hydro.mb.ca/environment/greenhouse_gas/">https://www.hydro.mb.ca/environment/greenhouse_gas/</a>
<b>Renewable natural gas certificates</b>	tCO <sub>2</sub> e/m <sup>3</sup>	0 <sup>1</sup>	Bullfrog Power Inc. Operating Criteria and Quantification Methodology for Displacement of Natural Gas with Green Natural Gas. June 2022. Tables 1 and A1, p14 and p20. (available <a href="#">here</a> ).  <i><sup>1</sup>Bullfrog Green Natural Gas has traceable amounts of Methane and Nitrous Oxide resulting in an emission factor of 0.000002 tCO<sub>2</sub>e/m<sup>3</sup>. Due to these GHG emissions de minimus materiality, Bullfrog Green Natural Gas emissions have been taken as net zero. This approach will be re-assessed next year in case the materiality changes.</i>
<b>Back up diesel</b>	tCO <sub>2</sub> e/l	0.002690	Environment and Climate Change Canada. National Inventory Report 1990–2021: Greenhouse Gas Sources and Sinks in Canada Part 2. (Ottawa: Environment and Climate Change Canada, 2023.), Table A6.1-5
<b>3<sup>rd</sup> party Private Jet</b>	tCO <sub>2</sub> e/l	0.002581	Environment and Climate Change Canada. National Inventory Report 1990–2021: Greenhouse Gas Sources and Sinks in Canada Part 2. (Ottawa: Environment and Climate Change Canada, 2023.), Table A6.1-14
<b>Reimbursed mileage</b>	tCO <sub>2</sub> e/mile	0.00032	Emissions Factors for Greenhouse Gas Inventories (March 2023): <a href="https://www.epa.gov/system/files/documents/2023-03/ghg_emission_factors_hub.pdf">https://www.epa.gov/system/files/documents/2023-03/ghg_emission_factors_hub.pdf</a>
<b>Corporate Air Travel</b>			
<i>Short Haul</i>	tCO <sub>2</sub> e/mile	0.00021	Emissions Factors for Greenhouse Gas Inventories (March 2023): <a href="https://www.epa.gov/system/files/documents/2023-03/ghg_emission_factors_hub.pdf">https://www.epa.gov/system/files/documents/2023-03/ghg_emission_factors_hub.pdf</a>
<i>Medium Haul</i>	tCO <sub>2</sub> e/mile	0.00013	
<i>Long Haul</i>	tCO <sub>2</sub> e/mile	0.00016	



**SECTION II: INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT ON SELECT PERFORMANCE METRICS PRESENTED WITHIN IGM FINANCIAL INC.'S REPORT ON 2022 GREENHOUSE GAS EMISSIONS AND THE IGM FINANCIAL 2022 SUSTAINABILITY REPORT**



## **Independent practitioner's limited assurance report on select performance metrics presented within IGM Financial Inc.'s Report on 2022 Greenhouse Gas Emissions and the IGM Financial 2022 Sustainability Report**

To the Directors and Management of IGM Financial Inc (IGM Financial).

We have undertaken a limited assurance engagement of the select performance metrics included in Schedule 1 (the select performance metrics) as presented within IGM Financial Inc.'s Report on 2022 Greenhouse Gas Emissions and the IGM Financial 2022 Sustainability Report (the Reports) for the year ended December 31, 2022.

### **Management's responsibility**

Management is responsible for the preparation of the select performance metrics in accordance with the methodology established in the *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Financial Control Methodology* (the applicable criteria) applied as detailed within the Reports. Management is also responsible for such internal control as management determines necessary to enable the preparation of the select performance metrics that is free from material misstatement, whether due to fraud or error.

### **Our responsibility**

Our responsibility is to express a limited assurance conclusion on the select performance metrics based on the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standards on Assurance Engagements (ISAE) 3410, Assurance Engagements on Greenhouse Gas Statements (ISAE 3410). This standard requires that we plan and perform this engagement to obtain limited assurance about whether the select performance metrics are free from material misstatement.

A limited assurance engagement involves performing procedures (primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures) and evaluating the evidence obtained. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of our report. The procedures are selected based on our professional judgment, which includes identifying areas where the risks of material misstatement, whether due to fraud or error, in preparing the select performance metrics in accordance with the applicable criteria are likely to arise.

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

- Obtained, through inquiries, an understanding of IGM's control environment and information systems relevant to GHG emissions quantification and reporting, but did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness;
- Conducted analytical reviews and trend analysis of reported data for selected performance metrics;

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- Checked the mathematical accuracy of the calculation related to the GHG emissions variations on the comparative periods January 1, 2021 to December 31, 2021 and January 1, 2013 to December 31, 2013 reported in the subject matter. This did not imply any assurance procedures on GHG emissions for the periods January 1, 2021 to December 31, 2021 and January 1, 2013 to December 31, 2013; and
- Reviewed the select performance metrics disclosure in the Reports to ensure consistency with the evidence obtained.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and, consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

#### **Our independence and quality management**

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

The firm applies Canadian Standard on Quality Management 1, *Quality Management for Firms that Perform Audits and Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

#### **Significant inherent limitations**

Emissions and energy use data are subject to inherent limitations given the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

#### **Conclusion**

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that IGM Financial's select performance metrics for the year ended December 31, 2022, are not prepared, in all material respects, in accordance with the applicable criteria.

#### **Purpose of statement and restriction on distribution and use of our report**

The select performance metrics have been prepared in accordance with the applicable criteria by IGM Financial's management to report to the Board of Directors. As a result, the select performance metrics may not be suitable for another purpose. Our report is intended solely for IGM Financial.





We acknowledge the disclosure of our report, in full only, by IGM Financial at its discretion, to Carbon Disclosure Project (CDP). We make no representations or warranties of any kind to CDP or any other third party in respect of this report.

Our report should not be distributed to parties other than IGM Financial or CDP.

*PricewaterhouseCoopers LLP*<sup>1</sup>

Partnership of Chartered Professional Accountants

Montreal (Quebec)  
May 3, 2023

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<sup>1</sup> CPA auditor, Public Accountancy Permit No. A113424



## Schedule 1

Select performance metrics presented in the Report on 2022 Greenhouse Gas Emissions of IGM Financial Inc. and the IGM Financial 2022 Sustainability Report

Our limited assurance engagement was performed on the following select performance metrics for the year ended December 31, 2022:

Selected performance metrics	Approach	2022 Tonnes of CO2e	Mathematical accuracy of the variance	
			2022 vs 2021	2022 vs 2013
Gross Scope 1 emissions (Natural Gas, Back-up Fuel, and Refrigerants)		617	32%	-43%
Net Scope 1 emissions (including the Renewable Natural Gas Certificates and offsets (Natural Gas, Back-up Fuel and Refrigerants))		0	0%	-100%
Gross Scope 2 Electricity emissions location based	Location-based	8	20%	-62%
Net Scope 2 Electricity emissions location based (including offsets)	Location-based	6	-14%	-73%
Gross Scope 2 emissions market based	Market-based	2	-43%	-90%
Net Scope 2 emissions market based (including offsets)	Market-based	0	-100%	-100%
Gross Scope 3 Business Travel emissions (Reimbursed Mileage and Corporate Air Travel)		663	490%	-83%
Net Scope 3 Business Travel		0	-100%	-100%



emissions (including offsets (Reimbursed Mileage and Corporate Air Travel))				
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We were not engaged to report on comparative figures for the prior years, and we were not engaged to report on trends, variances and any other additional information not specifically mentioned in the table above.

The organizational boundaries and the applicable criteria for the determination of these metrics have been disclosed in the Reports.