TCFD Report

We believe that financial services companies have an important role to play in addressing climate change, which is why we support the TFCD recommendations. The new IFRS S1 and S2 will integrate the recommendations of the TCFD (which has since transferred responsibility to the ISSB) and requires disclosure around the same core elements: governance, strategy, risk management, and metrics and targets.

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
GOVERNANCE: Disclose the organization's governance around climate-related risks and opportunities	
Describe the Board's oversight of climate-related risks and opportunities	Our Board is responsible for providing oversight on risk and strategy, which includes sustainability and climate-related matters. The Board meets with management at least annually to discuss plans and emerging ESG issues, including climate. 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.
Describe management's role in assessing and managing climate-related risks and opportunities	Senior management at each of our operating companies have primary ownership and accountability for the ongoing climate risk and opportunity management associated with their respective activities. Our Executive Risk Management and Executive Sustainability Committees perform oversight functions, and our Chief Risk Officer oversees implementation of the Corporate Sustainability and Risk Management programs, reporting into the President and Chief Executive Officer. Other management committees and working groups also oversee climate-related governance across the company.

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.

<table>
<tr><th>TCFD Topic</th><th>Our IGM Approach</th></tr>
<tr><td colspan="2">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</td></tr>
<tr><td>Describe the climate-related risks and opportunities the organization has identified over the short-, medium-, and long-term

Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy and financial planning

Describe how risks and opportunities are factored into relevant products or investment strategies and describe related transition impact</td><td>Through IGM Financial’s wealth and asset management businesses the company plays a role in the global transition to a low-carbon economy, with a focus on three key areas:
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 our ongoing climate issues.
2. Collaborating and engaging to help shape the global transition – We play a 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.
Our operating companies are active participants in collaborative industry groups that support our climate commitments by engaging companies on 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 our journey to measure and disclose the greenhouse gas emissions associated with our mortgage loans and investments.
Climate-related risks and opportunities are identified and assessed within IGM Financial through our business planning processes which 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.
Risks
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. 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.
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 with collaborative organizations.
IG Wealth Management 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 Wealth Management and Mackenzie have implemented sustainable investing policies outlining the practices at their respective companies.
Opportunities
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.
At Mackenzie Investments, sustainable investing is an area of strategic emphasis, and we have established a dedicated team within Mackenzie’s Sustainability Centre of Excellence who bring focus to ESG and climate within asset management. Mackenzie has expanded its suite of funds investing to directly support the transition to a low carbon economy through its acquisition of Greenchip, an investment boutique which is exclusively focused on thematic investing to combat climate change; the launch of the Betterworld Team in 2021 who invest in companies making a positive impact on the people and the planet, and funds prioritizing sustainability and ESG-labelled debt, including green bonds.
At IG Wealth Management, we have integrated environmental and climate issues into our sub-advisory selection and oversight processes, and product development strategy. In 2021, IG Wealth Management launched its Climate Action Portfolios, a suite of four diversified managed solutions which aim to provide clients with the opportunity to support and benefit from the global transition to net-zero emissions.</td></tr>
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Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	**Scenarios** We have implemented tools for our investment funds to enhance our quantitative assessment of climate risks by analyzing emissions and other climate-related information at the investee company, asset class 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. 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.
RISK MANAGEMENT: Disclose how the organization identifies, assesses and manages climate-related risks	
Describe the organization's processes for identifying and assessing climate-related risk Describe the organization's processes for managing climate-related risks Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management	The identification and assessment of risks, including climate change, is coordinated through the Risk function who provide oversight, analysis and reporting on the level of risks relative to the established risk appetite of the company. The Risk function identifies possible risks that could impact our business through methods such as (i) risk workshops with business units across the organization, (ii) risk surveys completed by senior leaders and business unit management, (iii) discussions with key stakeholders and business partners, and (iv) by conducting research on emerging risks and internal and external events impacting our business. 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. Risks are broadly grouped into three categories: financial, operational and strategic/business risks. Climate risk is captured under strategic risks, but we are also increasingly focused on defining the relationship of climate risk to other risks. Once identified, possible risks are assessed by taking into consideration both the likelihood and severity of the impact of the risk event using a standard set of assessment criteria including consideration of financial, reputational, operational, and regulatory/compliance impact. Based on the assessment, the Risk function will consider our risk appetite and work with the business to put in place measures to mitigate, transfer, or accept the risk or capitalize on opportunities. Risk assessments are monitored and reviewed on an ongoing basis by business units and by oversight areas including the Risk function. The Risk function 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 Executive Risk Management Committee and to the Board Risk Committee.
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	At Mackenzie Investments, 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. We have focused on developing resources and tools to assess climate-related risks and opportunities for our Mackenzie managed equity portfolios. Through these tools we can assess historical greenhouse gas emissions data and portfolio temperature alignment to identify the highest emitters and inform engagement activities with companies facing transition risks. At IG Wealth Management, management evaluates the sustainable investing practices of investment manager sub-advisors, including the integration of climate risks into their investment and active ownership practice.
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	To maximize stewardship efforts, engagement at Mackenzie is undertaken through direct conversations between portfolio managers and companies/issuers; through Mackenzie firm-wide engagements; and through collaborations with peers on initiatives where the collective investor voice has more influence. At IG Wealth Management, investment management sub-advisors including Mackenzie are responsible for engagement activities and IG Wealth Management monitors their practices as part of regular due diligence and oversight. Mackenzie Investments is a founding participant in Climate Engagement Canada and participates in Ceres' Investor Network on Climate Risk. Both Mackenzie and IG Wealth Management joined Climate Action 100+ and became founding signatories to the Canadian Investor Statement on Climate Change.

TCFD Topic	Our IGM Approach
METRICS AND TARGETS: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	
Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process 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	We set, monitor and report on climate change-related metrics and targets annually in our CDP response and our Sustainability Report, which are available on our website. Mackenzie Investments also joined the Net Zero Asset Managers initiative. 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. We currently report Scope 1, 2 and 3 GHG emissions, where possible, including a portion of our Scope 3 investment emissions and weighted average carbon intensity. We are continuing to expand and enhance our measurement and reporting of emissions related to our investment portfolios as tools and information improves. Our GHG Statement for the year ended December 31, 2023 was independently assured by 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.