



**Independent limited assurance report on  
selected performance metrics presented within  
the IGM Financial Inc.'s Report on 2023  
Greenhouse Gas Emissions**

Prepared in accordance with:

Canadian Standard on Assurance Engagements (CSAE) 3000, *Attestation Engagements Other than Audits or Reviews of Historical Financial Information* and CSAE 3410, *Assurance Engagements on Greenhouse Gas Statements*

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 2023 GREENHOUSE GAS EMISSIONS**

## Report on 2023 Greenhouse Gas Emissions

### Boundary Selection

For the information presented in this report for the calendar year ending December 31, 2023 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 the application of renewable natural gas certificates and offsets. Scope 2 emissions, location-based and market-based, presents emissions before the application of offsets. Scope 3 presents business travel emissions before the application of offsets. All were calculated taking into consideration the GHG Protocol and the CDP Climate Change Reporting Guidance.

### GHG Emissions Summary

| Select Performance Metrics   | Approach        | 2023 (tCO <sub>2</sub> e) | 2022 (tCO <sub>2</sub> e) | 2013 Base Year (tCO <sub>2</sub> e) | Variance 2023 to 2022 | Variance 2023 to Base Year |
|--|-----------------|---------------------------|---------------------------|-------------------------------------|-----------------------|----------------------------|
| Gross Scope 1 emissions (natural gas, back-up fuel, and refrigerants)                              |                 | 593                       | 617                       | 1,078                               | -4%                   | -45%                       |
| Scope 1 - Renewable Natural Gas Certificates <sup>1</sup>  |                 | -591                      | -613                      | 0                                   | -4%                   | 100%                       |
| Gross Scope 2 electricity emissions (Location-based) <sup>2</sup>                                  | Location -based | 7                         | 6                         | 22                                  | 14%                   | -70%                       |
| Gross Scope 2 electricity emissions (Market-based) <sup>3</sup>                                    | Market - based  | 7                         | 2                         | 22                                  | 199%                  | -69%                       |
| Gross Scope 3 Business Travel emissions (Reimbursed Mileage and Corporate Air Travel) <sup>4</sup> |                 | 1,095                     | 576                       | 3,654                               | 90%                   | -70%                       |
| Carbon offsets purchased <sup>5</sup>  |                 | 7,900                     | 6,000                     | 0                                   | 32%                   | 100%                       |

<sup>1</sup> Scope 1 emissions in 2023 were reduced by 591 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.

<sup>2</sup> Gross Scope 2 electricity emissions (Location-based) in 2023 increased by 1 tCO<sub>2</sub>e due to a 14% increase in electricity usage at the owned property when compared to 2022. The 2023 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.

<sup>3</sup> Gross Scope 2 electricity emissions (Market-based) in 2023 and 2022 accounted for 7 tCO<sub>2</sub>e and 2 tCO<sub>2</sub>e respectively. In 2022 the emission factor from the utility provider servicing our owned property (Manitoba Hydro) was lower than the emission factor available for the Province of Manitoba because the energy source used by Manitoba Hydro that year came from a lower carbon energy source. Whereas, for 2023, the emission factor available for the Province of Manitoba was slightly lower than the one for Manitoba Hydro.

<sup>4</sup> Gross Scope 3 Business Travel reflects a significant increase year over year as employees have returned to the office and resumed business travel following COVID-19 restrictions.

<sup>5</sup> IGM purchases offsets to cover the following emissions: (i) remaining Scope 1, 2 and 3 emissions in our owned facility after application of Bullfrog Power Renewable Natural Gas Certificates, (ii) Scope 2 emissions from electricity, and (iii) Scope 3 emissions from leased properties and business travel (reimbursed mileage and corporate air travel). In 2023, 7,900 tCO<sub>2</sub>e of Gold Standard-certified carbon offsets were procured and 5,063 tCO<sub>2</sub>e were used to offset 2023 emissions of 5,649 tCO<sub>2</sub>e.

See Appendix A for the emissions factors used to calculate the stated 2023 CO<sub>2</sub>e emissions.

Dated this May 10<sup>th</sup>, 2024.



**Appendix A: 2023 Emissions Factors**

| Emissions Source                          | Unit                              | Value          | Source  |
|---|-----------------------------------|----------------|---|
| <b>Electricity (Market-Based)</b>         | tCO <sub>2e</sub> /kWh            | 0.00000134     | Manitoba Hydro's Greenhouse Gas Emissions Factors PDF ( <a href="https://www.hydro.mb.ca/docs/resources/ghg-emission-factors-v0224.pdf">https://www.hydro.mb.ca/docs/resources/ghg-emission-factors-v0224.pdf</a> )   |
| <b>Electricity (Location-Based)</b>       | tCO <sub>2e</sub> /kWh            | 0.00000130     | Environment and Climate Change Canada. National Inventory Report 1990–2022: Greenhouse Gas Sources and Sinks in Canada Part 3. (Ottawa: Environment and Climate Change Canada, 2024.), Tables A13-8   |
| <b>Natural Gas</b>                        | tCO <sub>2e</sub> /m <sup>3</sup> | 0.001960       | Manitoba Hydro, email communication with energy Advantage on Mar 15th, 2024.  |
| <b>Renewable natural gas certificates</b> | tCO <sub>2e</sub> /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> ).<br><br><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>2e</sub>/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>2e</sub> /l              | 0.002689       | Environment and Climate Change Canada. National Inventory Report 1990–2022: Greenhouse Gas Sources and Sinks in Canada Part 2. (Ottawa: Environment and Climate Change Canada, 2024.), Table A6.1-6   |
| <b>3<sup>rd</sup> party Private Jet</b>   | tCO <sub>2e</sub> /l              | 0.002579       | Environment and Climate Change Canada. National Inventory Report 1990–2022: Greenhouse Gas Sources and Sinks in Canada Part 2. (Ottawa: Environment and Climate Change Canada, 2024.), Table A6.1-15  |
| <b>Reimbursed mileage</b>                 | tCO <sub>2e</sub> /mile           | 0.00018        | Emissions Factors for Greenhouse Gas Inventories (Feb 2024): <a href="https://www.epa.gov/system/files/documents/2024-02/ghg-emission-factors-hub-2024.pdf">https://www.epa.gov/system/files/documents/2024-02/ghg-emission-factors-hub-2024.pdf</a>  |
| <b>Corporate Air Travel</b>               |                                   |                |   |
| <i>Short Haul</i>                         | tCO <sub>2e</sub> /mile           | 0.00021        | Emissions Factors for Greenhouse Gas Inventories (Feb 2024): <a href="https://www.epa.gov/system/files/documents/2024-02/ghg-emission-factors-hub-2024.pdf">https://www.epa.gov/system/files/documents/2024-02/ghg-emission-factors-hub-2024.pdf</a>  |
| <i>Medium Haul</i>                        | tCO <sub>2e</sub> /mile           | 0.00013        |   |
| <i>Long Haul</i>                          | tCO <sub>2e</sub> /mile           | 0.00016        |   |

**SECTION II: INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT ON SELECT PERFORMANCE METRICS PRESENTED WITHIN IGM FINANCIAL INC.'S REPORT ON 2023 GREENHOUSE GAS EMISSIONS AND THE IGM FINANCIAL 2023 SUSTAINABILITY REPORT**



**Independent practitioner's limited assurance report on select performance metrics presented within IGM Financial Inc.'s Report on 2023 Greenhouse Gas Emissions and the IGM Financial 2023 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 2023 Greenhouse Gas Emissions and the IGM Financial 2023 Sustainability Report (the Reports) for the year ended December 31, 2023.

**Management's responsibility**

Management is responsible for the preparation of the select performance metrics in accordance with the criteria (the applicable criteria) included in Schedule 1 and as detailed within the Reports (the applicable criteria).

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 Canadian Standard on Assurance Engagements (CSAE) 3000, *Attestation Engagements Other than Audits or Reviews of Historical Financial Information* and in respect of greenhouse gas emissions, CSAE 3410, *Assurance Engagements on Greenhouse Gas Statements*. These standards require 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.

Our engagement included, among others, the following procedures performed:

- through inquiries, obtained an understanding of of the overall governance and internal control environment relevant to the management, aggregation, and reporting of the subject matter;
- analytical reviews and trend analysis of reported data for select performance metrics;

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- verified the mathematical accuracy of the calculations related to the select performance metrics variations on the comparative periods for the years ended December 31, 2022 and December 31, 2013. This did not imply any assurance procedures on the select performance metrics for the years ended December 31, 2022 and December 31, 2013;
- reviewed the select performance metrics disclosure in the reports to ensure consistency with the evidence obtained; and
- the select performance metrics include carbon offsets purchased for the year of 7,900 tonnes of CO<sub>2</sub>e. We have performed procedures as to whether these offsets were acquired during the year, and whether the description of them in the select performance metrics is a reasonable summary of the relevant contracts and related documentation. We have not, however, performed any procedures regarding the external providers of these offsets, and express no conclusion about whether the offsets have resulted, or will result, in a reduction of 7,900 tonnes of CO<sub>2</sub>e.

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 independence and other ethical requirements of 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 or 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**

Non-financial data is subject to more limitations than financial data, given both the nature and the methods used for the-determining, calculating, sampling, or estimating such data. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgements.

Greenhouse Gas 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.

#### **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, 2023 are not prepared, in all material respects, in accordance with the applicable criteria.





**Purpose and restriction of use**

The select performance metrics have been prepared in accordance with the applicable criteria prepared 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, without assuming or accepting any responsibility or liability to any other third party in respect of this report.

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

*PricewaterhouseCoopers LLP*

Chartered Professional Accountants

Toronto, Ontario  
May 10, 2024



## Schedule 1

Our limited assurance engagement was performed on the following select performance metrics for the year ended December 31, 2023:

| Select performance metrics   | Criteria   | 2023<br>Tonnes of<br>CO <sub>2</sub> e | Mathematical accuracy of<br>the variance |              |
|--|--|--|--|--------------|
|  |  |  | 2023 vs 2022                             | 2023 vs 2013 |
| Gross Scope 1 emissions<br>(Natural Gas, Back-up<br>Fuel, and Refrigerants)                    | Greenhouse Gas<br>Protocol - A<br>Corporate<br>Accounting and<br>Reporting Standard<br>(Revised Edition) | 593                                    | -4%                                      | -45%         |
| Scope 1 - Renewable<br>Natural Gas Certificates  |  | -591                                   | -4%                                      | 100%         |
| Gross Scope 2 Electricity<br>emissions (location based)  |  | 7                                      | 14%                                      | -70%         |
| Gross Scope 2 emissions<br>(market based)  |  | 7                                      | 199%                                     | -69%         |
| Gross Scope 3 Business<br>Travel emissions<br>(Reimbursed Mileage and<br>Corporate Air Travel) |  | 1,095                                  | 90%                                      | -70%         |
| Carbon offsets<br>purchased  | Management's<br>self-developed<br>criteria: Gold<br>Standard certified<br>offsets purchased in<br>2023   | 7,900                                  | 32%                                      | 100%         |

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. Our procedures over the 2023 vs 2022 variances and 2023 vs 2013 variances were limited to a mathematical accuracy check.

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