

# Sustainable development and societal responsibility plan

2018–2020

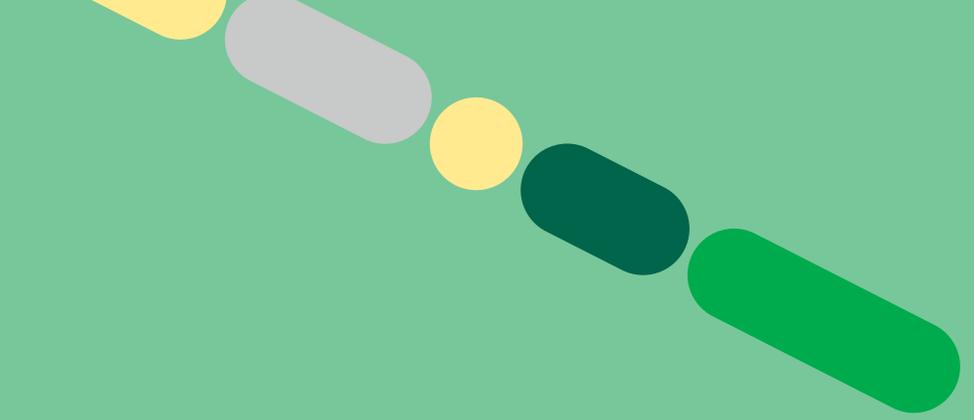






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**Creating a  
different future,  
starting today**



To accomplish its mission, SSQ Insurance endeavours to reconcile economic and financial issues with social and environmental ones. We have followed this path from the start, as we strongly believe that all companies must be at the service of people.

This way of thinking can no longer be refuted, since as companies progressively acquire more freedom across the globe, their responsibility towards the many problems humanity must now face also grows. Today, no company can ignore its responsibilities towards its stakeholders and society at large. With the unavoidable requirements of this new century, we need to rethink the economy taking environmental impacts into account, rethink the environment taking social activity into account and rethink social activity taking our economic practices into account.

For some, the new synergy of these three areas of interest represents deep cultural change in the way companies go into business and do business. For SSQ Insurance, this synergy creates even more relevant development commitments, initiatives and strategies that will better meet the requirements of this era. To us, it seems to be an especially good time to put in place new conditions that promote a more integrated and sustainable economy, and to also adopt new forms of more socially responsible governance and participatory management.

Our corporate culture and business practices that have always been committed to social responsibility have allowed us to quickly realize the importance of sustainable development and to assert ourselves in this new way of thinking and doing business differently.

That is what led us a few years back to draft our first sustainable development and societal responsibility plan for 2013 to 2017. We are now following up with a second plan for the 2018 to 2020 period. We are certain that a company that is concerned with the economic, social and environmental impacts of its activities be better able to reach its expected returns in the medium to long term, to respond differently to the new expectations of its market and thus to ensure its sustainability.



**René Hamel**  
Chairman of the Board

This sustainable development and societal responsibility plan is therefore an extension of our corporate culture and the work we have accomplished to date. It is the natural evolution in the way SSQ Insurance fulfills its mission.

The goal of our commitments is to ensure a promising future for the next generations. Our commitments consist of:

- Ensuring the health and safety of communities we are a part of
- Helping to create an innovative and prosperous economy that is environmentally and socially responsible
- Enabling the full emancipation of the men and women in our midst
- Promoting community development and respect for diversity
- Preserving life-sustaining ecosystems.

While the intention of our sustainable development and societal responsibility plan may be to step up to the challenges of the 21st century, it is interesting to note that these aspirations are rooted in the fundamental values on which our company was built from the start, which shows that we were already on the right track.

This plan is everyone's plan. It represents our guide to the evolution of our company and its contribution to the future of our society. It is up to us to implement it, and make it move forward and evolve so that it continues to be our project for the future.

The important sustainable development commitments we are making today are a testimony to our strong desire to take part in economic development that is more responsible, social and respectful of the environment than ever before, and thus to help build our future as well as that of future generations.



**Jean-François Chalifoux**  
Chief Executive Officer

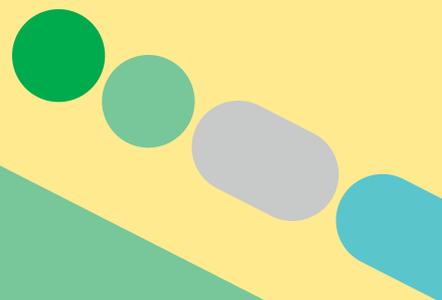
# Our foundations

## Our roots

Our founder, Dr. Jacques Tremblay, created SSQ to reduce social inequalities in times of hardship. In this way, he wanted to help lower-income families pay for their medical expenses. This health insurance idea lies at the very core of SSQ Insurance

While other insurance companies founded in Quebec in the 30s and 40s have now disappeared, victims of different crises that have marked history, SSQ Insurance has been successful thanks to its adaptability and creativity. The enthusiasm of our employees, our faith in the future and our pride in offering quality services are the source of the continuous innovations we bring to our insurance products. But above all, our success is based on our employees, members and customers' sense of belonging to an organization where they have a say. This mutualistic culture, this openness to customers and relationships based on respect and trust are what have allowed SSQ Insurance to consistently count on support from the cooperative community and major union groups.

Mutualism is a philosophy based on bringing individuals together to work for the general benefit of its members. Mutualism requires trust and understanding. It relies on ethical standards and a system of sharing and solidarity values that reject the idea of making profit at any cost.





## Our mission

The mission of SSQ Insurance is to serve the interests of its members and customers by offering high-quality products and services to help them plan and protect their financial security throughout their lives, while taking inspiration from the mutualist values that place people and social development at the very heart of it does.

Over the years, our services have changed along with the times, in keeping with the evolution of our members and clients. Our products and services evolve, but our mission does and will continue, for the most part, to stay the same. It is our reason for being, our guide and our beacon for all our actions.

## Our values

The values that our founder, Dr. Jacques Tremblay, passed down to us, and those of all who have helped shape SSQ's history for more than 75 years, define us as a corporate citizen.

### Mutualism

Cooperation and mutualism perpetually guide our management. As they elect the majority of the board directors, members of the Mutual have a true say in the directions the company will take and its development.

### Expertise

Our broad range of knowledge and skills enables us to offer quality products and services adapted to meet the needs of our clients. Our qualified, committed and motivated employees accomplish their work with precision and efficiency.

### Integrity

We carry out our operations under the highest standards of conduct and confidentiality, which allows us to build lasting relationships based on trust with our employees, our customers, our partners, and the community.

### Accessibility

We have made it easy for our clients to access our services by developing high-performance, user-friendly tools and by providing efficient and courteous customer service. We strive to be transparent in all our communications by ensuring that the information we provide is clear, pertinent and complete.

### Social commitment

We support humanitarian and community organizations by funding a variety of projects and supporting our employees in their volunteer initiatives.

### Respect

In the course of our business respect translates into products adapted to the needs of our customers, and into ensuring the confidentiality of their personal information.

# Our organization



With \$12 billion in assets under management, SSQ Insurance is one of Canada’s largest companies in the industry. SSQ Insurance has a community of over three million customers and employs over 2,000 people. A leader in group insurance, the company also sets itself apart through its expertise in individual life and health insurance, general insurance and the investment sector.

The company stands out in the Canadian financial services sector for its commitment to maintain its mutual character. As its customers are also co-owners, SSQ Insurance has always made customer service excellence its top priority.

Each sector of the organization plays a key role in SSQ Insurance’s success, as their achievements help the company move forward. Thanks to each sector’s adherence to the company’s values and the synergy that unites them, SSQ Insurance is developing in a strategic and sustainable way.

## Our services

### Insurance



Life



Auto



Home



Travel



Loan



Critical illness



For businesses

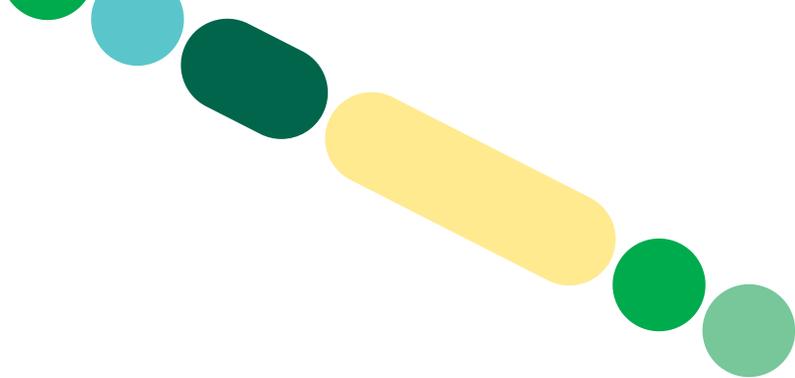


### Group insurance



### Investment

- RRSPs, TFSAs, RRIFs and other plans
- Segregated funds / Return on seg funds
- Guaranteed interest accounts (GIAs)
- RRSPs, GIAs and investment loans
- Private wealth management
- Multi-unit mortgage loans



## Our governance structure

Good governance is essential to handling sustainable development and social responsibility issues properly. It requires dialogue, cooperation and partnership amongst all the players and thus, in a responsible way, all stakeholders affected by SSQ Insurance's sustainable development and societal responsibility policy and plan.

SSQ Insurance demonstrates a high degree of responsibility by adopting sound governance practices that go above and beyond the highest standards of the industry. Its organizational structure and business practices are based on traditional values ensuring that its customer service is of superior quality and that its employees work in an exceptional environment.

## Our board of directors

The board of directors consists of 19 directors, most of whom are elected by delegates at SSQ, Mutual Management Corporation's annual general meeting. It fosters a mutualistic culture in the organization, upholding democracy, equality, equity and solidarity.

Since SSQ Insurance's inception, the functions of Chairman of the Board of Directors and Chief Executive Officer have been separate, thereby ensuring the Board of Director's independence from senior management. This independence is also ensured by the majority of external administrators whose primary interest is that of the members and SSQ Insurance. One of the main tasks of the Board of Directors is to ensure that the senior management of SSQ Insurance carry out its work with integrity and expertise.

## Our codes of ethics

The boards of directors have adopted codes of ethics that contain rigorous rules that all directors and officers must abide by. The directors and officers are perfectly aware of the importance of clearly demonstrating their compliance with their principles and renew in writing their commitment to complying with them every year.

The codes are a reminder that the company's goals are economic, social and environmental in nature. They place product quality and member and customer services at the forefront, alongside a desire to generate reasonable profits, thus reflecting the legitimacy of a key element of its corporate mission to draw daily inspiration from the mutualist values that place people and social development at the very heart of what we do. The social objectives aim to improve the overall well-being of members, customers and their environment.

The codes of ethics were adopted for the purpose of promoting the integrity, objectivity and transparency of board directors and officers as they carry out their duties, preserving their ability to act in accordance with the company's best interests and mission, and inspiring absolute trust among its customers, shareholders, partners and employees.



## Our permanent committees

Four permanent committees were established to ensure efficient and competent business management.

### Executive and Human Resources Committee

This committee's mandate is to ensure a smooth operation in accordance with the policies, programs and budgets established by the board of directors.

### Audit and Risk Management Committee

This committee supports the board in its responsibilities of overseeing the company's financial management. Its independence is guaranteed because it is composed exclusively of external directors.

### The Ethics Committee

Because SSQ Insurance is a mutual company, it must maintain a high level of transparency in all its activities to avoid any possible conflict of interest or appearance of conflict of interest.

Made up exclusively of external directors, this committee adopts rules of conduct in this regard, ensures they are disseminated and updated, and that the company fully complies with them.

### The Investment Committee

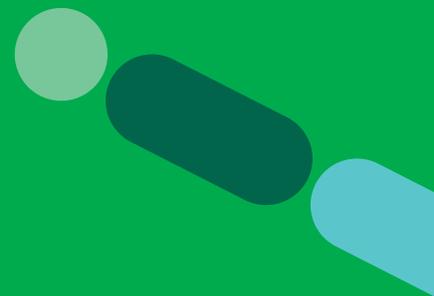
Consisting exclusively of external directors, the Investment Committee ensures that the company's general funds and segregated funds are managed in accordance with the investment policies adopted by the board of directors.

## Our policies

To ensure the sustainability of our management standards, we have adopted a set of policies that were ratified by the board of directors or senior management. These policies are shared with our employees and are accessible on our intranet. Several of them have been or will be revised periodically to include sustainable development and societal responsibility considerations.



# **Our sustainable development and societal responsibility (SDSR) plan**



## Our vision

The concepts of sustainable development and societal responsibility are dynamic processes, which reconcile environmental, economic and social issues and create a synergy among the three areas of interest. They reflect a commitment toward development that is effective from an economic standpoint, socially fair, as well as environmentally sustainable.

As a protector of natural resources and ecosystems, sustainable development also aims for economic efficiency while respecting the societal objectives of development, including a search for equity, and the fight against poverty, inequality and exclusion.

SSQ Insurance wishes to actively participate in the creation of a promising future. This is why we plan to take actions today that fit within a sustainable vision, for our children, grandchildren and subsequent generations.

## Our policy

The notions of sustainable development, social responsibility and quality of life, today and tomorrow, converge and complete one another. They reflect a state of balance between social, economic and environmental variables, with the ultimate goal being to allow subsequent generations to enjoy a healthier environment.

These ideas are intrinsically linked to the reality of SSQ Insurance as it states in its corporate mission: "... to serve the interests of our members and clients by offering high-quality products and services to help them plan and protect their financial security throughout their lives."

### **(1) Ensuring business governance based on our values**

- We are inspired by the principles of cooperation and mutualism every day.
- We ensure our sustainability by integrating notions of equality, equity, solidarity and democracy into our practices.
- We respect the principles of honesty and integrity in our everyday actions.
- We apply the highest standards of conduct and confidentiality in all our activities.
- We adopt the most rigorous governance rules and use them as guardians of healthy, safe, solid, effective and sustainable management.

### **(2) Meeting our customers' needs**

- We constantly develop our know-how to offer high-quality products and services adapted to the needs of our clients.
- We take the necessary steps to remain an accessible company to our clientele.
- We provide information that is clear, relevant and complete.
- We recruit qualified people and foster our employees' commitment and motivation to offer our customers the best possible service.

### **(3) Offering our employees a healthy and stimulating work environment**

- We implement concrete activities and programs to promote our personnel's health and quality of life.
- We encourage our employees to continue to upgrade their career skills to stimulate innovation and allow them to achieve their full potential.
- We advocate healthy business practices and support our managers in maintaining a stimulating and harmonious work climate.
- We advocate LEED building standards.



#### **(4) Producing reasonable profits**

- Guided by our mutualist values, we constantly strive to maintain a balance between seeking reasonable profits and the interests of our members and clients.
- We maintain a good balance between stability, growth and performance.
- We aim for reasonable and consistent returns to satisfy the expectations of our customers and partners, while protecting the security of their assets.

#### **(5) Giving back to the community**

- We aim to improve the overall well-being of our members and customers and their environment.
- We honour our social commitment by contributing to the well-being of the community by supporting humanitarian and community organizations and supporting our employees in their volunteer initiatives.

#### **(6) Contributing to environmental protection efforts**

- In our decision-making processes and actions, we take into account the environmental aspects of our activities through the adoption and implementation of a sustainable development plan.

#### **(7) Contribuer à la vie économique**

- In addition to being a major creator of direct jobs, we stimulate the demand for goods and services, and generate through our activities many indirect benefits for the communities we serve.
- We ensure that investments held in our general funds comply with our policy on socially responsible investments.
- We take environmental, social and governance (ESG) criteria into account when choosing investments.

Consequently, we ensure that the companies we choose adopt socially responsible practices by not condoning unethical behaviours, such as discrimination, exploitation of child labour, failure to respect human rights or the non-compliance with environmental standards. Under its second sustainable development and social responsibility plan, SSQ Insurance reiterates its human, social, environmental and economic commitments to its customers, members, employees, shareholders, and suppliers.

## **Our human commitment**

### **To our customers and partners**

#### **We are committed to being a responsible partner**

SSQ Insurance is committed to maintaining a responsible relationship with its customers and partners through clear and transparent marketing and communications, while responsibly managing its claims handling processes. SSQ Insurance offers products and services that promote and encourage environmentally responsible behaviours and help reduce social exclusion.

### **To our employees**

#### **We are committed to being a responsible employer**

SSQ Insurance is committed to providing its employees with a work environment that is based on the company's values creating diversity and equal opportunity, promoting employee participation, encouraging professional development, fostering the well-being of employees and making their personal commitment a crucial element of its business strategy.

## **To our shareholders**

### **We are committed to being a responsible investment**

SSQ Insurance is committed to providing its shareholders with a company that has long-term viability and reasonable profitability thanks to solid and transparent governance, and an ethical corporate culture. As we recognize the influence of our activities on society at large, we are progressively integrating social and environmental issues into our guiding governance principles, risk-management processes and investment strategy.

## **To our suppliers**

### **We are committed to being a responsible buyer**

As a service provider, our main impact on society is strongly tied to the suppliers we choose. We work with them to develop mutually beneficial business relationships from a sustainable development perspective.

## **Our social commitment**

### **We are committed to being a responsible corporate citizen**

We are committed to playing a positive role in society. We are aware that each action we take to improve the well-being of our fellow citizens has a ripple effect and that the example we set can inspire and rally other people around our commitment to change. As such, we help create the social movement that we would like to see grow. With this in mind we cultivate a culture that encourages charity work and donations to support the communities we live and work in. Given that social involvement and support for humanitarian causes are an integral part of SSQ Insurance's culture, we established our financial commitment to these causes at an annual minimum of 1% of the average net income of the previous three years.

Finally, our social commitment includes our desire to support and assist the SSQ Foundation, which focuses its charitable activities related to our youth.

## **Our environmental commitment**

### **We are committed to being environmentally responsible**

We are committed to reducing our direct impact on the environment by improving our management of waste, emissions and natural resource consumption. We are also committed to taking on an active role among our partners, such as by raising awareness of environmental issues, improving the understanding of global environmental risks, and supporting the fight against climate change and other environmental protection initiatives.



# Our economic commitment

## We are committed to adopting responsible economic behaviours

We are committed to adopting responsible economic behaviours and to promoting them in all our areas of activity. We clearly express our intention to restrict our investments in Canadian corporate bonds to socially responsible issuers that do not condone unacceptable behaviours such as discrimination, exploitation of child labour, human rights abuse or non-compliance with environmental standards.

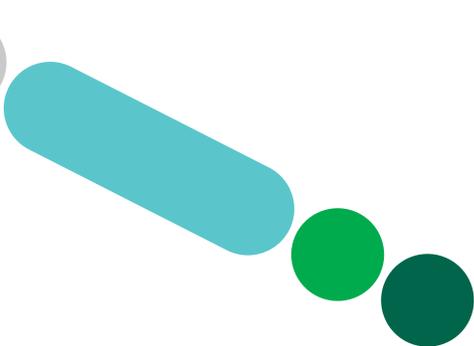
## Our action plan

SSQ Insurance developed its first sustainable development and societal responsibility action plan based on commitments it has made to various stakeholders. While both ambitious and realistic, this plan contains concrete avenues and solutions, but also leaves the door open for innovation and creativity. It is modelled on the people who work at SSQInsurance, bursting with their enthusiasm and passion.

## Human commitment

A simple accessible offer that meets our customers' needs

Action	Objectives
<b>Deliver a distinctive customer experience</b>	<ul style="list-style-type: none"><li>• Continue the customer experience management project, enabling customer feedback in real time</li><li>• Continuing to calibrate the customer experience delivered by the agents and experts, in an effort to continuously improve</li><li>• Deliver a distinctive customer promise that extends to all the sectors of the company and is expressed through every interaction with our customers</li></ul>
<b>Develop our digital offering</b>	<ul style="list-style-type: none"><li>• Continue to improve digital assets by making them adaptable and integrating value-added functionalities for customers</li><li>• Implement new digital platforms that replace paper forms</li><li>• Increase the number of customers registered for paperless services for the various business lines</li><li>• Evaluate the possibility of offering the paperless option to new business lines</li></ul>



# Social commitment

People and social development at the very heart of what we do

Actions	Objectives
<b>Promote SSQ Insurance culture and encourage adherence</b>	<ul style="list-style-type: none"><li>• Implement initiatives to reach the target organizational culture</li><li>• Deploy a communication campaign promoting the SSQ Insurance employer brand</li></ul>
<b>Take sustainable development principles into account when managing human capital and provide an engaging work environment</b>	<ul style="list-style-type: none"><li>• Continue conducting surveys measuring employee mobilization and implement actions to improve it</li><li>• Maintain the corporate health program and provide activities promoting health and employee support</li><li>• Implement a program encouraging career development for women within the company</li><li>• Continue to deploy the concept of multi-purpose office layout encouraging harmonious work spaces and cooperation</li><li>• Maintain our accreditation for the equal access employment program run by the Quebec government to fight against job discrimination</li></ul>
<b>Give back to the community</b>	<ul style="list-style-type: none"><li>• Continue to financially support charitable organizations that promote health, well-being and prevention of illness</li><li>• Through the SSQ Foundation maintain a significant commitment to organizations that fight against school dropout, youth addictions and job market reintegration.</li><li>• Continue the annual financing campaign for United Way Centraide at all our offices Canada.</li></ul>
<b>Be a socially committed corporate citizen</b>	<ul style="list-style-type: none"><li>• Deploy concrete activities and initiatives enabling our commitment to the community to take shape</li><li>• Implement mechanisms encouraging our employees to do volunteer work</li><li>• Continue to work with social enterprises like Groupe TAQ and Signes d'espoir</li></ul>





## Environmental commitment

Contributing to environmental protection efforts

Actions	Objectives
<b>Promote our initiatives related to sustainable development and societal responsibility</b>	<ul style="list-style-type: none"><li>• Distribute our SDSR plan each year</li></ul>
<b>Promote social and environmental considerations in our business practices</b>	<ul style="list-style-type: none"><li>• Maintain a policy for the acquisition of goods and services promoting ethical local buying practices at equivalent prices</li><li>• Implement a tendering and contract awarding directive that integrates selection criteria related to providers' environmentally responsible practices, where applicable</li><li>• Encourage purchase of biodegradable products for the maintenance of our premises</li><li>• Give preference to the use of eco-friendly materials</li></ul>
<b>Reduce our environmental footprint by decreasing our greenhouse gas emissions, paper consumption, water and energy</b>	<ul style="list-style-type: none"><li>• Maintain measures aimed at increasing the environmental performance of the company's car fleet</li><li>• Keep measures in place to encourage employees to use alternative modes of transportation like carpooling</li><li>• Ensure our copy centre maintains its FSC® certification</li><li>• Proportionally decrease the quantity of photocopies and printouts produced by employees and raise managers' awareness of this</li><li>• Continue our participation in the Hydro-Québec program aimed at reducing energy consumption during peak times</li><li>• Obtain LEED certification for all our new constructions</li><li>• Maintain BOMA BEST® certification</li></ul>
<b>Maintain responsible waste disposal practices</b>	<ul style="list-style-type: none"><li>• Maintain our Here we recycle! certification</li><li>• Continue our reuse and recovery of materials such as the recovery of small appliances, batteries and ink cartridges, and the disposal of surplus office furniture to various organizations or sorting centres</li></ul>

# Economic commitment

## Responsible investments

### Actions

Focus on the sustainable and responsible profile of our investments

### Objectives

- Promote SSQ Insurance's commitment to responsible investment
- Continue to adhere to PRI practices for the selection of fund managers
- Encourage adhesion to PRI practices at meetings with external investment managers
- Continue and improve the external ESG analysis of corporate portfolios of general funds
- Measure the carbon footprint of the corporate bond fund portfolios of general funds

Ensure the company's sustainability by relying on the principles of profitability and growth

- Reach the company's overall financial performance targets





**For more information on our sustainable development and societal responsibility efforts, please read the previous yearly activity reports.**

**Quebec Sales Office**

Tel.: 1-888-292-8483

**Ontario, Western and Atlantic Canada  
Sales Office**

Tel.: 1-888-429-2543

**Client Services**

2515 Laurier Boulevard  
P.O. Box 10510, Stn Sainte-Foy  
Quebec QC G1V 0A3

Tel.: 1-800-320-4887

Fax: 1-866-559-6871

[service.inv@ssq.ca](mailto:service.inv@ssq.ca)

**[ssq.ca](http://ssq.ca)**