

Mutualism and Cooperation

A Foundation Spreading its Wings

By definition, a foundation is the creation, by donation or legacy, of a fund that is intended for a specific purpose or interest.

The SSQ Foundation was officially created in 1996 to mark SSQ's 50th year of operations. As part of its 50th anniversary celebrations, the Company made a \$50,000 donation to launch the Foundation. However, the true origins of the SSQ Foundation date back even earlier, to the early 1990s.

At that time, SSQ had adopted a corporate donation policy whereby each year a minimum of 1% of the average net profits of the last three years would be allocated to charitable causes – an eloquent statement of our social commitment. However, in the two or three years that followed, SSQ went through one of the most difficult periods in its history. During that time, 1% of SSQ's profits would hardly have been enough to run a soup kitchen for even one day! Obviously this is somewhat of an exaggeration, but it's not so far from the truth!

At that time, Yves Demers, Chairman of the Board, and Pierre Genest, CEO of SSQ Life, realized that in order to be able to ensure SSQ that could uphold its corporate citizenship mission on a consistent, ongoing basis, an entity would have to be created that would not be reliant on the Company's financial results. The idea was discussed for several years before finally becoming a reality at SSQ's 50th anniversary celebration.

The corporate donations committee agreed to pay, as of 1996, an amount of \$50,000 per year into the SSQ Foundation, to be taken directly out of the 1% net profit commitment. This was done in order to build up enough capital to be able to make a significant contribution to a number of philanthropic initiatives in line with SSQ's values. The exceptional financial results of the last two years enabled SSQ to double this annual contribution, so that by the end of 2004, the Foundation's assets had already reached \$700,000.

But just how does the SSQ Foundation operate? First of all, the Foundation has two types of members: active and associate.

Active members are comprised of the five business components of SSQ Financial Group, that is: SSQ Mutual Management Corporation, SSQ, Mutual Holding Inc., SSQ, Life Insurance Company Inc., SSQ General Insurance Company Inc. and SSQ Realty Inc. These entities are represented by their directors, who also act as delegates at the Foundation's Annual General Meeting (AGM). These 29 delegates are responsible for electing members to the Board of Directors of the SSQ Foundation. Currently on the Board are Mr. Léopold Marquis (Chair), Mr. Yves Demers (Vice-Chair), Mr. Marcel Poulin (Treasurer), and Mr. Maurice Savoie and Mr. Étienne Giasson. SSQ's Corporate