



GREEN SHIELD CANADA

CSR REPORT

2016

**WE MAKE GIVING BACK
A TOP PRIORITY.**

It's just who we are.

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& CEO AND CHAIR OF THE BOARD
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ABOUT GSC

OUR MISSION

TO CREATE **INNOVATIVE SOLUTIONS**
THAT IMPROVE ACCESS TO **BETTER HEALTH**

OUR VALUES

WE MAKE A DIFFERENCE BY...

- Putting our customers' needs first
- Believing our people are critical to our success
- Committing to excellence and innovation
- Operating with integrity, fairness and respect
- Enhancing the common good as it relates to better health



WE EAT, SLEEP AND BREATHE **HEALTH AND DENTAL BENEFITS**. IT'S WHAT WE DO.

As Canada's only national not-for-profit health and dental benefits specialist, GSC offers group and individual health and dental benefit programs and administration services. From coast to coast, our service delivery includes drug, dental, extended health care, vision, hospital, and travel benefits. With innovative cost containment strategies, advanced technology, and an exceptional customer experience, our customized benefit programs support more than three million Canadians nationwide.

But we're about more than just benefits. GSC's reason for being is reflected in our mission: to improve access to better health for Canadians. Our values reflect our founding roots in social responsibility and charitable giving. Fundamental to our approach is our philosophy of enhancing the common good by seeking out innovative ways to make health care more accessible to all Canadians. In the end, while we have grown and changed as an organization over the decades, we still continue to speak out, spark change, and give back to the communities in which we work.

2016 **GSC BY THE NUMBERS**

7

OFFICES

WINDSOR (HQ)
VANCOUVER
CALGARY
LONDON
TORONTO
MONTREAL AND
QUEBEC CITY

858

EMPLOYEES

3.3M

PLAN PARTICIPANTS

**\$1.96
BILLION**

REVENUE IN GROUP AND INDIVIDUAL MARKETS



GIVEN THAT GSC'S MISSION IS TO CREATE INNOVATIVE SOLUTIONS THAT PROVIDE ACCESS TO BETTER HEALTH, IT WILL COME AS NO SURPRISE THAT **CORPORATE SOCIAL RESPONSIBILITY (CSR)** IS A TOPIC WHICH IS CLOSE TO OUR HEARTS, AND PART OF OUR DNA.

A MESSAGE FROM THE GSC PRESIDENT & CEO AND CHAIR OF THE BOARD OF DIRECTORS

The GSC story dates back almost 60 years and, throughout that time, we have strived to do the right thing – for our customers, for our employees, for the communities where we live and work, and for Canadians as a whole. With our mission as a guiding light, we are always thinking about the greater good.

Naturally, that means CSR is an integral part of GSC's history, and a focal point as we look to the future of the organization. But we are still learning. This report marks just the second year of tracking our progress against established targets. We have presented the 2016 results, along with our 2015 performance for comparison purposes, and are pleased to see that GSC is making strong progress in achieving the vast majority of these targets. This is also a valuable exercise in highlighting further opportunities for enhancement and additional focus in 2017.

Beyond the metrics, 2016 marked significant developments at GSC, with a particular emphasis on providing Canadians with access to health solutions, from launching SureHealth – our new Direct-to-Consumer distribution channel offering individual insurance plans – to connecting plan members with health coaching from dietitians, as well as the ongoing strides made to reach underinsured, marginalized Canadians through our Frontline Care Program.

A final note about 2016, the Board of Directors of the Green Shield Canada Foundation approved the transfer of the Foundation assets to GSC. The assets will solely be used for Social Innovation. GSC's signature oral health program, with the mandate to increase access to dental care for the uninsured and underinsured, is a major new undertaking. The next step in this exciting journey is to bring forward a business case and framework of how we move forward over the next 15 years to make access to oral health care a reality for all Canadians. We look forward to providing an update in next year's report.

As always, we invite a two-way conversation on CSR. While reviewing the 2016 report, please do not hesitate to add your voice to the conversation by contacting GSC directly at csrfeedback@greenshield.ca.



Steve Bradie
PRESIDENT & CEO



Sherry Peister
CHAIR, BOARD OF DIRECTORS

OVERVIEW

At GSC, CSR is about the way we integrate economic, social, and environmental considerations into our decision-making processes and day-to-day operations.

THE GSC CSR FRAMEWORK CONSISTS OF FIVE PILLARS...

Our Customers

PUTTING THEIR NEEDS FIRST.

Listen and act on customer feedback to deliver an outstanding customer experience.
Focus on innovation to create next generation solutions for plan sponsors and members.

Our Employees

THEY ARE CRITICAL TO OUR SUCCESS.

Foster a culture of engaged employees who see their ideas and efforts as key to our success.
Promote employee health management.

Our Community

ENHANCING THE COMMON GOOD AS IT RELATES TO HEALTH.

Invest in communities and build capacity of stakeholders to be catalysts for change in the health care system.
Advocate for the health of all Canadians.

Our Environment

MINIMIZING OUR FOOTPRINT.

Minimize the impact of our business operations on the environment.
Consume less resources to operate our business.

Our Governance

OPERATING WITH INTEGRITY, FAIRNESS AND RESPECT.

Ensure that transparency, integrity and accountability are embedded in our operations.
Promote human rights throughout our organization.
Make social and environmental values part of our decision-making process.

SOME CALL IT
**CORPORATE SOCIAL
RESPONSIBILITY...**

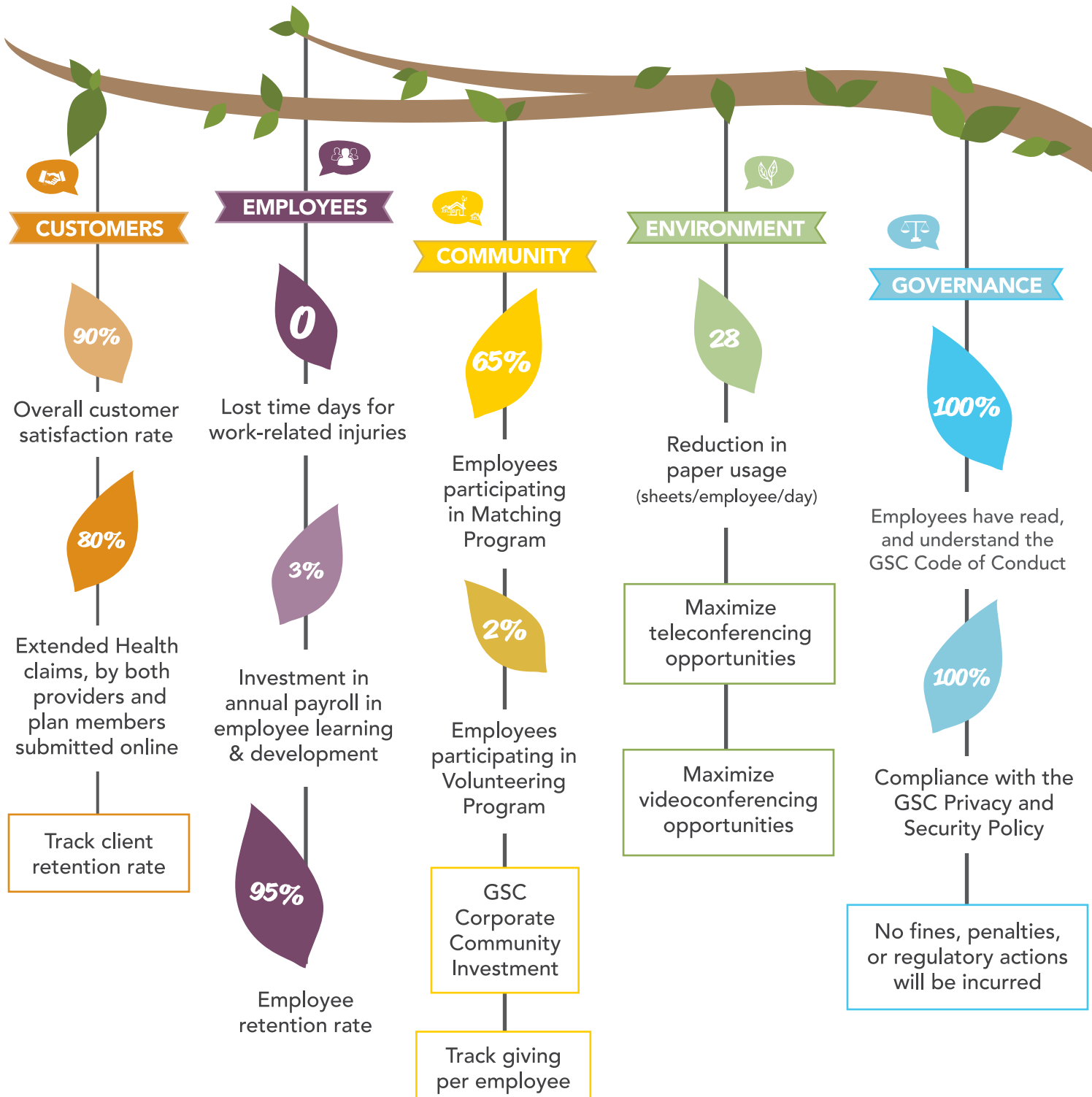
We call it Green Shield Canada.

**WE'VE MEASURED OUR
CSR EFFORTS, WE'VE
REPORTED ON THEM...**

*And now we've plotted our path
to getting better at CSR.*

RAISING THE BAR: OUR CSR TARGETS

Here are GSC's CSR targets. Please refer to our dedicated sections for each pillar to see how we stacked up against these targets in 2016 (reflected in the green circles).



GSC IS KNOWN IN THE HEALTH AND DENTAL INDUSTRY AS A **CUSTOMER-CENTRIC ORGANIZATION OFFERING LEADING-EDGE TECHNOLOGY AND INNOVATIVE STRATEGIES TO MANAGE BENEFIT PLAN COSTS. WE'RE COMMITTED TO DELIVERING A GREAT CUSTOMER EXPERIENCE IN OUR EVERYDAY INTERACTIONS WITH PLAN MEMBERS, SPONSORS AND ADVISORS, ENSURING THEY STAY OUR NUMBER ONE PRIORITY.**

When it comes to serving our customers (and meeting our CSR targets), innovation and flexibility are critical. We understand that continually expanding our suite of programs is a key ingredient in building successful, long-term relationships.

In 2016, we delivered on that commitment, bringing new ideas to the market, with access to health care always at the forefront of our thinking.

SUREHEALTH™ – DIRECT-TO-CONSUMER DISTRIBUTION CHANNEL

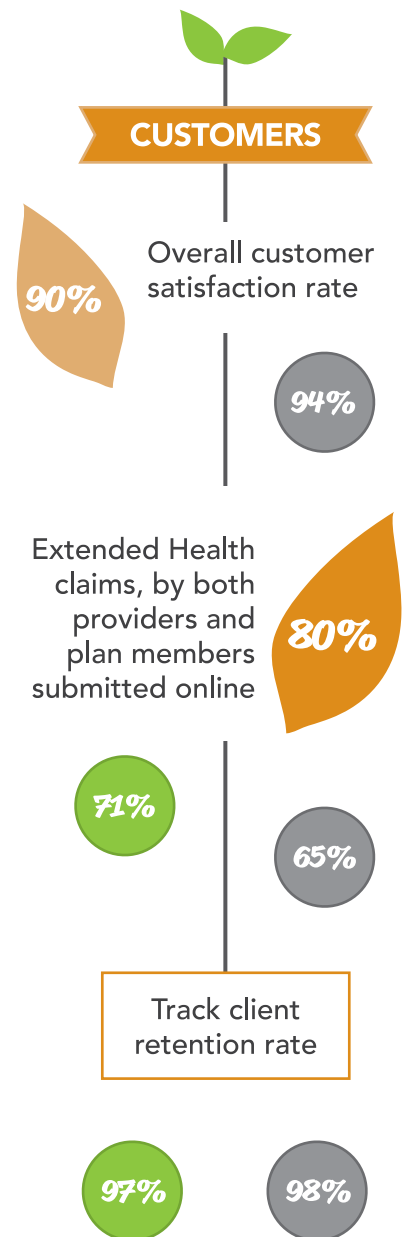
GSC is serious about expanding access to products and services to consumers on their own terms – and the launch of GSC’s SureHealth Direct-to-Consumer distribution channel in 2016 is the perfect example. SureHealth offers a wide selection of health and dental benefits coverage options for individuals to buy directly from GSC.

With the cost of health and dental services that are not covered under provincial health care programs continuing to rise, it has never been more important for Canadians to have their own coverage. We believe that SureHealth addresses this need.

Added to that, there is a newer, growing segment of self-sufficient consumers who are more comfortable doing their shopping online. The SureHealth site (www.surehealth.ca) provides the access that fits this demographic.

WEBSITE REFRESH – ENHANCING ACCESS TO GSC

Accessibility was also a driving force in our website refresh projects in 2016. Knowing that our corporate website (greenshield.ca) is a central touch point for plan sponsors and advisors, we re-launched the site with a progressive look and feel, and a responsive web design to cater to computers, phones and tablets. Plan sponsors and advisors have their own targeted section on the site, while there is also a direct link to our SureHealth site for those shopping for individual coverage. The refresh project extended to our student site too where a new look was rolled out.



CHANGE4LIFE – DIETITIAN HEALTH COACHING

Late last year marked the launch of our Dietitian Health Coaching offering, which sets up plan members with access to dietitians at local grocery stores. Participating dietitians will encourage healthier food and nutrition choices with the goal of preventing/better managing chronic health conditions (e.g. diabetes, high cholesterol, and hypertension) through achieving and maintaining a healthy weight.

This is just GSC's latest development in the health coaching space, augmenting our Pharmacist Health Coaching and Smoking Cessation Program services. Our commitment to health coaching stems from analyses of the Canadian health care system which consistently demonstrates the difficulty (and, in many cases, lack of success) in preventing and managing chronic diseases like hypertension and high cholesterol.

The program consists of four sessions with a registered dietitian at a participating grocery store location: an initial assessment, a practical hands-on session, and two follow-up sessions. We will share an update on the program's impact in next year's report.

CONTINUOUSLY IMPROVING OUR CUSTOMER SERVICE

GSC gathered feedback from a wide range of interactions last year across our client base, advisor relationships and industry events. All of these insights helped to shape new state-of-the-art features and processes, launched in 2016, that have increased our efficiency and effectiveness in providing best in class customer service.

- We introduced an enhanced web registration process for our Plan Member Online Services application that included the ability to for Plan Members to sign up for electronic transfer of their claims payments directly to their bank account. Money in their hands faster!
- We launched new "co-browse" technology in our Customer Contact Centre that provides us with the ability to view a plan member's screen, when they are navigating through the Plan Member Online Services application. This reduces back and forth clarifications as we see what they see.
- 95% of all paper claims are now scanned and adjudicated electronically. This means the claims can be adjudicated electronically ensuring that:
 - Claims processing times are reduced.
 - Claims inquiries can be addressed on the spot as the customer service representatives can access the claim electronically.
 - Claims and receipts are never misplaced or lost.

WHEN OUR CUSTOMERS TALK, WE LISTEN

Customer satisfaction and client retention are always front of mind at GSC. In 2016 we continue to remain ahead of the industry average for client retention, and we always gain considerable insights from our discussions with our client base.

In 2016, we hosted two client councils for plan sponsors to meet with their peers and GSC leaders to share our upcoming strategies and discuss industry trends.

These sessions are highly valuable in ensuring that we understand our clients' evolving needs – and can be proactive in anticipating future needs.

We continue to focus on our interactions with advisors too. With that in mind, we commissioned a third party led Plan Advisory Satisfaction Survey in 2016, which gave us a clearer picture of plan advisors' experiences and sparked important dialogue. GSC was proud to earn an 86% satisfaction score.

OUR FUNDAMENTAL BELIEF IS THAT **PEOPLE ARE THE KEY TO ACHIEVING OUR MISSION AND MEETING OUR BUSINESS GOALS**. AS A RESULT, GSCERS (WHAT WE CALL OURSELVES) SEE THEIR IDEAS AND EFFORTS AS CENTRAL TO THE COMPANY'S SUCCESS, AND ARE APPLYING THEIR SKILLS AND DEDICATION **TO MAKE GREAT THINGS HAPPEN**.

WE PRACTICE THE GOOD HEALTH WE PREACH

The health of our employees remains a top priority. GSC is known in the market for its innovative health management offering – and, when it comes to looking after our own employees, we practice what we preach. We eat, sleep and breathe health and dental benefits. That means leading by example.

We put our employees to the test along with an exclusive group of our clients in our "VIP Get Active Challenge", which ran from September 12 to October 21, 2016. We ran this friendly competition through our Change4Life Health Management portal, which provides employees (and plan members) with access to a range of tools to guide them towards their long term health goals. For example:

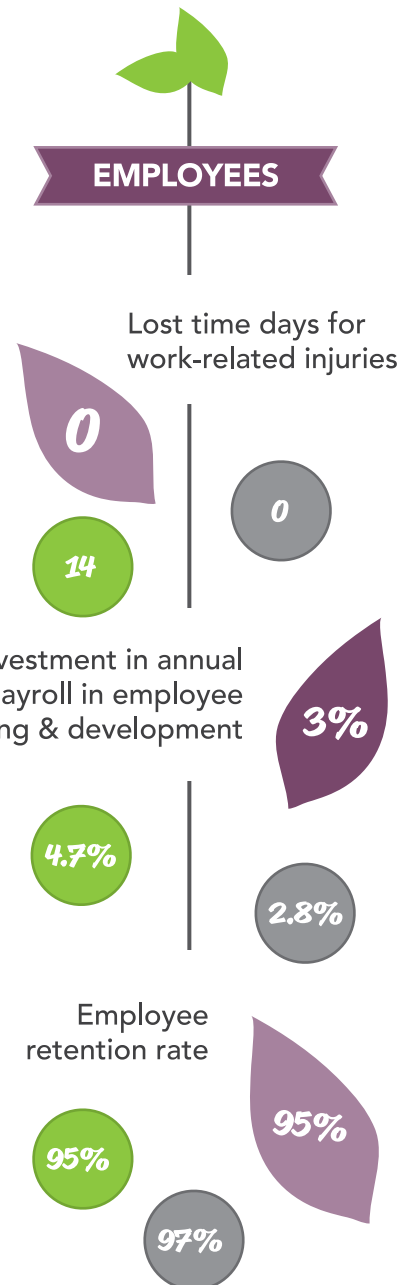
- Complete a health risk assessment (HRA)
- Receive a personal health report card, score and action plan based on your responses to the HRA
- Read educational materials and answer quiz questions
- Sign up for daily medication reminders, refill reminders, and appointment reminders
- Monitor your health activities, including tracking your steps, blood pressure, intake of vegetables and fruits, etc...
- Sync your Fitbit with Change4Life and use the activity you track to reach your fitness goals

Employee participation in the competition was rewarded with a hot/cold therapy gel pack.

THE NEXT WAVE OF IDEAS ARE COMING...

In November, over 50 GSCers got together at the Caboto Club in Windsor for GSC's first ever "Think-a-thon".

Employees pitched a wide range of exciting ideas, many of them centered on making GSC more efficient, boosting employee morale and health, and even enhancing security measures.



Target 2016 Result 2015 Result

108 JOBS CREATED

280 INTERNAL TRAINING COURSES PROVIDED

While many intriguing ideas surfaced throughout the day, it was the sense of excitement, collaboration, and an overwhelming display of passion to make GSC an even better place that made the event truly incredible and memorable. While this was the first event of its kind at GSC, it will certainly not be the last.

RECOGNIZING ONE OF OUR OWN

At GSC, the spirit of giving is not only about how we operate, it's also about how individual employees give back by supporting their local community. And through our annual *Spirit of GSC – Giving Support to Community Award*, we acknowledge those employees who go above and beyond.

Our 2016 winner was Patrick Thompson. Pat provides ongoing support to the Windsor-Essex Therapeutic Riding Association (WETRA). This charity is focused on improving the quality of life for persons with physical, mental and emotional challenges through equine related therapy. In 2016, Pat held an event that raised \$20,000.00 for this worthwhile charity.

The prize? GSC made a donation to Pat's charity of choice.

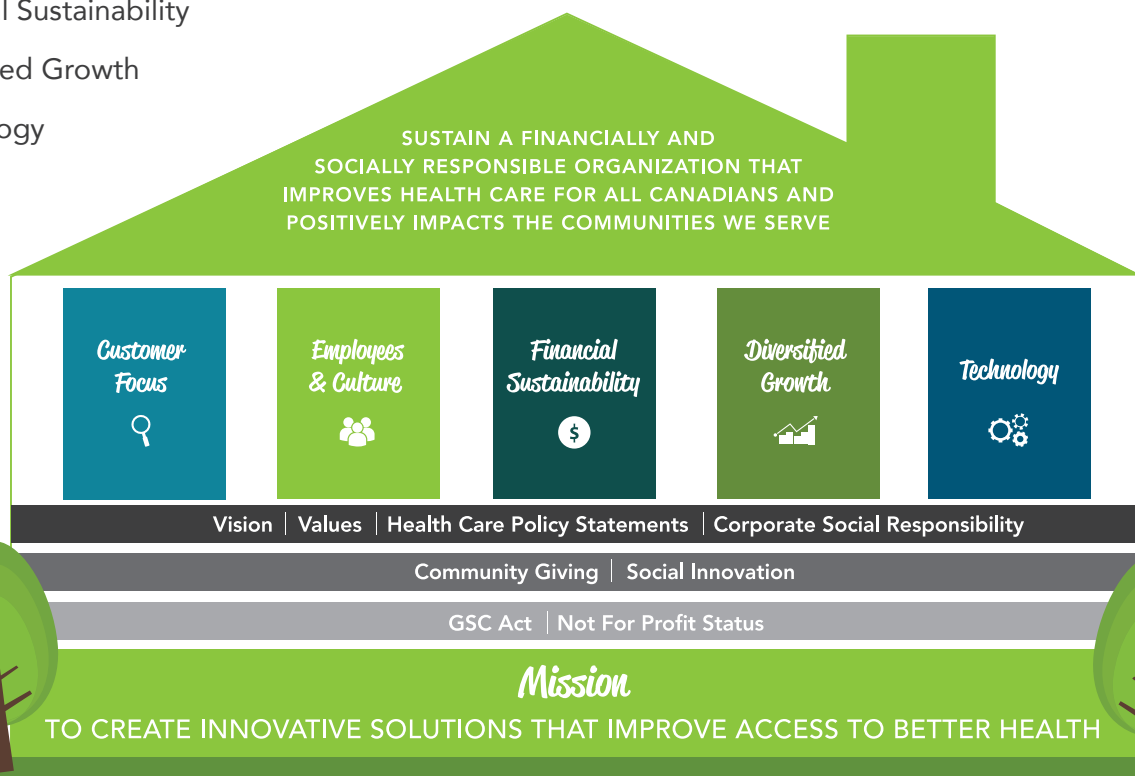
OUR HOUSE

In June of 2016, GSC launched "Our House" – a visual tool to depict clarity around purpose – showing our strong foundation and the pillars that enable us to achieve long term sustainability.

It incorporates five pillars for success:

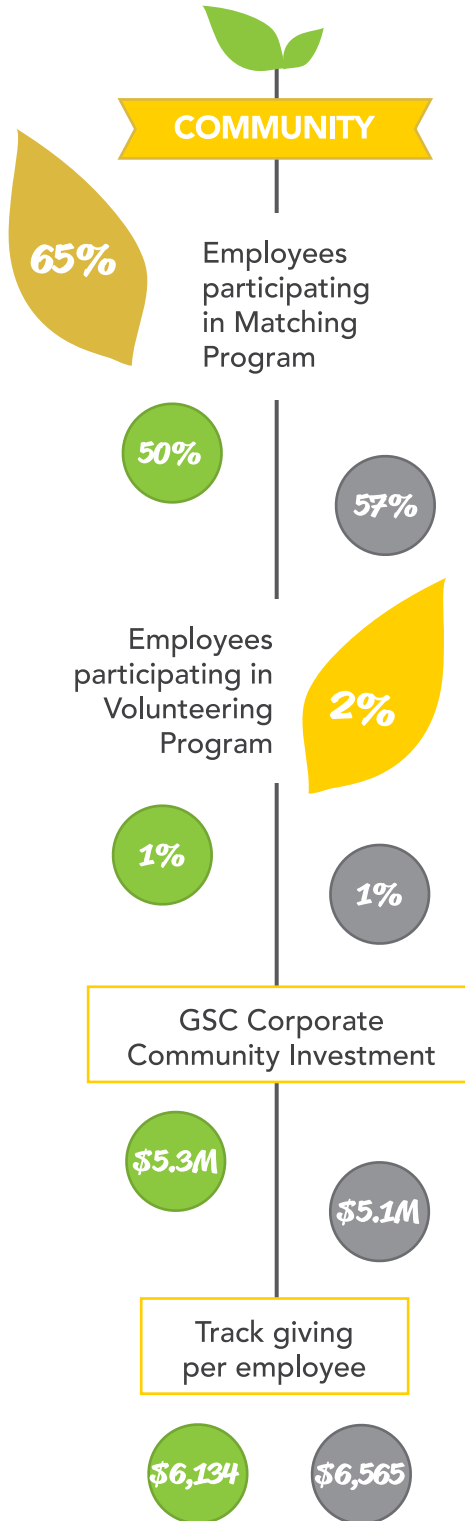
1. Customer Focus
2. Employees & Culture
3. Financial Sustainability
4. Diversified Growth
5. Technology

Our House allows us to pull together and harness our collective efforts to achieve what we set out to achieve. It's who we are.



Our Community

ENHANCING THE COMMON GOOD AS IT RELATES TO HEALTH.



GIVING BACK TO THE COMMUNITIES WHERE WE LIVE AND WORK IS IN OUR DNA, AND... WE'RE REALLY GOOD AT IT. GSC HAS WORKED HARD TO GO ABOVE AND BEYOND SIMPLY GIVING TO CHARITABLE CAUSES, WE'RE HELPING OUT ON THE FRONT LINE!

We provide financial support to organizations that are committed to helping increase access to health services and navigation of the complex health care system. We support these organizations through collaboration, capacity building, communication, and impact.

We encourage our employees to get involved on the front line in their own communities with donations of money and time.

FRONTLINE CARE GRANTS PROGRAM

The Frontline Care granting program has been having a positive impact on Canadians' lives since 2015. We have the ability to impact more than the medical health of vulnerable Canadians. We have given organizations the ability to change lives. Each of our grant recipients, both Community Giving and larger 'Foundation' grants, has fulfilled the requirement of having a 'Navigator' available for their clients. This Navigator is an integral piece of the commitment GSC has made to changing lives. These dedicated workers strive to connect patients and clients to a range of social services (employment, new immigrant services, nutrition, and housing supports) that will help address the overarching 'social determinants of health'.

An example of one of the most collaborative and comprehensive navigation services in Canada is "211".

211 connects people to the right information and services, strengthens Canada's health and human services and helps Canadians become more engaged with their communities with personalized Call Centre information and referral specialists available 24 hours a day, 365 days a year, in over 100 languages. 211 is receiving a three year grant to help expand the capacity of Call Centres and online services across Canada.

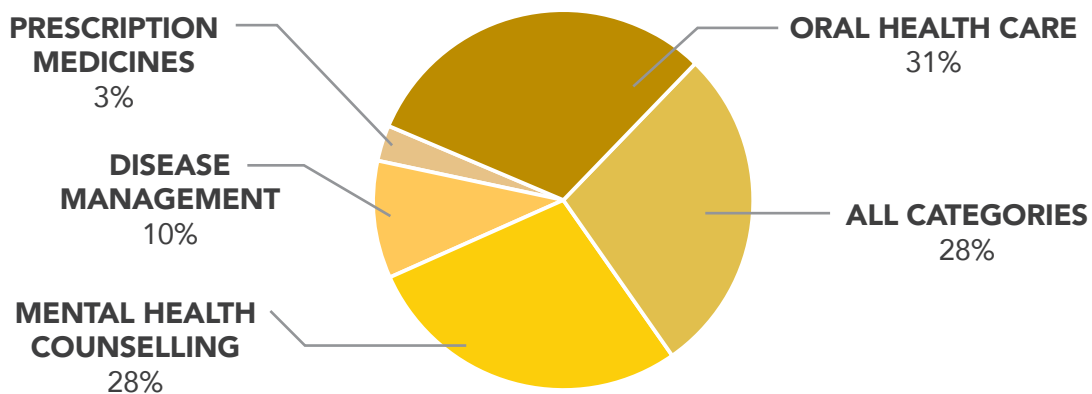
With the support of GSC, 211 produced an animated promotional video to expand the public's awareness of their services. To date, the English (short and long versions) and French videos have received almost 44,000 views on YouTube. View here:

[211 — Helping Healthcare Providers Connect People to the Services they Need](#)

“ Already struggling to make ends meet, a self-employed part time worker living in rural Ontario was recently advised by his doctor to stop working to get his health problems resolved. This caused desperate financial pressure to find cheaper housing. Providing support and reassurance, 211 referred the young man to a sustainable housing fund, the Winter Warmth program, the Low-Income Energy Assistance Program, and more. Ten days later, 211 followed up and found he was receiving help from all the referrals, was greatly relieved, and on a path to getting his health back. ”

CHANGING LIVES

In 2016, 29 health care not-for-profit agencies were awarded with GSC Community Giving Grants. In total, these influential and impactful organizations helped deliver frontline health services (Oral Health Care, Prescription Drugs, Disease Management, and Mental Health Counselling) to over 28,000 individuals.



CHANGE AGENTS

Through the Huffington Post *Change Agents* series, we shone a light on the unsung heroes in the health care community – the people and organizations committed to improving access to better health for marginalized Canadians through innovative solutions. The series aimed to highlight the key drivers of big picture change in the Canadian health care system. From mobile health units to pop-up clinics, the series showcased the not-for-profit organizations who are changing the way that all Canadians look at health care.

EMPLOYEE VOLUNTEERISM – BY GIVING BACK, EVERYONE WINS!

Volunteering is about choosing to give your time, energy and skills to something that matters to you. As a not-for-profit organization, GSC intentionally works to ensure that GSCers are aware of opportunities for community involvement where they live and work. One of the ways that this is accomplished is through a committee of employees, from a variety of areas in the company, intended to promote community investment through employee volunteerism.

The goal of the **Assisting Community Through Support (ACTS)** Committee is to aid in the development, communication and championing of employee volunteering activities undertaken by GSC.

GSC has established programs that recognize and contribute towards:

- Matching Time – Employees’ valuable investment of time for volunteering, outside their regular work hours.
- Matching Dollars – Employees’ financial support of registered charities.

In 2016, 50% of GSCers participated in the above programs positively impacting 95 organizations.

GSCERS ARE CONSCIOUS OF THE WAYS WE AFFECT THE ENVIRONMENT, AND WE WORK TOGETHER TO MINIMIZE OUR COLLECTIVE FOOTPRINT. WE LOOK FOR NEW WAYS TO MAKE A DIFFERENCE, WHETHER THROUGH SMALL CHANGES AT OUR WORKPLACE, OR LARGER-SCALE OPERATIONAL INITIATIVES.

LEAVING PAPER BEHIND (NOT LITERALLY...)

At GSC, we're encouraging plan members to "get online and go mobile" by providing easy-to-use benefit information right at their fingertips – and reducing the need for paper in our day-to-day operations. And it's working! The number of mobile subscribers increased by 31% in 2016 over 2015.

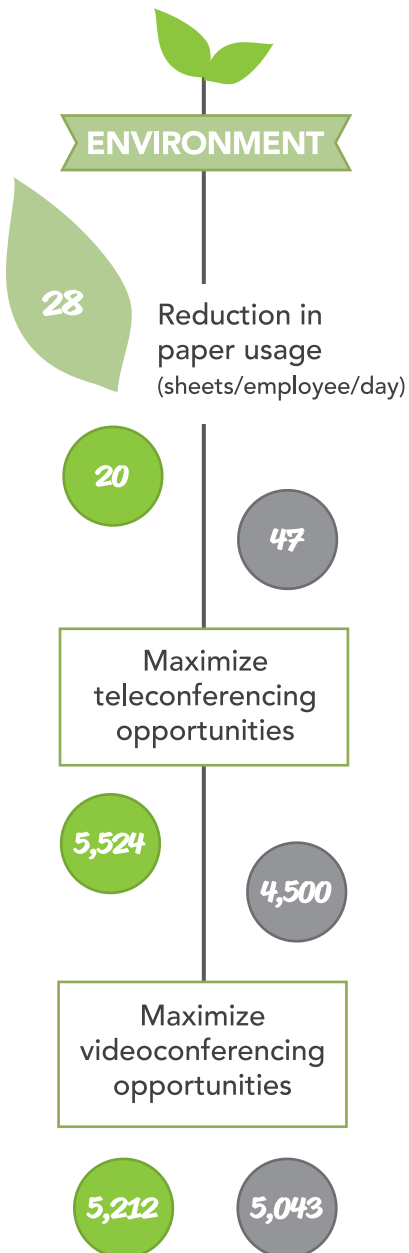
In 2016, GSC's Online Uptake Taskforce continued its momentum and considered our interactions with all stakeholders, from plan members and paths to reducing paper usage.

Our tally of 3.5 million logins to our Plan Member Online Services website in 2016 is up more than 550,000 from last year's figure, confirming that plan members have an appetite for getting online and eliminating paperwork.

Additional 2016 system enhancements and efficiencies have provided the following successes:

- Reduced our amount of paper usage by 57% from 2015.
- Increased the amount of paper recycled by 20 tonnes over 2015.
- Further savings in paper usage were realized in 2016, as electronic manual claims submissions (vs. manual) continue in an upward trend – now at 91%.
- Reduced the amount of water used in 2015 by 26%

In 2016, we continued to get more health care providers online through a successful communications campaign in the Greater Toronto Area. These campaigns outline the advantages for provider in signing up for online services – which results in further reduction of paper usage. Similar campaigns are planned for British Columbia and Thunder Bay in 2017.



Target (leaf icon) 2016 Result (green circle) 2015 Result (grey circle)



16

**TONNES OF
WASTE RECYCLED**

68

**TONNES OF
PAPER RECYCLED**

OPERATING WITH INTEGRITY, FAIRNESS AND RESPECT.



GOVERNANCE

Employees have read, understood and confirmed compliance with the GSC Code of Conduct

100%

100%

100%

Employees have read and understood the GSC Privacy and Security Policy

100%

100%

100%

No fines, penalties, or regulatory actions will be incurred

0

0

Target 2016 Result 2015 Result

GSC OPERATES **ETHICALLY, HONESTLY AND WITH TRANSPARENCY** WITH OUR STAKEHOLDERS.

WE DO THIS BY ENSURING WE HAVE THE RIGHT OVERSIGHT OF POLICIES AND GOVERNANCE PRACTICES TO IDENTIFY AND MANAGE RISKS, AND THAT WE COMMUNICATE THESE EXPECTATIONS WITH GSCERS. THIS SETS THE FOUNDATION FOR ACHIEVING OUR MISSION IN A FINANCIALLY, SOCIALLY AND ENVIRONMENTALLY SUSTAINABLE WAY.

GSC BOARD CHAIR RECOGNIZED AMONG CANADA'S MOST POWERFUL WOMEN

Sherry Peister, Chair of the GSC Board of Directors, has been named a Women's Executive Network (WXN) 2016 Canada's Most Powerful Women: Top 100 Award Winner. She received the Accenture Corporate Directors Award which recognizes the accomplishments of professional women in leadership roles. Sherry was appointed as GSC's first female Board Chair in 2010.

Since then, she has had a profound impact on advancing GSC's strategic direction and mission by recognizing the ever-evolving nature of the health and dental benefits industry and being a strong advocate for change.

As a proud supporter of women in leadership, GSC believes that balanced diversity within an organization or on a board can be organically achieved with the right structures and processes in place, and a conscious mandate to do so. Under Sherry's leadership, GSC's commitment to diversity has advanced.

"Sherry has helped GSC make big strides in ensuring diversity by spearheading an amendment to the GSC General Operating By-law that now requires no more than two-thirds of the Board of Directors to be of a single gender," explains Steve Bradie, GSC President and CEO. "In addition to gender diversity, Sherry is ensuring that board recruitment efforts include consideration of skill, experience, age, education, cultural, and geographic diversity."

THIS IS JUST THE WAY
WE DO BUSINESS,

*and we are guided
by these values every day.*

RISK COMMITTEE

GSC's Risk Committee brought an additional component to the table in 2016 with the creation of "Risk Appetite Framework", to further guide decision making. The Framework helps to:

- Establish the level and type of risk which the Company is willing to take in order to pursue business objectives; innovation; deliverance of the Corporate Plan; and the achievement of desired financial results.
- Create qualitative and quantitative statements, parameters, thresholds and limits relating to the amount of risk GSC is willing to accept, taking financial, operational, and macro-economic factors into account.

Membership includes: the members of the Executive Team, the Chief Risk Officer & Chief Compliance Officer and the Chief Internal Auditor.

We welcome stakeholder feedback on this report. Please send us your comments and suggestions to help us continue to strengthen our reporting.

GOT A QUESTION?

GREEN SHIELD CANADA

csrfeedback@greenshield.ca

8677 Anchor Drive, Windsor, ON N8N 5G1
ATTN: Yvette Meloche

519.739.1133 / 1.800.265.5615 ext. 5952

For further information about GSC
please visit greenshield.ca

OTHER COMPANIES
SAY THEY'RE
DIFFERENT...

We really are.

