



# Building tomorrow together

IG Wealth Management  
2020 Sustainability Report





# We know that sustainability means meeting the needs of our stakeholders while positively impacting and influencing the economic, social, and environmental future of generations to come.

We are motivated in large part by our desire to be part of the solution to problems such as climate change, income disparity and a wide range of social inequities. We want to help our employees, clients and partners build a better future for our children and our children's children because it is good for Canada, the world and our business.

## A better tomorrow for our clients

As one of Canada's largest wealth management companies, our business mission is to help Canadians achieve their life goals and secure their future. We do that by providing industry leading, holistic financial planning to more than a million clients across the country.

Increasingly, Canadians want their financial plans to contribute to sustainability. By finding them solid opportunities to invest in Environmental, Social, and Governance (ESG)-minded businesses and technologies, we can attack global issues like climate change and strengthen society's resilience to future challenges.

All our investment sub-advisors are expected to evaluate the ESG practices of the companies within our investment portfolios, because we believe sustainable companies generally perform better. We continuously monitor evolving global ESG frameworks and best practices to make those evaluations, but also to ensure we are living up to sustainable ESG practices.

## A better tomorrow for our communities

We also know we have a duty to make IG a more sustainable company and we made important progress in 2020. Among other advances, IG was recognized with Race to Reduce Awards for Sustained Excellence, Most Improved Energy Use, and Largest Natural Gas Reduction. I'm especially proud that IG's own Richard Bracken was recognized with the Building Energy Efficiency Champion Award for his commitment to green initiatives in the workplace.

Improving full participation in the economy is also a critical step in creating a more sustainable society. As an Imagine Canada Caring Company, we allocate one per cent of our pre-tax profits back into communities.

Promoting financial confidence for all is our "north star". With a growing financial divide threatening some disenfranchised groups, it is more important than ever that everyone have the knowledge, confidence and opportunity to participate



**Damon Murchison**  
President and CEO  
IG Wealth Management

in the economy. To that end, we have focused our efforts on vulnerable communities – most at risk for being left behind.

### **A better tomorrow for our people**

We are only one piece in a complex sustainability environment, which is why we take a highly collaborative approach, engaging our people through our Partners in Action teams, and partnering with experts like Pride at Work, Catalyst, the Winnipeg Indigenous Accord, and the new BlackNorth Initiative.

Of course, at the heart of everything we do are our employees and advisors. As an employer, we know the value of diversity and inclusion. Having a workforce that reflects the mosaic of Canada makes IG a stronger company and helps us move society towards a more equitable future

To that end, as we grow, we have strengthened our recruitment focus on increasing diversity to ensure our advisor group reflects the communities in which we operate. Specifically, we made significant progress in gender parity. In fact, since 2018 women have accounted for one-third of all new IG advisors. This has increased to almost 40 per cent during the first half of 2021. We know we still have work to do and are committed to increasing these numbers.

We know that to continue succeeding we must respect and enable our people. That's why we focus on empowering them to build their careers through vibrant development opportunities in a supportive and collaborative work environment. And it's why we invest in their mental health to ensure everyone has the tools to grow and remain successful over the long-term.

For almost a century we have been a future-oriented company, helping Canadians achieve their life goals. Being future-oriented today means recognizing we also have an obligation to those who will come after us. It's an obligation we take seriously and we're proud to be helping our clients contribute to sustainability.

### **Your feedback**

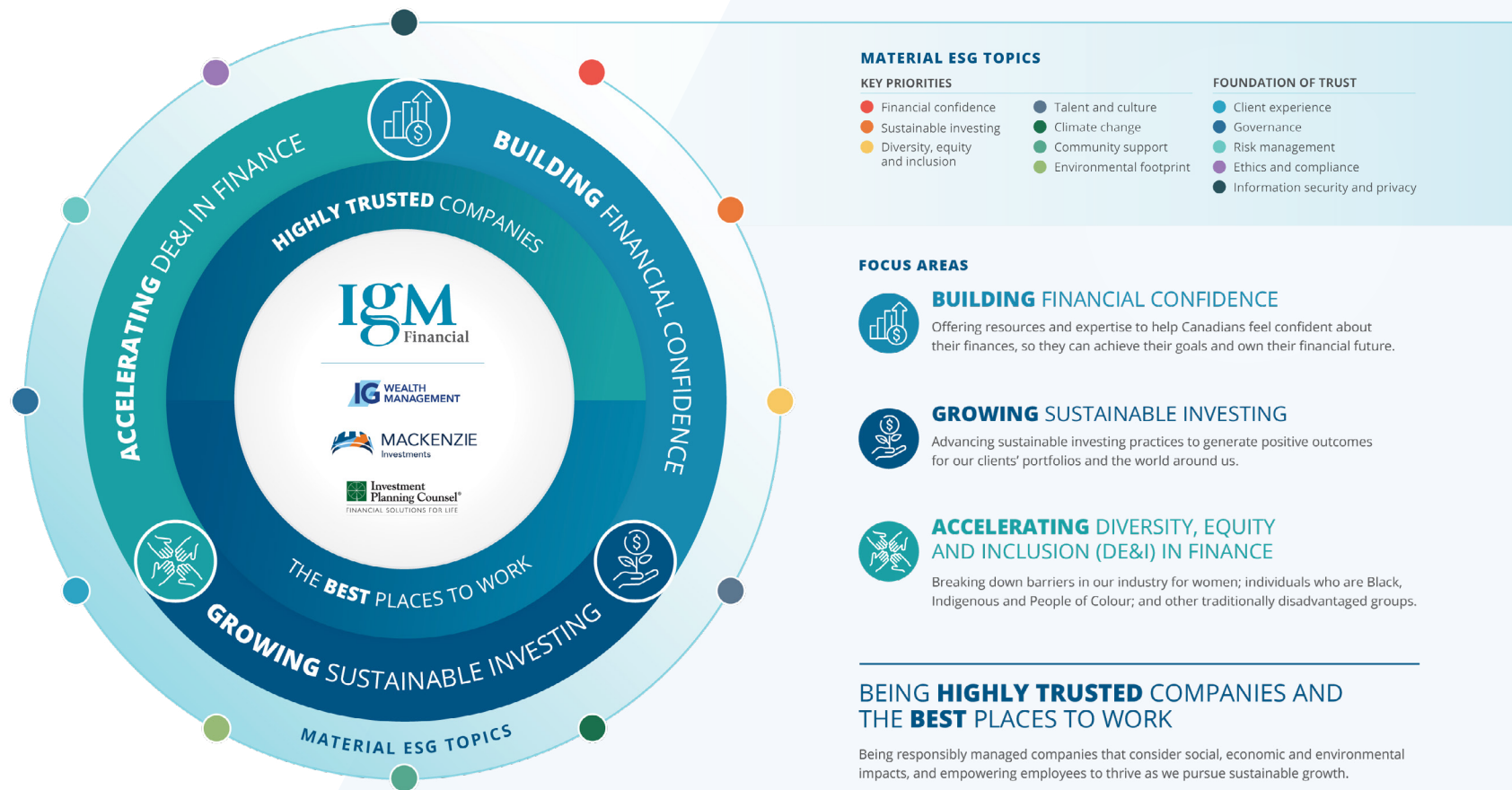
If you have comments, suggestions or questions, please contact us [sustainability@igmfinancial.com](mailto:sustainability@igmfinancial.com)

For more information, please see **IGM Financial's 2020 Corporate Sustainability Report**.

# Our sustainability strategy

We know we have a role to play in creating shared value for our clients, employees, advisors, shareholders, business partners and communities.

We are proud to be part of the IGM Financial family of companies, where 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 can make the greatest impact.



“At IGM, 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. It’s inspiring to see the momentum behind this deeper view of business.”

**Andrea Carlson,**  
Vice-President, Finance and Corporate Sustainability





# Helping Canadians secure their financial future

We believe in optimizing the financial well-being of Canadians. That's why we are dedicated to helping investors build comprehensive financial plans with resilient portfolios that deliver sustainable wealth for the long-term.

## Financial well-being

As a wealth management company, one of the best ways we can contribute to Canadian society is by offering our resources and expertise to help Canadians feel confident about their finances. This way, they can achieve their goals, own their financial future and optimize their financial well-being.

We believe that providing Canadians with the knowledge and resources they need to understand their personal finances helps them to build a better financial future for themselves and their families. With a focus on recruiting highly qualified advisors across the country who specialize in comprehensive financial planning, we increase the financial well-being of

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.

We are uniquely positioned to provide personalized financial advice that looks at all aspects of clients' financial lives. We focus on meeting the specialized needs of mass affluent and high net worth individuals and their families, while providing support and financial planning to clients with smaller accounts through the IG National Service Centre.

See page 12 for more about how we are helping to serve the groups that need it most.

## 275 clients

attended IG's first-ever sustainable investing webinar.



For clients facing financial hardship due to the pandemic, IG waived deferred sales charge redemption fees for those who needed to withdraw money, deferred payments on IG mortgages, and helped clients and other Canadians with government programs.



## Rising 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. The Fall 2020 edition confirmed that Canadians coast to coast were persevering despite the challenges and impacts of COVID-19. Even with an overall rise in financial confidence since 2019, certain groups such as youth and Indigenous communities still sat below the national average when it comes to their personal finances, which is why we continue to support these groups. Here are some of the key findings:



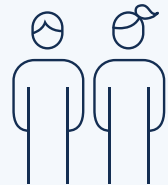
**+4**

The average financial confidence of Canadians rose four points from 2019.



**+13**

Canadians with a financial advisor scored 13 points above the national average.



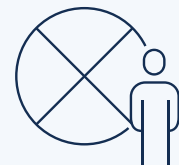
**-17**

Young Canadians' score declined 17 points from spring to fall when asked how they felt about making good financial decisions.



**+10**

Canadian seniors scored 10 points above the national average.



**-9**

Indigenous communities scored nine points lower than the national average.



### IG Living Plan Portal financial planning platform

IG has become the first financial services company to select Conquest's next generation financial planning platform, called the IG Living Plan Portal. This state-of-the-art digital application uses artificial intelligence and real-time collaboration, including "what if" scenarios, to help IG advisors and clients work together to navigate the complexities of planning and create personalized IG Living Plans.

## Sustainable investing

Shifting societal values, highlighted during the COVID-19 pandemic, have accelerated sustainable investing. Whether it's because of climate change, racial injustice or other environmental or social issues, people around the world increasingly understand that they can drive positive change in their investment portfolios and the world, with returns that meet or exceed those of traditional investments.

We have a long-standing practice of being responsible investors to better manage risk and generate long-term sustainable returns for our clients. Our investment sub-advisors are among the world's largest and best-in-class global investment management firms and include companies such as Mackenzie Investments, Blackrock, T. Rowe Price and PIMCO. We believe this approach delivers strong diversification benefits to clients in that each firm has a unique investment philosophy, style and approach.

At IG, holistic financial plans prepared for clients are supported by well-diversified portfolios guided by five core sustainable investing principles:

**Active PRI signatory** – IG and its sub-advisors are PRI signatories.

**Avoid cluster munitions** – Sub-advisors must not knowingly invest in companies involved in the production, use or distribution of anti-personnel land mines or cluster munitions.

**ESG integration** – We require our sub-advisors to 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** – We expect our sub-advisors to be active owners through proxy voting and engagement, as a way of influencing and improving corporate ESG behaviour.

**Collaboration efforts** – IG and our sub-advisors collaborate with like-minded organizations to promote and advance the sustainable investing landscape.

In 2020, we published our first **Sustainable and Responsible Investing Report**, which describes our approach in detail and includes case studies.

Signatory of:



## Keeping sub-advisors accountable

IG sub-advisors are selected through a rigorous due diligence process that includes evaluation of their ESG practices. Our ongoing oversight process includes an annual comprehensive sustainable investing assessment and a thorough ESG competencies review that expects the following from our sub-advisors:





# Empowering our people

We are driven to create a workplace experience that meets the evolving needs and expectations of our people and empowers them to flourish, grow and contribute. Only then will we achieve our full potential as a company and as individuals.

## Talent and culture

Our people are our greatest ambassadors. When they are engaged and committed to spending their careers with us, the value to our business, our reputation and our communities is immense.

Fostering a high-performing and diverse culture is a strategic focus. Our people programs are designed with this objective in mind – from building a strong and diverse talent pipeline, to creating a fulfilling work experience, to helping people achieve their health, well-being and financial security goals. Here are a few highlights:

- Our **integrated career framework** focuses on fostering a career path that is right for each individual including: clear insight into opportunities for growth and development, mobility across IGM companies, creation of a personal development plan, and regular leader feedback and coaching.
- **LEADing at IGM (LEAD)** is our hallmark program for high-potential leaders, which features experience-based development through work on real projects.

- **IG University** is IG's enhanced learning institute for advisors. Programming is anchored to the core pillars of financial planning, practice management, professional responsibility, and products and leadership development.
- **Enhancing our wellness programs** was one of our most significant commitments, aimed at allaying employee concerns, was that there would be no COVID-19 related job loss across IGM in 2020.

**10 training webinars per week**

Conducted an average for IG advisors.





## Diversity, equity and inclusion

We believe strongly that diversity, equity and inclusion (DE&I) are key to attracting and engaging top talent, creating an exceptional employee experience and developing new business opportunities. Following the troubling incidents of racial injustice highlighted in 2020, we're very much aware of the persistence of racism in our society and want to bring positive, lasting change to our country and our company. We aim to be known as a leading, contemporary organization driven by equitable and inclusive practices that enable everyone to feel included, respected and valued. We also want our employees and distribution teams to be representative and inclusive of the widely diverse Canadian population we serve.

Beginning in 2018, we committed to a company-wide strategy focused on advancing women in the workplace, supporting truth and reconciliation with Indigenous people, and building awareness of the challenges faced by the Lesbian, Gay, Bisexual, Transgender, Queer or Questioning and Two-Spirit (LGBTQ2S+) community.

Our three pillars of action are: raising awareness, defining and consistently demonstrating inclusive behaviours, and increasing external partnerships and community engagement. Our approach to each pillar is to "listen, learn and act." While we've made inroads, we know we need to do more and, in 2020, we expanded the scope and focus of our work.

IG made a public pledge to end anti-Black systemic racism by signing on to the BlackNorth Initiative. This pledge not only reinforces our shared commitment to end anti-Black systemic racism, it also compels us to take action within our organizations, including committing at least 3 per cent of our corporate donations and sponsorships to promote investment

and create economic opportunities in the Black community by 2025.

We encouraged our employees to participate in voluntary and confidential self-disclosure. Having this data will help us create meaningful DE&I programs going forward and measure our representation progress.

From a training perspective, we focused on unconscious bias, which is known to be one of the most pervasive barriers to inclusion in the workplace. All leaders and employees were invited to participate in unconscious bias training, and IG University added an unconscious bias training program for IG advisors.



Keegan Starlight, an Indigenous artist from the Tsuut'ina Nation in Southern Alberta, was featured as part of IG's Empower Your Tomorrow program, which focuses on building the financial confidence of Canadians.

## Diversity and inclusion

IG signed the Responsible Investment Association's Canadian Investor Statement on Diversity & Inclusion, committing to take intentional steps to promote diversity and inclusion across our investment funds.



**BLACKNORTH**

We made a public pledge to end anti-Black systemic racism.



# Strengthening our communities

By taking an active role in caring for our communities and the planet, we help create a more resilient and prosperous world.

## Community support

Our advisors and employees support their communities through our employee-led Community Projects Fund, Matching Gift Program and Volunteer Support Program, and through the allocation of budgets and decision-making directly to region offices across the country.

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

Our corporate community giving program is primarily an extension of our vision to inspire the financial confidence of Canadians. This includes our national sponsorship of the IG Walk for Alzheimer's, which is an opportunity for Advisors, employees and clients to come together to raise funds and awareness to help families living with Alzheimer's disease and other forms of dementia.

As a financial services company, one of the best ways we can strengthen communities is by offering our resources and expertise to help Canadians feel confident about their finances, so they can achieve their goals and own their financial future. Learn more about IG Empower Your Tomorrow on page 12.

## Answering the call

In a year of challenge and uncertainty, in which clients were looking for reassurance and guidance on how to navigate the financial challenges of COVID-19, IG employees and advisors worked together to answer the call. In return, our clients rewarded us with their loyalty and continued investment.

As part of IG's Answering the Call program, several IG advisors provided no-obligation consultations to small-business owners.



IGM Financial was recognized by the CDP at the leadership level for our climate disclosures for the fourth consecutive year in 2020.



IG contributes at least one per cent of its average annual pre-tax profit to charitable/nonprofit organizations.



## Environmental footprint

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

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.

IG has participated in the Manitoba Race to Reduce initiative, both in a leadership advisory role and by actively participating in the race to reduce energy use at the head office building we own. Race to Reduce is a challenge which began in 2017, where commercial building landlords and tenants publicly commit to work together to reduce the total collective energy use in participating buildings by at least 10 per cent over four years. The race ended in an unexpected way, with most buildings seeing huge reductions in 2020 as offices closed due to COVID-19. In our own office, energy usage declined by 28 per cent, highlighting the need for greater energy awareness as such a large portion of our consumption is variable.



Photo taken in 2017 prior to the pandemic. From left to right: IG employees Chris Greenhalgh, Richard Bracken, Marc Fayerman, Amber Gill and Erin Keating at the kickoff for the Manitoba Race to Reduce



### IG wins big at the Manitoba Race to Reduce Awards ceremony on April 29.

Thanks to a number of building upgrades that included an insulated roof and automated LED lighting, One Canada Centre is now greener than ever!

IG was recognized with the following Race to Reduce awards:

- Sustained excellence
- Most improved energy use
- Largest natural gas reduction
- **Richard Bracken**, Manager, Communication, was also recognized with the Building Energy Efficiency Champion Award for his commitment to green initiatives at 447 Portage Ave.

# IG Empower Your Tomorrow

IG Empower Your Tomorrow focuses on increasing the financial confidence of four key groups who stand to gain the most from our programs and resources: Indigenous peoples, newcomers, seniors and youth. We bring this community program to life through our advisors, national partnerships, virtual and in-person community seminars, events and educational materials.



**\$5.1M**  
funds raised

with IG teams raising \$80K more than 2019 and making it a Top 10 Fundraising event in Canada.



**10.5M+**

media impressions earned in 2020.



**3,000**

attendees at CFEE/IG Wealth Management virtual financial literacy workshops.



**\$1M+**

donated to 51 United Ways across the country – a fundraising milestone for IG.

**1,465+**

total donors making this a new corporate record, a 28 per cent increase from 2019.



**\$5M** over five years dedicated to further the financial confidence of Indigenous communities in Canada through the IG Empower Your Tomorrow Indigenous Commitment.



# Earning and sustaining trust

Exemplary business conduct, effective governance and rigorous risk management are the foundation of everything we do and the reason clients put their trust in us. This is something we never take for granted and continually work to strengthen.

Amid the extraordinary challenges of 2020, IGM Financial's robust governance, compliance processes and preparedness enabled our nimble response and continued strong performance.



## COVID-19 Committee

Executive COVID-19 Committee and special Board meetings facilitated fast decision making and direction setting, keeping our people and clients safe.



## Risk Committee

Formed an IGM Board-level Risk Committee to strengthen our risk management practices.



## Emergency preparedness

Performed regular simulation testing of emergency preparedness plans in January – and activated them two months later when the pandemic hit.



## Enhanced training

Provided enhanced training for employees and field members on anti-money laundering, anti-corruption and anti-bribery, which helped protect the privacy and security of client information while people were working remotely.



## Say on pay advisory vote

Will be adopting a system to provide for a non-binding shareholder advisory vote on our approach to executive compensation in 2022.



## Code of Conduct

100 per cent of employees acknowledge our Code of Conduct annually.



In 2020, we deepened our commitment to integrating climate change risk and opportunities into our business by continuing to implement the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD). An IGM-wide TCFD Working Group of senior leaders is leading our efforts. 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 and product offering for clients, evolving our engagement approach with investee companies, and addressing increased disclosure expectations. For details, see our TCFD disclosure on page 84 of IGM Financial's 2020 Sustainability Report.

## Related publications

[ESG ANALYST HUB](#)

# Awards and recognition

Our parent company, IGM Financial, has been recognized by research firms, media rankings and rating agencies for our leading ESG practices.



IGM was recognized by CDP at the leadership level for our climate disclosures for the fourth consecutive year. In 2018 and 2019, we earned a spot on **CDP's prestigious A List**.



FTSE4Good

IGM is a member of the **FTSE4Good Index**, an equity index series that is designed to facilitate investment in companies that meet globally recognized corporate responsibility standards.



IGM is one of the 50 constituents of the **Jantzi Social Index**, consisting of Canadian companies that pass a set of broadly based ESG rating criteria.



IGM was ranked among **Corporate Knights' 2021 Global 100 Most Sustainable Corporations** in the world, landing at #29 overall, and were the top-rated investment services company globally and the top-rated financial services organization in North America.



IGM was included in **Corporate Knights' Best 50 Corporate Citizens** in Canada for 2021. The ranking was based on our commitment to sustainability within 15 key performance indicators, covering resource, employee and financial management.

"We're very proud to be recognized for our sustainability practices and disclosures. We hold ourselves to the same standard we expect from the companies we invest in on behalf of our clients."

**Luke Gould,**  
Chief Financial Officer, IGM  
Financial





# Making a positive impact

Created in 2015, the United Nations' Sustainable Development Goals (SDGs) are a call for all countries to work together to end poverty, protect the planet and ensure that all people are able to enjoy peace and prosperity by 2030.

With less than a decade left to achieve the SDGs, and the global pandemic threatening progress, strong action is needed across business and societies to put the world on a more sustainable path. Across the IGM Financial group of companies, we contribute directly or indirectly to each of the 17 goals, and we focus on five where we believe we can make the greatest contribution.

## GOALS



## OUR CONTRIBUTIONS

Inspiring financial confidence through expert financial planning advice backed by superior products and services, as well as community partnerships to promote financial literacy.

Empowering women by implementing targeted strategies for recruiting women and enabling their upward mobility, and by supporting external initiatives such as the United Nations' Women's Empowerment Principles and organizations focused on women in finance such as Catalyst, GATE and Women in Capital Markets.

Managing climate change risks and opportunities through our risk management and sustainable investing processes, engaging with investee companies on their climate change issues, reducing our environmental footprint, and demonstrating transparency in climate-related disclosures.

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.

Achieving the goals requires multi-stakeholder collaboration and partnerships. Our joint commitments and collaborations are identified throughout this report and include initiatives such as the Principles for Responsible Investment (PRI), the Women's Empowerment Principles, the Task Force for Climate-related Financial Disclosures and Imagine Canada's Caring Companies program.