



# Bettering lives for tomorrow

IG Wealth Management  
2021 Sustainability Report



At IG Wealth Management (IG), we're committed to unleashing the financial potential and well-being of all Canadians. Bettering their lives, for today and tomorrow.

### Table of contents

Message from our CEO	page 3	Accelerating DE&I in finance	page 10
Sustainability strategy	page 5	Caring for people and the planet	page 11
Building financial confidence	page 6	Acting responsibly	page 13
Advancing sustainable investing	page 8	Contributing to global goals	page 14

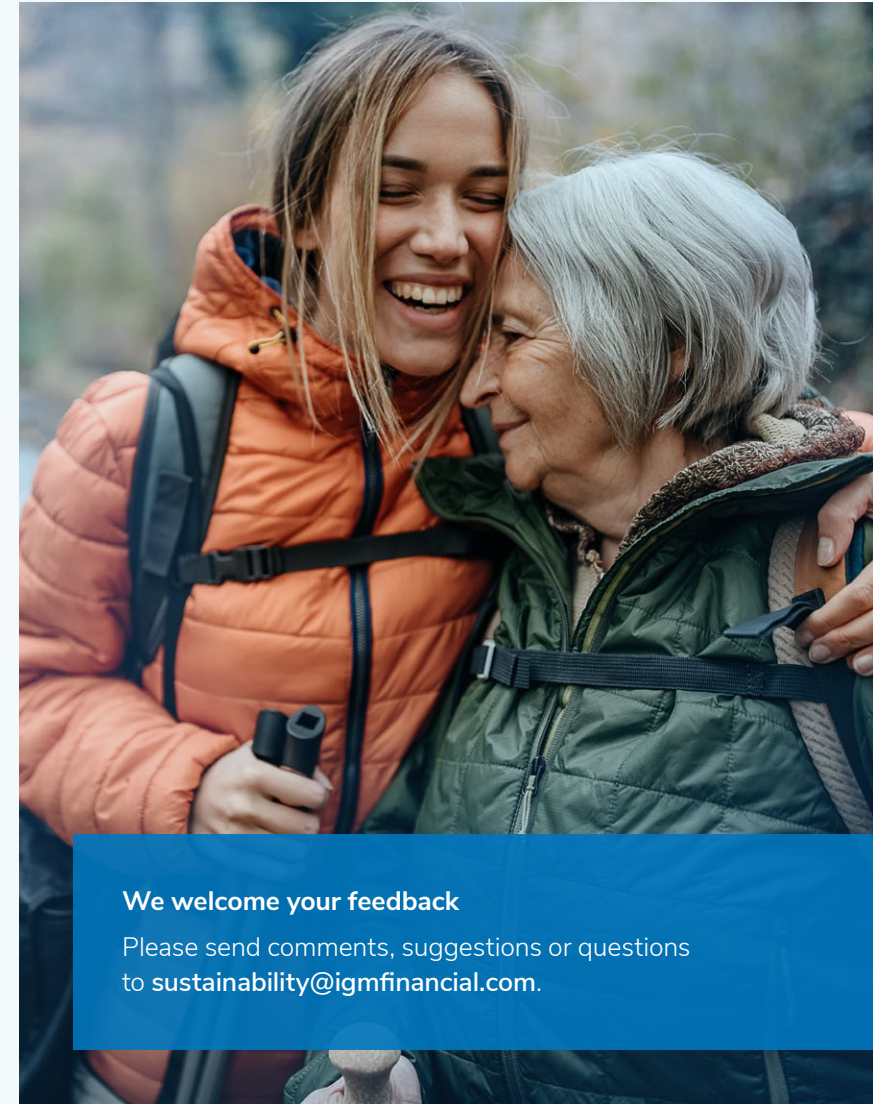
### Awards and recognition



IGM Financial, our parent company, was recognized as one of Corporate Knights' Global 100 Most Sustainable Corporations for the third consecutive year. IGM was ranked the top-rated capital markets and asset management company globally and the top financial services firm in North America. To learn more about sustainability at IGM, please see the [IGM Financial 2021 Sustainability Report](#).



IG Wealth Management was named one of Canada's 2022 Top 100 Employers.



**We welcome your feedback**

Please send comments, suggestions or questions to [sustainability@igmfinancial.com](mailto:sustainability@igmfinancial.com).

# Message from our CEO

At this unique moment in time, as the world emerges from the pandemic, we at IG Wealth Management are committed to helping Canadians get back on track to leading the life they desire and to confidently planning for a better tomorrow.

As part of IGM Financial's family of companies, our sustainability strategy is focused on accelerating positive change in areas where we, as wealth managers, can make the greatest impact.

## Building financial confidence

IG's promise is to unleash the financial potential of all Canadians through greater financial literacy and comprehensive financial planning. We believe this translates into improved financial well-being and confidence, now and in the future.

In 2021, our advisors offered financial planning, advice and related services to more than one million Canadians from coast to coast. To meet their evolving needs and expectations, and to provide an increasingly sophisticated level of counsel, we also rolled out powerful digital capabilities.

Our work with clients extends into our communities, where we strive to remove barriers to building financial confidence for youth, seniors, newcomers and Indigenous Peoples. In 2021, we delivered more than 80 virtual financial literacy workshops, reaching over 7,300 individuals. 2021 also marked 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.

## Advancing sustainable investing

Sustainable investing continues to gain momentum, as investors look for their investments to deliver superior risk-adjusted returns, while making farther-reaching environmental and societal impacts.

IG is stepping up to meet the demand. In 2021, we were a founding signatory to the Responsible Investment Association's Canadian Investor Statement on Climate Change. We also launched the IG Climate Action Portfolios, a suite of four diversified managed solutions that offer a new way for clients to support the world's transition to net-zero greenhouse gas (GHG) emissions, and to take advantage of the growth opportunities therein.



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

## 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 are working to infuse diversity, equity and inclusion (DE&I) into our culture, and our business, client and marketplace practices. In line with this ambition, we rolled out objectives for all people leaders to help advance DE&I practices within their teams.

I'm especially proud of our efforts to inspire more people from diverse communities to consider becoming IG advisors. This included, for example, 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.

## Acting responsibly

Underpinning everything we do is a commitment to responsible business practices, which manifests itself in the way we care for people and the planet and uphold high standards of ethics and integrity.

In 2021, we declared our support for a stronger global response to climate change and committed to undertaking specific climate actions, such as becoming carbon neutral in our corporate offices and travel.

We also invested in our employees and advisors – the people who fuel our performance. With the vast majority 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. We truly appreciate the high marks they gave IG in various surveys, which contributed to our being recognized as one of Canada's Top 100 Employers and improving our scores in 26 of the 27 business categories in the Investment Executive 2021 Dealers' Report Card, more than any other company in the study.

We look to the new year with confidence as we work to deliver on our collective purpose of *unleashing the financial potential and well-being of all Canadians*. Thank you for your interest in our progress.

Sincerely,



**Damon Murchison**

President and CEO, IG Wealth Management

# Sustainability strategy

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.



## 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.

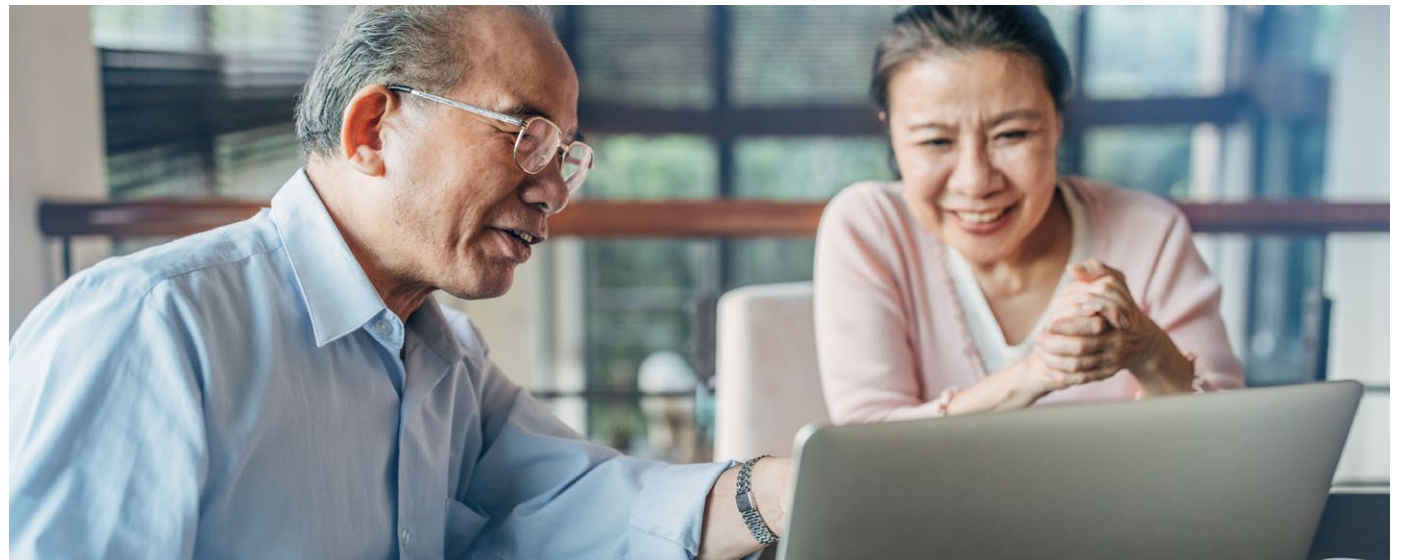
# Building financial confidence

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 understand and feel confident about their personal finances.

## Financial planning and advice

Our core business is focused on providing comprehensive personal financial planning and wealth management services to Canadians through our exclusive network of close to 3,300 advisors and associates. Advisors' one-on-one relationships with clients often span decades, as the advisors work closely with clients to help them meet financial goals at different stages of their lives. While concentrating on the specialized needs of mass affluent and high net worth individuals and their families, we also provide support and financial planning to clients with smaller accounts through the IG National Service Centre.

In 2021, we created the role of Head of Financial Planning 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 be thought leaders and ambassadors in promoting the value of comprehensive financial planning.



## Financial literacy

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: more than 80 workshops were delivered to over 7,300 seniors, youth, parents and teachers. Given the success, we intend to offer both virtual and, when circumstances permit, in-person sessions going forward.

## Financial inclusion

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.

**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](#) 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.

**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*, which took Canadians on a journey of financial education as passionate Indigenous, newcomer, senior and youth entrepreneurs overcame barriers to unlock their dreams. 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

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 environmental, social and governance (ESG) trends and to capitalize on the opportunities these trends present.

IG has a longstanding practice of being sustainable investors to better manage risk and generate long-term sustainable returns for clients. We partner exclusively with external sub-advisors (asset managers) who, like us, are signatories to the Principles for Responsible Investment and share our commitment to sustainable investing through:

**ESG integration** – Sub-advisors must assess material ESG factors in their 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** – We and our sub-advisors partner with like-minded organizations to promote and advance the sustainable investing landscape

IG sub-advisors are among the world's largest and best-in-class global investment management firms. They 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 commitments and partners



An investor initiative in partnership with the United Nations Environment Programme (UNEP) Finance Initiative and the UN Global Compact



Task Force on Climate-related Financial Disclosures (TCFD) and its recommendations



Investor-led initiative to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change



Responsible Investment Association's Canadian Investor Statement on Climate Change and Canadian Investor Statement on Diversity & Inclusion



## 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:** Invest 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



+CO<sub>2</sub>

Evaluate portfolio for any residual greenhouse gas emissions



Carbon credit



-CO<sub>2</sub>

Purchase and retire carbon credits to reduce residual emissions

### Portfolios aligned with net zero



# Accelerating DE&I in finance

Two years marked by striking social challenges 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 through sustained action in our workplace, our investments, our industry and our communities.

We aim to use our voice to advance diversity, equity and inclusion (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.

With a refreshed DE&I strategy launched in 2021, our people rallied around several initiatives, including the following:

- Many of our people joined the newly created business resource groups (BRGs), which elevate the role our diverse communities have in supporting strategic business priorities. 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.
- To attract new and more diverse advisors, 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 our first podcast series to tell stories of empowerment, breakthrough and perseverance shared by inspirational women.
- Understanding the demographic makeup 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. We require new hires to self-identify as part of their onboarding process, and we are encouraging greater participation from the rest of our workforce to make the data more useful for programming.

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 sustainable investing and corporate sustainability efforts
- Amplifying our social media voice and thought leadership
- Pursuing partnerships that enhance our strategy

# Caring for people and the planet

By consistently demonstrating care and concern for people and the planet, we help build the foundation for a better tomorrow for all.

## Empowering our people

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.

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. “Live” virtual learning experiences also became a valued part of our culture.

**82%**

Our engagement index – measuring the percentage of employees who say they are proud to work for IG, satisfied with us as a company and would gladly recommend IG as a place to work – reached 82%.

Relaunched in 2021 as Wellness Watch, our health and wellness program 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.

IG University is our 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. Advisors completed more than 57,400 courses in 2021.

## Strengthening our communities

IG advisors and employees support their communities through our Community Projects Fund, Matching Gift Program and Volunteer Support Program. We encourage people to volunteer and recognize their exceptional contributions through community service award programs. Volunteer efforts are facilitated through planned events, two paid volunteer days per year and support for Canada's annual National Volunteer Week.

Our corporate community giving program is primarily an extension of our vision to inspire financial confidence. This includes our national sponsorship of the **IG Walk for Alzheimer's**, an annual event to raise awareness and funds to support people and families living with Alzheimer's disease and other dementias. Taking place as a virtual walk for the past two years, the event raised \$5.2 million in 2021.

**\$1.2 million**

raised by IG employees and advisors for United Ways across the country



**IMAGINE A CANADA**

Jointly with Power Corporation of Canada, IG announced a partnership with the National Centre for Truth and Reconciliation in support of Imagine a Canada, a national art and leadership program that inspires youth to envision and aspire for reconciliation.



Designated as a Caring Company, IG commits to contributing at least 1% of average annual pre-tax profit to charitable/non-profit organizations.

## Reducing our environmental footprint

We are committed to reducing the impact of our operations on the physical environment and supporting the world's transition to net-zero greenhouse gas (GHG) emissions. That's why, in 2021, we released a [Climate Position Statement](#), which declares our support for a strong global response to climate change, and our commitment to climate action in three areas: investing in a greener, climate resilient economy; collaborating and engaging to help shape the transition; and demonstrating alignment through our corporate actions.

Actions we've taken in support of these commitments include:

- Launching the IG Climate Action Portfolios (see [page 9](#))
- Meeting with our investment sub-advisors to better understand where they are in their climate journeys and to inform our next steps
- Working to achieve carbon neutrality in our corporate offices and travel

## Toward carbon neutral

We aim to be carbon neutral in our corporate offices and travel by the end of 2022. Our journey includes the following steps:



### Rationalizing office space

We're implementing a multi-year strategy for reducing the amount of leased office space we occupy 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

# Acting responsibly

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 reputation, cultivating strong relationships and maintaining trust in our industry.

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 employees for review and acknowledgement. Employees also complete annual compliance training to remind them of their obligations. We have a separate Advisor Code of Conduct with similar provisions and expectations for IG advisors.

IG advisors acquire a deep understanding of clients' financial and personal situations to design investment portfolios that will help their clients meet their financial goals. This process follows strict, internal know your client (KYC) and know your product (KYP) rules to ensure the suitability of the investments they recommend. With new 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.

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.






## 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.



# Contributing to global goals

The **UN Sustainable Development Goals** (SDGs) are a set of goals that provide a framework for a more sustainable world by 2030. We contribute directly and indirectly to each of the 17 goals, and we focus on five where we believe we can make the greatest contribution.

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.</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> </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, reducing our environmental footprint, and demonstrating transparency in climate-related disclosures.</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.</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.</li> </ul>



**Head office**

IG Wealth Management

447 Portage Ave

Winnipeg, MB

R3B 3H5 Canada

[sustainability@igmfinancial.com](mailto:sustainability@igmfinancial.com)