



# **PUBLIC ACCOUNTABILITY STATEMENT**

# WHO WE ARE

For 146 years, Canadians have trusted Economical Insurance to protect what they value most. Today, Economical is one of Canada's leading property and casualty (P&C) insurance companies.

Headquartered in Waterloo, Ontario, we're proud to serve more than one million customers across the country through a national independent broker force and our digital direct brand, Sonnet. As a multi-channel insurance company, we provide Canadians with great service from the moment they purchase a product to support if they have a claim.

Behind the scenes and in the field, it's our employees and valued broker partners that make all the difference. They're the reason we've come as far as we have, and the reason we'll go much further still.

## OUR MISSION

To be the insurance partner Canadians choose to protect what they value most.

## OUR VISION

To be one of Canada's top P&C insurers, recognized for our business innovation and how well we take care of our customers.

## WE'RE GUIDED BY OUR VALUES

- we focus on customers first
- we bring our best
- we're stronger together

Our public accountability statement (Statement) provides a snapshot of our social responsibility efforts through financial contributions, charitable giving, respect for the environment, and support for our employees, brokers, and customers. This Statement is about Economical Mutual Insurance Company and the following affiliates:

- Perth Insurance Company
- Petline Insurance Company
- Sonnet Insurance Company
- The Missisquoi Insurance Company
- Waterloo Insurance Company

References to "Economical", the "Company", "us", "we" and "our" in this Statement are to Economical Mutual Insurance Company and the affiliates listed above, unless the context requires otherwise. All dollar amounts in this Statement are in Canadian dollars. The information contained in this Statement is given in respect of our 2017 fiscal year (January 1, 2017 – December 31, 2017) except where otherwise noted.

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# A MESSAGE FROM ROWAN SAUNDERS, PRESIDENT AND CEO

## WE'RE STRONGER TOGETHER



As one of Canada's leading providers of P&C insurance, we're in the business of protecting Canadians from coast to coast. With more than one million policyholders, we remain steadfast to our original promise: we'll be there when our customers need us most.

We're a company with big aspirations. We have a clear vision, strong values, and an innovative strategy that position us for future growth and continued success.

Success wouldn't be possible without great people. Together, we maintain a clear focus on excellence and execution in everything we do. The commitment and dedication of our employees helped us generate a 92% satisfaction rating<sup>1</sup> from customers with claims.

At Economical, our values put the customer at the centre of everything we do. We bring our best every day and understand that we are stronger together, which guides us in our daily collaboration and decision making.

Being stronger together extends to our community. Our 2017 public accountability statement describes our social responsibility through taxes paid; support for our employees, brokers, and policyholders; our charitable giving; and our respect for the environment.

Although 2017 was a challenging year for Economical financially, we remained committed to funding our community initiatives. We provided approximately \$1.2 million towards making a difference in Canadian communities. Our employees across the country also generously contributed more than 3,200 volunteer hours during the work week to deserving causes.

Our ambitions are high, our broker relationships are strong, and our employees continue to raise the bar as we deliver on our mission to be the insurance partner Canadians choose to protect what they value most.

**ROWAN SAUNDERS**

President and Chief Executive Officer

<sup>1</sup>Percentage based on 104,770 Economical claimant survey responses measuring customer satisfaction with claims services from January 2007 to December 2017.



# OUR SOCIAL RESPONSIBILITY

Social responsibility at Economical is about being accountable to all stakeholders, supporting our communities, and respecting the environment. It demonstrates how we put the customer at the centre of all we do, our integrity, and how we give back to Canadian communities where we operate.

## OUR CODE OF BUSINESS CONDUCT

At Economical, we work to protect and strengthen our reputation by acting with integrity in everything that we do. The high standards of professionalism to which we hold ourselves are reflected in our Code of Business Conduct (The Code).

The Code sets standards for all Economical employees — regular or temporary — by outlining our responsibilities when conducting business. Our employees and directors must review The Code and agree to comply when hired and on an annual basis.



# BOLSTERING CANADA'S ECONOMY

We support local communities by making major contributions to public revenues.

## TAXES PAID

The following table shows the taxes paid to federal and provincial governments in 2017 (\$):

Province	Income taxes <sup>1</sup>	Premium and fire taxes	2017
Newfoundland	0	99,279	99,279
Prince Edward Island	0	262,118	262,118
Nova Scotia	0	3,039,089	3,039,089
New Brunswick	0	2,627,482	2,627,482
Quebec	0	4,849,946	4,849,946
Ontario	0	42,453,704	42,453,704
Manitoba	0	483,378	483,378
Saskatchewan	0	278,483	278,483
Alberta	0	11,479,849	11,479,849
British Columbia	0	11,847,098	11,847,098
Yukon	0	3,117	3,117
Northwest Territories	0	8,694	8,694
Nunavut	0	3,764	3,764
Total Provincial	0	77,436,001	77,436,001
Total Federal	0		
<b>Total</b>	<b>0</b>	<b>77,436,001</b>	<b>77,436,001</b>

<sup>1</sup>As a result of the Company generating a net loss in 2017, no income taxes were payable for 2017.

## DEBT FINANCING

We sometimes provide debt financing to our broker partners to support their development and growth.

	<\$24,999	\$25,000 - \$99,999	\$100,000 - \$249,999	\$250,000 - \$499,999	\$500,000 - \$999,999	\$1,000,000 - \$4,999,999	\$5,000,000+	Total (all levels)
Authorized amount <sup>1</sup>	\$ -	\$108	\$162	\$638	\$1,506	\$15,232	\$78,563	\$96,209
Number of clients <sup>2</sup>	-	2	1	2	2	7	6	20

<sup>1</sup>In thousands of dollars. Above balances represent the ending balances for debt financing authorized to firms as at December 31, 2017, and include all new commitments for 2017.

<sup>2</sup>As at December 31, 2017, we had no debt financing activity in British Columbia, Saskatchewan, Manitoba, Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories or Nunavut. Data for all other Canadian provinces have been consolidated to preserve confidentiality.

# WE BRING OUR BEST

## RECOGNITION FOR OUR ACHIEVEMENTS



### A.M. BEST RATINGS FOR ECONOMICAL INSURANCE AND ECONOMICAL SELECT

In December 2017, independent rating agency A.M. Best affirmed the financial strength rating of A- (Excellent) and issuer credit ratings of A- for Economical Mutual Insurance Company and its wholly-owned subsidiary, Waterloo Insurance Company, for the fifth consecutive year. A.M. Best continued to acknowledge the companies' strong risk-adjusted capitalization, favourable underwriting leverage and liquidity, historically positive operating performance, diversified product offerings, operational improvement initiatives, and established national market presence in Canada. A.M. Best also recognized that we have broadened our distribution capabilities with the introduction of Sonnet.

These ratings recognize our significant financial strength and provide Economical with increased opportunities for quoting in situations where an A.M. Best rating is a minimum requirement.



### WATERLOO AREA'S TOP EMPLOYERS FOR 2018

For the third year in a row, Canada's Top 100 Employers honoured Economical as one of Waterloo Area's Top Employers for 2018. Winners were chosen for providing exceptional places to work in Guelph and Canada's Technology Triangle (Cambridge, Kitchener, and Waterloo). Economical was recognized for becoming a multi-channel company with the launch of its digital direct brand, Sonnet; the development of a new employee value proposition; the evolution of its community giving program to feature corporate matching of employee donations and opportunities for local offices to nominate and vote for a local charity to receive a \$5,000 donation; and continuing to foster a learning culture through the Dependent Children Scholarship program.



### 2017 WATERLOO REGION HEALTHY WORKPLACE AWARDS

Economical won Platinum in the 2017 Waterloo Region Healthy Workplace Awards for sustaining Gold Level standing for four years. This award recognizes our health promotion strategies in awareness raising, skill building, supportive environment, and policy development.

# WE FOCUS ON CUSTOMERS FIRST

## SUPPORTING OUR POLICYHOLDERS



**We delivered on our promise of being there when our customers need us most and paid more than \$1 billion in claims in 2017.**

After filing a claim, 92% of our policyholders indicated that they are satisfied or very satisfied with the quality of their service experience<sup>1</sup>. We're proud to live up to our promise by delivering superior claims service when our customers need us most.

Expert claims representatives guide our policyholders through the claims process to make each claim as easy as possible.

Our claims service includes:

- 24-hour claims support, seven days a week
- 700 claims professionals servicing policyholders in several languages
- Repair guarantees for auto and property claims
- Access to quality medical services for policyholders
- Catastrophe response teams
- 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 set stringent performance standards and certify only those repair facilities that meet or exceed our standards. Location, quality, reputation, integrity and environmentally-friendly procedures are essential elements in meeting our ESP standards.

Repair facilities that meet or exceed our ESP standards are designated as a Certified Economical Repair Facility. As part of our commitment to the environment, we enhanced our criteria to create an elite status for shops that achieve a clean, eco-friendly designation.

- A Certified Economical Quality Contractor provides quality property restoration and repairs, with a guarantee from us on the quality of work for up to two years from the time of the repair
- Our Preferred Provider Network provides medical care and rehabilitation services to accident benefits claimants who incurred minor injuries from an automobile accident

## BC WILDFIRES RESPONSE

In response to the major wildfire situation in British Columbia during the summer of 2017, our BC Wildfire Command Centre was fully operational by July 14, 2017, the day after the official evacuation order. Much of the work at the Command Centre involved educating and assisting our customers to better understand the coverages that were in place under their insurance policies, as most of them had very little understanding about their policies – thereby providing peace-of-mind for our customers and their families in a time of great uncertainty.

<sup>1</sup>Percentage based on 104,770 Economical claimant survey responses measuring customer satisfaction with claims services from January 2007 to December 2017.



# WE'RE STRONGER TOGETHER

## COMMITTED TO OUR EMPLOYEES

At Economical, we know our people make the difference. That's why we're committed to giving employees more of what they value most about being part of Economical: ambitious goals, a fun workplace, and rewarding work. Our employee engagement survey results showed record participation and growing overall engagement scores. We're grateful for our engaged employees who help fulfil our vision every day.

## ONE ECONOMICAL FROM COAST TO COAST

Our diverse workforce strengthens our business through an array of talent, perspectives, and experiences across the country. We established a new presence in Manitoba in January 2017 with the acquisition of Petline Insurance Company, welcoming our Winnipeg colleagues to the Economical team.

As of December 31, 2017, we had 2,449 active employees.

Province	Full-time	Part-time	Total <sup>1</sup>
Alberta	118	5	123
British Columbia	129	2	131
Manitoba	121	7	128
Nova Scotia	60	1	61
Ontario	1,785	46	1,831
Quebec	169	6	175
Total <sup>1</sup>	2,151	20	2,449

<sup>1</sup>Total includes active employees only.

## FOSTERING A HIGH-PERFORMANCE CULTURE

Our culture helps us deliver on our business strategy, strengthens our brand, and encourages employees to bring their best every day. We invest in our people so they can provide the best service for our customers.

**Advancing diversity and inclusion** — Leveraging our employees' diverse skills, experience, and perspective helps us elevate our customers' experience. In 2017, employees formed two national employee resource groups with a focus on the immigrant community and the LGBTQ community to help us strengthen our business and workplace practices.

**Values-aligned recruitment and onboarding** — Recruitment branding and tools have been updated to support hiring people aligned to our values. We've enhanced the onboarding experience to provide new employees with a welcoming and inspiring connection to Economical as soon as they join.

**Keeping it fun** — Spirit days are celebrated across the Company and country. From events like Earth Week and Canada 150, to teams celebrating their own workplace accomplishments, we bring people together and keep our workplace fun.

**Launched the Socializer program** — Socializers are employee advocates who represent our commitment to the Economical work experience and share the great things that are happening at the Company through internal articles, social media, and external events.

## REWARDING OUR EMPLOYEES



### COMPETITIVE PAY



### FLEXIBLE BENEFITS



### RETIREMENT SAVINGS



### WORK-LIFE BALANCE



### LEARNING AND DEVELOPMENT OPPORTUNITIES

We offer competitive pay, great benefits, Company-matched savings programs (RRSP, spousal RRSPs, and after-tax account), health and wellness programs, flexible working arrangements, and an award-winning focus on learning and development.

Employees receive bonuses for completion of certain professional designations and also for successfully referring new employees. Discounts on our insurance products are also available to employees.

Our bright and open workspaces and a smart casual dress code make coming to the office an enjoyable and inspiring experience.

## CREATING A SAFE AND HEALTHY WORKPLACE IS A PRIORITY

We promote mental health awareness and, through the services of our employee and family assistance program, offer an avenue where employees and their families can seek help for what may affect their mental or emotional health.

For the past seven years, we've held semi-annual wellness challenges to enhance employee awareness of healthy choices and to promote positive lifestyle changes.

Our 2017 wellness programs were focused on total health, including mental, physical, and financial wellness, and we encouraged employees to "Be Well in 2017" through programs and challenges supporting their overall well-being:

### 2017 Stride into Summer Challenge



**1,692**  
employees participated  
(Economical record)



Employees walked  
**172,168 km**  
surpassing our collective  
goal.

### 2017 Fall Be Well Challenge

Encouraging employees to improve their mental,  
physical, and financial health



**1,900+**  
employees participated



**229**  
million steps of  
physical activity



**14,773**  
acts of kindness

We participated in the Not Myself Today campaign for the second time in 2017, with the goal of educating employees about mental health and creating a supportive work environment.

Economical complies with the occupational health and safety (OHS) legislation of the various provinces in which we operate. Our OHS program includes health and safety committees in all locations, totaling **125 employees** who are committed to supporting our policies and procedures.

## RECOGNIZING GREAT WORK IS PART OF OUR CULTURE

We believe recognition is part of a reward mix that supports engagement every day. The annual Economical Appreciation Week is a dedicated week of appreciation where we formally recognize all employees and spend time together to celebrate as teams.

Aspire Higher is our recognition program and platform where employees recognize their peers' great moments and extraordinary efforts from all areas of the Company. Employees can also be nominated for an award and select a gift from an online catalogue.



When employee achievement and commitment are recognized in a meaningful way, it fuels further achievement and commitment — elevating good companies to great ones. In my career, sharing and receiving feedback and recognition has been a key component of development and success.

FABIAN RICHENBERGER

Executive Vice-President of Commercial Insurance

aspirehigher



1,100

e-Cards per month, on average, were distributed among colleagues



645

Awards nominations were submitted recognizing great work aligned with our core values



50%

of employees used the Aspire Higher platform

## WE CELEBRATE COMMITMENT, DEDICATION, AND SERVICE

We celebrate milestone employment anniversaries beginning with five years of service and every five years thereafter. In addition to receiving a gift selected from a catalogue and a symbolic numeral trophy, employees celebrating milestones receive a digital Yearbook as a keepsake featuring notes from leaders and peers as a reminder of their dedication over the years.

## SUPPORTING FINANCIAL WELLNESS FOR TODAY AND TOMORROW

We offer opportunities to help our employees develop strategies to build their savings. In 2017, a new Tax Free Savings Account (TFSA) product was added to our employee workplace savings plan. Also, a new campaign was launched via our plan service provider, providing employees with a digital experience to quickly review all aspects of the plan, from products to investment options to personal information.

Our pension and savings program offers Company core and matching contributions to employee defined contribution pension plan and retirement savings accounts, respectively. As of December 2017, 65% of employees have selected contribution levels that enable them to take full advantage of the Company matching program.

## TUITION SUPPORT

We maintain a robust tuition and certification reimbursement program. We provide tuition support and financial rewards to employees who complete professional insurance certifications, as well as other professional certifications related to their job role and responsibilities. We also support continuous professional and career development through external education and conference participation.

We focus on the potential for our employees to grow, develop, and succeed. We identify talent throughout the organization and accelerate the development of high-potential individuals.



Building a high-performance culture is, simply put, about delivery for all of your stakeholders at the same time. Having a highly engaged environment is making sure that we are all on the same team, rowing in the same direction and engaging each other.

.....  
**ROWAN SAUNDERS**  
President and CEO

## TALENT MANAGEMENT

We continue to improve how we attract, develop, and reward our talent. The actions we take will help us build a strong talent pool that is engaged, high performing, and recognized for their contributions.

Our talent management strategy:

- Attracts and develops the right people for the right roles
- Empowers employees with tools and resources to manage their career decisions
- Provides opportunities and motivation to ensure our employees are satisfied and productive

## LEARNING AND DEVELOPMENT

We believe continuous learning and career development are part of an outstanding work experience. Our learning experiences help drive business outcomes and provide the necessary skills and knowledge employees need to succeed in their roles and grow their careers.

We endorse an approach to learning and development that gives our employees access to a rich variety of learning opportunities that include:

- On-site and virtual instructor-led leadership, professional and technical development courses
- Paid professional memberships and tuition reimbursement
- Extensive eLearning to supplement on-the-job training
- On-the-job stretch assignments and secondment opportunities
- Internal conferences tied to advancing key strategic priorities

Our learning programs are always evolving in response to business needs. They are developed and delivered by an internal team of specialists working with subject matter experts across the organization to ensure a balance of technical and core skills development.



# PARTNERING WITH BROKERS

We partner with more than 900 independent insurance brokers from coast to coast to ensure our policyholders receive unbiased, first-rate service, and personalized advice.

Our long-lasting, strategic relationships with brokers thrive on mutual respect and support. Every day we value the advice of our brokers as we continuously improve our broker value proposition and enable our brokers to deliver the service and products customers expect.

Our broker partnerships are a key pillar of our growth strategy. We bring our best every day in our relentless pursuit of excellence, helping our broker partners win new business, earn customer trust, and enhance customer retention.

## PARTNERING WITH OUR BROKERS IN THE COMMUNITY

Community initiatives that matter to our broker partners matter to us.



**30%**

of our sponsorships and donations were in association with our brokers across the country.

From purchasing much-needed equipment at community hospitals to supporting a local camp, partnering with our brokers to help them enhance their communities is a priority for us.

## BROKER TRAINING

We extend our award-winning training programs through targeted training and education to our independent broker partners. Training is focused on leadership and professional development and is offered to some brokers in their offices, and to a wider broker audience at various locations across the country. This value-added service supports and strengthens our commitment to the broker channel.



**84+**

Professional development workshops



**1,100+**

participants from brokerages across the country



**93.5%**

brokers overall satisfaction score for the quality and relevance of the training delivered in 2017



# STRENGTHENING CANADIAN COMMUNITIES

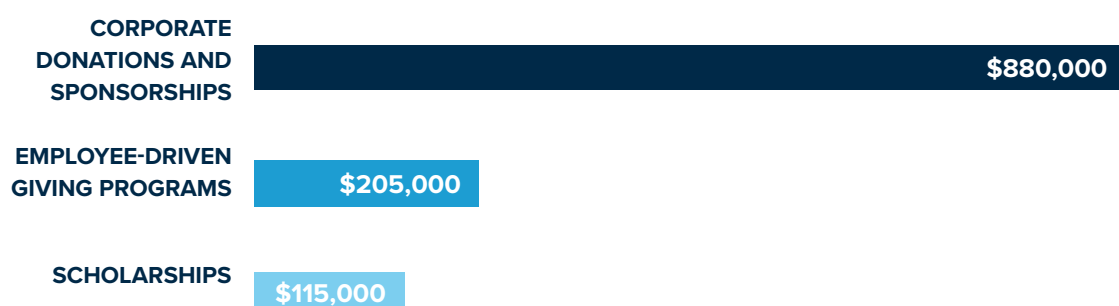
We're committed to supporting charities and causes that drive change in the communities and regions where we do business. We also partner with our brokers through our community giving program to support causes that make a positive difference in their communities.

## COMMUNITY GIVING

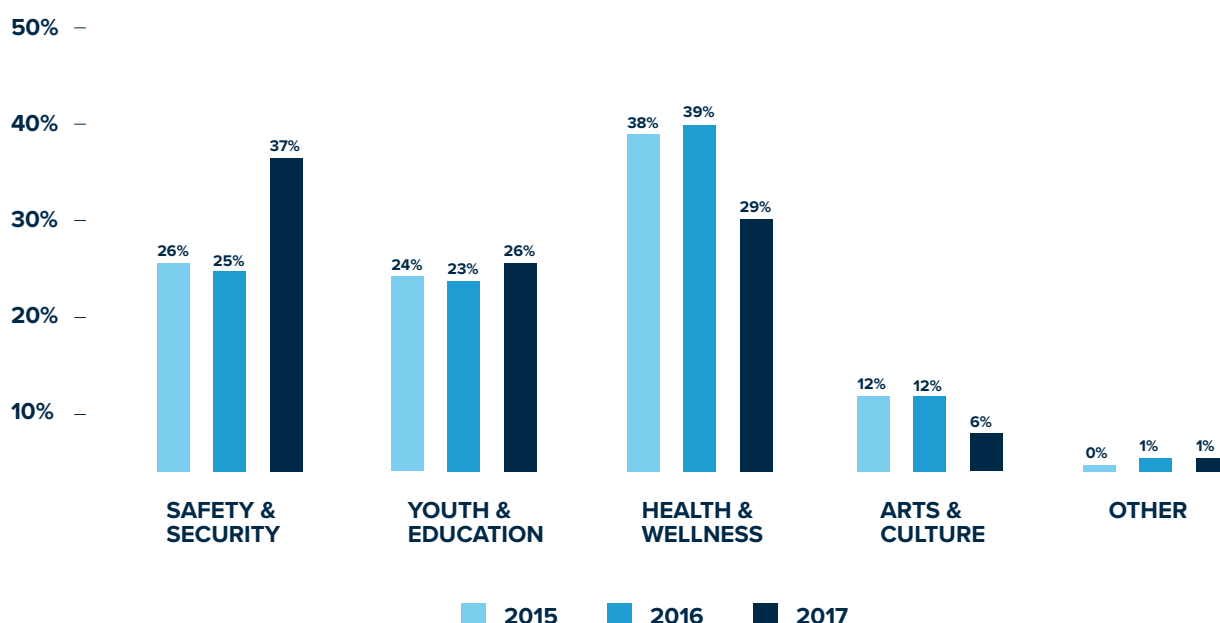
Our community giving program funds charitable causes that align with one or more of these giving priorities: safety & security, youth & education, and health & wellness. Requests for charitable donations and sponsorships are reviewed against our strategic priorities by our community giving committee.

In 2017, Economical contributed approximately \$1.2 million to Canadian charities and causes and 3,814 volunteer hours during the work week to our communities.

### Our corporate philanthropy program funded:



### Community giving priorities



# OUR VALUES IN OUR COMMUNITIES

At Economical, we live our values every day at work and in our communities. We offer employees an opportunity to direct our giving, which provides even more opportunity to live our values by supporting what matters to our employees.

## CHOOSE YOUR CHARITY

Across the country, employees had a chance to nominate and vote for a local charity to receive a \$5,000 donation from Economical. Teams from each of our 13 locations presented the donation to their local charity recipient and saw firsthand how the charity is making a difference in their community.

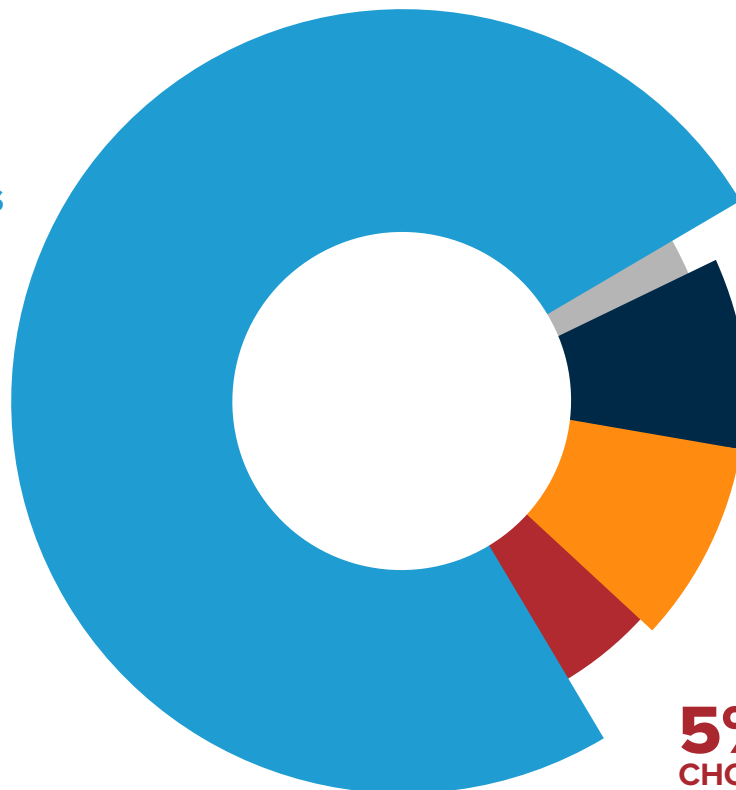
- 20% of our employees nominated and/or voted for local charities
- 11 charities received \$5,000 donations
- 4 charities received \$2,500 donations
- Employees presented donations to local charities in December 2017

## MY CHARITY

We match employees' personal donations to Canadian registered charities throughout the year, for a minimum donation of \$25 to an annual maximum of \$100 per employee. In 2017, through this program, we provided more than \$17,000 in donations to 132 charities.

## BUDGET ALLOCATIONS

**73%**  
DONATIONS &  
SPONSORSHIPS



**2%**  
VOLUNTEER  
GRANTS

**10%**  
SCHOLARSHIP

**10%**  
MY CHARITY

**5%**  
CHOOSE YOUR  
CHARITY

# HIGHLIGHTING MAJOR CORPORATE SPONSORSHIPS IN 2017



## Canadian Red Cross — \$150,000

To help Canadians develop emergency preparedness plans, we partnered with the Canadian Red Cross for their national disaster management program. This partnership helps deliver emergency preparedness sessions in Vancouver, Edmonton, Calgary, London, Kitchener-Waterloo, Hamilton, Mississauga, Toronto, Ottawa, Moncton, and Halifax. One of the key outcomes of this partnership is the delivery of personal emergency preparedness sessions across Canada. The Red Cross directly reached 1,665 individuals from coast to coast through this program in 2017.



## Canadian Cancer Society Relay for Life — \$109,500

Since 2006, Economical has been a strong supporter of the fight against cancer through Relay for Life events. In 2017, Economical contributed \$109,500 in title sponsorships for 10 events in Woodstock, Kitchener-Waterloo, Cambridge, Mississauga, Toronto, Ottawa, and Brossard. Funds raised support life-saving research, education about healthy lifestyles, and the provision of compassionate services to those living with cancer and their loved ones.



## Junior Achievement Canada — \$100,000

In 2017, we contributed \$100,000 to Junior Achievement (JA) Canada to deliver programs in the areas of financial literacy, work readiness, and entrepreneurship. A portion of the funds were dedicated to supporting JA Canada's digital strategy to reach more students through JA Excelerate. This brings our total funding to \$600,000 since 2012. During the 2016/2017 school year, Economical employee volunteers delivered more than 440 hours of JA programming to help 2,516 Canadian students realize their dreams and aspirations.



## Crime Stoppers — \$98,300

We have multi-year partnerships with Crime Stoppers in Vancouver, Edmonton, Halton, Peel, Ottawa, Échec au crime (Quebec), and Info-Crime (Montreal). The partnerships primarily focus on youth engagement programs where Crime Stoppers raises awareness of the critical role youth can play in keeping their communities and schools safe, and encourages anonymous reporting of crimes. In 2017, we provided \$98,300 in sponsorship funding to Crime Stoppers organizations.



## Rogers Insurance Run for L'Arche — \$38,667

For several years, we've been the presenting sponsor of the Rogers Insurance Run for L'Arche that raises funds for L'Arche Calgary, a community for people with disabilities. Dozens of Calgary and Edmonton employees participate in the run and volunteer alongside employees from broker partner Rogers Insurance. Last year, we contributed \$38,667, bringing our total sponsorship to \$216,835 since 2012.



## Parachute Leaders in Injury Prevention — \$30,000

In 2017, Economical began a two-year sponsorship of Parachute's Brain Waves, an interactive brain and spinal cord educational program. The program, developed for young Canadian students, teaches children about concussion awareness, and provides vital brain and spinal cord information.



#### Start2Finish — \$25,000

For the third consecutive year, we helped Start2Finish break the cycle of child poverty through combining learning with physical activity at schools in London, Oakville, and Mississauga. After 32 weeks in the program, on average, the students' cardiovascular fitness improved by 22%, and their core and overall strength increased by 62%. 67% of the children improve their reading skills by one to two full grade levels, bringing many of them to the expected reading level for their age group and empowering them to succeed in life.



#### Prostate Cancer Canada - \$17,000

Economical sponsored a pre-breakfast coffee reception at each of the four Wake-Up Call events in Moncton, Saint John, Halifax, and Cape Breton in the fall of 2017. Recognizing that physical fitness can help stave off prostate cancer, Economical provided fitness-related prizes at each event. Since 2001, Wake-Up Call Breakfast events across Canada have attracted nearly 30,000 business professionals and raised more than \$3 million to fund research, education, and survivorship initiatives.



#### Victorian Order of Nurses — \$13,500

Every year for the past five years, Macdonald Chisholm Trask (MCT) Insurance has hosted MCT Day, its largest annual fundraising initiative, in partnership with Economical. Funds in 2017 were in support of the Victorian Order of Nurses, a critical part of health care services in the numerous communities where MCT has offices in Atlantic Canada. The funds supported safety and assistive devices and kits that reduce risk for our clients and service providers.



#### Campbellford Memorial Hospital — \$10,000

Once again, a \$10,000 donation from Economical helped support the vital services of the Campbellford Memorial Hospital Laboratory with a new portable x-ray machine. In 2014, we funded the \$12,909 purchase cost of a new microscope for the laboratory, and in 2016, we donated \$10,000 to purchase a new chemistry analyzer.



#### The Missing Children's Network — \$10,000

The Missing Children's Network (MCN) — a non-profit organization in Quebec that families can turn to when their child disappears — received another \$10,000 donation from Economical. The funds will enable MCN to continue empowering local school-age students with the knowledge and tools needed to stay out of harm's way. Over the past 30 years, MCN has assisted police in locating and recovering more than 1,000 children.



#### Women's Crisis Services — \$10,000

Women and children in the Waterloo region fleeing from domestic abuse and violence in their lives turn to Women's Crisis Services to find refuge and safety. Thanks to a \$30,000 commitment over three years from Economical, a counselling and observation room in the new Haven House helped create an environment conducive to healing, dignity, and privacy.

# SCHOLARSHIPS AND BURSARIES

Our multi-faceted scholarship program provides \$115,000 annually for the post-secondary education of dependent children of employees, as well as students in insurance, actuarial science, and finance programs.

Our talent management team establishes direct relationships with scholarship recipients to discuss timely employment opportunities in their respective fields.



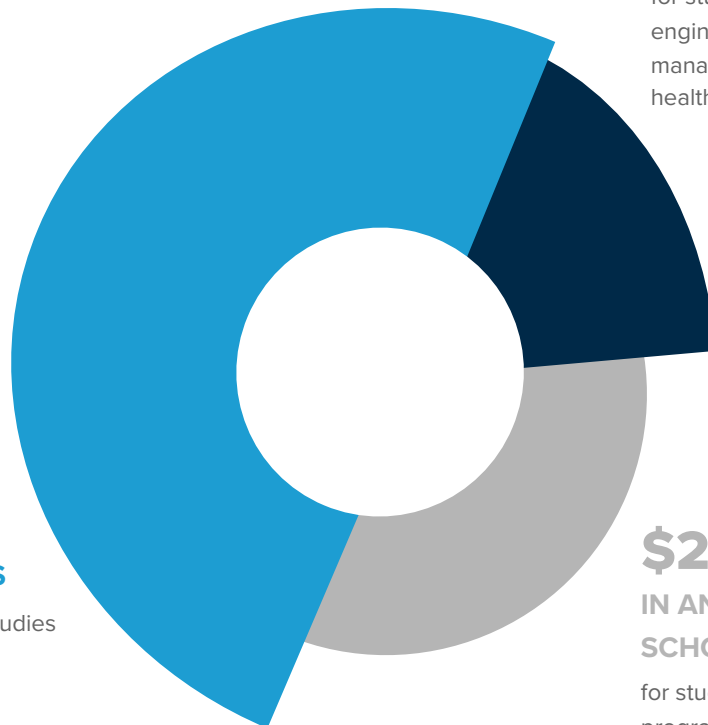
**\$85,000**

of the overall scholarship program fund is distributed as follows:

**\$46,000**

IN ANNUAL SCHOLARSHIPS

for students enrolled in insurance studies



**\$15,000**

EACH YEAR

for students in finance, systems design engineering, information technology management, commerce, and animal health technology

**\$24,000**

IN ANNUAL SCHOLARSHIPS

for students in actuarial science programs

## DEPENDENT CHILDREN SCHOLARSHIP PROGRAM



**\$30,000**

scholarship program fund for dependent children scholarship program



**\$2,000**

scholarships for dependent children pursuing a university degree program



**\$1,000**

scholarships for pursuing a diploma program



**46**

applications



**16**

students recieved awards



# EMPLOYEES GIVE BACK

Social committees across the Company engage employees by planning and delivering social activities throughout the year to help create a positive work environment. Some of these events benefit local charities.

## In 2017, our social committees supported their communities through various activities:

- Held food drives for local food banks in various communities
- Sold tulips in support of The Lung Association
- Collected toys for the annual holiday toy drive
- Held bake sales in support of Big Brothers Big Sisters
- Filled 65 backpacks with school supplies in support of Send 'em Off Smiling
- Organized a charity BBQ in support of the MS Society

## iCare

Launched in April 2017, iCare is a digital platform that connects employees with our community giving programs — My Charity and Choose Your Charity — and IMPACT, the employee volunteer program. Employees can make donations online and have their donations matched automatically. They can also sign up for or create their own volunteer opportunities, fundraise for their favourite charities, track volunteer hours, and apply for volunteer grants.



**65%**

of our employees  
are active users



**522**

employees used iCare to  
make a direct donation  
or submitted external  
donation receipts for  
matching



**\$51,000**

processed, supporting 109  
charities — emergency  
appeal campaigns, personal  
donations, individual and  
team volunteer grants,  
corporate match



Encouraged tracking  
volunteer hours during  
and outside work hours

## IMPACT — EMPLOYEE VOLUNTEER PROGRAM

IMPACT, our volunteer program, encourages employees to take time off work to volunteer in the community individually or as part of a team.

Our employees willingly give their time and energy to a range of activities, from being a scout leader to helping build a home for an underprivileged family, to stocking shelves at a local food bank. Like Economical, they are “neighbours helping neighbours.”



**18.5%**

of employees across the country participated in the employee volunteer program



**447**

volunteer days



**3,243 hours**

during the work week to deserving charities and causes in their communities

Organizations supported through the employee volunteer program include:

- Animal Welfare Agency South Central Ontario
- Big Brothers Big Sisters of Waterloo Region
- British Columbia Society for the Prevention of Cruelty to Animals
- Canadian Cancer Society
- Community Living London
- Dartmouth North Community Food Centre
- Dog Walking Homeward Bound
- Edmonton Humane Society
- Family & Children’s Services of the Region of Waterloo Foundation
- Girl Guides of Canada
- Grand River Conservation Authority
- Greater Vancouver Food Bank
- Happily Ever Esther Farm Sanctuary
- Hospice Wellington
- Junior Achievement of the Waterloo Region Inc.
- KidsAbility Centre for Child Development Foundation
- K-W Young Women’s Christian Association
- Make-A-Wish Foundation of Southwestern Ontario
- Mennonite Central Committee Ontario
- North Dartmouth Outreach Resource Centre
- Nutrition for Learning Inc.
- Ontario DeMolay Foundation
- Ottawa Humane Society
- Ottawa Regional Cancer Foundation
- Ronald McDonald House Charities Toronto
- Rotary Club of Guelph-Wellington Charitable Foundation]
- Samaritan’s Purse International Relief Canada
- Second Harvest Food Support Committee
- Start2finish Canada
- The Butterfly Learning Centre
- The Food Bank of Waterloo Region
- Toronto Cat Rescue
- Volunteer Action Centre of Kitchener-Waterloo and Area Inc

## VOLUNTEER GRANTS

Beginning in 2015, we launched an employee volunteer grant program where we award grants of \$500 to charities supported by our employees during their personal time. Recipient charities during the year are entered into a year-end draw for an additional \$5,000 grant. In 2017, the winning charity was Girl Guides of Canada, Ontario Council.

In 2016, we launched a team grant program where teams of three or more Economical employees volunteering together can apply for a \$250 donation to present to the charity where they’re volunteering.

Both grant programs provided a total of \$9,000 to 18 different charities where our employees volunteered in 2017.

# RESPECTING OUR ENVIRONMENT

Our environmental sensitivity efforts continue to yield progress. Our objectives are to raise awareness of environmental sustainability within the Company nationally and identify, investigate, and act to reduce pollution, waste, and consumption of resources.

Our processes and procedures support environmentally-friendly business practices.

## VENDOR SELECTION AND FACILITIES MANAGEMENT

- We consider the environmentally-friendly practices of potential vendors in our selection process
- We work with general contractors on all construction projects to ensure waste materials are separated and recycled properly
- When planning construction projects, we maximize the amount of materials we can reuse
- We work with movers who ensure office waste is responsibly discarded
- We implemented several energy management initiatives including: replacement of underground parking and interior stairwell lights with LED and timed motion sensors, replacement of aged lighting in some office areas with LED units, replaced aged motors with energy efficient motors, adjusted variable air volume units throughout owned buildings to provide even air distribution, replaced aged washroom fixtures with more energy efficient fixtures
- We mandate the use of environmentally-friendly cleaning products by our contracted carpet cleaners and cleaning vendor
- We continued to introduce new workspace standards using more open workstations with lower transparent dividers that allow for more natural light, reduced the requirement of additional task lighting, improved air circulation, and reduced overall energy consumption
- We purchase furniture made from recycled materials and ensure that any surplus furniture is donated or responsibly disposed of
- We work towards full offsets on our buildings' lighting and heating settings during non-business hours
- We consider the environmental practices of a property management company when determining new space

## PAPER AND PRINT MANAGEMENT

- We print nearly all marketing material on paper with recycled content and use envelopes manufactured from Forest Stewardship Council certified material
- We recycle used toner cartridges and continue to have battery recycling, and launched pen recycling, eye glass recycling, and pop tab programs with vendors
- We also return cardboard boxes, paperclips, and elastics to our print vendor for reuse

## WASTE SORTING AND DIVERSION

In Kitchener-Waterloo, we continue to divert 79% of operational waste from landfill. To accomplish this, we began collecting all organic waste in compostable bags for conversion through anaerobic digestion to biogas, fertilizer, and livestock bedding.

To better understand and reduce our carbon footprint in the Region of Waterloo, where our Head Office is located, we continue to work with Sustainable Waterloo as an observing organization. The current work of Sustainable Waterloo is focused on collaborations that enable organizations to convert sustainability interest into action.



[economical.com](http://economical.com)

**HEAD OFFICE**

111 Westmount Road South  
P.O. Box 2000, Waterloo, ON N2J 4S4  
T 519 570 8500 F 519 570 8389

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