

Operational energy consumption and carbon emissions inventory

ENERGY CONSUMPTION SCOPE 1 AND 2 (gigajoules)

	2021	2020	2019
Gasoline	6,120	7,599	13,232
Fuel oil	363	386	386
Natural gas	38,813	44,008	45,639
Electricity	60,225	62,793	70,302
Steam	759	759	766
Total energy	106,280	115,545	130,325

CARBON EMISSIONS (TONNES OF CARBON DIOXIDE EQUIVALENT)

	2021	2020	2019
Corporate offices - Fuel oil	27	29	29
Corporate offices - Natural gas	1,974	2,243	2,327
Fleet	413	510	888
Total Scope 1 (Energy)	2,414	2,781	3,244
Corporate offices - Electricity (Location-based)	3,517	3,641	4,066
Corporate offices - Electricity (Market-based)	638	588	633
Corporate offices - Steam	48	48	49
Total Scope 2 (Energy Indirect)	3,565	3,689	4,115
Advisor and service offices	5,281	5,651	5,717
Air travel	66	741	5,258
Auto travel	133	248	891
IT services	757	853	1,055
IT assets	2,511	1,380	1,788
Commuting	307	1,362	5,851
Work from home	3,348	2,808	575
Total Scope 3 (Other Indirect)	12,403	13,043	21,135
Total emissions (Location-based)	18,382	19,514	28,494
Total emissions (Market-based)	15,503	16,461	25,061
Carbon offsets	15,503	4,435	4,805
Net carbon emissions	0	12,026	20,256

CARBON EMISSIONS INTENSITY

	2021	2020	2019
Tonnes of carbon dioxide equivalent (location-based) per \$1 million of income	3.6	3.6	5.6

METHODOLOGY

Approach and Boundary

Our greenhouse gas inventory is calculated using the operational control approach, as outlined by the World Resources Institute and World Business Council for Sustainable Development's [Greenhouse Gas Protocol](#). The organizational boundary of this inventory includes data from our larger companies, consistent with reporting in our Integrated Annual Report (page 112), and accounts for 99% of our operations by income.

Carbon dioxide, methane and nitrous oxide are included in all emission totals and are reflected in the emission intensity figures; the intensity figures include emissions from scopes 1, 2 and 3.

Having met our goal to become carbon neutral equivalent by 2020, in 2021 we revised our carbon inventory. Scope 1 and 2 emissions were adjusted to include an estimate of emissions from smaller offices, which were previously excluded. We expanded the emissions sources that are included in scope 3 to include Financial Advisor and service offices, IT services, IT assets, commuting and working from home; business travel by air and auto were previously included and remain so.

We selected 2019 as our new base year. This was to ensure we had complete and accurate data, to the extent possible, for each of the new sources included in our inventory. It is also the base year against which we will measure our progress on our goal of being net zero in our operations by 2040. The following emission sources were assessed and deemed to be immaterial: fugitive emissions from buildings; business travel by train; business travel in rental vehicles; commuting by public transit.

In 2020 we were carbon neutral equivalent relative to our previous boundary, and in 2021 we maintained carbon neutrality, relative to our new boundary. Carbon neutrality was achieved through the following:

- purchases of renewable energy certifications for select corporate offices (accounted for in the market-based emissions totals)
- purchases of renewable energy certificates and carbon offsets specifically for our Financial Advisor and service offices, to make them 'carbon neutral' (accounted for in carbon offsets)
- purchases of carbon offsets in an amount equivalent of the remaining total of our scopes 1, 2 and 3 emissions (accounted for in carbon offsets)

We require that the carbon offsets we purchase be verified to a recognized verification standard, to ensure additionality, accuracy, permanence, and the absence of significant social or environmental harm. Beyond verification, we avoid any offsets from projects where there is evidence that calls into question the quality of the offsets. The offsets we use are also included on public registries to confirm that they are unique and not double-counted.

Consumption Measurements and Calculations

Energy consumption data (electricity, steam and natural gas) for larger corporate offices were obtained from utility bills and prorated based on area occupied. Energy consumption in smaller corporate offices, Financial Advisor offices and service offices was estimated using office area and energy intensity. Energy intensity figures for each province or region were derived from the [Comprehensive Energy Use Database](#) published by Natural Resources Canada. Business travel activity (air and auto) was collected from internal accounting systems. IT services were measured via spend. IT services included cloud services, software, external data centres, hosting and telecommunications; it excluded consulting, outsourced staffing and hardware that was included in IT assets. IT assets included counts of laptop and desktop computers, monitors and printers. Energy use associated with working from home was estimated using human resources records and energy intensity figures from [Estimating Energy Consumption & GHG Emissions for Remote Workers](#) by Anthesis. Commuting fuel consumption was estimated using data from a previously completed commuting survey and human resources records.

Electricity, natural gas, fuel oil and gasoline consumption was converted to gigajoules using the unit conversion factors in the National Energy Board's [Energy Conversion Tables](#). Steam consumption was converted to natural gas consumption using the unit conversion factor in [Energy Star Portfolio Manager - Portfolio Manager Technical Reference: Thermal Conversion Factors](#) and the efficiency factor in the EPA's [Emission Factors for Greenhouse Gas Inventories](#), table 7.

Emissions Calculations

All emissions were calculated using the global warming potential (GWP) values for the 100-year time horizon, from the [IPCC Fifth Assessment Report](#), 2014 (AR5). Emissions from fuel oil, natural gas, gasoline, and electricity were calculated using emission factors from Environment and Climate Change Canada's [National Inventory Report: greenhouse gas sources and sinks in Canada 2021](#). Emissions from air travel were calculated using the emission factors in [Greenhouse Gas Reporting: conversion factors 2021](#), published by the government of the United Kingdom. Note that these emission factors were revised to use the AR5 GWP values. Emissions from IT services were estimated using the published emissions of ten of our largest vendors by spend. The vendor's emissions were allocated to us based on our spend and the vendors' total revenue; emissions from all other vendors were estimated using the emissions data from these top vendors, excluding carbon neutral vendors to be conservative. Emissions from IT assets were calculated based on manufacturer carbon footprint documents; where carbon footprint documents for the specific make and model were not available, carbon footprints for products of similar make and model were used, to the extent possible.