

2018 Best 50 Corporate Citizens in Canada announced

TORONTO, Canada, June 7, 2018 – Corporate Knights today released the 17th annual Best 50 Corporate Citizens in Canada list. Selected from a pool of 232 Canadian companies with revenues over \$1 billion – each evaluated on a set of up to 17 environmental, social and governance indicators relative to their industry peers using publicly available information – the Best 50 companies set the standard for sustainability leadership in Canada.

The top-ranked company in this year’s Best 50 was Hydro-Québec. The public utility, which manages the generation, transmission and distribution of electricity in Quebec, achieved the top spot with strong female representation on its board (56% versus industry median of 18%) and CEO-to-average worker pay equity (6:1 versus industry median of 37:1), with nearly all of its electricity coming from clean sources (98% renewable).

“The Best 50 Corporate Citizens define the Canadian standard for which companies are doing the most to advance a more fair and sustainable world,” says Corporate Knights CEO Toby Heaps.

The 2018 Best 50 Corporate Citizens in Canada ranking was sponsored by CIPEC –the Canadian Industry Partnership for Energy Conservation–which helps organizations increase profits by improving energy efficiency and reducing greenhouse gas emissions.

On average the Best 50 Corporate Citizens paid slightly more taxes, had significantly more female leaders and generous pensions, generated fewer greenhouse gases and air pollution, had lower employee turnover, earned a higher percentage of their revenue from clean sources, were more likely to link executive pay to sustainability targets, used a higher percentage of renewable energy, and had a much smaller gap between the CEO pay and average worker pay than their large Canadian peers.

Corporate Knights noted a few interesting trends in performance across Canada’s companies with at least \$1 billion in annual revenue. CEO pay continued to increase by more than average worker pay: CEOs now make 74 times more than the average employee at large companies. But some companies bucked this trend. Fourteen of the large companies reviewed had CEO-to-average worker pay ratios of ten or less, including the CEO of number one ranked Hydro-Québec who earned six times his firm’s average employee pay.

On pension funds, a worrying trend was detected among the 144 large companies who still offer defined benefit plans, with the gap between pension plan assets and obligations growing by more than \$10 billion in the past year to reach \$33.6 billion, which could mean some workers are at risk of not getting the full benefit of the pensions they are expecting.

Metric	2018 Best 50	2018 Starting Universe
Average % of taxes paid (based on pre-tax profits)	18.60%	17.90%
Female directors (%)	30.60%	23.70%
Female executives (%)	24.60%	18.20%
Pension contribution per full time employee	\$8,438.26	\$3,103.17
GHG intensity (GHG tonnes/millions CAD revenue, 2016)	245.85	293.40
Employee turnover	10.50%	11.90%
Clean revenue (%)	21.8%	8.9%
% of companies with executive paylink to sustainability targets	72%	23%
Air pollution intensity (tonnes of air pollutants/millions CAD revenue, 2016)	2.26	2.62
CEO to average employee pay ratio	50-to-1	74-to-1
Renewable energy use (%)	40.60%	22.40%

Among Canada's large companies, board diversity has reached 24% and, extrapolating from a three year trend, is on track to reach parity by 2031. Gender diversity among the executive ranks, however, is lagging at just 18%, and not on track to reach parity until 2058.

This year's Best 50 Corporate Citizens will be recognized in Toronto at a gala at the Royal Conservatory of Music hosted by Corporate Knights. [Ed Waitzer](#) will also be recognized with the Corporate Knights Award of Distinction for his seminal work advancing the legal foundations for corporate and pension fund leaders to serve the public good.

Two major advancements were made to the Best 50 ranking [methodology](#) to ensure consistency between Corporate Knights' Canadian and global ranking methodology, which was updated earlier this year. First, each key performance indicator is now weighted to reflect its relative importance to the industry in question. Previously each metric was equally weighted regardless of industry. The second advancement was to include a clean revenue metric to reflect the beneficial impact of a company's products and services on the environment. It is calculated using a definition derived from multiple sources applied to a segmented revenue database from FactSet, and confirmed via manual inspection of financial statements.

For full rankings, methodology details and additional comparators and breakdowns, please see: www.corporateknights.com/best50

About Corporate Knights: Corporate Knights Inc. includes the business and society magazine *Corporate Knights* and a research division that produces rankings and financial product ratings based on corporate sustainability performance. In 2013, Corporate Knights was named "Magazine of the Year" by Canada's National Magazine Awards Foundation.

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2018 Best 50 Corporate Citizens in Canada

Rank	Name	RBICS subsector	Overall Score
1	Hydro-Québec	Energy Utilities	81.1%
2	Toronto Hydro Corporation	Energy Utilities	81.0%
3	Brookfield Global Integrated Solutions	Business Support Services	78.3%
4	Cameco	Coal and Uranium Mining	77.1%
5	Farm Credit Canada	Specialty Finance	77.0%
6	Royal Canadian Mint	Metal Products	75.7%
7	WSP Global Inc	Facilities and Construction Services	74.3%
8	Algonquin Power & Utilities	Energy Utilities	74.0%
9	Société De Transport De Montréal	Passenger Transportation	73.2%
10	IGM Financial Inc	Investment Services	72.7%
11	Ontario Power Generation	Energy Utilities	72.2%
12	The Co-Operators	Insurance	71.3%
13	Suncor Energy	Integrated Oil and Gas Exploration and Production	70.4%
14	Enmax	Energy Utilities	69.8%
15	British Columbia Hydro And Power Authority	Energy Utilities	68.8%
16	Energir	Energy Utilities	68.2%
17	The Manitoba Hydro-Electric Board	Energy Utilities	67.0%
18	Vancouver City Savings Credit Union	International Banks	65.5%
19	Stantec	Facilities and Construction Services	65.5%
20	Mouvement Des Caisses Desjardins	International Banks	65.5%
21	Capital Power	Energy Utilities	65.4%
22	Transcanada	Midstream Energy	64.8%
23	Saskatchewan Telecommunications	Other Telecommunications Services	64.7%
24	Hydro One	Energy Utilities	64.7%
25	Epcor Utilities	Energy Utilities	64.3%
26	Teck Resources	Mining and Metals*	62.9%
27	Mountain Equipment Co-Op	Apparel and Accessories Retail	61.8%
28	Bombardier	Aerospace and Defense Manufacturing	61.4%
29	Transcontinental	Marketing and Printing Services	61.2%
30	Telus	Wireless and Wireline Telecommunications Services	60.7%
31	Husky Energy	Integrated Oil and Gas Exploration and Production	60.6%
32	Canadian Imperial Bankk Of Commerce	International Banks	60.3%
33	Cogeco Communications	Wireless and Wireline Telecommunications Services	59.8%
34	BCE	Wireless and Wireline Telecommunications Services	59.6%
35	Brookfield Renewable Partner	Energy Utilities	58.4%
36	Bank Of Montreal	International Banks	56.3%
37	Royal Bank Of Canada	International Banks	55.8%

38	Greater Toronto Airports Authority	Cargo Transportation and Infrastructure Services	55.4%
39	Sun Life Financial	Insurance	55.3%
40	Kruger Products	Personal Care and Cleaning Products	55.1%
41	Canadian National Railway	Cargo Transportation and Infrastructure Services	54.1%
42	HSBC Bank Canada	International Banks	51.0%
43	Canadian Tire	General Merchandise Retail	50.9%
44	Emera	Energy Utilities	50.9%
45	Toronto-Dominion Bank	International Banks	50.5%
46	Canfor Corp	Forestry and Paper Products	50.3%
47	Enbridge	Midstream Energy	49.2%
48	Cascades	Containers and Packaging	49.0%
49	Export Development Canada	Specialty Finance	48.6%
50	Canadian Solar	Electrical Equipment and Power Systems	47.7%

*In some cases Corporate Knights modifies RBICS categories to better reflect a firm's characteristics.

Fair Pay relative to their employees: CEOs leading the way

Name	CEO-to-average worker pay ratio
Farm Credit Canada	2-to-1
Société de transport de Montréal (STM)	4-to-1
British Columbia Hydro and Power Authority	4-to-1
Royal Canadian Mint	5-to-1
Fonds de solidarité FTQ	5-to-1
Énergir	5-to-1
Hydro-Québec	6-to-1
University of Calgary	6-to-1
Toronto Hydro Corporation	7-to-1
Canam Group Inc	9-to-1
TOURMALINE OIL CORP	9-to-1
Ontario Lottery Gaming Corporation	9-to-1
Brookfield Global Integrated Solutions	10-to-1
Vancouver City Savings Credit Union	10-to-1