



Greenhouse Gas Statement

For the year ended December 31, 2019

Prepared in accordance with:

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

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SECTION I: Independent practitioner's limited assurance report on IGM Financial Inc.'s Greenhouse Gas Statement (the "GHG Statement")

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

We have undertaken a limited assurance engagement of the accompanying GHG Statement of IGM Financial Inc. (the "Company" or "IGM") for the year ended December 31, 2019, comprising the emissions inventory, and the explanatory notes. This engagement was conducted by a multidisciplinary team including assurance practitioners and individuals with environmental experience.

IGM Financial Inc.'s responsibility

IGM Financial Inc. is responsible for preparation of the GHG Statement in accordance with the *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard financial control methodology* (the "Applicable Criteria"), applied as explained in the GHG Statement. IGM is also responsible for such internal control as management determines necessary to enable the preparation of a GHG Statement that is free from material misstatement.

Inherent Uncertainty

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

Our responsibility

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

A limited assurance engagement undertaken in accordance with ISAE 3410 involves performing procedures (primarily consisting of making inquiries of management and other within the entity, as appropriate, and applying analytical procedures) and evaluating the evidence obtained. The procedures are selected based on our professional judgment, which includes identifying areas where the risks of material misstatement in preparing the GHG Statement in accordance with the Applicable Criteria are likely to arise.

Given the circumstances of the engagement, in performing the procedures listed above we:

- Through inquiries, obtained an understanding of IGM's control environment and information systems relevant to emissions quantification and reporting, but did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness.

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- Evaluated whether IGM's methods for developing estimates are appropriate and had been consistently applied. However, our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate IGM's estimates.
- Checked the mathematical accuracy of the calculation related to the GHG emissions variations on the comparative periods January 1, 2018 to December 31, 2018 and January 1, 2013 to December 31, 2013 reported in the GHG Statement. This did not imply any assurance procedures on GHG emissions for the periods January 1, 2018 to December 31, 2018 and January 1, 2013 to December 31, 2013.

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

Our independence and quality control

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

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

Scope limitation

Our engagement scope did not cover the following item presented in the GHG statement:

- GHG emissions for the period January 1, 2018 to December 31, 2018 and related disclosure
- GHG emissions for the period January 1, 2013 to December 31, 2013 and related disclosure

Therefore our limited assurance conclusion does not extend to the above mentioned items.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that IGM Financial Inc.'s GHG Statement prepared in accordance with the Applicable Criteria for the year ended December 31, 2019, is not fairly stated, in all material respects.



Purpose of statement and restriction of use and distribution

This report, including the conclusion, has been prepared for the Board of Directors and Management of IGM Financial Inc., to assist Management in reporting on the Company's performance and activities. We permit the disclosure of this report within the accompanying GHG statement for the year ended December 31, 2019, to enable Management to demonstrate that they have discharged their governance responsibilities by commissioning an independent assurance report on the selected information contained in the GHG Statement. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Management of IGM for our work or this report, save where terms are expressly agreed and with our prior consent in writing.

*PricewaterhouseCoopers LLP*¹

Partnership of Chartered Professional Accountants

Montréal (Québec)

June 8th, 2020

¹ CPA auditor, CA, public accountancy permit No. A113424



SECTION II: GREENHOUSE GAS (GHG) STATEMENT

Report on 2019 Greenhouse Gas Emissions

Boundary Selection

For the information presented in this report for the calendar year ending December 31, 2019 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. The application of this boundary definition resulted in the inclusion of owned facilities and owned aircraft in Scope 1 and 2 emissions and business travel in Scope 3 emissions for the purposes of determining IGM Financial Inc.'s carbon footprint.

Data Collection Methodology

Data for utilities consumption for the owned facility was provided by the utility provider in an Excel spreadsheet format and checked against the utility's invoices received for the period under review. Electricity consumption was in kilowatt hours (kWh) and natural gas consumption was in cubic meters (m³). Data for jet fuel consumption and miles flown through the operation of the owned aircraft was provided by our management company in an Excel spreadsheet format and was checked against the monthly travel reports received for the period under review. Data for Scope 3 business travel was provided by our air travel management companies and from ground travel expense reimbursement reports.

GHG Emissions Summary

Emissions by scope in tonnes CO₂ equivalent (tCO₂e)	2019	2018	2013 Base Year	Variance 2019 to 2018	Variance 2019 to Base Year
Scope 1 Natural gas (market approach), refrigerants, and jet fuel ¹	835	724	2,313	15.2%	-63.9%
Scope 2 Electricity (location and market approach)	5	2	18	101.9%	-72.8%
Scope 3 Business Travel	2,265	2,329	2,753	-2.7%	-17.7%

¹Scope 1 emissions in 2019 were reduced by 954 tonnes CO₂e 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 CO₂e emissions that otherwise would have been present with conventional natural gas, thereby reducing our natural gas emissions. See Appendix A for the emissions factors used to calculate the stated 2019 CO₂e emissions.



Dated this 8TH of June, 2020

Luke Gould
Executive Vice-President and Chief Financial Officer

Appendix A: 2019 Emissions Factors

Emissions Source	Unit	Value	Source
Electricity	tCO ₂ e/kWh	0.00000088	Manitoba Hydro grid electricity emissions 2019 factor as referenced here
Natural Gas	tCO ₂ e/m ³	0.001900	Manitoba Hydro grid natural gas emissions 2019 factor as referenced here
Renewable natural gas certificates	tCO ₂ e/m ³	0 ¹	Operating Criteria and Quantification Methodology for Displacement of Natural Gas with Green Natural Gas – Nov 2018 referenced here <i>¹Bullfrog Green Natural Gas has traceable amounts of Methane and Nitrous Oxide resulting in an emission factor of 0.000002 tCO₂e/m³. 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>
Refrigerants	tCO ₂ e/tonne	1,774	Department of Energy and Climate Change, UK Government GHG Conversion Factors for Company Reporting, https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2019
Corporate Jet	tCO ₂ e/l	0.002582	Environment Canada. Greenhouse Gas Division, National Inventory Report 1990–2017: Greenhouse Gas Sources and Sinks in Canada Part 2. (Ottawa: Environment Canada, 2019.), 226.
Reimbursed mileage	tCO ₂ e/mile	0.00034	Emissions Factors for Greenhouse Gas Inventories (March 2018): https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf
Corporate Air Travel			
<i>Short Haul</i>	tCO ₂ e/mile	0.00023	Emissions Factors for Greenhouse Gas Inventories (March 2018): https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf
<i>Medium Haul</i>	tCO ₂ e/mile	0.00014	
<i>Long Haul</i>	tCO ₂ e/mile	0.00017	