

2013 public accountability statement



economical[®]

good to know[®]

who we are...

Economical Insurance® is one of Canada's leading property and casualty ("P&C") insurance companies, serving more than one million policyholders across the country through a national network of independent broker partners. Proudly headquartered in Waterloo, Ontario, we are committed to providing top quality home, automobile and commercial insurance products to meet the evolving consumer and business needs of Canadians.

...where we're going

Our vision is to be the leading P&C insurance company in Canada, providing high-quality insurance products and superior service built on a foundation of integrity, innovation and financial strength. With a strategic focus on demutualization, building profitable growth and improving productivity, we are taking positive measures to ensure the long-term success and sustainability of Economical®. Through the professionalism and dedication of our employees and broker partners, we will continue to maintain the trust and confidence of all our stakeholders.

how we'll get there

Our core values of integrity, customer focus, achievement, collaboration and learning guide our business decisions and strategy development and implementation. We're people you can count on. We have the courage to do the right thing. We take responsibility for making thoughtful assessments and thinking innovatively to find solutions. We act quickly and decisively and we are there when you need us. This is our pledge to our customers, and it is at the core of everything we do. As individuals and as a company, we act ethically at all times and treat others with fairness and respect.

WE'RE GOOD TO KNOW...

- for individuals, families and businesses seeking financial security,
- for brokers partnering with a strong, stable, professional and responsive provider,
- for communities relying on a responsible, reliable corporate citizen, and
- for skilled professionals looking for a rewarding employment experience.

Since 1871, we have been there when our customers needed us most.

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SCOPE
Economical Mutual Insurance Company's 2013 Public Accountability Statement was produced as a consolidated statement. It provides a brief overview of our corporate responsibility and activities undertaken in support of the economy, our policyholders, our employees, our brokers, the environment and our communities. This public accountability statement includes the contributions of Federation Insurance Company of Canada, The Missisquoi Insurance Company, Perth Insurance Company and Waterloo Insurance Company.



Karen Gavan

President and CEO

“We take great pride in delivering financial security and peace of mind to families and businesses. With more than one million policyholders across the country, we remained steadfast to our original promise of “neighbours helping neighbours,” to be there when our customers need us most.”

a message from Karen Gavan, president and ceo

As one of Canada's leading property and casualty insurance companies, we aim to be trusted, respected and recognized for our positive contributions to society. We build and sustain the public's confidence in our business by contributing to the economic and social vibrancy of communities where our employees, independent broker partners and policyholders live and work.

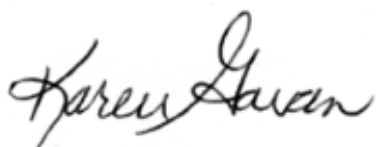
Our core values of integrity, customer focus, achievement, collaboration and learning are at the heart of all that we do. In a highly competitive environment, we attract and retain top talent, contribute significantly to public investments in Canada's economic and social development, and provide innovative products and services to increasingly sophisticated consumers.

We take great pride in delivering financial security and peace of mind to families and businesses. With more than one million policyholders across the country, we remained steadfast to our original promise of "neighbours helping neighbours," to be there when our customers need us most.

We continue to invest in causes that strongly align with one or more of our strategic thrusts: safety & security, youth & education, health & wellness, and arts & culture. In 2013, we invested a total of \$1,063,488 and more than 2,700 employee volunteer hours in Canadian communities. For more detail on our corporate philanthropy, see "our communities" on page 16.

Our 2013 public accountability statement is a snapshot of the progress of Economical's corporate responsibility strategy implementation through our financial contributions, our support for our employees, brokers and policyholders, our charitable giving and our respect for the environment.

We're proud of our corporate responsibility. Canadian communities can count on us.



Karen Gavan
President and chief executive officer

our responsibility

Our Code of Business Conduct

Economical has been serving Canadians since 1871. Our longevity is evidence of the high standards of professionalism upon which our success is based. Our reputation, earned through our values in action, is our most valuable asset, and each of us must work every day to protect and strengthen it.

Economical's Code of Business Conduct ("the Code") sets the standards for all Economical employees (including regular full-time and part-time employees, contract employees, summer and co-op student employees and casual employees) by outlining our fundamental values (integrity, customer focus, achievement, collaboration and learning) and the related responsibilities when conducting business.

All Economical employees, directors and officers must review and agree to comply with the Code when hired and on an annual basis.

Our corporate responsibility

Corporate responsibility at Economical is about operating in a way that is accountable to our various stakeholders, supportive of our communities and respectful of the environment.



our economy

Bolstering Canada's economy

TAXES PAID

Economical provides financial security for Canadian families, businesses and communities. As a strong and stable financial institution, Economical has supported local communities by making major contributions to public revenues.

The following table shows the taxes paid (in thousands) to federal and provincial governments in 2013:

Province	Income taxes	Premium and fire taxes	GST/HST/QST	2013
Newfoundland	312	849	143	1,161
Prince Edward Island	88	220	16	308
Nova Scotia*	1,007	2,670	301	3,677
New Brunswick	646	1,985	190	2,631
Quebec	1,913	4,022	616	5,935
Ontario	12,293	34,239	4,421	46,532
Manitoba	124	425	N/A	549
Saskatchewan	37	175	N/A	212
Alberta	2,227	7,373	N/A	9,600
British Columbia	2,979	12,471	241	15,450
Yukon	2	3	N/A	5
Northwest Territories	4	10	N/A	14
Nunavut	1	3	N/A	4
Total provincial	21,633	64,445	5,928	86,078
Total federal	28,464	N/A	5,484	28,464
Total	50,097	64,445	11,412	114,542

* Nova Scotia eliminated the Large Corporations Tax starting in the 2012 taxation year.

DEBT FINANCING

Economical provides debt financing to Canadian businesses within its distribution network. This supports their development and growth so they are better able to provide products and services to their customers.

The following table summarizes the loans we made to Canadian businesses in 2013:

Range	Amounts in all provinces and territories	
	count	\$ loans
\$0 to \$24,999	4	32,239
\$25,000 to \$99,999	1	50,000
\$100,000 to \$249,999	0	0
\$250,000 to \$499,999	2	800,631
\$500,000 to \$999,999	1	500,000
\$1,000,000 to \$4,999,999	3	4,856,780
\$5,000,000 and more	0	0
Total	11	6,239,650

our accolades



A.M. BEST RATINGS FOR ECONOMICAL MUTUAL INSURANCE COMPANY AND WATERLOO INSURANCE COMPANY

In June 2013, Economical Insurance received its inaugural financial strength rating and issuer credit rating from independent rating agency A.M. Best. The ratings of A- (Excellent) and "a-" respectively provide a further reinforcement of the company's excellent financial strength and significantly improved financial performance. By extension, Economical Select (formerly known as Waterloo Insurance Company) also received an A- (Excellent) financial strength rating and "a-" issuer credit rating. These globally-recognized ratings independently underscore Economical's significant financial strength.

A.M. Best reaffirmed this rating in March 2014.

A.M. Best acknowledged Economical's focused marketing and branding strategies, disciplined underwriting philosophy and pricing segmentation, solid risk-adjusted capitalization, historically positive operating performance, diversified product offerings and established Canadian market presence nationally.

The ratings provide the company with increased opportunities for quoting in situations where an A.M. Best rating is a minimum requirement. Economical Insurance pursued the rating as part of its targeted profitable growth strategy in commercial insurance accounts and in Economical Select, its personal insurance group offering.

2013 BEST NON-LIFE (GENERAL) INSURANCE COMPANY 2013 IN CANADA

World Finance magazine named Economical Insurance as the winner of the "World Finance Best Non-Life (General) Insurance Company 2013, Canada." After readers of the magazine nominated companies for the 2013 World Finance Awards, Economical emerged as one of four Canadian finalists for this award. A panel of experienced judges at *World Finance* subsequently selected Economical as the winner after reviewing responses from each of the four finalists to questions on corporate social responsibility, achievements, delivering on customer expectations and risk assessment.



2013 WATERLOO REGION HEALTHY WORKPLACE AWARDS

Economical won Gold in the 2013 Waterloo Region Healthy Workplace Awards that recognize and celebrate workplaces that demonstrate a strong commitment to improving the health and wellness of their employees. Economical demonstrated how our health program met the four health promotion strategies set by Waterloo Region Public Health: awareness raising, skill building, supportive environment and policy development.



2013 TRAINING MAGAZINE TOP 125

For the fourth consecutive year, Economical was once again among the Top 20 of Training magazine's annual Top 125 list of leading organizations that excel in workforce learning and development. Economical was selected to join the prestigious global Top 125 list from among hundreds of submissions from around the globe and was awarded 19th place.

our policyholders

We delivered on our promise of being there when our customers need us most by paying \$1.2 billion in claims in 2013.

"It has been a very interesting year in the insurance industry to say the least. The latest of claims issues for all of us occurring on July 8 stressed the system beyond what many had planned and prepared for. It became a time for the industry to recognize who could provide value and which companies could not only match customer expectations but, better yet, exceed them. Our experience through the eyes of our customers has shown us **Economical Insurance managed their customers' experience, kept promises and settled claims in a prompt, attentive and pleasant fashion. This was Economical's time to shine and that you did. We have had testimonials for your service and for that we applaud you!"**

— Joyce Usher-Mesiano, president,
National Brokers Insurance Services Inc. (July 2013)

After filing a claim, 92% of policyholders indicated they are satisfied or very satisfied with the quality of their claims service experience, according to the 2013 Economical Insurance claims satisfaction surveys.

For six consecutive years, Economical exceeded customer satisfaction claims handling by scoring 90% or higher in their surveys, which shows we are consistently delivering superior claims adjudication and service, the very essence of why we are in business.

supporting our policyholders

Expert claims representatives guide our policyholders through the process with all the tools and information required to make each claim as easy as possible. Our claims services include:

- 24-hour claims service, seven days a week,
- 600 claims professionals servicing policyholders in several languages,
- repair guarantees for auto and property claims,
- access to quality medical services for policyholders,
- catastrophe response teams, and
- specialized units dedicated to ensuring customized claims services.

If a policyholder's property or vehicle has been damaged, they can take advantage of our convenient Economical Service Program (ESP) developed to provide superior claims service to our policyholders while ensuring the quality of repairs. We thoroughly inspect all repair facilities and contractors before approving them for our program. We set stringent performance standards and only certify those that meet or exceed our standards. Location, quality, reputation, integrity and environmentally-friendly procedures are essential elements in meeting our ESP standards.

We also guarantee the quality of the repairs. Certified Economical Repair Facility (CERF) is the designation we give to repair shops that meet or exceed our standards. As part of our commitment to our CERF program and the environment, Economical enhanced its CERF criteria to create an elite status for those shops that achieve a clean and eco-friendly designation. Under our new elite CERF designation, in addition to meeting our specified performance metrics, repair facilities must demonstrate they follow a business strategy to continuously improve the benefits they provide society by reducing environmental impact and adding value to the community of stakeholders.

A Certified Economical Quality Contractor provides quality property restoration and repairs, with our guarantee of the work for up to two years from the time of the repair.

Economical's Preferred Provider Network provides medical care and rehabilitation services to accident benefits claimants who incurred minor injuries from an automobile accident.

CATASTROPHE RESPONSE

Extreme weather events in Southern Alberta and the Greater Toronto Area in 2013 put our claims promise to the test.

Within hours of our catastrophe response team arriving on the scene, our insurance adjusters and local broker partners were issuing cheques to help policyholders, their families and businesses cope with the devastation.

When the worst floods in Alberta's history occurred, we kept our promise to be there when our policyholders need us most. In our immediate response to the devastation, our catastrophe response team set up a command centre in Airdrie to provide timely and effective responses to the situation, including full investigation of losses and reviewing policies to help policyholders understand their coverage.

In July when the Greater Toronto Area was hit by an intense rainstorm, we immediately deployed our catastrophe response team to a command centre in Mississauga, which served as our hub for managing our response to various damages, such as sewer backup. Together with our broker partners, we assisted our policyholders by arranging emergency services and the restoration of damaged property.

our employees

It takes a national team of professionals and committed broker partners to make Economical the successful and strong company it is today.

Empowering our employees

Economical employees are located in five provinces across the country. Our Head Office in Waterloo, Ontario accounts for the proportionally higher number of employees located in Ontario.

OUR EMPLOYEES ACROSS THE COUNTRY

As at December 31, 2013, Economical has 1,944 employees, including 1,880 full-time and 64 part-time employees.

Province	Regular full time	Temporary full time	Regular part time	Temporary part time
British Columbia*	89	3	1	2
Alberta	155	2	2	5
Ontario	1,369	19	43	7
Quebec	150	7	3	1
New Brunswick	10	0	0	0
Nova Scotia	74	0	0	0
Total**	1,847	33	49	15

*Excluding Family Insurance numbers

**Total includes active employees only.

To keep our company strong, Economical is committed to attracting, developing and retaining top talent.

TOTAL REWARDS

At Economical, we value benefits and rewards that provide flexibility, choice and control. Our total rewards compensation strategy offers competitive pay, flexible benefits, a healthy work-life balance and opportunities for learning and development. Our approach reflects our values of integrity, achievement, collaboration and learning. It is designed to recognize individual and group achievements in a fair and consistent manner across the country.

Economical employees enjoy competitive salaries based on job requirements and skills. They also benefit from a merit-pay system linking reward to performance, an incentive bonus plan, job evaluation reflecting responsibility and accountability, bonuses for completion of certain professional designations and bonuses for successfully referring new employees. Economical also has reward and recognition programs to reinforce and demonstrate appreciation for great work.

We offer immediate and flexible benefit coverage to regular status employees that can be tailored to individual and family needs.

Our comprehensive benefits plan includes:

- a broad range of options for employees and their family members: medical (including many paramedical practitioners), dental, prescription drug, long-term disability, accidental death and dismemberment and life insurance,
- salary continuation for short-term medical absences,
- award-winning wellness programs and incentives,
- comprehensive health and safety programs,
- personal and family access to an employee and family assistance program and resources,
- guaranteed access to daycare, emergency childcare and eldercare programs through Kids & Company,
- a comprehensive defined contribution pension plan and tools to assist in saving for future retirement needs,
- company match on employee contributions to group RRSP,
- minimum 15 vacation days per year and other paid time-off options,
- flexible work scheduling,
- time off work to volunteer individually or as part of a team, and
- employee home and auto insurance discounts for eligible employees.

RECOGNITION

aspire**higher**

At Economical, we know human capital is our greatest asset.

We believe rewards and recognition are important ways of showing our commitment to our employees each day.

Our Aspire Higher program is an innovative, web-based program that facilitates the culture of appreciation. Employees and leaders can express appreciation through a selection of creative e-cards (e-Thanks) strategically aligned with our core values: integrity, customer focus, achievement, collaboration and learning. The program has supported engagement and fostered the growth of recognition.

Since the program's launch, employees and leaders have continued to recognize great moments and extraordinary efforts from all areas of the company. Through Aspire Higher, leaders can also nominate employees for awards. Employees recognized with an award are invited to select a gift from an online gift catalog.

In 2013, **7,542 e-Thanks** were sent
and **342 award nominations** were approved.

OUR CORE VALUES IN ACTION

The following examples of messages sent through our Aspire Higher program demonstrate our core values in action:

Integrity

"Thank you for thinking outside the box and questioning guidelines and procedures that may impact expenses and result in cost savings to the company overall, especially when there is no impact to our underwriting of a risk. You readily come forward with your ideas and for this, you are commended. Excellent work thinking of the company's expenses and our overall profitability in your daily execution of your role."

Collaboration

"Personal thanks to each of you for the long nights and stressful days as we worked to deliver this budget with the level of scrutiny needed to ensure we are making smart investments in the IT infrastructure. Each of you has contributed in a very tangible way to the success of Economical."

Customer focus

"There are clearly external pressures from your insureds and various stakeholders within the company; however, you bring the files to closure and I have yet to hear a complaint. It's a pleasure to work with you. I add the brokers' comments on this specific loss as they succinctly capture the quality of your work. I would like to thank you for managing this claim with extreme professionalism! You have been a pleasure to work with and have certainly given Economical a positive reputation for superior claims handling!"

Achievement

"A great win for you and the entire branch. You handled the pressure and changing timeline with composure, and remained committed to the process, without compromising your underwriting requirements. Be proud of what you've achieved. I'm proud of how you've handled it and how far you've come in your time here. You consistently rise to the occasion and do more than is expected. As you've grown, so has your circle of influence amongst your peers and teammates. You are the person they look to for guidance and insight. Congratulations — you've earned this opportunity. Thank you for consistently being a difference-maker — it is not overlooked at our end, and very much appreciated."

Learning

"I truly want to thank you for completing all the training you did this year. You have really gone above and beyond what is normally expected of you, which demonstrates your commitment to this organization. All of the training you completed was very time consuming and a big undertaking, especially taking your colleague under your wing. Due to your excellent organizational skills, you were able to complete all of the training and you were still able to manage your daily file handling responsibilities. Your positive attitude and upbeat personality will serve you well in future training opportunities."

TALENT MANAGEMENT

The talent management philosophy at Economical is about the potential for employees to grow, develop and succeed. Our programs identify talent throughout the organization and accelerate the development of high-potential individuals.

DIVERSITY

Diversity is a part of our corporate values and what we stand for. Collaboration through diverse perspectives, ideas, experience and knowledge is crucial for innovation and employing a workforce that meets diverse customer needs strengthens our customer focus.

Top 20 companies for Leaders have gender diversity programs in place and Economical established the highly successful Women's Leadership Network. Since its inception the network has grown to over 80 leaders including the CEO and 5 female executive members. This represents approximately 20% of our leaders and 30% of our female leaders. The gender diversity initiative is now embedded in the culture of the organization and has contributed to a 30% increase in the promotion of women into senior leadership roles.

SCHOLARSHIPS AND BURSARIES

We undertake initiatives to promote Economical as a preferred workplace with Canadian post-secondary institutions. We start early and connect with high school and university students through on-campus initiatives such as the Insurance Institute of Canada's Ambassador Program that brings volunteers into public school classrooms to talk about the insurance industry. We also participate in job fairs at post-secondary institutions across the country.

Since 1999, we have sponsored the Economical Insurance Award at MacEwan University in Edmonton. The scholarship is awarded to a student in the insurance and risk management program for their scholastic achievement and community endeavours.

Economical has a long-standing partnership with Wilfrid Laurier University in Waterloo, Ontario, and has been a strong supporter since 1981. Supporting the Economical Insurance Professor in Finance, the Susanne Ford Scholarship, The Economical Insurance Scholarship Fund and the School of Business and Economics Chair in Insurance, Economical has made a significant difference to the university and its students. Since 1996, 118 Wilfrid Laurier University students have completed co-op work terms at Economical in communications, marketing, finance, commercial insurance and business analyst roles.

In 2013, Economical launched a two-faceted scholarship program that provides \$100,000 annually in support of dependent children of employees as well as students in insurance, actuarial science and finance programs. Economical's talent management team establishes direct relationships with the recipients to discuss timely opportunities for employment in their respective fields.

Recognizing the cost difference between university and college programs, Economical offers \$2,000 scholarships for dependent children pursuing a degree program, and \$1,000 scholarships for dependent children pursuing a diploma program. In 2013, seven university students and one college student were selected to receive scholarships totaling \$15,000.

Economical also provides:

- \$50,000 in annual scholarships for students enrolled in insurance studies at: Mohawk College, Conestoga College, Fanshawe College, Seneca College, Grant MacEwan University and British Columbia Institute of Technology (BCIT).
- \$25,000 in annual scholarships for students in the actuarial science at University of Waterloo and Concordia University.
- \$10,000 each year for five bursaries of \$2,000 each for to help deserving students of Wilfrid Laurier University's School of Business and Economics.



2013 actuarial scholarship recipients from Concordia. Véronique Ouellet from Economical Insurance (middle) presents the 2013 scholarships to Michelle Rutman (left) and Hugo Latendresse (right).



2013 BCIT General Insurance and Risk Management scholarship recipients. From left to right: Leah Hemphill, Steven Shaw, Kelsey Craver and Economical's Gary Horga, branch manager, Vancouver.

LEARNING AND EDUCATION

Learning is one of five core values that support the mission and vision of Economical.

TRAINING

Training is centralized and maintained through the Economical Learning Institute for Training and Education (ELITE) to ensure corporate training is aligned with business goals and serves as a key enabler to meet corporate strategic priorities. ELITE has evolved significantly over the years. Today, it comprises all technical training for our lines of business, leadership development, employee development, eLearning courses and a resource library.

The success of our programs is mainly attributed to the partnership of subject matter experts from all lines of business with the adult learning, design and development expertise of the learning and education and organizational development teams. Our training initiatives are developed by employees for employees and offer the necessary balance of meeting business needs and strategies with the learning needs of employees, providing necessary skills, knowledge and behaviours they require to be successful in their roles. The materials reflect the realities, processes and procedures that are unique to our company.

TUITION SUPPORT

Economical maintains a robust tuition and certification reimbursement program. We provide tuition support and financial rewards to employees who complete their professional insurance certifications as well as other professional certifications relative to their job role and responsibilities (e.g. Certified Human Resources Professional for human resources professionals, Project Management Professional for information technology professionals). Economical also supports continued professional and career development through professional memberships and conferences.

"I would like to thank Economical Insurance for furnishing me with a generous donation to assist in furthering my efforts towards a long career in the insurance industry. As a successful personal lines agent, I was interested in expanding my knowledge and abilities; however, I was reluctant to leave my position to pursue a program that would make it possible. It is encouraging to know that a company looking to hire and benefit from graduates of an insurance-focused program at a premiere institution is willing to invest in it. The funds will allow me to graduate faster and develop skills that are unusual among new professionals in the industry. Thanks for helping support my educational goals."

- Steven Shaw, 2013 BCIT General Insurance and Risk Management scholarship recipient

our brokers

We partner with more than 1,000 independent insurance brokers from coast to coast to ensure our policyholders get unbiased, first-rate service and advice.

Broker training

At Economical, we extend our award-winning training programs through a dedicated broker training team that delivers targeted training and education to our independent broker partners. Training is focused on leadership and professional development and is offered to strategic brokers in their offices and to a wider broker audience at various branches and other key locations to broker leaders and staff in all regions across the country. This value-added service supports and strengthens our broker relationships.

Program feedback has been extremely positive, with brokers giving high marks for the quality and relevance of training.

We also support many of our brokers by partnering with them through our community giving program in support of causes that make a positive difference in their communities.



our communities

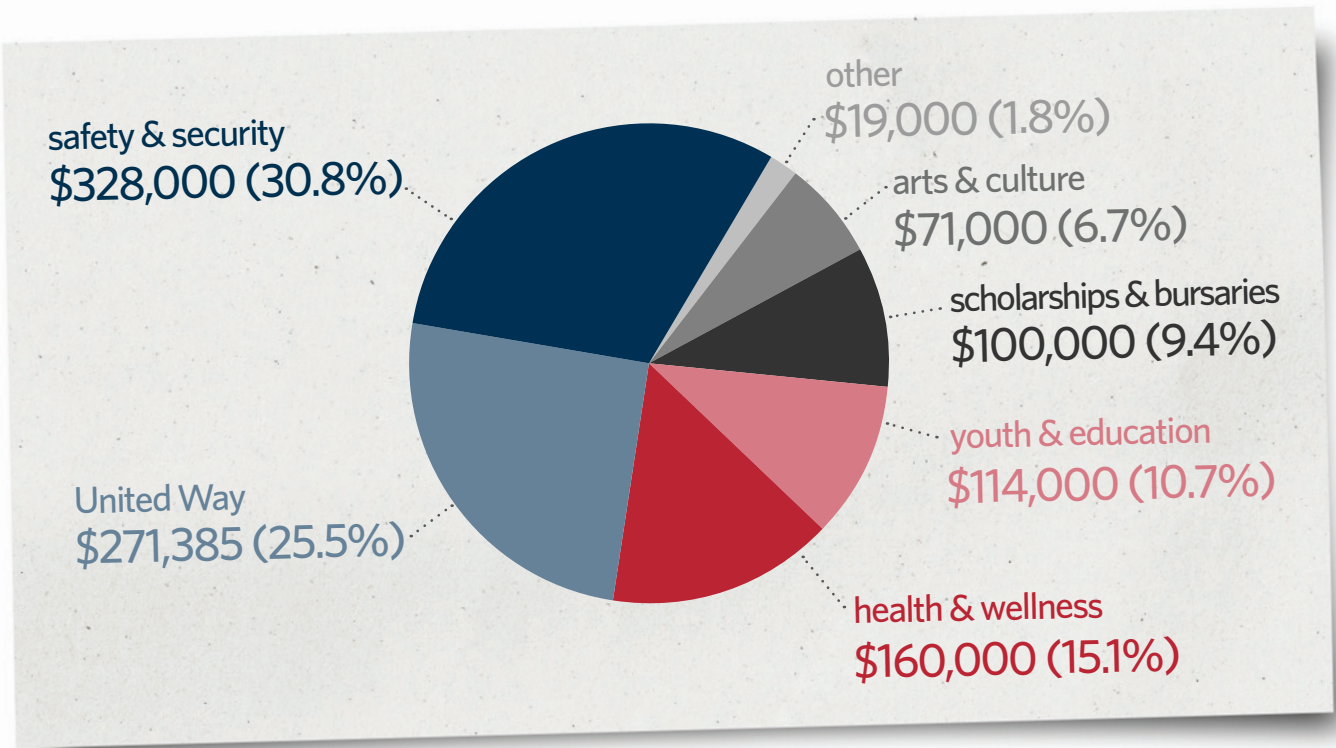
At Economical, we are committed to supporting charitable organizations and causes that drive change in communities and regions where we do business.

Strengthening our communities

COMMUNITY GIVING

The community giving program funds causes that closely align with one or more of our four strategic thrusts: safety & security, health & wellness, youth & education, and arts & culture. Online requests for charitable donations and sponsorships are reviewed against our strategic priorities by our community giving committee, which provides a well-governed process for establishing and fostering philanthropic partnerships that have impact in our communities.

In 2013, Economical contributed a total of \$1,063,488 and more than 2,700 volunteer hours to our communities. Registered charitable organizations received \$692,103 in donations and sponsorships, United Way received \$271,385 that matched employee donations and students received \$100,000 in scholarships and bursaries.



Highlighting Economical's major corporate sponsorships in 2013

CANADIAN RED CROSS

Severe weather in 2013 demonstrated Canadians are facing the increasing impact of climate change. To help Canadians better manage emergency situations, we proudly committed \$450,000 over three years in a new emergency preparedness partnership with the Canadian Red Cross. This new partnership will provide 175 emergency preparedness education sessions to more than 3,500 people every year, in the Calgary, Edmonton, Vancouver, Halifax, Moncton, Hamilton, Kitchener-Waterloo, London, Toronto, Mississauga and Ottawa regions. This training helps individuals cope during the first 72 hours following an emergency and is designed to reduce personal injury and loss of life and to enhance community resiliency.



"Your generous support is what allows the Canadian Red Cross to provide premier disaster preparedness, relief and recovery services to communities all across Canada. Through our partnership, the delivery of emergency preparedness sessions in communities across the country will help mitigate the impact disasters have on Canadians and their families."

- Tim Hoswitschka, director, national corporate relations, Canadian Red Cross

CRIME STOPPERS

Economical has multi-year partnerships with Crime Stoppers in Peel, Vancouver, London, Edmonton, Hamilton, Ottawa, and with Échec au crime (Quebec) and Info-Crime (Montréal). The partnerships revolve around youth engagement in which Crime Stoppers raises awareness of the critical role youth can play in keeping their schools and communities safe and encourages responsible reporting of crimes and other activity. Total funds distributed to all sponsored locations in 2013 were \$122,316.



"Most students want to do the right thing to keep their schools and neighbourhoods safe but they sometimes fear reprisals. We give them the confidence to report what they know about victimization and crime with complete anonymity. We know this program works as we receive up to three tips very shortly after each school presentation."

- Sergeant Iris Johnston, co-ordinator of Peel Crime Stoppers

CANADIAN CANCER SOCIETY

For several years, Economical has been a strong supporter of the fight against cancer, the leading cause of premature death in Canada, with title sponsorships of Relay for Life events in the Waterloo region. Relay for Life is the largest fundraising activity for the Canadian Cancer Society. It helps to fund life-saving cancer research, promote preventative healthy lifestyles, and allows the Canadian Cancer Society to offer compassionate services and support to those living with cancer and their loved ones. In 2013, Economical contributed \$62,500 in sponsorships to the Kitchener-Waterloo, Cambridge and Woolwich, Montreal and Brossard Relay for Life events.



KITCHENER-WATERLOO SYMPHONY (KWS)

Economical renewed its sponsorship of the KWS Signature Series for the 2014/15 and 2015/16 seasons. Since 2010, Economical has provided \$50,000 annually as the title sponsor of the KWS Signature Series. This sponsorship renewal brings Economical's total financial support for the KWS to more than \$475,000 since 2001.



KIDSABILITY

For several years, Economical supported KidsAbility through on-air sponsorships during their annual Radiothon. Many Economical employees also volunteered to manage the phones during the fundraising event.

“Your sponsorship of our Radiothon helps us continue to provide a brighter future and a better community for every child. As our children have growingly complex medical needs, your gifts are working hard to provide a future full of hope for every child. Through your gift, you are directly helping to support life-changing therapy, highly sought-after pediatricians, knowledge sharing and support for our families and so much more.”

– Lisa Talbot, executive director, KidsAbility Foundation

Economical also donated 24 tickets and bus transportation so parents of KidsAbility families could enjoy an afternoon at the Stratford Festival’s production of Shakespeare’s Romeo and Juliet.

As one of the parents expressed, “We would like to thank Economical so much for the wonderful afternoon we shared with some other KidsAbility parents in Stratford yesterday. The production was great and we were looked after very well all the way there and back. It was nice to have a care-free afternoon at such a lovely location. Thank you so much to Economical Insurance for making this possible. We really enjoyed it and truly do appreciate the longstanding support you have provided to KidsAbility. These programs have made such a difference in our daughter’s life over the years.”



JUNIOR ACHIEVEMENT

In 2013, Economical signed a new partnership agreement for \$300,000 over three years to deliver the Economics for Success program to Grade 7 and 8 students in nine locations across the country. Dozens of Economical volunteers facilitate a one-day in-school program that helps more than 2,000 youth every year realize their full potential by understanding the importance of budgeting, investments, business finance and staying in school to achieve their dreams and aspirations.

“Thank you for Economical Insurance’s generous investment in the future of more than 226,000 young people across Canada. Your gift has enabled Junior Achievement to continue providing young people with relevant and hands-on business education to foster entrepreneurial spirit, build financial literacy and prepare for a future of business success. With your help, we have continued to prepare and inspire more young people to succeed in business and in life than ever before.”

– Stephen Ashworth, immediate past president and CEO, Junior Achievement of Canada



LOCAL FOOD BANKS

For the 2013 holiday season, Economical donated \$2,000 to local food banks in 13 communities where Economical staff are located:

Economical location	Recipient food bank
Halifax	Feed Nova Scotia
Moncton	Moncton West End Food Bank
Montreal	Moisson Montreal
Ottawa	Ottawa Food Bank
Toronto	Daily Bread Food Bank
Mississauga	The Mississauga Food Bank
Hamilton	Hamilton Food Share
Kitchener-Waterloo	Food Bank of Waterloo Region
Woodstock	The Salvation Army
London	London Food Bank
Edmonton	Edmonton Food Bank
Calgary	Calgary Food Bank
Vancouver	Greater Vancouver Food Bank Society

To learn more about the program, visit www.economicalinsurance.com/communitygiving.

Do you know of a charitable or community cause that you believe Economical should support? Contact us at communitygiving@economical.com.

SIGNATURE CHARITY - UNITED WAY



**United Way
Centraide
Canada**

Economical raised a grand total of more than \$581,000 for United Way nationally, exceeding our 2013 goal of \$520,000 by 12%. Employees raised \$571,000 through pledges including the corporate match for United Way. Our 92 leader donors, who gave at least \$1,000 each, raised an impressive \$259,000 including company match, making up 45% of our overall campaign donations. An additional \$10,000 was raised through a variety of employee fundraising events. Inspired by our employees' generosity, Economical matched each individual donation up to \$2,500. Employees designated their donations — along with Economical's corporate match — to the United Way branch of their choice.

In celebration of the 2013 campaign, Economical received the Leadership Award at the annual Community Spirit Awards hosted by United Way of Kitchener Waterloo & Area. We were honoured for its success during our fall fundraising campaign in signing up leader-level donors who pledged at least \$1,000 to United Way over a one-year period. In addition to the Leadership Award, Economical was also nominated for the Campaign Award and Campaign Team Award.

“The experience of working with our campaign team nationally was invaluable. We were able to leverage great ideas from across the country, move toward common goals and have consistent approaches. We were also able to benefit from the sharing of resources and tools, such as the help we received from marketing and IT, to support our campaign success. What I enjoyed the most was working with such an energized and committed national team of staff volunteers and I was touched the most by the overwhelming generosity of Economical staff. It's clear our employees truly believe in the importance of making a difference in the lives of those in our communities where we work and live.”

- Carol Brandt, Economical's United Way national campaign leader

IN-KIND DONATIONS

Print services

Economical donated in-kind printing services to two charitable causes we sponsored in 2013:

- Children’s Safety Village: printed 10,000 completion certificates and 10,000 fire escape floor plans for a total of \$2,233.
- Waterloo Running Series: printed 5,000 of each of the Laurier Loop entry forms, Waterloo Classic entry forms and pledge forms and Dirty Dash entry forms for a total donation of \$3,313.

Promotional items

Throughout 2013, Economical donated various items for silent auctions or prizes in support of many charitable events and organizations, including:

- The Kitchener-Waterloo Kinsmen Club
- Kitchener-Waterloo Art Gallery
- Spinal Cord Injury Ontario – KW Wheelchair Relay
- Prostate Cancer Canada (Atlantic)
- Lisaard House
- Wesley Urban Ministries
- Grand River Hospital Foundation
- HopeSpring Cancer Support Centre
- St. Mary’s General Hospital
- Hospice of Waterloo Region
- Junior Achievement (Edmonton)

SOCIAL COMMITTEES

Economical social committees engage many employees in various activities to support charities, including:

- Held food drives for the local food bank
- Raised funds for The Salvation Army
- Sold daffodils in support of the Canadian Cancer Society
- Sold carnations in support of MS Society
- Filled 60 backpacks with school supplies in support of Send ‘em Off Smiling
- Organized a charity BBQ, which raised \$700 for Prostate Cancer Canada

DRESS DOWN FOR CHARITY

For four weeks over the summer months, staff members across the country were invited to donate a dollar a day to dress casually as part of our 2013 fundraising initiatives. A survey was conducted to determine the charities employees wanted to support each week.

During the four weeks, staff donations raised nearly \$13,000 that was distributed among:

- Kids Help Phone (\$3,083),
- Canadian Arts Foundation (\$2,650),
- Children’s Wish Foundation of Canada in Ontario, Quebec and the Atlantic region (\$1,912),
- Big Brothers Big Sisters of Canada in the Western region (\$1,375), and
- Canadian Cancer Society (\$3,597).

IMPACT: ECONOMICAL'S EMPLOYEE VOLUNTEER PROGRAM

In 2013, 398 employees across the country participated in the program, contributing more than 374 volunteer days during the work week (nearly 2,715 hours) to deserving charities and causes in their communities.

Economical employees across Canada are actively involved in their communities. They willingly give their time and energy in a range of activities, from being a scout leader, to helping build a home for an underprivileged family to stocking shelves in a local food bank. Like Economical, they are "neighbours helping neighbours." Our employee volunteer program encourages staff to take up to two paid days off work per year to volunteer in the community individually or as part of a team.

Some of the charities and organizations supported through employee volunteering in 2013 include:

Alex Kovalev Foundation	Maple Grove Christian Retreat Centre
ALS Society of Alberta	Meal Time Program
Autism Ontario York Region	National Service Dogs
Camp McGovern	New Hamburg Minor Hockey Association
Canadian Cancer Society	Outreach 360
Canadian Diabetes Association	Ronald McDonald House
Community Living London	ROOF (Reaching Our Outdoor Friends)
Conestoga Students Inc.	Saint Vincent de Paul
CPE La Grenouille Rose	Salvation Army
Dr. Bob Kemp Hospice	Samaritan's Purse/Operation Christmas Child
Feed Nova Scotia	Sick Kids Foundation
Fondation Cité de la Santé	Sinclair Golf Charity Tournament
Food Bank of Waterloo Region	Skills Canada
Grand River Hospital	St. Joseph's Hospitality Centre
Guelph Minor Baseball Association	St. Mary's Hospital
Halton Centre for Child Care	Stormont, Dundas & Glengarry OPP Detachment
Heart and Stoke Foundation	The Furies/Clarkson Cup
Hockey Canada	The Mississauga Food Bank
Insurance Institute of Ontario	United Way
Junior Achievement	University of Guelph
Kitchener Waterloo Humane Society	Walkerton Minor Soccer
KW Youth Basketball Association	Waterloo Regional Down Syndrome Society
London Food Bank	YWCA Mary's Place



our environment

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Respecting our environment

Our environmental sensitivity efforts continue to yield progress. Our objectives are to:

- raise awareness of environmental sustainability within the company nationally,
- identify, investigate and take action to reduce pollution, waste and the consumption of resources by our employees, and
- create processes and procedures that support environmentally friendly business practices within our operations.

ENVIRONMENTALLY SENSITIVE STEPS CARRIED THROUGH 2013

Vendor selection and facilities management

- Taken into consideration environmentally friendly practices when selecting our vendors
- Working towards full building offsets on building set points during non-business hours
- Ensured carpet cleaners use environmentally friendly cleaning products
- Purchased refurbished furniture for standard workstations and task chairs made with 98% recyclable material and/or are 98% recyclable by weight

Paper and print management

- Set up all multifunction printers and fax machines with double-sided printing
- Printed the majority of all marketing material on paper with recycled content and used envelopes manufactured from FSC certified material
- Selected preferred paper management vendor based on its security and green initiatives to ensure our shredded paper is recycled
- Recycled used toner cartridges back to the supplier

Waste sorting and diversion

- Worked with our food service provider to reduce the amount of Styrofoam and plastic used
- Rolled out an organics program at our Head Office location.
- Clearly recorded and improved our waste diversion program at our Head Office and Riverbend locations

To better understand our Waterloo Region carbon footprint and how to reduce it, Economical works with Sustainable Waterloo as an observing organization. The current work of Sustainable Waterloo is focused on the Regional Carbon Initiative, which supports voluntary target-setting and reductions of carbon emissions by organizations across the region.



our offices

Economical locations

Economical has offices across the country to serve our policyholders. Below, please find our locations and contact information.

HEAD OFFICE

111 Westmount Road South
P.O. Box 2000 Waterloo, ON N2J 4S4 T
Telephone: 519-570-8500
Toll-free: 1-800-265-9996

ALBERTA

Calgary branch

801-6 Avenue S.W., Suite 2700 Calgary, AB T2P 3W2
Telephone: 403-262-4558
Toll-free: 1-800-562-1180

Edmonton branch

10250 101st Street, Suite 1600 Edmonton, AB T5J 3P4
Telephone: 780-426-5925
Toll-free: 1-800-661-3274

BRITISH COLUMBIA

Vancouver branch

1055 West Georgia Street, Suite 1900, P.O. Box 11112,
Royal Centre Vancouver, BC V6E 3P3
Telephone: 604-684-1194
Toll-free: 1-800-951-6665

NOVA SCOTIA

Halifax branch

238A Brownlow Avenue, Park Place II, Suite 310
Dartmouth, NS B3B 2B4
Telephone: 902-835-6214
Toll-free: 1-800-278-9639

ONTARIO

Kitchener-Waterloo branch

590 Riverbend Drive Kitchener, ON N2K 3S2
Telephone: 519-570-8322
Toll-free: 1-866-202-2622

London branch

148 Fullarton Street, PO Box 817 Talbot Centre, Suite 1200
London, ON N6A 4Z4
Telephone: 519-673-5990
Toll-free: 1-800-265-4441

Metro branch

5700 Yonge Street, Suite 1600 North York, ON M2M 4K2
Telephone: 416-590-0038
Toll-free: 1-800-268-8801

Mississauga Customer Contact Centre

77 City Centre Drive, Suite 400 Mississauga, ON L5B 1M5
Telephone: 1-800-522-0195
Fax: 905-896-2698

Ottawa branch

343 Preston Street, Suite 500 Ottawa, ON K1S 1N4
Telephone: 613-567-7060
Toll-free: 1-800-267-8318

Toronto office

121 King Street West, Suite 1701 Toronto, ON M5H 3T9
Telephone: 647-260-3680

Economical Select

590 Riverbend Drive Kitchener, ON N2K 3S2
Telephone: 519-570-8322
Toll-free: 1-866-202-2622

Perth Insurance

5700 Yonge Street, Suite 1600 Toronto ON M2M 4K2
Telephone: 416-590-0171
Toll-free: 1-888-307-3784
Toll-free service centre: 1-888-717-2233

Western General farm division

959 Dundas Street, Ste. 200 Woodstock, ON N4S 1H2
Telephone: 519-421-3047
Toll-free: 1-800-464-1766

QUEBEC

Montreal branch

1 Place Ville Marie, Suite 1400 Montreal, QC H3B 2B2
Telephone: 514-875-5790
Toll-free: 1-800-361-7573



economicalinsurance.com

HEAD OFFICE

111 Westmount Rd S, P.O. Box 2000, Waterloo, ON N2J 4S4

T 519 570 8500 **F** 519 570 8389

The Economical brand includes the following property and casualty insurance companies: Economical Mutual Insurance Company, Perth Insurance Company, Waterloo Insurance Company, Missisquoi Insurance Company, Federation Insurance Company of Canada.

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