

Proven Values, Looking to the Future

2023 Sustainability Report



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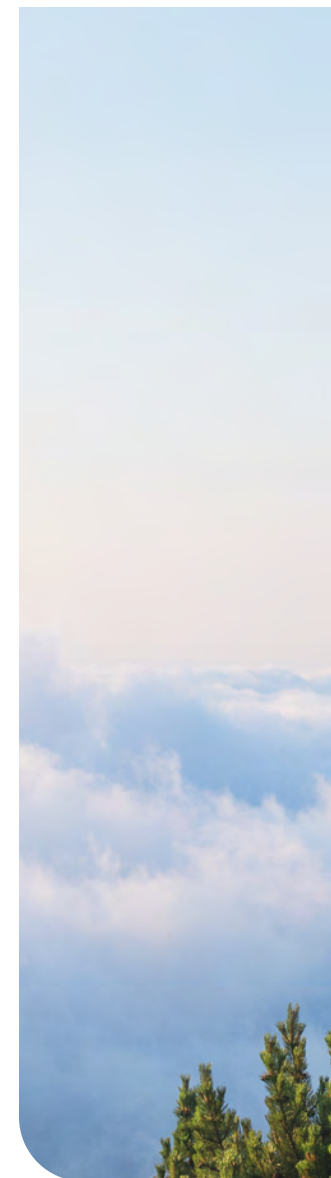
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About us

iA Financial Group is one of the largest insurance and wealth management groups in Canada, with operations in the United States. Founded in 1892, it is an important Canadian public company and is listed on the Toronto Stock Exchange under the ticker symbols IAG (common shares) and IAF (preferred shares). iA Financial Group offers life and health insurance products, savings and retirement plans, RRSPs, mutual and segregated funds, securities, auto and home insurance, multi-residential and commercial mortgage loans and car loans and other financial products and services for both individuals and groups.

Our Purpose

For our clients to be confident and secure about their future.

Our sustainability approach

iA Financial Group's sustainability approach is to contribute to the sustainable growth and wellbeing of its clients, employees, partners, investors and communities. We want to ensure our sustainability by supporting our communities, combining our financial success with positive environmental and societal impacts. In recent years, the Corporation has affirmed its commitment to advancing its sustainability agenda by adopting the United Nations Sustainable Development Goals, signing the United Nations Principles for Responsible Investment and progressively implementing the Recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD").



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iA Financial Group infigures

(as at December 31, 2023)

Over
5 millions
clients

Over
9,400
employees

Over
50,000
representatives

Subsidiaries:	Over 20
Solvency ratio [†] :	145%
Premiums, premium equivalents and deposits [†] :	\$16.6B
Assets under management and administration:	\$218.9B
Net income attributed to common shareholders:	\$769M
Market capitalization:	\$9.0B
Book value per share [†] :	\$66.90\$

Economic impact

Salaries and employee
benefits in 2023:
\$1,050M

Prestations payées en 2023:
\$6.8B²
(\$150 million per week)

Credit ratings

Issuer Credit Rating (iA Financial Corporation Inc.)

- S&P: A
- DBRS Morningstar: A

Financial Strength (Industrial Alliance Insurance and Financial Services Inc.)

- S&P: AA-
- DBRS Morningstar: AA (low)
- A.M. Best: A+ (Superior)

[†] This is a non-IFRS measure. See the "Non-IFRS and Additional Financial Measures" section in this document for key information on such measures.

^{1 to 3 and i} See notes at the end of the document, [page 99](#)

Geographic presence

Premiums, premium equivalents and deposits by region^{†3}

Western Canada	21%
Ontario	25%
Québec	43%
Atlantic Canada	3%
United States	8%

Taxes paidⁱ

Canada:

Municipal	\$46M
Provincial	\$166M
Federal	\$61M

United States \$70M

Total **\$343M**

ESG ratings⁴

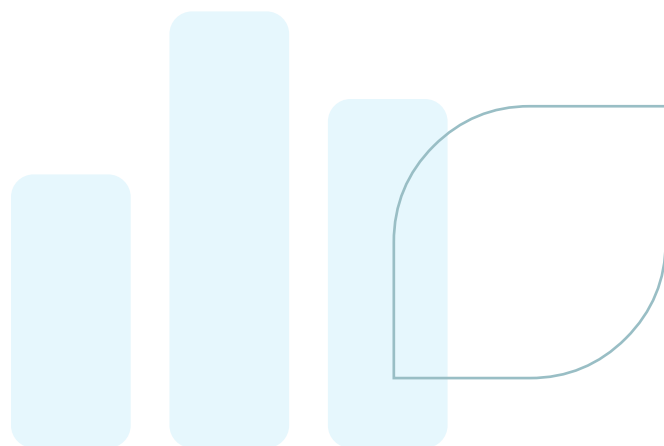
	2022		2023
S&P Global ⁱⁱ	45	↘	39
MSCI ⁱⁱⁱ	A	↗	AA
ISS ESG ^{iv}	C-	=	C-
Sustainalytics ^v	Medium risk	=	Medium risk
CDP ^{vi}	C	=	C

Non-IFRS and Additional Financial Measures

iA Financial Corporation and iA Insurance report their financial results and statements in accordance with International Reporting Standards (“IFRS”). They also publish certain financial measures or ratios that are not based on IFRS (“non-IFRS”). A financial measure is considered a non-IFRS measure for Canadian securities law purposes if it is presented other than in accordance with the generally accepted accounting principles (“GAAP”) used for iA Financial Corporation’s audited financial statements (the “Corporation”). The Corporation uses non-IFRS measures when evaluating its results and measuring its performance. The Corporation believes that non-IFRS measures provide additional information to better understand its financial results and assess its growth and earnings potential, and that they facilitate comparison of the quarterly and full-year results of the Corporation’s ongoing operations. Since non-IFRS measures do not have standardized definitions and meanings, they may differ from the non-IFRS financial measures used by other institutions and should not be

viewed as an alternative to measures of financial performance determined in accordance with IFRS. The Corporation strongly encourages investors to review its financial statements and other publicly filed reports in their entirety and not to rely on any single financial measure. These non-IFRS measures are often accompanied by and reconciled with IFRS financial measures. For certain non-IFRS measures, there are no directly comparable amounts under IFRS. This document presents non-IFRS measures used by the Corporation when evaluating its results and measuring its performance.

For relevant information about non-IFRS measures used in this document, see the “Non-IFRS and Additional Financial Measures” section in the *Management’s Discussion and Analysis* for the period ending December 31, 2023, incorporated herein by reference, which can be viewed at [sedarplus.ca](https://www.sedarplus.ca) or on iA Financial Group’s website at ia.ca.



⁴ and ii to vi See notes at the end of the document, [page 99](#)

Caution Regarding Forward-Looking Statements

This report may contain statements relating to strategies used by iA Financial Group or statements that are predictive in nature, that depend upon or refer to future events or conditions or that include words such as “may”, “will”, “could”, “should”, “would”, “suspect”, “expect”, “anticipate”, “intend”, “plan”, “believe”, “estimate”, and “continue” (or the negative thereof), as well as words such as “objective”, “goal”, “guidance”, “outlook” and “forecast”, or other similar words or expressions. Such statements constitute forward-looking statements within the meaning of securities laws. In this document, forward-looking statements include, but are not limited to, information concerning iA Financial Group’s strategies, initiatives and goals with regard to sustainability, governance, environmental matters, social engagement and climate change mitigation and adaptation. These statements are not historical facts; they represent only expectations, estimates and projections regarding future events and are subject to change. Although iA Financial Group believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties and undue reliance should not be placed on such statements. In addition, certain material factors or assumptions are applied in making forward-looking statements, and actual results may differ materially from the predictions, forecasts, projections, objectives, expectations, conclusions and other forward-looking statements expressed or implied in such statements. Moreover, many of the assumptions, standards, metrics and measures used in preparing this report continue to evolve and are based on assumptions considered

reasonable at the time of writing but their accuracy should not be considered guaranteed. Material factors and risks which could cause actual results to differ materially from those projected, many of which are beyond the control of iA Financial Group and the effects of which may be difficult to predict, include: the need for more and higher-quality climate data and for standardization in climate measurement methods, climate conditions and weather events, the need for the active and constant stakeholder participation (including governmental and non-governmental organizations, other financial institutions, businesses and individuals), technological advancements, changing consumer behaviour, variable decarbonization efforts across economies, the need for relevant climate policy on a global scale, challenges of balancing emissions with an orderly and inclusive transition, geopolitical factors that influence global energy needs, our ability to collect and verify data, our ability to implement various initiatives across the business within the set time limits, the risk of not completing the initiatives within the set time limits or at all, or without the results intended or anticipated by iA Financial Group, the compliance of third parties with our policies and procedures and their commitment to us, financial market conditions, our commercial activities, our financial results, our situation and goals, the legal and regulatory environment and regulatory compliance (which may expose us to legal proceedings and regulatory action, the consequences of which could include regulatory restrictions, penalties and fines), and strategic, reputational, legal and regulatory, systemic, competitive and other risks.

Proven Values, Looking to the Future



It is with great pleasure and pride to present to you our *2023 Sustainability Report*. This report highlights our non-financial performance by integrating environmental, social and governance (“ESG”) factors into our business strategy, operations and corporate culture. It also reflects our vision for the future and our unrelenting pursuit of innovation in order to better serve our clients, inspire our employees and support our communities.

It was Voltaire who said, “*The more my compatriots seek the truth, the more they will love their liberty. The same strength of spirit that leads us to the truth makes us good citizens*”⁵. These words of wisdom still ring true today and are echoed in the pages of this *Sustainability Report*, entitled *Proven Values, Looking to the Future*.

With regard to the environment, this *search for truth* finds answers in science, which demonstrates that climate change is all too real and calls for an urgent response. We are aware of the potential impact of our activities on the climate, and we are committed to mitigating this impact while supporting the transition to a low-carbon economy. Our commitment is reflected in the revision of our climate strategy, which outlines our new emissions reduction targets and our decarbonization plan.

As for our commitment to society, we firmly believe that our success is closely linked to the wellbeing and prosperity of the communities in which we operate. Being a *good corporate citizen* means helping others grow too. That is why we support the personal and professional development of our employees, with a view to becoming an even better learning organization. At the same time, our distribution network is committed to improving our clients’ financial literacy. We coordinate our actions, both internally and externally, to empower others. Moreover, the theme of our Canada-wide philanthropic contest this year was education, a priority for iA as well as for me.

Finally, our commitment to sound governance *leads us to the truth*; it lies at the heart of our sustainability approach. We uphold rigorous standards of corporate governance, ethics and transparency, as we believe this is essential to earning and retaining the trust of our stakeholders, notably our employees, clients and communities. We have instituted robust oversight and internal control mechanisms to ensure our compliance with applicable laws and regulations, and to proactively identify and manage risk.

ESG factors are of decisive importance to all companies in the financial sector because of how they influence financial performance, risk management and growth opportunities. It is also a very meaningful approach—getting back to Voltaire: a search for truth that leads us to be good citizens, and ultimately to greater liberty for us all.

Together, we can help build a fairer, more sustainable future for all.

Denis Ricard
President and Chief Executive Officer

⁵ - M. de Voltaire, *Œuvres complètes*, éd. Sanson et compagnie, 1792, t. 67, lettre 11, p. 403

Contributing to a better world



With each passing year, we strive to honour the commitments we make so that the long-term performance of iA Financial Group also contributes in the transition towards a better world. That is why we continually refer to ESG factors to guide our decisions and fully incorporate sustainability into our actions.

The year 2023 was marked by a number of meaningful milestones for iA Financial Group.

We kicked off the year by conducting our first materiality assessment. We met with our various stakeholders in order to glean a thorough understanding of which ESG factors iA is impacting, and which we should prioritize in the years ahead. This insightful, relevant exercise has informed our strategic plan, and our sustainability priorities.

On the environmental front, we have updated our climate strategy and announced two new, more precise targets for reducing our greenhouse gas emissions. By 2035⁶, in order to act as:

- a responsible corporate citizen, we aim to reduce the GHG emission intensity of our Canadian real estate holdings by 60%.
- a responsible investor, we aim to reduce the carbon intensity of our public corporate bond portfolio by 40%.

Our climate strategy also includes a climate risk roadmap, as well as a policy and other tools to help us successfully implement it.

iA Financial Group has also actively pursued its commitment to diversity, equity and inclusion. We have conducted a voluntary self-identification survey of all our employees, with the aim of getting to know them better in order to better equip them. In addition, we have nurtured our various employee resource groups and launched a new group for Indigenous communities. We are continuing to build lasting relationships with Indigenous communities, as well as with the organizations and communities we serve.

We are constantly working to support the development of our talent, notably through our employee experience program. iA Financial Group has been ranked 48th best employer in Canada in 2024 by Forbes.

We have deployed our global CX model to bring our organization into alignment with our clients' needs and to help us deliver a client experience that is even more streamlined and consistent, while meeting our growth targets.

With regard to corporate governance, iA Financial Group's performance was particularly noteworthy in the ranking published by the *Globe and Mail* (Board Games), ranked 7th out of 219 Canadian companies, with a score of 94%.

In this *Sustainability Report*, we outline the progress we have made, the actions we have taken, and the distance we have yet to travel.

Marie-Annick Bonneau

Senior Vice-President, Investor Relations, Capital Management, Sustainability and Public Affairs

⁶ Using 2022 as a baseline.

About this report⁷

Methodology

Since 2006, we have published an annual *Sustainability Report* outlining our actions and directions. Over the years, we have actively worked to improve our disclosure and be rigorous in our processes to provide transparency for our stakeholders.

Since 2023, iA Financial Group has been using the term “sustainability” instead of “sustainable development” for simplicity and consistency across the organization. Nevertheless, both terms remain synonymous.

Our target audience

This report is produced for all our stakeholders, including our clients, employees, communities, suppliers, analysts and investors, to name just a few. More generally, this report is intended for anyone interested in assessing and understanding iA Financial Group’s extra-financial health with regard to environmental, social and governance (“**ESG**”) factors.

Scope

Our *Sustainability Report* highlights our performance using ESG factors to track our progress. We present our practices, initiatives, policies, objectives and results.

Limitations

Unless indicated otherwise, this report covers the period from January 1 to December 31, 2023, and all of the information it contains corresponds to data up to December 31, 2023 entered in the fiscal year ended on that date.

All data is consolidated for all of our subsidiaries and operations in Canada and the United States, and all amounts are in Canadian dollars unless otherwise specified. The terms “us”, “we”, “our”, “the Corporation” and “iA Financial Group” all refer to iA Financial Corporation Inc. and its subsidiaries if applicable. The term “iA Insurance” refers to Industrial Alliance Insurance and Financial Services Inc. and, where applicable, its subsidiaries.

Our frameworks

Since 2020, iA Financial Group has disclosed ESG information according to the *Sustainability Accounting Standards Board* (“**SASB**”) framework. SASB standards address sustainability issues by industry type. Adopting this robust, recognized framework enables us to identify, measure, manage and better communicate relevant sustainability information to our various stakeholders.

The Corporation publishes its Scope 1, 2 and and part of our Scope 3 greenhouse gas (“**GHG**”) emissions calculations in accordance with the “**GHG Protocol**”.

iA Financial Group discloses its performance with respect to climate change in its *2023 TCFD Report*.

⁷ This document contains references to iA Financial Group’s website. These references exist solely to assist the reader. The document also contains links to third-party websites. Clicking on these links will make users leave our website. These links are provided solely for convenience and supplemental information. iA Financial Group is not responsible for these third-party websites or their content. iA Financial Group does not incorporate any of the information on ia.ca or a third-party website into this report by reference.

Integrated sustainability at iA Financial Group

iA Financial Group's purpose is to ensure that our clients feel confident and secure about their future. To this end, we have devised a number of strategic plans around which the entire organization synchronizes and works collaboratively.

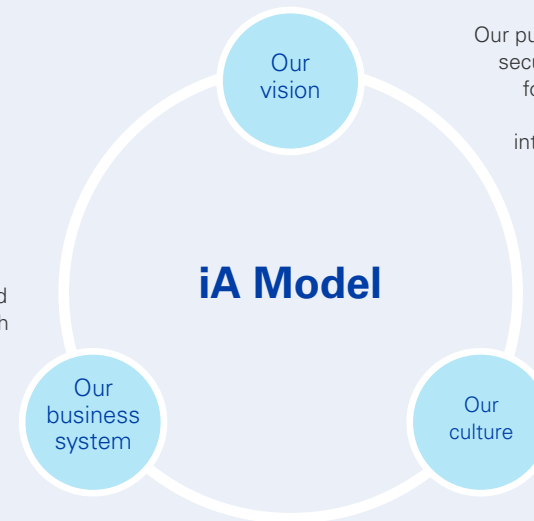
Since 2020, while navigating a volatile economic environment, a global pandemic and major changes in client expectations regarding products and services, we have achieved strong growth, ensured continued profitability for all our business segments and have begun building the future with our Transformation Program.

Looking forward, we believe more than ever in the value that human advice has within our industry, given the complexity of our products and the importance of trust. We also wish to invest and harness the power of digital to provide a high-quality experience for our clients and advisors. To this end, our future growth is based on four priorities, each of which relates to one aspect of sustainability:

1. Capital deployment is driven by continuous capital generation, which is instrumental in ensuring iA Financial Group's long-term financial stability.
2. A learning organization is all about helping our employees to grow, both personally and professionally.
3. The global client experience is aimed in part at better anticipating needs and serving our clients.
4. Operational efficiency is geared towards administrative simplicity, which will result in a healthier organization in the long term.

The iA Model

In 2022, to ensure that we achieve our ambitions, iA Financial Group adopted a model grounded in a vision, a culture and a business system. These three components form a distinctive framework that inspires us and guides our actions and decisions. This iA Model describes *how we imagine the future, how we operate and how we work*. It mobilizes, clarifies expectations and allows everyone to fully contribute to the success of the company and our clients. The iA Model also aims to simplify our messages and our many ways of doing things. It is our core framework.



Our business system is based on the Lean philosophy, which ensures the simplicity and effectiveness of our internal processes. This facilitates consistent decision-making aligned with our vision and culture, promotes fair, rapid and efficient execution, and ensures the long-term viability of the Corporation.

Our vision is how we see our future. Our purpose, "for our clients to be confident and secure about their future," is the starting point for this vision. To this end, we aim to be the financial sector leader that seamlessly integrates the human and digital experience.

Culture is a powerful lever for iA Financial Group's growth. It influences who we are and sets us apart from other companies. We are taking deliberate action to ensure that this culture evolves, combining performance and benevolence, while retaining the qualities that have driven our success thus far. To achieve this, we have established four values that we want our teams to live by:

- Client centricity
- Inspired teams
- Learning agility
- High performance

We view sustainability as a decision-making tool within our organization, which is why we have adopted the three ESG pillars in order to achieve a dual objective: deliver a non-financial performance that ensures organizational sustainability and create positive internal and external benefits for our stakeholders.

Three priority action levers have been defined within our strategic plan, on which we can have a significant positive impact, and which are intended to support five of the United Nations' Sustainable Development Goals:

1. Physical, mental and financial health: Through its business model and the positive benefits it can create, iA Financial Group prioritizes physical, mental and financial health as an essential lever for sustainability.



2. Education and learning: iA Financial Group has made education and learning its second priority. It is essential to both share our knowledge and keep learning.



3. A sustainable future: iA Financial Group is convinced that everyone, in their own way, can contribute to making the world a better place and to working together for a sustainable future.



To identify these levers, we carried out, for the first time, a materiality assessment with our stakeholders. As part of this exercise, we consulted a representative range of stakeholders: employees, senior management, directors, investors, suppliers and clients. This assessment enabled us to strengthen our strategy by leveraging related opportunities linked to 21 prioritized ESG topics. For further details, see the "Stakeholder engagement and materiality assessment" section in the appendices to this report.

Our sustainability governance

Since our Board of Directors, management and many of our employees are committed to sustainability, we have adopted a governance structure, which was reviewed in 2023. Following the revision of our Sustainability Policy, we have also continued to improve our sustainability reporting to the Board of Directors and various committees. Our governance structure is supported by the Board of Directors, the Risk, Governance and Ethics Committee ("RGEC"), whose members sit on the Board of Directors, and the Sustainable Steering Committee, on which sit senior management representatives from each Canadian and U.S. business segment.

- The Corporation's Board of Directors, on which the President and CEO sits, approves various sustainability reports and the *Sustainability Policy*, on the recommendation of the RGEC.
- The RGEC, for its part, oversees sustainability strategy, including fighting climate change, and approves major strategic orientations.
- The Investment Committee's role is to monitor the sustainable investment strategy and its progress and ensure that ESG factors are taken into account in investment decisions.
- The Human Resources and Compensation Committee reviews human resources policies and programs to ensure that they are in line with the Corporation's strategies, particularly with regard to sustainability, diversity and pay equity.
- The Sustainability Steering Committee is responsible for establishing iA Financial Group's sustainability strategy, objectives and targets. It also monitors progress, including on the climate transition and the reduction of GHG emissions. This Committee reports to the Senior Vice-President, Investor Relations, Capital Management, Sustainability and Public Affairs.



Our 2023 Roadmap

Each year, iA Financial Group draws up a sustainability roadmap. This enables us to monitor our performance in terms of success, as well as the next steps to be taken.

Sustainable finance

Priority projects for 2023	Progress	Actions taken in 2023
Continue and deepen the integration of ESG criteria into our portfolio management processes.	Ongoing	<ul style="list-style-type: none"> — We have completed the integration of ESG data from our external provider into our internal database. In addition, we have deployed ESG analysis tools to our investment teams, including elements to support research, such as assessing companies' ESG profile and assessing the credibility of their transition plan. — We have also refined our methods for assessing the value of equity securities by incorporating the impact of ESG risks into our analyses and the discount rate used. For the corporate debt segment, we have strengthened the ESG analysis section in the evaluation of an investment so that the performance in this area is reflected in the internal credit rating assigned to each company. — With regard to the oversight of our external managers, we have optimised our ESG assessment questionnaire for use by our fund monitoring team, strengthening our monitoring.
Quantify all scope 3 (category 15) GHG emissions and analyze our investment portfolio with a view to a possible commitment to net zero emissions by 2050.	Ongoing	<ul style="list-style-type: none"> — In 2023, we quantified for the first time the GHGs of a portion of our general funds. We then assessed the impact of a decarbonization target on our public corporate bond portfolio. As a result of this analysis, we have set a target to reduce the carbon intensity of our public corporate bond portfolio by 40% by 2035⁸. The next step is to continuously evolve and strengthen governance to optimize the calculation and monitoring of the carbon footprint of our public corporate bond portfolio. We will work on the constant improvement of our monitoring tools, in order to ensure strong and effective governance. In addition, we will establish a timeline to ensure that our decarbonization process progresses steadily and in line with our long-term objectives. — Note that we only calculated GHG emissions from our public corporate bonds, representing a portion of our scope 3, category 15. We will continue to look into the possibility of expanding to other asset classes in the future, taking into account currently available methodologies. From now on, this is why our future priority will be to «continue to refine our GHG calculations (category 15 of scope 3) and analyze the possibility of extending it to new asset classes».
Conduct a climate change financial strength stress test.	Ongoing	We have developed an internal report to assess our portfolio's exposure to risks related to the transition to a low-carbon economy and physical risks arising from climate change. To do this, we use value-at-risk (VaR) metrics provided by a recognized external climate data provider, which are then tailored to our portfolio positions.

⁸ Using 2022 as a baseline.

Environment

Priority projects for 2023	Progress	Actions taken in 2023
Assess and quantify new Scope 3 categories.	To do	<ul style="list-style-type: none"> — 2023 was used to quantify all the categories we already take into account, analyze them to establish new, more precise targets, and draw up action plans to reduce our footprint. — In 2023, we reviewed the Scope 3 categories, and have not yet added any new quantified categories. We will undertake an analysis to assess whether the inclusion of new categories is material or not. We will continue to analyze and evaluate the addition of potential categories.
Raise employee awareness of the use of information technology to mitigate environmental impact.	To do	In 2022, we sought to analyze and determine how we could go for greener IT. Although this ambition is still very much on the agenda, the update of our climate strategy has not enabled us to achieve the milestones we had hoped for.
Analyze, by scope, new targets that are more precise and accurately reflect our new reality and that of the market.	Completed	<p>In 2023, we achieved this by announcing two new targets⁹:</p> <ul style="list-style-type: none"> — Reduce the GHG emission intensity of our Canadian real estate holdings by 60% by 2035 — Reduce the carbon intensity of our public corporate bond portfolio by 40% by 2035
Continue to reduce our direct GHG emissions.	Ongoing	In updating our climate strategy, we have continued to reduce the building occupancy rate used in our operations. The coming year will be used to analyze each building and create an action plan for the years ahead to achieve our new reduction target of a 60% reduction in the GHG emission intensity from 36 of our buildings in Canada, by 2035 ¹⁰ . As part of our updated climate strategy, we have decided not to offset our GHG emissions in 2023. We wish to establish new initiatives and longer-term solutions for the Corporation and the community that are closer to our values and objectives.
Deploy the technologies for our new hybrid offices.	Ongoing	We have continued to deploy various technologies to make it easier for our employees to work remotely, including: 4 types of rooms with 43", 55" or 86" screens, content and room cameras with "Speaker Tracking" mode. Room booking panel at room entrance and touch control panel. Central 360-degree camera for a certain room category, Teams application, etc. Deployment to our offices will continue in 2024.

^{9 and 10} Using 2022 as a baseline.

Talent and Culture

Priority projects for 2023	Progress	Actions taken in 2023
Incorporate the principles of a learning organization.	Ongoing	Becoming a learning organization is one of the 4 priorities of our strategic plan, supporting organizational growth. So, in 2023, we started to evaluate our current positioning and the key elements we need to focus on to become a learning organization in the coming years.
Continue to implement the diversity and inclusion program, including for Indigenous communities, and develop a plan for more inclusive client practices company-wide.	Ongoing	<ul style="list-style-type: none"> — In 2023, iA Financial Group launched a voluntary self-identification initiative for Canadian employees to obtain a portrait of our organization, better understand the demographics of our workforce and identify priority actions to be taken. — We have also obtained Phase 1 of the Progressive Aboriginal Relations™ certification, which leads us to create lasting relationships with these communities.
<p>Achieving our gender parity goals:</p> <ul style="list-style-type: none"> — Now and in the future, between 40% and 60% of iA Financial Group Senior Leadership Position¹¹ appointments will go to women. — By 2025, achieve increased gender equity in iA Financial Group's Senior Leadership Positions¹² with men and women each holding between 40% and 60% of positions by 2025. 	Ongoing	<ul style="list-style-type: none"> — In 2023, 38% of new senior management appointments at iA Financial Group were women. — For all of iA Financial Group's senior management, we aim to continue to make progress in order to reach our target (39% women in 2023, compared with 36% in 2022).
Collect data and analyze the composition of our workforce in terms of other forms of diversity besides gender.	Ongoing	73% of our employees located in Canada participated in a voluntary self-identification ¹³ exercise. The results are presented in this report.
Pay out 1% of our net income before taxes to community organizations in Canada and the United States, the whole in line with Imagine Canada's Guidelines.	Completed	We paid out \$9.4 million in 2023 (just under \$1 million more than in 2022), representing 1% of our net income before taxes.

¹¹ and ¹² iA Financial Group's Senior Leadership Position means the senior management and senior management of the principal Canadian subsidiaries that make up the group.

¹³ Excludes certain subsidiaries in Canada.

Client experience

Priority projects for 2023	Progress	Actions taken in 2023
<p>Global CX: our new target business model: Finalize the target business model to support our vision and continue implementing the required organizational changes.</p>	Completed	<p>The roll-out of the new global CX team was completed in June 2023, and the teams in place are now fully operational and aligned on shared goals.</p>
<p>Enterprise client relationship management (“CRM”) solution:</p> <ul style="list-style-type: none"> — Continue implementing the corporate foundations (B2B, B2C) and target business model for the CRM centre of expertise. — The tools to be rolled out will have to support goals for client uniqueness, growth and simplification of the client experience, particularly online or during interactions with our contact centres. 	Ongoing	<ul style="list-style-type: none"> — The Salesforce team of experts is up and running. — We have created a Salesforce Expert group, which will ensure sound asset management. — The Salesforce Expertise Center is being rolled out.
<p>Digital and marketing strategy:</p> <ul style="list-style-type: none"> — Continuously develop our digital strategy through an enhanced experience for the iA Financial Group Mobile app and the launched and optimized common portion of My Client Space. — Deliver key client features as part of our Industrial Alliance Auto and Home Insurance Inc. (“iA Auto and Home”) digital transformation. — Continue the “Web-Factory” initiative across the company, in conjunction with the technology teams. 	Completed	<ul style="list-style-type: none"> — The application has been deployed and operational since June 2023. — The first version of the iA Auto and Home client portal was delivered on schedule. — We delivered a shared component library to harmonize the user experience and enhanced the efficiency of our digital experience projects (portals, mobile, web).
<p>Contact centres:</p> <ul style="list-style-type: none"> — Start working on migration to a new solution. — Start modernizing communication channels, such as management of written interactions and opportunities to improve the voice channel. 	Completed and under continuous improvement	<ul style="list-style-type: none"> — We completed the delivery of a state-of-the-art contact centre infrastructure with improved stability. — We adhered to our scope, budget and corporate standards. — Initially scheduled to take 14 months, delivery was completed in 11 months. — Over a thousand users have been migrated to the new system. — We have enhanced our client and employee experience by introducing virtual queuing at iA Auto and Home.

Priority projects for 2023	Progress	Actions taken in 2023
<p>CX KPIs:</p> <ul style="list-style-type: none"> — Roll out new CX KPIs across the Corporation to better meet needs in accordance with our <i>Fair Treatment of Clients Policy</i>. — Roll out more KPIs in the business segments and digital channels and ensure metrics built into each channel and business segment are coherent and consistent. — Continue efforts to ensure that more key people in the company, at all levels, with the power to improve the client experience can access KPI results and use them as effectively as possible. — Monitor changes in CX KPIs to gauge the impact of CX improvement projects. 	Completed	<ul style="list-style-type: none"> — All CX KPIs relating to the indicators tracked as part of the <i>Fair Treatment of Clients Policy</i> and related to the processing of client requests have been integrated. They are now reported to our governance bodies on a quarterly basis. — 10 additional measures were rolled out. — 130 additional employees were granted access to the CX KPI dashboard and training was provided on the Workday web platform. — CX KPIs were monitored on an ongoing basis through various meetings held at all levels and in all sectors of the company.
<p><i>Voice of the Customer</i> program:</p> <ul style="list-style-type: none"> — Add other sources to our <i>Voice of the Customer</i> program, such as dissatisfaction reported by clients on a call to one of our contact centres. — Explore categorization and analytics tools, leveraging AI, to ensure that all client feedback from sources included in the <i>Voice of the Customer</i> program can be processed, analyzed, and continuously monitored. 	Completed	<ul style="list-style-type: none"> — Level 1 dissatisfactions (business segments) from the remaining sectors were added to the VOC data sources being monitored. — A proof of concept was conducted with an external firm to test a tool for categorizing client comments using artificial intelligence.

Governance

Priority projects for 2023	Progress	Actions taken in 2023
Define 2023–2025 ESG priorities based on a materiality assessment.	Completed	<ul style="list-style-type: none"> — We conducted the materiality assessment by consulting various stakeholders (directors, investors, senior management, managers, employees, suppliers, representatives and clients) to identify the ESG issues that the Corporation should prioritize and which of them we are impacting. — The assessment’s findings were directly integrated into strategic planning.
Identify, measure and better communicate the ESG factors that can influence sustainable value creation for our stakeholders.	Completed and under continuous improvement	The materiality assessment exercise identified the ESG factors that can influence sustainable value creation, and we have begun communicating them. This report is one of the means used to share them.
Ensure greater integration of ESG factors into our initiatives, products and services, in accordance with our sustainability goals and orientations.	Ongoing	Although we are pursuing our efforts to incorporate ESG factors into our various products and services, our focus in 2023 was on creating a longer-term vision and a concrete action plan for integrating them into the Corporation’s various sectors.
Train directors on the regulatory framework for sustainability and climate change.	Completed	In June 2023, the directors attended a training course on the most recent regulatory developments in the sustainability and climate areas in order to gain a more thorough understanding of their role and the upcoming regulatory requirements.
Conduct an external assessment of our data to verify the robustness and reliability of the data collected to date.	Completed and under continuous improvement	We commissioned an external consultant to help us calculate our GHG emissions of our Canadian real estate holdings, as well as review our data collection and reporting process.



Sustainable finance

iA Global Asset Management Inc. (“**iAGAM**”) is the primary portfolio and asset manager of iA Financial Group and certain subsidiaries and provides portfolio management services for insurer general funds, investing clients’ mutual funds and segregated funds and external institutional clients, including the selection and oversight of external portfolio managers.

Through iAGAM, a signatory to the Principles for Responsible Investment (“**PRI**”), we reaffirm our commitment to strengthening our ability to incorporate ESG criteria into our investment strategies. We believe that responsible investment requires a solid ongoing commitment, a thorough assessment of ESG factors, active risk management and transparent communication with stakeholders.

Our holistic approach to sustainable investment funds is in line with our vision of combining the wealth-creation potential of a proven investment approach with the benefits of incorporating ESG considerations, including environmental and social impacts, to create a positive long-term impact.

The sustainable investment team plays a key role in implementing our strategy for investment activities. It provides leadership and support to advance the sustainable investing mission and strategy, build the team’s sustainable investing organizational capacity, including the integration of ESG criteria into analytical processes and decision-making, reporting to ensure transparency, and advance iA Financial Group’s stewardship efforts across all asset classes.



Our sustainable investment strategy

ESG factors and innovation are key pillars of our long-term strategy. The three main elements of our sustainable investment strategy are:

1. Focus on rigorously integrating ESG factors throughout the lifecycle of an investment to promote the incorporation of ESG risks and opportunities into the investment decision-making process.
2. Being among the best capital managers, whether for our clients' investments or our own. We are determined to deliver solid financial returns while taking ESG implications into account in our investment decisions.
3. Being committed to promoting tailored regulatory frameworks, policies and disclosure requirements, where applicable, that support sustainable investment to build a more sustainable future together.

Our sustainable investment pillars



ESG integration

We take ESG factors into account in our investment analysis and decision-making processes. We have established specific criteria for our investment activities, including the exclusion of certain companies involved in controversial activities, such as manufacturers of cluster munitions and anti-personnel mines.



Stewardship

We take an active approach to investing in order to maximize value and promote sustainable growth. We encourage improvement of ESG practices by engaging with companies and voting at shareholder meetings.



Advocacy

We work with other investors and stakeholders when it is the most effective way to achieve our objectives. We believe that by working together, we can maximize the impact of our actions and make significant changes to advance ESG practices.

Climate risk integration

We are committed to decarbonizing our own investments and ensuring that they are aligned with the objectives of the Paris Agreement. In addition to more traditional financial and risk considerations, we are putting mechanisms in place to assess and take into account the physical and transition risks associated with climate change in our investment decision-making process. To this end, we have set interim targets that include reducing the carbon intensity of our public corporate bond portfolios as well as our Canadian real estate portfolio.

Our main achievements in 2023

- **ESG data infrastructure integration:** In 2022, we signed an agreement with an ESG data provider, which enabled us to set up an ESG data infrastructure in 2023. This agreement strengthened our commitment to sustainable investment, enabling us to assess our investment portfolios using ESG assessment tools on a large scale.
- **Risk assessment:** We stress tested our investment portfolio to assess our exposure to carbon-intensive sectors and glean a more thorough understanding of our carbon exposure. The aim was to implement a decarbonization target for our investment portfolio to strengthen our commitment to a low-carbon future. We have developed a carbon emissions tracking tool to help us monitor our progress in this area.

- **Roll-out of a transition plan:** In 2023, we focused on creating a credibility scorecard for the transition plan. In 2024, this tool will enable us to gauge the readiness of the most carbon-intensive emitters in our portfolio to make the transition to a low-carbon economy. We have adopted a collaborative approach and intend to meet with these emitters to understand their approach. By focusing on collaborative engagement, we aim to deliver a standardized message to the market, where appropriate.
- **Transparent reporting:** We released our first publicly accessible Principles for Responsible investment (“PRI”) report.
- **Collaborative engagements:** Since 2022, we have been part of two collaborative engagement initiatives— Climate 100+ and Climate Action Canada—with a view to creating a positive impact. In 2023, we took part in engagements with companies on the reference list and shared our knowledge with investors in the initiatives. We capitalized on existing rigorous collaborative engagement practices to enhance our internal sustainability performance guidelines for internal engagements.

We are convinced that these efforts have helped us to improve and strengthen our integration of ESG factors into our process, as well as understand our exposure to climate risks while meeting our financial targets for 2023.

Our priorities for next year

- **Integrate climate-related risks:** We will pursue our efforts to integrate these risks into our investment processes and actively manage our portfolio in order to contribute to the decarbonization of our assets.
- **Approach our asset managers (engagement):** We will strengthen our engagement approach to foster the quantification of climate action, the integration of climate change risk assessments into business approaches and the promotion of the transition to a low-carbon balance sheet. This includes integrating emitters’ climate profiles into our investment guidelines.
- **Prioritize collaboration:** We will continue to make active collaboration a priority by maintaining our position on collaborative engagement and supporting these initiatives. We will also participate in various events in order to enhance our expertise in the area of sustainability and we will endeavor to speak at various events to effectively share iA Financial Group’s knowledge in sustainability with the industry.
- **Integrate the data:** We will complete integration of the data into our systems and implement data quality control.
- **Proprietary reports:** We will develop proprietary reports to improve the ESG assessment of our portfolios.
- **Develop proprietary tools:** We will develop proprietary asset-based tools to provide new information to analysts and portfolio managers, and work with our quantitative teams to integrate ESG data points into our assessments.
- **Provide training and raise awareness:** We will provide comprehensive sustainable investment training programs for our analysts and portfolio managers.
- **Mapping for action:** We plan to map our investment portfolio’s exposure to carbon-intensive sectors so that we can then develop a robust action plan.

Focussing on systemic sustainability and collaboration

Active ownership is an effective mechanism to mitigate risk, increase returns and advance investment value. Our portfolio managers and analysts engage with investees on important issues related to ESG factors.

Active ownership allows us to better understand investees, their governance structures and their approach to ESG issues, which allows us to make better informed investment decisions.

Where engagement is not successful, we escalate the issue, potentially in conjunction with other investors.

iAGAM has a leading-edge approach:

1. focus on real-world outcomes.
2. prioritization of systemic sustainability issues.
3. collaboration.

iAGAM portfolio managers and analysts have opportunities to communicate directly with investee management teams to discuss ESG issues and concerns.

Some of the systemic sustainability issues we can focus our management approach on include:

— **Climate change:** We expect companies to ensure compliance with environmental regulations and to strive to reduce the environmental footprint of their operations in terms of GHG emissions, energy and water consumption, waste management, transportation, and indoor and outdoor environments.

- **Biodiversity:** The greater scrutiny on climate change has shown that biodiversity loss is a crucial issue. As an asset owner, we recognize that biodiversity requires in-depth analysis to better understand its implications for our investments. It is an emerging issue that demands greater attention and extensive research. iAGAM is exploring portfolio metrics that will inform and, ultimately, halt biodiversity degradation and loss. We hope that this research will enable us to make informed decisions and take responsible actions that are in line with our commitment to sustainable investment.
- **Inclusive capitalism:** We aim to support initiatives that foster diverse and inclusive representation at all levels of an organization, as a way to make effective decisions, innovate and achieve long-term investment performance.

Exercising shareholder voting rights

Proxy voting is a key element of our active ownership approach with publicly listed entities. We consider exercising our voting rights to be one of the most effective mechanisms to steer emitters toward sustainable practices. It is our fiduciary duty to vote on proposals submitted at investee shareholder meetings, in accordance with our principles for responsible investment.

Advocacy

In addition to being PRI signatories, we have supported *the Statement by the Quebec Financial Centre for a Sustainable Finance* since 2021. It is important for us to help promote and defend long-term value creation through a sustainable and efficient global financial system that benefits the environment and society as a whole. iA Financial Group is also one of the Canadian financial institutions that actively supported the Canadian position to host the *International Sustainability Standards Board (ISSB)*, signalling our support for the development of sustainability reporting standards that will be used for high quality, transparent, reliable and comparable corporate reporting on climate and other ESG matters.

ESG fund oversight

In 2023, our fund oversight team completed over 33 manager ESG assessments for our three trading platforms.

These ESG assessments involve understanding and monitoring:

- The ESG integration methodology in the company's investments and decision-making processes.
- ESG integration in proxy voting decisions.
- Methodology and level of engagement.
- ESG improvements over time.




As part of our due diligence, we may request the following documents from our managers:

1. *Sustainable and/or Responsible Investment Policy.*
2. *Proxy Voting Policy (including ESG-factor integration).*
3. *Annual Sustainability Report.*
4. *ESG integration presentation for clients.*
5. *Equity, Diversity and Inclusion ("EDI") Policy and company's EDI status.*
6. *Key ESG improvement areas.*

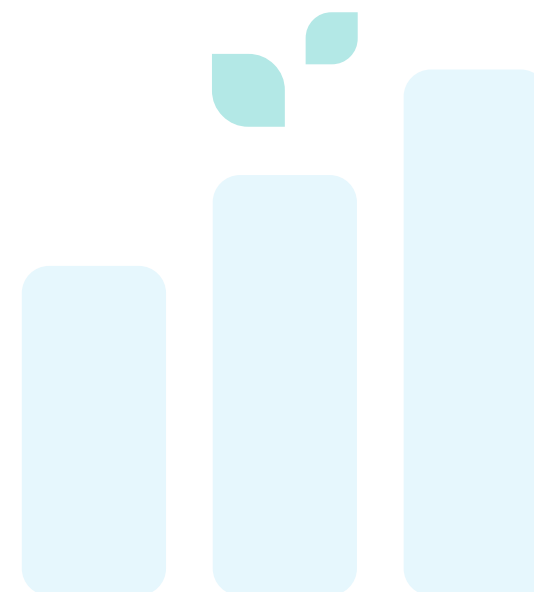
Creating a positive impact through our investments

In 2023, we continued, through our general funds, to invest in projects that meet our risk/return and portfolio diversification requirements, while providing favourable environmental and social objectives.

Table 1: Private investment portfolio¹⁴ exposure to certain “growth” sectors

	2021	2022	2023
 Renewable energy	36%	39%	34%
 Health	13%	14%	16%
 Mobility	3%	2%	2%
Total	52%	55%	53%

¹⁴ Includes only private debt, private equity and infrastructure.





Environment

Our climate strategy

In 2023, iA Financial Group reviewed its decarbonization strategy for fighting climate change.

A global dynamic approach

As a company operating in the financial sector, beyond the GHGs emitted in the course of our operations, our environmental footprint stems primarily from our investment portfolio. It is for this reason that, in 2022, we decided to undertake an initial quantification of a portion of our financed emissions.

In 2023, we announced our new GHG reduction targets, which better align our climate strategy with market practices, and also acknowledge the international science behind the net-zero movement by 2050. We have therefore replaced our first target of 20% per employee by 2025, compared to the 2019 baseline, with two new targets that are more specific and more adapted to our reality.

1. Act as a responsible corporate citizen

60% reduction in GHG emission intensity from our Canadian real estate holdings by 2035¹⁵

iA Financial Group's Canadian real estate holdings includes 36 buildings primarily located in Quebec City, Montreal, Toronto and Vancouver.

This GHG reduction target was established in accordance with the *Carbon Risk Real Estate Monitor* international standard. This standard enables companies in the real estate sector to develop their ESG strategy by assessing their GHG emissions in order to limit global warming to 1.5°C or even 2°C.

To round off this target, in 2023, we analyzed our investment portfolios in order to include them in this GHG reduction initiative.

¹⁵ and ¹⁶ Using 2022 as a baseline.

¹⁷ As of January 16, 2023.

2. Act as a responsible investor

40% reduction in carbon intensity of our public corporate bond portfolio by 2035¹⁶

The portion of public corporate bonds subject to the commitment to decarbonization currently represents investments of around \$13.5 billion¹⁷.

The carbon intensity of the public corporate bond portfolio corresponds to the tons of CO₂ equivalent emitted by each company per million dollars of annual revenue. The carbon intensity of the portfolio is the weighted average of the carbon intensity of each company in the portfolio, each weighted by the value of the investment in that company.

As part of our updated climate strategy, we have decided not to offset our GHG emissions in 2023. We wish to establish new initiatives and longer-term solutions for the Corporation and the community that are closer to our values and objectives. To this end, we will be encouraging a reduction in our GHG emissions at source, by working on a roadmap of actions to be taken to reduce the GHG emissions intensity of our Canadian real estate holdings and our public corporate bond portfolio by 2035. In addition, this year we are redirecting part of our contribution that was earmarked for carbon offsetting to philanthropic projects devoted entirely to the environment, including the fight against climate change.

Our climate change governance

Climate change responsibility

The RGEC is responsible for monitoring the organization's sustainability framework and reviews related strategy. Climate change is one of the priorities outlined in the Corporation's global strategy and is a recurring item on this RGEC's agenda every quarter. As previously indicated, with a view to improving the Corporation's ESG governance, the RGEC is also responsible, as of this year, for approving the Corporation's major strategic orientations in the area of sustainability. In November 2023, the RGEC approved the Corporation's decarbonization plan. The update of the climate strategy was also approved by the Board of Directors, on the recommendation of the RGEC. The RGEC is also responsible for monitoring risks, including climate risks.

This same committee is required to provide the Board of Directors with sustainability status reports. In 2023, directors received training on the most recent regulatory developments in the sustainability and climate areas.

Climate risk management

Climate risk management process

Risk management is an ongoing and iterative process designed to ensure that risks incurred are adequately managed and are consistent with iA Financial Group's risk appetite and tolerance. This process comprises five stages: risk identification, definition of risk appetite and tolerance, risk assessment and management, risk monitoring and risk reporting.

The process applies to all risks, current and emerging, covering all risk categories and arising across all iA Financial Group sectors, including climate risks.

Climate risk management is governed by our *Integrated Risk Management Corporate Policy* and, more specifically, by our *Climate Risk Management Corporate Policy*, adopted in 2023.

Climate risks are taken into account as part of integrated risk management. They are considered transversal risks and have the effect of amplifying the probability of occurrence and/or the impact of the different financial and/or non-financial risk categories existing in our risk taxonomy.

Climate risks take the form of physical or transition risks:

- Physical risks are risks arising from extreme climate events such as floods, forest fires, drought or severe storms (high or acute physical risks) or more long-term climate change such as a steady rise in temperature (chronic physical risks).
- Transition risks are risks related to the process of adjusting to a low-carbon economy.

The *2023 TCFD Report* provides further details on the impacts, in terms of risks (transition and physical), that climate change could have on all our operations, while highlighting the opportunities we can seize.

Our climate risk management principles

The following guiding principles characterize iA Financial Group's approach to climate risk management:

- **Culture, engagement and accountability:** Sound risk management requires a shared commitment to iA Financial Group culture, whereby we each adopt the right behaviours and assume our share of responsibility in the face of these risks.
- **Strong governance:** Climate risk management must be underpinned by a robust governance structure in which the roles and responsibilities of stakeholders are clearly defined, allowing for effective monitoring and management of these risks.
- **Integration into all iA Financial Group frameworks and operations:** Climate risk management is fully integrated into the risk management framework, the various policies, each of the taxonomy's risk categories and the various decision-making and accountability processes of iA Financial Group.
- **Recognized importance:** iA Financial Group is concerned about climate risks and is aware that the way we manage climate risks could not only have a direct impact on our success, but could also affect our various shareholders, including our employees and clients. A series of adaptation and mitigation measures must be taken to minimize risks and ensure long-term operational resilience.
- **Compliance with regulatory requirements:** The implementation of a climate risk management framework at iA Financial Group will enable us to more effectively fulfill our regulatory obligations to manage and report on the risks associated with climate change. Transparency contributes to financial stability as it enables investors, regulatory bodies and other stakeholders to better understand iA Financial Group's risk exposure and climate risk management practices.

Past and future initiatives

iA Financial Group is striving to bolster its resilience in the face of climate-related challenges.

In 2023, several initiatives were undertaken to strengthen our climate risk management framework:

- Formalization of the climate risk management governance framework set out in the *Climate Risk Management Corporate Policy*. This policy aims to ensure informed decision-making with regard to climate risks by fostering a better understanding of the impacts of climate risks on the continuity of our operations.
- The development of a roadmap in order to:
 - Determine the impact of climate change on iA Financial Group's operations and products.
 - Identify and assess climate risks.
 - Strengthen the control environment.
 - Report on climate risk developments and on how effectively they are managed using key risk monitoring indicators.

In the coming years, we aim to enhance our ability to anticipate the impacts of climate risks and to capitalize on related opportunities by gaining a better understanding of them. To this end, we will pursue our efforts to:

- Obtain reliable data in order to implement relevant and robust measures.
- Improve the accuracy of our risk assessments by conducting stress tests (sensitivity or scenario analyses) related to climate risks. This will enable us to validate risk assessments, identify vulnerabilities and ensure that we maintain sufficient liquidity and capital, as needed.

Our carbon footprint¹⁸

For a number of years, iA Financial Group has been tracking its GHG emissions with a view to continuous improvement. To ensure transparency in the dissemination of this information, the methodology report, in appendix, details the calculations and estimates used to quantify iA Financial Group's carbon footprint.

In 2023, our GHG emissions data show a 3.3% reduction in Scope 1 and 2 GHG emissions since 2022, taking into account a broader scope of emissions, in particular mobile combustion and halocarbon leaks.

Table 2 below presents the GHG emissions data in comparison with the 2022 baseline. iA Financial Group chose this year to set our targets in light of the expanded scope of quantification, i.e., the inclusion of Scope 3 financed emissions for the first time. We have also recalculated the 2022 base year for the Scope 1, 2 and 3 emissions we were previously calculating, to reflect a better data collection methodology and to ensure consistent assessment methods for each reporting year.

¹⁸ All iA Financial Group GHG emissions data are unaudited and provided to the best of our knowledge.



Table 2: Total GHG emissions as at December 31

Emission sources		Annual emissions (in tCO ₂ e)	
		2022	2023
1	Stationary combustion	7,214	6,697
	Mobile combustion ¹⁹	s/o	217
	Halocarbon leaks	435	570
2	Electricity	3,376	3,171
	Heating and steam	147	176
Total Scope 1 and Scope 2 emissions ²⁰		11,025	10,655
3	Waste	134	139
	Business travel	1,038	3,075
	Employee commuting	1,064	1,139
	Leased assets	3,280	3,213
	Financed emissions	466,214	389,617
Total Scope 3 emissions		471,730	397,183
GHG emissions		482,755 tons of CO ₂ equivalent	407,838 tons of CO ₂ equivalent

Scopes 1 and 2

For the 2023 reporting period, total Scope 1 and Scope 2 GHG emissions amount to 10,655 tons of CO₂ equivalent. In accordance with the financial control consolidation approach, these emissions are quantified for iA Financial Group assets, more specifically our real estate holdings comprising 36 buildings in Canada and 2 in the United States (a total of 7,015,600 square feet), and our fleet of 44 vehicles. The table 2 above presents GHG emissions by category for Scope 1 and Scope 2.

¹⁹ Emissions data for mobile combustion were added in 2023, so no data is available for 2022.

²⁰ In accordance with GHG Protocol guidelines, direct CO₂ emissions resulting from the combustion of biogenic materials- including biomass, biofuels and biogas- are excluded from Scope 1 and 2 calculations, and therefore documented in the 2023 Sustainability Report. For this reason, «heating and steam» are not included in Scope 1 and 2 emissions totals, as they relate to the combustion of biogenic materials.

²¹ In line with GHG Protocol guidelines, direct CO₂ emissions resulting from the combustion of biogenic materials- including biomass, biofuels and biogas- should be excluded from Scope 1 and 2 calculations, but documented separately.

Stationary combustion accounts for the majority (89.5%) of Scope 1 and Scope 2 emissions, i.e., 6,697 tons of CO₂ equivalent. In the absence of source data, some of this data is estimated in accordance with the GHG quantification methodology in appendix. Stationary combustion denotes the burning of fuel in buildings owned by iA Financial Group. This includes equipment such as generators, boilers and other fuel-powered equipment (e.g., natural gas or diesel).

Mobile combustion is all the fuel needed for iA Financial Group's vehicle fleet comprising 44 vehicles (cars and vans) that are 10 years old, on average. None of these vehicles are hybrid or electric, they all run on gas or diesel.

Fugitive emissions attributable to **halocarbon leaks** from air-conditioning and refrigeration equipment are based on filling data. In the absence of source data, some of this data is estimated in accordance with the GHG quantification methodology in appendix. For the reporting period, GHG emissions related to halocarbon leaks represent 570 tons of CO₂ equivalent. Halocarbons have a high global warming potential ("**GWP**"), which means that any variation has a significant impact on GHG emissions. In 2023, a greater quantity of halocarbons was detected in buildings owned by iA Financial Group, whether the air conditioning and refrigeration equipment tanks had been re-filled or not. This 31% increase compared with 2022 is explained by the inclusion of a larger accounting perimeter.

Scope 2 emissions are associated with iA Financial Group's purchase of energy, specifically **electricity** for our buildings, i.e., 3,171 tons of CO₂ equivalent. In the absence of source data, some of this data is estimated in accordance with the GHG quantification methodology annexed hereto. Most of our electricity consumption comes from the hydroelectric grid (Hydro-Québec in Québec, BC Hydro and FortisBC in British Columbia), with the majority of our real estate assets located in Québec. In the GHG inventory, only one building located in the municipality of Surrey, British Columbia, produces biogenic emissions. This involves 176 tonnes of CO₂-equivalent **heating and steam** linked to the combustion of biogas (renewable natural gas), accounted for and documented separately from the GHG balance sheet²¹.

Table 3: Scope 1 and 2 GHG emissions as at December 31, 2023

Emission sources		2023 emissions				
		CO ₂ (in tCO ₂ e)	CH ₄ (in tCO ₂ e)	N ₂ O (in tCO ₂ e)	HFC (in tCO ₂ e)	Biogenic emissions (in tCO ₂ e)
1	Stationary combustion	6,660	4	33	0	0
	Mobile combustion	217	0	0	0	0
	Halocarbon leaks	0	0	0	570	0
2	Electricity	3,171	0	0	0	0
	Heating and steam	0	0	0	0	176
Total emissions		10,048	4	33	570	176
GHG emissions (Scope 1 and 2)²²		10,655 tons of CO₂ equivalent				

Scope 3

The GHG Protocol lists 15 categories of Scope 3 emissions. This section presents the emission categories that are material to iA Financial Group's operations, namely:

- Category 5: waste generated by company operations
- Category 6: personnel business travel
- Category 7: employee commuting
- Category 8: upstream leased assets (building space and vehicles)
- Category 15: financed emissions related to our investment portfolio

Table 4 illustrates Scope 3 emissions, which represent the largest source of emissions with 397,183 tons of CO₂ equivalent, i.e., 97.4%²³ of total iA Financial Group emissions in 2023. These emissions stem from the Corporation's value chain, i.e., they are linked to our operations, but originate from sources that iA Financial Group does not own or over which we have little or no control. The quantification methodology for each of the Scope 3 categories can be found in the appendix to this document.

Table 4: Scope 3 GHG emissions as at December 31, 2023

Emission sources		2023 emissions (in tCO ₂ e)
3	5. Waste	139
	Waste materials	113
	Wastewater	26
	6. Business travel²⁴	3,075
	Air travel	1,495
	Ground travel	1,471
	Other transportation support activities ²⁵	109
	7. Employee commuting	1,139
	8. Leased assets	3,213
	Stationary combustion	1,382
	Mobile combustion	88
	Halocarbon leaks	366
	Electricity	1,377
	15. Financed emissions	389,617
Scope 3 GHG emissions		397,183 tons of CO₂ equivalent

²² In accordance with GHG Protocol guidelines, direct CO₂ emissions resulting from the combustion of biogenic materials- including biomass, biofuels and biogas- are excluded from Scope 1 and 2 calculations, and therefore documented in the appendix of this report. For this reason, «heat and steam» are not included in Scope 1 and 2 emissions totals, as they relate to the combustion of biogenic materials.

²³ Currently, iA Financial Group only accounts for certain Scope 3 categories. This percentage could therefore vary in the years to come, as new categories are added.

²⁴ The «Business travel» category excludes data from some subsidiaries that are not available.

²⁵ These are transportation support activities paid for or reimbursed by iA Financial Group, such as parking, cabs and gasoline for employee work-related travel. These emissions are calculated using the expense-based method and relate to only one of our subsidiaries.

Waste

This category quantifies emissions linked to waste generated by the company's activities and the occupants of iA Financial Group buildings. Waste materials include emissions linked to waste management processes (combustion, landfill, methanization). Similarly, wastewater emissions include the wastewater treatment process. There is a slight increase (4%) in waste between 2022 and 2023. This can be explained by improved quality of activity data (e.g., more waste audit reports) and an increase in the number of users (6.6% increase in the number of employees).

Business travel

This category covers travel paid for or reimbursed by iA Financial Group, such as emissions linked to employees' travel by train, plane or car in the context of their work. Emissions in this category have tripled since 2022 due to the extension of data coverage to a greater number of subsidiaries and improvements to the calculation method. However, these data still exclude various elements that will be further improved in the coming years, including the addition of other iA Financial Group subsidiaries and improvements to the data collection process to obtain a more accurate picture of emissions for this category.

Employee commuting

This category includes emissions generated by employees' commuting to and from work. These emissions are estimated on the basis of the number of iA Financial Group employees, including the impact of the WFA program on their commuting. Consequently, emissions in this category have increased at the same rate as the increase in the number of new employees between 2022 and 2023, i.e. 6.6%, given that the work attendance rate has remained constant.

Leased assets

This category covers greenhouse gas emissions from assets leased (non owned) by iA Financial Group, such as buildings and leased vehicles. Emissions in this category remained constant between 2022 and 2023. It should be noted that the area leased by the company has decreased, resulting in a 4% decrease in estimated emissions related to stationary combustion and halocarbon leakage. However, the number of leased vehicles has increased, and while some are hybrid or electric, mobile combustion emissions for leased vehicles have doubled due to the higher number of vehicles and kilometers travelled in 2023.

Financed emissions

In 2023, we announced our decarbonization goal focused on climate risk management, including a carbon intensity reduction target.

In 2023, a rebalancing was carried out on the portfolio with the aim of better managing global and climate-related risks. This shift in allocation focused on decreasing our exposure to utilities, a sector with increased climate risk. This change has reduced carbon intensity by 24%.

It is important to recognize that the process of decarbonization is not linear. However, we have made progress in managing climate risks that position us favourably. For the coming year, we will prioritise strengthening our governance process and integrating climate risk considerations into our investment decisions. The significant reduction in the carbon intensity of our portfolio in 2023 will provide us with an opportunity for 2024 to focus our efforts on optimizing our climate risk management framework. We will continue to consider the dynamic nature of carbon data while providing our investment teams with the tools to monitor and act on these risks.

Guided by our long-term investment philosophy, our ambition for 2024 is to lay a solid foundation for a structured portfolio transition to ensure resilience to climate change.

Figure 1: Projected Carbon Intensity path to 2035

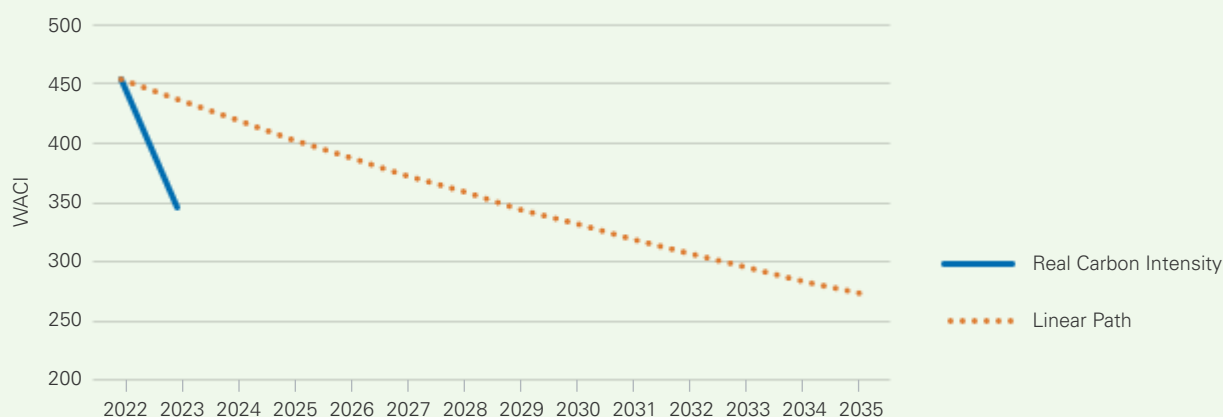


Table 5: GHG emissions from our investments, as at December 31, 2023²⁶

Asset class	Indicators	Units	2022	2023
Corporate bonds²⁷	Total financed emissions	tCO ₂	466,214	389,617
	Financed emission intensity	tCO ₂ /\$M CAD invested	57	41
	Weighted average carbon intensity (WACI)	tCO ₂ /\$M CAD corporation revenues	454	346
Investments in renewable energy	Value in renewable energy	G\$ CA	2.8	2.9
	Value in green bonds	M\$ CA	485	687

Actions to reduce our emissions

To reduce the environmental impact of our operations, we strive to improve our operational practices. This section presents the data we collect and the actions we take to minimize our adverse environmental impact.

Scopes 1 and 2

Table 6: Distribution of our real estate assets as at December 31, 2023

Categories	Number of addresses	Floor area in %
Office	32	92
Other	5	7
Retail	1	1

²⁶ This disclosure was developed using information from MSCI ESG Research LLC or its affiliates or information providers. Although Industrial Alliance Investment Management Inc.'s information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or re-disseminated in any form and may not be used as a basis for, or a component of, any financial instruments or products or indices. Further, none of the Information can in and of itself be used to determine which securities to buy or sell or when to buy or sell them. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

²⁷ On January 16, 2023, we completed the restructuring of the General Funds portfolio due to the entry into force of accounting standard IFRS 17 Insurance Contracts on January 1, 2023 («IFRS 17»). This change had an impact on the weighting of each asset in the General Funds public corporate debt portfolio and therefore necessitated a reassessment of the carbon footprint of this portfolio for the year 2022. Also, following the implementation of a new management strategy, the General Funds «Listed Equities» portfolio was reduced to a marginal proportion, resulting in its removal from the carbon footprint calculation. This data represents the portion subject to the commitment to decarbonization which corresponds to investments of around \$13.5 billion as of January 16th, 2024.

Energy and water management at our properties

iA Financial Group collects energy consumption data annually 38 of the real estate assets we own, representing 100 % des 7,015,600 sq. ft. of total surface area in our owned property portfolio.

Table 7: Energy management data, as at December 31, 2023

Energy management	Office	Retail	Other
Energy consumption data coverage as a % of total floor area	100	100	100
Total energy consumption (in gigajoules)	455,483	4,581	34,607
% of energy consumed stemming from grid electricity	79	93	100
% of energy consumed stemming from renewable energy	72	100	94
% change in energy consumed by portfolio area with data coverage, by property subsector	95	97	119
% eligible that has an energy rating	82	100	64
ENERGY STAR® certified % ²⁸	0	0	0

²⁸ While our properties are not ENERGY STAR® certified, most have an ENERGY STAR® profile.

²⁹ LEED®, and its related logo, is licensed in Canada to the Canada Green Building Council and is used here with permission.

LEED® is the preeminent program for the design, construction, maintenance, and operations of high-performance green buildings.

The way building energy management considerations are integrated into property investment analysis and operational strategy

As a major property owner, iA Financial Group measures environmental performance based on the stringent BOMA BEST® (Building Environmental Standards) and LEED®²⁹ (Leadership in Energy and Environmental Design) and RHFAC criteria. This allows us to provide our employees and tenants with quality workspaces that support people's health and wellness.

In our ongoing effort to improve, we continued to collect water management data for our Canadian real estate assets in 2023.

Table 8: Water management data, as at December 31, 2023

Water management	Office	Retail	Other
Water withdrawal data coverage as a % of total floor area	100	100	100
% water stress (high or extremely high baseline)	10	0	14
Total water withdrawn by portfolio area with data coverage (in thousands of cubic metres)	323.9	6.2	60.1
% in water stress regions (high or extremely high baseline)	5	0	10
% change in energy consumed by portfolio area with data coverage, by property subsector	66	0	86

Water management risks and discussion of strategies and practices to mitigate those risks

To implement our water conservation strategy, iA Financial Group has a program that focuses on efficient water management. This approach is consistent with the requirements of the LEED® and BOMA BEST® certification programs in which iA Financial Group participates. Specifically, as part of the BOMA BEST certification process, a water management audit is conducted to identify opportunities to reduce water consumption in the targeted properties. Our water audit includes the following:

- Visiting the premises.
- Collecting the information required to inventory water consumption equipment.
- Preparing a water consumption report.
- Setting up and calibrating the water consumption report.
- Proposing performance improvement solutions.

Building responsibility in our offices

Our subsidiary, PPI Management Inc. (“PPI”) went from 42% of its leased space LEED or BOMA BEST certified in 2022, and in 2023 went to 46% by occupancy and with signed leases (occupancy commences in 2024), moving it over 50% in 2025.

Our work model: Work From Anywhere

iA Financial Group remains firmly committed to our flexible “Work From Anywhere” (“WFA”) program. This provides our employees with the opportunity to work from home, or to commute to any of our buildings at their disposal to work together and socialize as a team. Since 2020, the year in which the WFA program was launched, we have reduced our address pool from 177 to 104 properties, a 24% reduction in the total floor area occupied in Canada.

Between 2022 and 2023, we had 8 fewer buildings, thus reducing our occupancy rate by almost 100,000 sq. ft., for a total occupancy of 1,700,000 sq. ft.

We anticipate further reductions in our office space over the next few years in Canada and the United States.

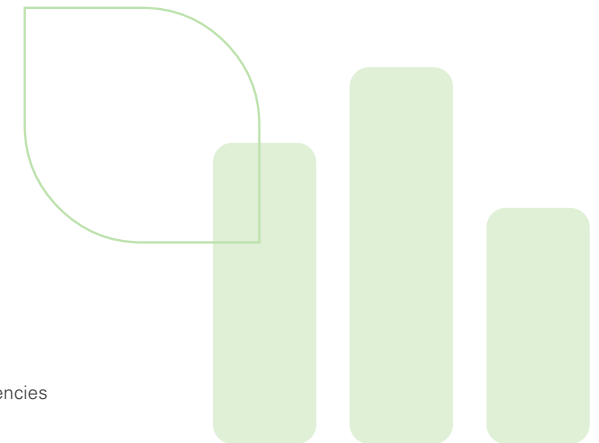
Table 9 shows the above results.

Scope 3

Improving waste management

Over the last few years, given the exceptional context of the pandemic, a characterization of our waste would not have yielded conclusive results. Therefore, we are planning to conduct a waste characterization in the next few years to better manage our waste and reduce our environmental footprint.

In addition, across all our business segments, the majority of our documents are in digital form and use paper made of 100% post-consumer recycled fibres. Since 2019, our IT experts have been working on an action plan to reduce our printing and equip our teams accordingly, which yielded the following results by the end of 2023³⁰.



³⁰ The figures presented in this table include iA Financial Group subsidiaries and agencies in Canada only, with the exception of our subsidiary, iA Wealth Management, for the 2018-2019 period. Data for this subsidiary was recorded from 2020 onwards.

Table 9: Floor area occupied by iA Financial Group in Canada, as at December 31, and forecast for 2024

Region	2021		2022		2023		2024 (forecast)	
	Addresses (number)	Floor area (sq. ft.)	Addresses (number)	Floor area (sq. ft.)	Addresses (number)	Floor area (sq. ft.)	Addresses (number)	Floor area (sq. ft.)
Quebec	16	735,218	13	592,041	12	498,055	11	498,055
Montreal	18	333,876	17	301,813	17	301,813	16	261,539
Laval	8	58,444	6	54,298	5	51,154	5	51,154
Mtl South Shore	9	121,791	8	129,564	8	129,564	8	129,564
Toronto	12	359,958	11	249,791	11	266,289	9	224,741
Ottawa	4	7,639	3	7,414	2	6,611	2	6,611
Vancouver	7	140,897	6	138,764	4	128,590	5	125,897
Calgary	6	33,309	4	26,562	3	22,940	2	20,240
Edmonton	2	8,897	2	8,897	1	6,119	1	6,119
Saskatchewan	1	2,903	1	2,903	0	0	0	0
Winnipeg	3	6,928	3	6,956	2	4,663	2	5,100
Nova Scotia	3	8,436	3	8,436	3	8,436	1	1,900
New Brunswick	1	656	0	0	0	0	0	0
Newfoundland	1	2,971	1	2,971	1	2,971	1	2,971
Agencies (other)	35	281,119	34	261,612	34	265,432	34	265,432
Total	126	2,103,042	112	1,792,022	104	1,692,637	97	1,599,323

Table 10 illustrates the results of a reduction in the use of printers and the number of printings at iA Financial Group following the roll-out of the WFA program, which reduced our consumption of electricity, consumables, paper and the host of activities required to maintain our printer fleet. The results show a 69% reduction in the printer fleet, compared to 2022. As to printing volumes, we are seeing a slight increase due to the reopening of our offices but remaining within the same proportion as in 2022. The adoption of a modern QR code printing solution further contributed to this trend, reducing the number of documents printed erroneously.

Table 10: Results of a reduction in the use of printers and number of printings

	February 2020	September 2022	April 2023
Number of printers	477	394	122

	From July 2019 to- June 2020	From July 2021 to June 2022	From July 2022 to June 2023
Number of printings (in our offices)	31,934,053	8,112,7997	8,381,747

As regards the United States, we began moving part of our print management operations back in-house in October 2023 and everything will be finalized by the end of 2024.

Prioritizing digital tools

In the context of telework, it is essential to provide technological means to do business virtually and without exchanging documents, while guaranteeing the security and confidentiality of the information processed.

To make this happen, iA Financial Group is implementing tools that allow employees to replace paper in their daily tasks (digital notepads, whiteboards, etc.). In addition, each subsidiary is deploying the necessary IT technologies to improve interactions with their clients.

Supporting our clients in their digital transition

Our subsidiary, iA Wealth Management, launched its "Going green" campaign in September 2023, during which over 4,100 clients signed up for electronic delivery. As part of this campaign, our subsidiary gave advisors the option of configuring electronic delivery to clients themselves, thereby facilitating its adoption.

Encouraging the circular economy

Since 2018, iA Financial Group has been recovering and recycling its outdated computer equipment through a partnership with an external firm. The equipment collected from our offices is monitored until it is securely destroyed or put back into circulation after it is cleaned and emptied of its content. Components from devices that cannot be reused are sold to partners who specialize in recycling them. In 2023, iA Financial Group recycled 5,411 pieces of computer equipment, saving 360.1 tons of CO₂ equivalent.

In June 2021, iA Financial Group implemented a more precise process for recovering and recycling the company's mobile devices, that also enables us to save carbon credits. In 2023, iA Financial Group recycled 381 cell phones, saving 3.5 tons of CO₂ equivalent.

Donating computer equipment to charities

Computer equipment, such as laptops, monitors, mice and keyboards that are in good condition, but not used by employees, are cleaned by an external firm and then donated to charities that often lack the means to acquire this type of equipment. In 2023, 19 laptops, 36 monitors, 17 docking stations and other accessories such as mice, headsets and keyboards were donated. The total value of this equipment is close to \$15,000.

Mitigating our environmental impact in the United States

Our subsidiary, American Amicable (AmAm), aims to reduce its carbon footprint. In 2022, they developed and introduced their digital policy contract, electronically delivered, in an effort to reduce paper usage. This year they are aiming at driving more adoption by educating and training their agent partners on this option.

AmAm is also implementing several initiatives to improve energy efficiency and water conservation. Any and all building improvements are done with conservation efforts as a focus both inside and outside the building. Efforts such as caulking windows, replacing lights with LED lights, reducing water dependency by using drought-tolerant plants and drought-resistant landscaping designs and decreasing sprinkler cycle times are just a few examples.



Talent and Culture

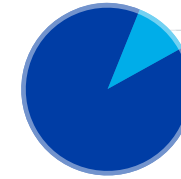
Who we are

As at December 31³¹.



9,488 employees

Breakdown of employees by country/region

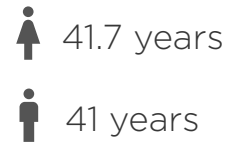


995	United States
8,493	Canada
785	Western Canada
1,534	Ontario
6,125	Quebec
49	Atlantic Canada

	2022	2023
Total no. of employees (approx.).	8,900	9,488
Gender representation		
Female	58%	58%
Male	42%	42%
Recruitment and gender representation		
Total	2,434	2,311
Female	1,326	1,257
Male	1,105	1,032
Not reported	3	2
Unknown	0	20
Internal promotions and gender representation		
Total	837	927
Female	440	485
Male	396	441
Not reported	1	1

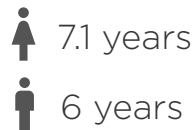
Average age

41.4 years



Average seniority

6.6 years



Types of positions

9,015 permanent employees

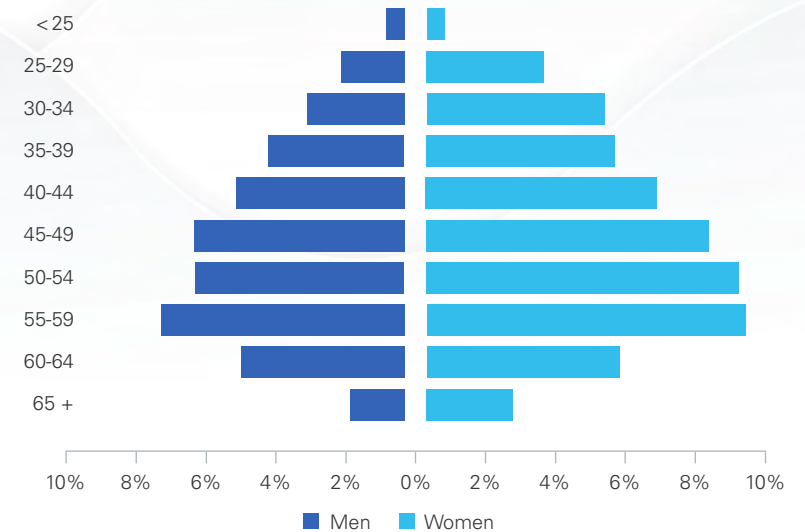
473 casual temporary employees, students and interns

Employee service milestones

2,382 Over 10 years
1,387 Over 15 years
768 Over 20 years

	2022	2023
Short-term disability incidence rate	10.50%	9.50%
Total turnover rate	14.70%	11.10%
Voluntary turnover rate	11.80%	8.10%

Age pyramid (male/female)



³¹ Excluding some of our subsidiaries in Canada and the United States.

Employee engagement

In 2023, iA Financial Group continued our “Pulse Survey” approach. In April 2022, we updated the survey to assess employee experience factors tied to the labour challenges facing the company. These questions were retained in 2023.



The survey assesses the following factors:

- 1 Employee engagement**, which reflects the degree to which employees enjoy doing their jobs. This is associated with intrinsic motivation, a key factor underlying employees' positive, healthy and sustainable work engagement.
- 2 Empowerment**, which measures the degree to which employees feel they are trusted to make decisions, which is key to developing competent employees who can work independently.
- 3 Development**, which assesses the degree to which employees develop professionally, an essential part of a work environment for employees to hone their skills and allow the organization to evolve and adapt to an increasingly changing environment.
- 4 Career progression**, which assesses the degree to which their current work furthers their career goals. This factor is critical for iA Financial Group's work environment to offer an exciting career and, in turn, attract the best talent.
- 5 Wellbeing**, which rates how employees report feeling. iA Financial Group wants to ensure we have healthy employees and provide an environment conducive to their health and mental wellbeing.
- 6 Inclusion**, which refers to the degree to which employees feel they can be themselves at work. iA Financial Group wants to provide an inclusive work environment, allowing everyone to be their full selves at work. Inclusive companies more readily attract and retain a diverse workforce.
- 7 An open-ended question** allows the Corporation to remain responsive to employee concerns and realities.

Pulse survey results ³² (% of high scores)	2022	2023
Participation rate	50%	45%
Employee engagement	86.6	86.5
Empowerment	89.6	89.6
Development	73.4	74.6
Career progression	78	78.6
Wellbeing	76.6	77.9
Inclusion	87.6	86.6

Results for 2023 were very similar compared to the previous year. However, we noted a decrease in the participation rate (-5%). Although this rate remains in line with the industry, this lower rate most likely reflects a certain fatigue of employees responding to monthly surveys.

Every month, all comments are read, categorized and sent to the relevant Talent and Culture teams to help them factor employee realities into developing and implementing employee initiatives. Feedback is also sent to Talent and Culture business partners to help them support the leadership of their respective sectors. Lastly, the results and findings are presented monthly to the Executive Committee and Talent and Culture management team. The goal is to ensure that decision-makers can factor employee realities and perspectives into their decision-making. Every effort is made to protect the anonymity of respondents.

We are evolving our employee survey strategy in 2024. We will redesign the questionnaire to ensure it aligns with our new strategic plan, which includes a question on the employee Net Promoter Score (eNPS). In response to employee comments, we will also be reducing the frequency of our "Pulse survey," which will now be conducted on a quarterly basis, instead of monthly. As we implement this new strategy, we will continue to disseminate the survey results to all levels of management in 2024 as described above.

³² Excluding some of our subsidiaries in Canada and the United States. The survey questions use 7-point Likert scales, with low scores (1-2-3) representing a negative presence of the dimension being assessed (e.g. not feeling included on the inclusion scale) and high scores (5-6-7) representing a positive presence of the dimension being assessed (e.g. feeling included on the inclusion scale)

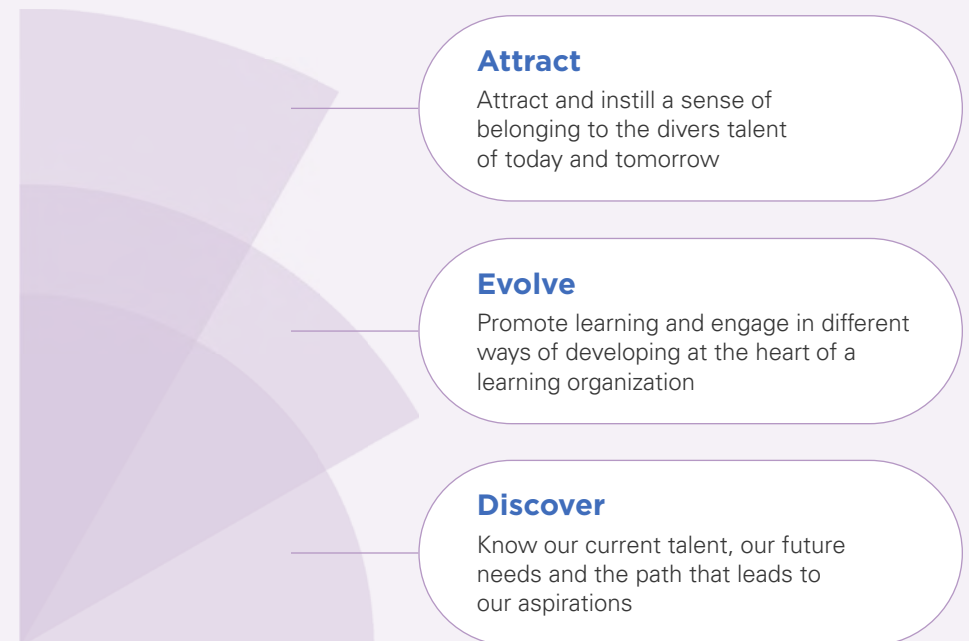
Talent strategy

In 2023, we reviewed our talent strategy to better meet the needs of our employees, keep pace with market trends and plan for the future. We recognize that our talent is a key pillar of our success and that it is vital that we adopt a long-term plan that will meet our future challenges. Our main talent challenges are:

- bridging the gap between current talent and future needs.
- cultivating a sense of belonging among new employees.
- attracting a wide range of skills to underpin our transformation.
- promoting internal mobility and developing leadership skills.
- encouraging continuous learning and development and supporting career development, particularly as it relates to inclusion.

Prioritizing the needs of our workforce opens to our view a future of success and growth, while helping to shape a better society.

Figure 2: Our vision "Evolve and learn together for an inspiring journey"



Talent acquisition

In 2023, we rolled out a new global talent acquisition process that centralizes our recruitment needs and streamlines our practices. It guarantees the candidate a fair, equitable and personalized experience, but is simultaneously effective and flexible. We are relying more on technology to limit the administrative workload of our talent acquisition professionals, while promoting the flexibility we offer our candidates. For instance, we have deployed asynchronous interview processes for certain high-volume hiring positions. Candidates for these positions can conduct their job interviews offline, using tools and a process that is distinctive and innovative on the market.

We are also banking on the next generation of students to be vectors of success in talent acquisition, so we have created a comprehensive service offering in this area.

In 2023, we consolidated our expertise in immigration and international mobility in order to create the right conditions for us to pursue our international recruitment initiatives and expertise.

Onboarding

In 2023, we worked on improving and streamlining our onboarding experience at iA Financial Group with the creation of four distinct onboarding journeys (new employee, new manager, senior executive and internal mobility) to offer an enriching, inspiring and coherent experience. Our desire is to create a sense of belonging within the organization from the outset. As such, our new employees now have access to:

- inspiration and networking activities, both in person and virtual.
- an onboarding partner assigned to each of them.
- a self-service portal serving as a hub for important concepts and value-added information for every new employee.
- personalized and inspiring corporate communications throughout their first twelve months at iA.

A review of the mandatory courses assigned to new employees was undertaken in December 2023 to ensure an optimized employee experience while meeting legislative and compliance obligations.

This new training path named “*Essential Training for Your iA Journey*” includes seven mandatory training courses, updated annually:

- Code of Business Conduct.
- Cybersecurity 101.
- Regulatory and Operational Risk Management – General Concepts.
- Privacy Breach.
- Anti-Money Laundering and Anti-Terrorist Financing Program at iA (Continuing education).
- Protection of personal Information.
- Introduction to Diversity and Inclusion (Employee or Manager Version).

The solidity and sustainability of these onboarding journeys will be guaranteed by, among other things, extensive support for managers onboarding new employees by means of tools, training and workshops.

Succession planning and development

Succession planning and development are ways to ensure robust continuity. The current environment of technology transformation, employee expectations for a rewarding career and growing labour shortages have prompted us to take concerted action to address this reality.

That is why, in 2022, we deployed a pilot succession management process. In 2023, we adjusted this same process to more specifically target succession for management positions.

This process has enabled us to:

- Ascertain the talent in our teams.
- Identify high potential.
- Ensure talent development is fully addressed.
- Groom successors to reduce our vulnerability in key positions.
- Encourage discussions on internal mobility and career paths.
- Identify the risk and impact of the departure of our contributors and managers.

The majority of iA Financial Group’s departments³³ rolled out the process this year, for recruitment at the senior leadership and other departmental levels. They particularly appreciated:

- Improved visibility for our teams’ talent.
- A better view of how the team is developing and the strategies to be adopted to prepare managerial succession.
- Opportunities to discover new talent.

In 2024, the talent review roll-out will continue in areas of the organization at various management levels.

³³ Excluding some of our subsidiaries in Canada and the United States.

Employee ESG objectives

Our subsidiary, PPI, has integrated ESG factors into its organizational mission and has updated a number of employee job descriptions, as well as individual development plans to reflect these factors. More specifically, PPI's mission is guided by three beliefs:

- Enhanced value of life insurance.
- Essential value of insurance advisors.
- A spirit of trust with our valued advisors and employees.

From 2024, senior managers and their teams will also be asked to identify the objectives and activities they can undertake as part of their role.

Development and training

Becoming a learning organization is part of our vision and a key component of our cultural transformation. With this in mind, the Learning and Development Centre of Excellence, established in 2021, pursued its mission to support development of employees, leaders and teams by rolling out several major initiatives in 2023.

For our employees

In the fall of 2023, we rolled out a new immersive learning platform, a growing library with over 20,000 pieces of learning content in French and English, which supplements our integrated, personalized offering, accessible to the vast majority of our employees. This launch is in line with our talent strategy and our commitment to being a learning organization. Our goal is to promote self-directed learning and continuous development by providing the most up-to-date resources tailored to our employees' diverse learning styles and needs. To date, the adoption rate is at 20%, more than 12,373 pieces of content have been consulted and 910 hours of training have been completed.

For our training professionals

Our training professionals play a key role in the development of our employees. To support and enrich their day-to-day skills development practices, we have provided them with coaching and tools covering the entire training and multimedia design process, as well as in training facilitation. Our community of practice, comprising nearly 160 professionals across the company, facilitate interaction and sharing around good practices on an ongoing basis, supporting our development as a learning organization.

For our leaders

In 2022, we established a vision for our leadership development programs. We aim to transition from *ad hoc* leadership development to more strategic, large-scale development by creating an environment that supports continuous leadership development with the right programs and resources at the right time. Five programs were proposed to support our leaders on their journeys.

In 2023, we prioritized the development of three of this five programs.

Program 1: Onboarding new managers

In 2023, we focused on improving the onboarding experience at iA Financial Group for all employees. More specifically, managers joining iA Financial Group in 2024 will benefit from a self-service portal to have their questions answered, access networking activities to facilitate their onboarding and concrete tools to propel them forward in their development and understanding of their role and responsibilities.

Program 2: Foundations

Developing fundamental leadership skills that drive our culture

The *Foundations* program focuses on developing leadership skills that embody our culture and values while being part of iA Financial Group's commitment to being a learning organization. It is designed to help our leaders take a step back and take action. It offers them many development opportunities that allow them to learn and exchange with each other in order to have a greater impact and be inspiring for their teams.

Building tomorrow's culture

The *Foundations* program comprises three components:

1. Inspired teams
2. Learning agility
3. High performance

This new program includes:

- A learning experience via an interactive platform that relies on micro-learnings to learn, take a step back, practise and improve.
- Inspirational Labs for leaders to recap key learnings and provide opportunities to share learnings and challenges in small groups. Informal feedback on these sessions was very positive as leaders appreciated the opportunity to meet leaders from other areas of the organization and share best practices.

Launched in June 2023, this program for our leaders (at all levels) – more than 750 leaders at the same time – ensures consistency, impact and a common language.

An adapted version of the content of this program is also being rolled out to employees.

Program 3: Transformation Leadership

Coaching is a powerful leadership development tool that has been implemented at iA Financial Group for over a decade. In 2023, we expanded our coaching offering with a comprehensive team development program for senior executives. Based on a proven universal leadership model and tools, this program supplements the *Foundations* program and provides the support and tools needed to adopt the mindset that is crucial for achieving our vision. In a context of constant organizational flux, this program ensures that our leaders' development outpaces change. It empowers them to increase their self-awareness, understand the impact of their actions and behaviours, and finally, better navigate the complexity of their role.

An accelerated development pathway for high-potential individuals

In 2024, we will begin work on creating an accelerated development pathway for high-potential employees and managers identified as part of our new talent review process. The purpose of this pathway is to develop and retain the key talent needed to ensure an effective and competent succession, and thus secure the growth and sustainability of the organization by adapting to future challenges and market trends.

At iA Financial Group, a learning organization is defined as follows, among other things:

Learning organization	2022	2023
Courses created	661	582
Registrations	79,936	74,191
Courses completed	67,559	64,847
Participants in coaching circle group sessions	265	219
Participants in individual coaching sessions	71	45
Participants in the Foundations program	s. o.	1172
General content consulted	s. o.	12,373

In 2023, iA Financial Group expanded its training offering, introducing the new "Foundations" leadership development program, as well as the general content library (see these two new elements in the table). This may explain the lower number of registrations between 2022 and 2023, as we have strengthened the variety of learning opportunities for employees.

The Altitude approach

Our Altitude performance appraisal approach aims to promote and support collaboration by identifying annual team goals and the behaviours to help meet them.

The year 2023 was marked by the update of our Altitude behaviours to reflect the new behavioural themes that govern our culture:

- 1. Client centricity:** understand client needs, work closely with distributors to take action, provide quality products and services and an excellent client experience.
- 2. Learning agility:** Champion learning and engage in new and different ways to grow and adapt.
- 3. High performance:** Perform efficiently and effectively to create greater value for iA Financial Group and its stakeholders.
- 4. Inspired teams:** Cultivate autonomous and inclusive teams that work together toward a shared vision for iA Financial Group's success.

We also focused on consolidating our performance appraisal processes, primarily in terms of fairness in the distribution of the performance. As a result, we have strengthened our practices in order to mitigate any potential bias in appraisals. Calibration exercises, held at the end of the year, maintained consistency and heightened awareness company-wide.

Leveraging our successes in 2022 and 2023, this has provided us with the opportunity to strengthen and consolidate our performance appraisal processes and support the adoption of new behavioural themes governing our culture.



Responsible compensation

At iA Financial Group, we see total rewards as a way of contributing directly and positively to the financial health and security, as well as the wellbeing of our people. Our total rewards philosophy is designed to provide competitive and equitable compensation for our talent who are the drivers of our success. Our compensation practices also reflect our desire to promote a culture that attracts, retains and engages the best talent by offering them a distinctive employee experience.

Each year, we assess our compensation philosophy and reflect on how it aligns with our business objectives and talent management strategy. We conduct validations with external firms to ensure that our compensation practices remain relevant and competitive.

In 2023, the Corporation consolidated its total rewards program and made certain improvements to it with the aim of promoting the wellbeing and personal development of our people and ensuring that our programs are increasingly advantageous and competitive in the market.

iA Financial Group has comprehensive and well-established total rewards structures and programs. The Corporation has established a guiding framework that rigorously governs how we manage our compensation practices and ensures that fair and responsible practices are upheld.

Equity, competitiveness and transparency

1. Equity

Diversity, equity and inclusion are an integral part of iA Financial Group's values and the Corporation's strategic priorities. We strive to foster a culture of inclusion that takes into account the diverse needs of our employees. Our commitment to inclusion is also reflected in our compensation practices: We strive to offer fair and equitable conditions to our employees.

Pay equity

iA Financial Group is committed to the inclusion of women. When it comes to total rewards, iA Financial Group upholds provincial statutory pay equity requirements in Canada. Rigorous internal processes have been established to maintain compliance with the legal and regulatory framework. In addition, the Corporation applies stringent pay equity standards and proactively implements practices that promote gender equality.

The latest pay equity maintenance assessments have demonstrated the Corporation's compliance with Quebec's Pay Equity Act. As a result, no wage adjustments had to be made for equity purposes in Quebec.

Internal equity

Internal equity is another fundamental guiding principle of compensation programs. iA Financial Group pays attention to the positioning of its employees' compensation to ensure that it is free from discriminatory bias.

iA Financial Group annually conducts a pay analysis to ensure that:

- jobs are classified based on objective criteria.
- control points are market competitive based on an annual comparative analysis.

2. Competitiveness

iA Financial Group offers an attractive and competitive compensation package. This compensation strategy is intended not only to appropriately reward employees for their contributions and efforts, but also to attract, engage and retain talent.

More specifically, we administer our pay scales in a forward-looking manner to meet business segment needs and market conditions. In addition, the total rewards team, supported by external experts, monitors our compensation structure and programs to ensure alignment with the target benchmark markets. Assessments and ad hoc benchmarking are also carried out with targeted position groups to assess the competitiveness of their compensation and respond to certain specific and circumstantial issues.

3. Transparency

Driven by our commitment to integrity, we disclose our compensation structure and pay scales, which cover the majority of our employees in Canada. Annual performance targets for determining bonuses are also available on our internal communication channels.

In addition, we strive to ensure that our compensation practices meet legal and regulatory requirements. Each year, we disclose in our *Proxy Circular* to shareholders the components of executive compensation, as well as the compensation of our five named executive officers, including the President and Chief Executive Officer. In accordance with the new British Columbia *Pay Transparency Act* in effect since November 2023, iA Financial Group discloses the pay or pay scale for positions in all publicly advertised job postings for this province.

A comprehensive, advantageous and distinctive compensation package

We pursue a compensation approach that supports the Corporation's vision, values and strategic goals. The compensation program is structured to ensure a positive correlation between organizational results, as well as business segment and individual contributions. As a large employer, the Corporation offers competitive compensation based on a large number of varied and advantageous components, monetary and non-monetary. Our compensation philosophy aims to offer our employees a unique and competitive value proposition so that they benefit from competitive and advantageous conditions.

Total rewards mix

Employee compensation consists of the following³⁴:

1. A competitive base salary devised in accordance with rigorous market assessments and analysis, and the principles of equity and parity.
2. An annual bonus to recognize employee contributions and involvement in driving the Corporation's success and to encourage superior overall performance with respect to the company's objectives.

3. In 2023, as part of our annual compensation review exercise, we made improvements to our annual bonus plan (or performance bonus). More specifically, in order to maintain our competitive bonus plan and further drive performance, we decided to increase our target percentages and synchronize the individual performance multiplier for certain job levels. These improvements are designed to encourage our employees to perform even better and contribute to meeting the company's overall objectives.
4. A group insurance plan that provides employees and their dependents with the security and protection they need. This plan provides comprehensive and personalized coverage, which may include medical and dental care, short- and long-term disability insurance, life insurance and business travel insurance. Employees may choose from a number of coverage options based on their needs. Financial analyses are carried out each year to ensure the plan's sustainability. At the same time, we identify cost-control measures to mitigate the impact on employee coverage.
5. Competitive pension plans that go beyond what is usually available in the market, including a defined benefit plan and a defined contribution plan.

In 2023, we reviewed our pension plan governance framework, and we will be implementing various measures to ensure continued optimal and diligent management of our plans.

Total rewards as a driver of wellness and personal development

iA Financial Group is concerned about the health and wellbeing of our employees and their families. That is why our total rewards program offers a host of benefits³⁵ that promote overall wellbeing. In 2023, the Corporation also incorporated new measures aimed at driving the personal development of our employees, helping them to unleash their full potential while fostering a positive and engaging culture.

- **Wellness account:** Most of our employees receive a reimbursement of \$400 for activities and services designed to drive wellness for employees and their families covered under the group insurance plan: services related to physical activity, physical activity equipment (purchase, rental or repair), wellness products and services and weight management and nutrition. In 2024, the maximum eligible amount for this account will increase to \$700. In addition, personal development activities, such as registration fees for general interest courses, seminars, workshops and conferences, will be included in eligible expenses.

- **Health spending account:** In addition to group insurance coverage, most of our employees benefit from a Health Spending Account through which a dollar amount is provided to pay for health and dental expenses that are not covered under the group insurance plan or a spousal plan. The amounts provided for employees in their health spending accounts are adjusted each year and vary depending on the coverage option they choose and their coverage status.
- **Working conditions:** To support our fully flexible and hybrid working model, we provide an ergonomic desk and chair for most of our Canadian employees who request it. In addition, a monthly allowance is offered to Canadian employees for the cost of using the internet at home.

^{34 and 35} Excluding some of our subsidiaries in Canada and the United States.

Moreover, in 2023, iA Financial Group significantly improved our flexible work schedule offering with the aim of promoting work-life balance. More specifically, whenever possible, Canadian employees now have the option of having a compressed work schedule by selecting one of the following two formats: either 5 days of work in 4 ½ days or 10 days of work in 9 days³⁶. Other benefits are also available:

- **Telemedicine:** Through our Dialogue platform, employees have access at all times to virtual consultations with health care professionals for non-emergency medical care.
- **Employee and Family Assistance Program (“EFAP”):** This program provides family, interpersonal, workplace and career support, as well as legal and financial advice.
- **Vacation time:** In addition to the advantageous vacation and statutory holiday program, iA Financial Group offers multiple days of additional leave to allow employees to better balance their personal and professional lives. Between 2020 and 2023, we provided 5 wellness days, on a temporary basis, in response to issues arising from the COVID-19 pandemic. In 2024, we will cease the 5 temporary wellness days but make two of these five days a permanent measure, and employees will be able to dedicate this time to their wellbeing and/or development. As a result, the 8 flexible days we offered until end 2023 have been enhanced and transformed into a bank of 10 days of wellbeing and personal development.
- **Public transit discount:** Given our flexible and hybrid work model and with the aim of encouraging employees to use public transit when commuting to the office, we have begun reviewing our public transit program. This program was designed to cover a portion of the costs incurred by employees when commuting, taking into consideration the reality of each of the following major cities: Quebec City, Montreal, Toronto and Vancouver. We offer a ride-sharing service through ride-sharing.com for employees in Quebec.
- **Discounts on iA Financial Group products:** We offer a wide range of insurance products and financial services to our clients in Canada and the United States. Most of these products are offered to employees at a discount.
- **Share Purchase Plan:** Most of our Canadian employees are eligible for the iA Financial Group Share Purchase Plan. They can purchase common shares of the Corporation. In addition, iA Financial Group covers a portion of the contributions up to a determined maximum annual amount.
- **Reimbursement of course and training expenses:** Employees who wish to pursue their professional development have the opportunity to receive financial support from iA Financial Group. Under this support, they are reimbursed for a portion of the costs incurred to attend a course or training aimed at developing or honing their professional skills.

Creating a tangible and positive impact on ESG factors

Reflecting iA Financial Group’s sustainability commitment, an ESG component is built into the performance appraisals of all employees and senior executives, which has an impact on their variable compensation, and more specifically on the determination of their annual bonus.

The ESG component measured is the net promoter score (“NPS”), a unit of measure that considers client satisfaction. This component is directly aligned with the purpose of the Corporation, as well as our organizational values and contributes to the creation of ethical and sustainable financial value. iA Financial Group regularly measures the NPS score of all our business segments and has therefore developed proven processes for researching, calculating and analyzing the NPS. By integrating ESG factors into its performance and compensation management practices, iA Financial Group encourages ethical and sustainable practices among its employees and senior executives, which contributes to better financial and sustainable performance for the company and its stakeholders.

Our teams remain invested and committed to developing our total rewards programs to ensure that they remain advantageous, fair and competitive, and that they enable iA Financial Group to maintain our position as an employer of choice.

Further details on executive compensation can be found in the *Proxy Circular*.

³⁶ Excluding some of our subsidiaries in Canada and the United States.

Equity, diversity and inclusion (“EDI”)

An important year for EDI at iA Financial Group

iA Financial Group remains committed to providing conditions conducive to an equitable, diverse and inclusive work environment, so that each employee can be their authentic self at work and reach their full potential.

In 2022, iA Financial Group presented our 2022-2025 EDI strategic plan aimed at, among other things:

1. Nurturing a sustainable inclusive organization.
2. Accelerating the pace at which we diversify our workforce.
3. Forging lasting relationships with community partners.

The building blocks of our strategy

Our governance

In 2023, we formalized our governance. The EDI Advisory Committee is composed of employee resource groups (“**ERG**”) and senior managers. This committee ensures that the voice of our employee resource groups is heard, and that the EDI strategy meets the organization’s needs. Moreover, a manager has been appointed to the EDI Centre of Expertise. Supported by a team of advisors, this manager is responsible for strategy deployment.

Self-identification: I am. You are. We are.

This year, we launched our first annual voluntary self-identification campaign, which highlights how important it is to get to know each other better in order to effectively promote EDI.

Rolled out for the majority of our Canadian employees, this initiative now makes it possible for us to obtain a Canadian portrait of our organization, better understand the demographics of our workforce and identify priority actions to be taken. For this first campaign, we achieved a participation rate of 73 %³⁷.

Based on these initial results, our goal is to identify any issues and develop concrete action plans to address them with a view to achieving the following goals:

- Our workplace will be diverse, equitable and inclusive.
- We will have an engaged, empowered, resilient workforce with a strong sense of belonging.
- Our leaders will represent our diverse workforce and client base, enabling us to better meet the needs of our clients and partners.

Table 11:
Composition of our workforce, as at December 31, 2023

Representation	2023 (%) ³⁸
Women ³⁹	58.02
Visible minorities ⁴⁰	27.07
Indigenous peoples ⁴¹	0.94
Persons with disabilities/a neurodivergent condition ⁴²	8.63
LGBTQ+ ⁴³	5.67

³⁷ Excluding some of our subsidiaries in Canada.

³⁸ This data is based on responses from the self-identification campaign. In 2023, the participation rate was 73 % of employees and this data excludes the United States and certain subsidiaries in Canada.

³⁹ Person identifying as a woman

⁴⁰ Pursuant to the *Employment Equity Act* (Canada), visible minorities are persons, other than Indigenous peoples, who are non-Caucasian in race or non-white in colour.

⁴¹ Pursuant to the *Employment Equity Act* (Canada), Indigenous peoples denotes persons who are Indian, Inuit or Métis.

⁴² Pursuant to the *Employment Equity Act* (Canada), persons with disabilities are persons who have a long-term or recurring physical, mental, sensory, psychiatric or learning impairment and who a) consider themselves to be disadvantaged in employment by reason of that impairment b) believe that an employer or potential employer is likely to consider them to be disadvantaged in employment by reason of that impairment, and includes persons whose functional limitations owing to their impairment have been accommodated in their current job or workplace. A person is considered neurodivergent when their neurological functions (e.g., the way they learn and process information) or behaviours differ from what is considered typical.

⁴³ The LGBTQ+ acronym represents sexual- and gender-diverse communities: lesbians, gay, bisexual, trans (including non-binary), queer, questioning, intersex, asexual, aromantic or agender, two-spirit (2 or 2S) and other sexual and gender minorities.

Reducing unconscious bias and celebrating our differences

At iA Financial Group, EDI is a shared responsibility, and each colleague is an ally. We encourage continuous learning and explore new and diverse ways to grow.

The path to inclusive leadership

Our managers are at the heart of our cultural transformation, and every interaction is an opportunity to help create an equitable, diverse and inclusive workplace. Nearly all managers have completed Catalyst's *Leadership and Unconscious Bias* course. This training helps to cultivate the feelings of trust, psychological security and authenticity within teams and provides tools to recognize and combat unconscious bias. In the interest of inclusiveness, this training was offered virtually, by videoconference and in person.

Learning and understanding key EDI concepts

For two years now, iA Financial Group has been asking most of our employees to complete the *Introduction to EDI* online training. The content familiarizes employees with key EDI concepts and teaches them how to recognize and address microaggressions in the workplace.

As mentioned above, iA Financial Group launched its online training platform for employees in the fall of 2023, with nearly 20% of content dedicated to EDI.

In addition to courses and conferences, the EDI Centre of Expertise publishes informative content on a regular basis via its quarterly newsletter and has made a dedicated section on the Intranet portal, featuring various educational tools, available to employees.

These tools include:

- *Guide to Inclusive Writing*.
- *Introduction to EDI* training.
- Use of pronouns to promote inclusion.
- *Indigenous Cultural Guide*.
- *Micropedia of Microaggressions*.

Furthermore, in partnership with the organization Catalyst, iA Financial offers our teams exclusive access to EDI content: reports, webinars, courses, articles, tools, etc.

Inspiring encounters

In conjunction with our ERGs, we organized inspiring encounters with, among others, the author Kim Thuy (*The Success of My Failures*), Senator Michèle Audette (*Indigenous Peoples*), scientist, comedian, entertainer and author Boucar Diouf (*Mental Health Coffee Break*), Fondation Émergence (International Day Against Homophobia and Transphobia), Nicole Skerritt-Nicholls (*The Movement at the Heart of Afrodescendant Culture*) and Neurodiversity (Fran Delhoume).

Finally, a number of international events affected our employees in various ways. In conjunction with iA Health and the Women's Network, we invited Sherazad Adib, Director at Catalyst, to talk about the emotional burden and the power of empathy in the workplace in times of crisis.

Employee resource groups: drivers of cultural transformation

To date, iA Financial Group has four ERGs that represent our teams in Canada and the United States. In addition to the Women's Network (975 members), the LGBTQ+ Network (375 members) and the BRIDGE Network (Afrodescendant community, 140 members), the Indigenous peoples ERG was created at the end of 2023. These communities are veritable catalysts of cultural transformation and progress in EDI at iA Financial Group. They contribute notably to employee awareness and engagement by organizing events throughout the year. In 2023, our ERGs worked even more closely together to ensure that intersectionality is reflected in their discussions and initiatives. For example, the co-directors of the LGBTQ+ and BRIDGE ERGs were special guests at the first annual general meeting of the Women's Network. Their presence both enriched the discussions and strengthened the bond between them.

Fostering parity and diversity among senior management

Ensuring diverse leadership has been identified as one of our priorities.

In 2020, iA Financial Group set two gender equality targets:

- Now and in the future, between 40% and 60% of iA Financial Group Senior Leadership Position⁴⁴ appointments will go to women.
- Achieve increased gender equity in iA Financial Group Senior Leadership Positions⁴⁵ with women and men each holding between 40% and 60% positions by 2025.

In 2023, 38 % of new appointments to iA Financial Group Senior Leadership Positions went to women. For all Senior Leadership Positions, we will continue our progress to reach our target.

^{44 and 45} iA Financial Group Senior Leadership Positions denote senior executives and senior management, as well as senior management of the main subsidiaries that comprise the Group.

Table 12: Appointment and distribution of women and men in iA Financial Group Senior Leadership Positions, as at December 31

		2019	2020	2021	2022	2023
Appointment to Senior Leadership Positions	Women (%)	22	44	36	46	38
	Men (%)	78	56	64	54	62
Distribution in Senior Leadership Positions	Women (%)	22	25	31	36	39
	Men (%)	78	75	69	64	61

Table 13: Gender distribution within iA Financial Group, as at December 31

	2022	2022	2023	2023
	Women (%)	Men (%)	Women (%)	Men (%)
Senior executives (CEO, EVP)	27	73	18	82
Senior management (SVP, VP)	38	62	42	58
Directors (Senior directors and directors)	43	57	44	56
Managers	55	45	57	43
Non-management personnel	59	41	59	41

Parity certification

In 2023, we were Silver Parity Certified by *Women in Governance* for the first time. This certification is part of an initiative aimed at putting mechanisms in place to increase the representation of women company-wide, particularly in management roles. Particular attention is also paid to intersectionality to ensure that women of colour or with a disability, and Indigenous or LGBTQ+ women enjoy equal opportunity.

Members of our various ERGs at the *Women in Governance* Parity Awards gala.



MARC Leaders Immersive Workshop, Catalyst

For the first time, iA Financial Group participated in the *Men Advocating Real Change* (MARC) immersive workshop offered by Catalyst. Geared towards managers and senior executives, the workshop brought together close to 20 financial organizations to discuss men's role in gender parity, and to highlight the opportunities they have and their responsibility to defend equity. At iA Financial Group, we believe that to get the genders to work together, people of all gender identities must share the responsibility for advancing equity and inclusion. All members of the organization and of the wider society must contribute to this discussion in order to achieve sustainable cultural transformation.

Women in Capital Markets

The partnership between iA Financial Group and *Women in Capital Markets* continued in 2023 with the aim of ensuring equity, diversity and inclusion of women in the financial arena. This partnership has resulted, among other things, in the participation of certain employees in development and mentoring programs and in networking events with female students and young professionals in the financial field.

Alter Ego Award, the Quebec Women in Finance Association (AFFQ)

Our President and Chief Executive Officer, Denis Ricard, firmly believes that we must be constantly seeking ways to become better allies, not only by listening, learning and knowledge sharing, but also by encouraging and equipping women to take on leadership roles. In May 2023, he was honoured with the Alter Ego award, by the *Association of Quebec Women in Finance*, which recognizes the work of a man who is determined to aid in the advancement of women, equality and diversity in the corporate world.

iA Financial Group and the LGBTQ+ community

iA Financial Group reiterates our commitment and support for the LGBTQ+ community and continues its efforts to promote equity and inclusion, regardless of sexual orientation, gender identity or gender expression.

Fondation Émergence

A true ally when it comes to raising awareness and promoting education, *Fondation Émergence* offered most of our employees the *Pro Allié* (ally support) training. The content and discussions helped them learn more about the realities of LGBTQ+ people and acquire the tools they need to become better allies.

Pride at Work Canada

In 2023, iA Financial Group became a proud accredited partner of Pride at Work Canada. This commitment translates into access to a multitude of benefits and services that underpin our inclusion strategies.

Our involvement in the community

The importance of equity, diversity and inclusion and the place they must occupy is unequivocal. This vision is also reflected in our philanthropic initiatives, notably when it comes to supporting charities that advocate for women, Indigenous communities, afrodescendant communities, the LGBTQ+ community and organizations that advocate for persons with disabilities.

In 2023, \$1,361,900 was donated specifically to these organizations.

These include:

- **Wits Programs Foundation:** Our contribution is aimed at supporting their bullying prevention program to decrease the victimization of marginalized and vulnerable children and youth.
- **Pour 3 points:** Our contribution is intended to train coaches who help young people develop the skills they need to succeed at school and life.
- **Maison d'Haiti:** Support for this organization's mission to welcome, educate, integrate and improve the living conditions of people of Haitian, afrodescendant and immigrant origin.
- **CEE Centre For Young Black Professionals:** Our contribution is aimed at funding the educational programs provided by this charitable organization that is committed to supporting the emergence of a diverse group of talented young Black professionals.
- **Académie Zénith:** Our contribution aims to support the mission of the centre. It welcomes adults with an intellectual disability with or without a pervasive developmental disorder, and with or without a physical disability.

We have made a long-term commitment to a number of organizations that work directly with communities to make a tangible, concrete difference on the ground.

Towards a sustainable relationship with Indigenous peoples

iA Financial Group aspires to make a positive impact by building lasting relationships with Indigenous peoples.

As part of our reconciliation efforts, we have made our commitments and progress public. We are continually adapting and updating our approach, although we are aware that there is still much to be done. Our approach rests on four key pillars that underpin our efforts to build progressive relationships with Indigenous peoples. Outlined below are the efforts we made for each of them in 2023 and the priority actions we aim to take in 2024.

Our commitment to leadership

- We have created a multi-disciplinary working group to plan and coordinate the rollout of our initiatives regarding our relations with Indigenous peoples. The Sustainability Steering Committee and the Risk, Governance and Ethics Committee oversee our sustainability commitments, including our relations with Indigenous peoples.
- The Executive Committee and the Working Group have completed two training courses on managing relations with Indigenous peoples. In 2024, we will be working on making training available for employees and management.
- iA Financial Group has adopted its first *Aboriginal Relations and Inclusion Policy* outlining the key factors for building lasting relationships with Indigenous peoples.
- We have formalized our commitment to the Progressive Aboriginal Relations (PAR) certification process, and we are a member of the Canadian Council for Aboriginal Business.

Indigenous representation in our workforce

Our first steps in ensuring the representation and recruitment of Indigenous employees include:

- As part of our voluntary self-identification campaign, we collected data and analyzed the composition of our workforce, including Indigenous people. In 2023, 0.94% of our employees identified as Indigenous among the 73%⁴⁶ or our employees who answered the questionnaire.
- At the end of the year, we launched and developed the employee resource group for Indigenous communities.
- We will continue to measure and assess the experience of our Indigenous employees.

Indigenous businesses

We are working with an Indigenous consultant, who is helping us lay the foundations for building relationships with Indigenous businesses and their communities. We still have a long way to go, and we will be making every effort to create partnerships with Indigenous businesses. In the coming year, we will be working on an action plan to achieve this.

Indigenous communities

Since 2020, iA Financial Group has contributed \$1,830,000 in support of Indigenous communities. Here are a few of our commitments:

- We support Indigenous students attending post-secondary institutions in Canada through the creation of scholarships managed by the Indigenous organization, Indspire—a commitment of \$200,000 per year (from 2022 through 2026 inclusive).
- Our contribution to the David Suzuki Foundation (a commitment of \$100,000 from 2023 through 2024 inclusive), which is intended to support the environmental initiatives of Indigenous peoples in the transition to a low-carbon future.
- A contribution of \$150,000 over five years (since 2022) to UQAT's Research Chair in Aboriginal Health and Perspectives.
- We support the Olo Foundation (donation of \$75,000 from 2022 through 2024), which provides culturally relevant and tailored services to Quebec's First Nations and Inuit communities.

Hence, in 2023, we focused on getting the right structure in place, establishing robust governance and raising awareness among key players so that an action plan can be deployed. This step was fundamental and will enable us to finalize our strategy and begin implementing it in 2024.

⁴⁶ Excluding some of our subsidiaries in Canada and the United States.

Employee experience

iA Financial Group's FLEXIBLE work model⁴⁷

Workplace flexibility

In 2023, we continued championing our FLEXIBLE working model. This allows most employees to choose where they work the most effectively on a day-to-day basis and encourages a balance between our two main workplaces: the office and home. This year, to foster a sense of belonging, we placed special emphasis on key team moments focused on organizational efficiency, collaboration, knowledge sharing and in-person interaction.

In 2023, we started analyzing the integration and gradual deployment of this model and associated programs in our offices located in the United States.

Following major renovations, we reopened our Quebec City headquarters, which now offers employees the spaces for collaboration, socializing and the concentration they need when they work from the office.

Renovation work has also begun in our Toronto offices to give employees there an equally stimulating and attractive work environment in 2024. Analyses are also underway to introduce a similar concept in Montreal and optimize our Vancouver offices.

The vast majority of our employees across Canada⁴⁸ have had the opportunity to acquire cutting-edge wireless accessories (headset, mouse and keyboard) to facilitate mobility and provide a better work experience, regardless of the workplace.

iA Financial Group was also delighted to formalize its international telework program following a successful pilot project. It allows most of our Canadian employees to telework from over 70 countries for a maximum of 10 days per trip while vacationing and up to a total of 20 days per year.

Work schedule flexibility

To offer employees more flexible work schedules, we formalized measures that we had on trial and implemented others including:

- The weekly Friday afternoon meeting-free time slot.
- Best practices for better meeting management.
- The compressed work schedule.

Active transportation

To promote active transportation, our Quebec offices now have lockers where employees can store their personal belongings. In addition, to enhance the in-office employee experience, a free towel service is now available in all locker rooms with showers.

Employee value proposition

In 2023, the Employee Experience and Talent Acquisition teams jointly initiated a process to define our employee value proposition with a view to developing a strong and authentic employer brand. They surveyed the majority of employees to assess their level of satisfaction and the importance they place on different aspects of their work experience. Employee discussion groups and a workshop for senior management helped further clarify and elaborate on the trends identified in the survey. The goal of this approach was to define a value proposition that not only resonates with employees and promotes engagement and mobilization, but also generates interest externally and attracts new candidates.

A closer look at our U.S. subsidiary AmAm

In the United States, our AmAm subsidiary undertook several initiatives to improve the employee experience. In 2023, the president of AmAm began holding quarterly meetings to directly communicate and share information with the employees. In addition, recurring meetings were added to support the commitment to transparency and directly enhance overall communication efforts. AmAm also kicked off a career planning process to promote training and personal development.

⁴⁷ Excluding some of our subsidiaries in Canada and the United States.

⁴⁸ Excluding one of our subsidiaries in Canada.

Health, safety and wellbeing⁴⁹

Workplace health and safety

Our Global Health team, through its iA Health component, is responsible for monitoring and adapting our existing health guidelines, procedures and measures to account for evolving infectious diseases to ensure the health and safety of all employees.

The Global Health team continues to update our biohazard management practices and is transitioning from COVID-19-specific management to management of common infectious diseases in the workplace. A clear health and safety directive on infectious disease management was distributed to employees as well as a decision support tool to help employees with flu-like symptoms determine whether to stay home.

In 2023, creating a rigorous Occupational Health and Safety Program (“OHS”) was a priority. We developed a health and safety risk identification and analysis process, completing the program’s first phase. This approach paves the way for prioritizing the creation of OHS programs tailored to the reality of iA Financial Group employees. We plan to adopt and implement our *Health and Safety Policy* in 2024.

In our Quebec City, Montreal, Toronto and Vancouver offices, OHS committees continue their work in quarterly meetings. All members received training on organizing and managing an OHS committee. The role of the committees includes improving health and safety within the organization, promoting new and existing programs and addressing employee-reported workplace hazards. They work to identify workplace hazards and recommend solutions to eliminate them.

In 2023, we also launched a website to serve as our official OHS information hub. Adopting our new FLEXIBLE working model has forced us to rethink how we do things in terms of first aid. To that end, several groups of employees across the country obtained first aid certification to extend our workplace coverage.

Our Health and Wellness program

Our Health and Wellness program covers many aspects of global employee health, from promoting a healthy lifestyle to awareness, prevention and training.

The program includes a variety of strategies to meet employee, manager and at-risk group needs, such as mental health ambassador training and the iA Mental Health Ambassador Network for employees. An array of resources is available: our EFAP, telemedicine and our prevention team that supports employees in finding solutions and is mandated to raise team awareness of sound mental health. Over 250 managers received mental health training. The four-hour course covered self-care for leaders and caring for team members. Building on its success, this training program will be extended to iA Financial Group teams in the coming months and years.

Following the implementation of our mental health program in 2022, the Focus Committee continued its work on psychosocial risks. Two all-stakeholder meetings were held in 2023 at which it summarized the information collected from the business segments and provided an update on health projects and initiatives related to psychosocial risks. In addition, representatives from our U.S. teams joined the Focus Committee to integrate and reflect our different realities. This committee consists of the iA Health team, business partners, HR intelligence, and professional relations. It meets to identify psychosocial risks across business segments and develop an action plan to be proposed to business segment management. With a view to supporting leaders, we also offer voluntary mental health training specifically for managers.

In addition to our internal initiatives, we donated \$150,000 to Mental Health Research Canada. This donation is one way we are able to support and honour the work of our 195 mental health ambassadors. It will fund scholarships for research projects into workplace mental health.

⁴⁹ Excluding some of our subsidiaries in Canada and the United States.

Our physical activity program

Since the lack of physical activity can be linked to remote working, we encourage employees to look after their physical health in several different ways. At its headquarters, iA Financial Group offers physical activity classes that includes yoga, Pilates and strength training. Due to the reduction of our occupied space, we were forced to close the Quebec City office gym. Analysis is underway to find an alternative.

iA Financial Group also launched a new sports challenge using a third-party mobile application. In a friendly competition, employees form teams to motivate one another to bike, walk or run as many kilometres as possible. We also use this app to raise awareness about sustainability issues through quizzes, photos and surveys. Two challenges, which both attracted over 1,500 employees, were successfully completed in 2023. Over 415,000 kilometres were covered in total. Of those in the most recent challenge, 74% completed the quiz and had a 90% pass rate. To encourage employees to go further, we added a social solidarity component to this project. By reaching and surpassing our goal, we completed our solidary challenge, donating a total of \$15,000 to two charities, [Deuxième Récolte](#) and [Food Recovery Network](#). Our donations went to support their respective food waste reduction programs.

Finally, for the second year in a row, iA Financial Group has been awarded first place by the Healthy Enterprises Group for the 2022-2023 Distinction Award, in the Large Companies category, this time for the Health and Mental Wellness category. The jury selected the following initiatives: the preventive support program, the monthly employee survey, mental health training for managers, the pan-Canadian network of mental health ambassadors, and the Occupational Health and Wellness strategy that has been in place for several years.

Table 14: Some facts about iA Health programs⁵⁰

Activity	2019	2020	2021	2022	2023
Adapt. Together.: no. of seminars, articles with advice, newsletters and health flashes	N/A	7	10	12	12
Adapt. Together.: total no. of seminar participants	N/A	6,953	4,017	4,160	3,255
No. of mental health ambassador response incidents	3	50	32	96	104
No. of active mental health ambassadors	0	0	83	150	195
No. of mental health management training courses (MHFA, Relief and The Working Mind)	0	23	N/A	131	101
No. of mental health awareness presentations	N/A	N/A	25	26	34
No. of employees given a mental health awareness presentation	N/A	N/A	N/A	856	472
No. of prevention calls	N/A	87	122	181	229
No. of workplace first aid training courses	N/A	0 ⁵¹	30	40	70
No. of ergonomic assessments	N/A	166	41	28	48
No. of flu vaccination campaign participants	581	509	432	356	N/A

⁵⁰ This data excludes some of our subsidiaries in Canada and the United States.

⁵¹ No training took place due to the COVID-19 pandemic.



**Our philanthropic
commitment
to the community**

Philanthropy is a key part of the contribution iA Financial Group and its subsidiaries make to society, with a view to driving sustainability and providing tangible support to our communities. This year, the Group donated \$9.4 million to a broad range of organizations. Based on Imagine Canada guidelines, each year, we aim to donate one percent of our net earnings to over 600 charities across the country.

Vision

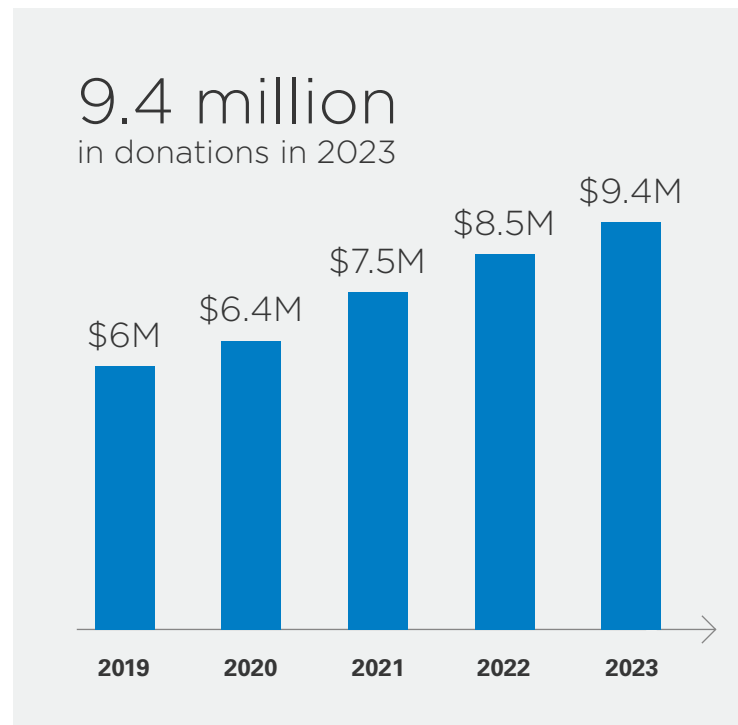
iA Financial Group is a socially engaged organization that works with its stakeholders to support individual and community wellness and become wellness catalysts today and in the future.

Strategy

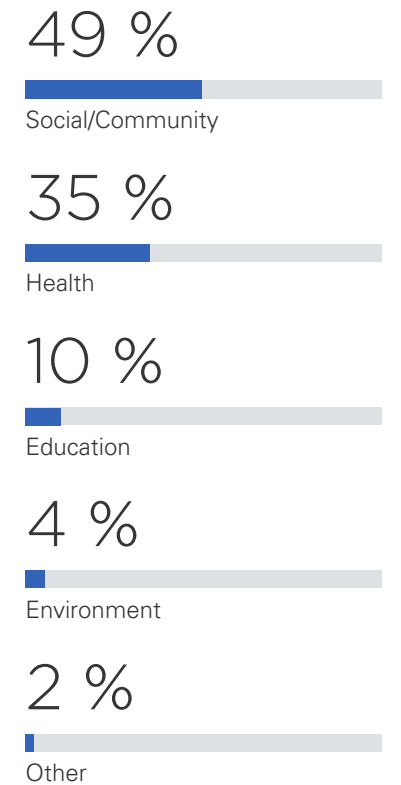
To have a positive impact on our community, we have adopted a strategy that aims to:

- Create catalysts so everyone pays it forward.
- Coordinate Corporation-wide community actions so we can be stronger together (our various business segments, corporate functions and subsidiaries).
- Provide for sustainable community actions today and for future generations.

Our donations to not-for-profit organizations in Canada over the past five years:



Distribution of our donations by sector in 2023:



Examples of meaningful donations in each sector

- **Supporting social/community:** iA Financial Group donated \$200,000 to Food Banks Canada to support local food banks and help people and families who need it most. This is in addition to \$322,500 we donated to various food banks across Canada in 2023.
- **Supporting health:** We are donating \$160,000 spread over five years (2022-2026) to Procure, an organization dedicated to the fight against prostate cancer in Quebec. It will be used to support a biobank research project to help identify the molecular signatures or specific factors associated with mortality at a much earlier stage of the disease, select more appropriate treatment as it progresses and provide patients with more targeted care.
- **Supporting education:** We formed a new partnership with the Laurent Duvernay-Tardif Foundation in support of The 6th Period project. Through a donation of \$150,000 over three years (2023-2025), we will help keep young people in school through arts and sports.
- **Supporting environment:** We provide financial support to the Environmental Youth Alliance, which empowers youth from equity-deserving communities to become environmental stewards through land-based education and employment training programs that centre on native plant horticulture, ecological restoration, plant medicine and community leadership.

Our environmental impact in the United States

Our subsidiary, AmAm, located in central Texas, is dedicated to identifying and participating in philanthropic efforts.

In 2023 they participated in the annual Food for Families food drive in their area. This drive is the largest one-day food drive in Texas and all donations stay in the local area to stock the shelves of the local food pantries and food banks.

During their annual employee gathering, they partnered with Carter Blood Care to support a successful company blood drive. All collections stayed in the area to help neighbors.

Prior to the Christmas holiday, the employees donated boxes of toys to the annual Toys for Tots campaign. This is a program run by the U.S. Marine Corps who distribute the toys to children who may not otherwise get gifts for Christmas.

Each year, AmAm sponsors a table at the annual Go Red for Women event. This event focuses on educating women on heart disease and empowers women to take charge of their own heart health.

AmAm sponsors a table at the annual Barkin Ball New Year's Eve event that supports their local no-kill animal rescue shelter.

Finally, this subsidiary made a monetary donation to the Hope and Heroes Gala which is an organization that supports childhood cancer research.

Leading and promising initiatives

Philanthropic contest

Since 2017, iA Financial Group has held a major annual philanthropic contest within Canada to actively contribute to individual and community wellness. This contest has diversified our support to a wide variety of charities over the years and is part of our resolve to help drive growth in the communities in which we operate within Canada.

For the 2023 edition, we have committed \$500,000 in donations to charities that promote education or academic perseverance, or that offer a meaningful educational program. This amount was shared among the [12 finalist organizations](#). Four \$100,000 donations were awarded to the charities with the most support in each of the contest's major geographical areas. In addition, eight \$10,000 donations were made to the other finalists, and \$20,000 was distributed to the causes employees care most about.

2023 United Way/Centraide campaign

We had a record year with a total of \$2,640,000 in donations. This represents an increase of 8.5% over last year. At the pan-Canadian level, 12,500 potential donors including our permanent employees, consultants, financial advisors and recently retired employees were solicited. Of these, 4,000 people donated, for an overall participation rate of 32%.

Quebec Second-language learning through the iA Financial Group Foundation

Scholarships support students seeking to improve their English skills to discover more of the world and other cultures. Since 2010, over \$1,105,500 has been awarded to CEGEP-level students for English-language immersion trips and studies. Students from four CEGEPs in the Quebec City and Chaudières-Appalaches regions are now benefitting from this financial support.

Quebec blood drive

On September 21, 2023, we organized a blood and plasma drive throughout the province of Quebec. 289 people from our employees and the staff and advisors of our agencies rolled up their sleeves, surpassing our objective of 200 donors. A \$20,000 donation was also made in support of research.

Major donations to the Red Cross during tragedies and natural disasters

To support hurricane victims and our employees and their families affected by the terrible consequences of natural disasters like the earthquakes in Morocco, Turkey and Syria, forest fires in Quebec and western and northern Canada, we donated \$210,000 to the disaster assistance funds opened by the Canadian Red Cross.

Encouraging employees' community involvement

As every year, our employees⁵² across Canada and the United States are directly involved with their local communities and to cheer them on, iA Financial Group lends them our support by making a donation to the cause they care about. We also recently launched a website to celebrate their community involvement and philanthropy.

Employee community involvement	2018	2019	2020	2021	2022	2023
Total donations (\$K)	80	275	350	500	700	1,461
Nb. of charities	30	45	60	70	100	118
Nb. of participants ⁵³	250	275	80	100	135	136



⁵² Excluding some subsidiaries in Canada and the United States.

⁵³ Corporation employees, retirees or representatives serving as volunteers or attending benefits.

Our advocacy in pictures

We are proud to support our employees by making donations to the organizations they generously serve.

1. Catherine Newman, Vice-President Finance, Financial Reporting, appointed Chair of the Fondation de l'Institut universitaire en santé mentale de Montréal Board Directors. Member of the Board since 2021, Catherine is now taking the reins. **1** 📷
2. Peter Morrison, Sales Manager – Atlantic got on his bike to participate in the Ride for Heart to benefit the Heart and Stroke Foundation of Canada. He has raised \$30,650 this year, ending up as the highest individual fund raiser in the country and bringing his three-year total raised to over \$83,000. **2** 📷
3. Mylène Tremblay, iA Financial Group Taxation Technician, organized Charlevoix's fourth annual Walk to End ALS (amyotrophic lateral sclerosis). Mylène's commitment to this cause goes back nearly 20 years. **3** 📷
4. Sean O'Brien serves on the board of the Cancer Research Society. Daphne King, Vice-President, Sales, National Accounts, took part in the Enbridge Ride to Conquer Cancer. **4** 📷
5. Daphne King, v.-p. Sales, National Accounts, gets involved by participating in the Enbridge Ride to End Cancer. **5** 📷
6. Sarah-Line Beaulieu, Assistant Manager, CRM Centre of Expertise, started the Colorectal and Stomach Cancer Foundation, in association with the Fondation CHU de Québec. Since then, she has completed multiple projects, including providing free screening training for family doctors, creating an information website, purchasing radiation therapy equipment and developing educational videos. **6** 📷



Employees making a difference

Employee community involvement is a cornerstone in strengthening the social responsibility of our PPI subsidiary. Over 13% of employees have used paid volunteer hours. Throughout the year, team activities have made the difference in local communities. Employees have given hours of their time to causes that are important to them and the communities where they live and work.

Our subsidiary AmAm believes in being involved and encourages their employees to be involved in their community. Their EAC (employee activity committee) is seeking to re-engage the employees this year by sponsoring teams in important local events such as the Susan G Komen walk, Walk to End Alzheimer's and Out of the Darkness Walk. The EAC will continue to identify opportunities for volunteerism.



Day of Caring

Since 2017, we have encouraged employees to get involved in the iA Day of Caring. On their own or as a team, they mobilize for a volunteer activity or to help others.

In 2023, nearly 950 employees⁵⁴ in Canada and the United States took part. They organized various activities, such as riverbank and park clean-ups and drives to collect food and hygiene products on behalf of different organizations.

⁵⁴ Excluding some subsidiaries in Canada and the United States.



Global client experience

Aligning our business with our clients' needs is at the heart of our success. It will help us provide an even simpler and more consistent client experience and achieve our growth objectives.

Our client experience ("CX") vision is constantly evolving based on client feedback, but our goal remains to best meet client expectations. In the coming years, this will translate into tangible improvements, such as:

- We aim at prioritizing listening to our clients' feedback not only to ensure their satisfaction, but also to enhance their experience by constantly improving our processes and (re)designing client journeys based on their expressed needs, desires and expectations.
- We aim at offering consenting clients relevant and advantageous offers, at the right time and through their preferred channel (either online, by phone or with an advisor), as part of an omnichannel approach.
- We aim at enhancing our online service offering to allow clients to be even more self-sufficient in their financial journey.

Consistent with our client experience vision, we aim at increasingly integrating client feedback, leveraging internal data related to them and seeking their consent to develop personalized CX strategies based on their needs, while preserving the legal and regulatory framework that such strategies require. These technology strategies and tools to acquire and retain clients will be used to better support advisors.

Global CX: Our client-centric business model

Client centrality is critical as it enables us to:

- Better serve our clients and give them greater confidence for their present and future financial needs.
- Move our financial group toward a more client-centric organization.
- Ensure that resources are sufficient to meet client expectations at all key touchpoints of their client journey.
- Ensure client experience is consistent, seamless and transparent across all of our business units.

In 2023, we created a new team dedicated to the overall client experience across the organization. Called Global CX, it is a business function with clear accountability and a focus on CX growth and consistency across all iA Financial Group business segments. This function involves strong collaboration by cross-functional agile teams aligned with client perspectives.

Accordingly, key strategic orientations were implemented for Global CX this year, including:

Harmonized client experience:

- Define a common, streamlined CX across iA Financial Group to optimize and simplify the client experience.
- Achieve complete omnichannel and multisector coverage of client experience measures and take swift and concrete action to streamline the client experience.
- Understand where our Canadian clients come from, who they are and what they want using global client segmentation.
- Implement common CX platforms and tools, including client relationship management.

Growth hub:

- Optimize synergies between business segments to maximize cross-selling opportunities.
- Offer clients personalized products and services in the right channel, at the right place and at the right time.

Client data and data analytics:

- Centralize capacities from which will be generated potential opportunities to better meet our clients' financial needs.
- Create a single, reliable source and a 360° view of each client.

Marketing strategy:

- Find significant synergies to more closely align business sectors with global CX and develop more relevant, personalized and effective marketing offenses.
- Deepen understanding of our clients by analyzing client data and feedback to present the right offer at the right time and to the right person.
- Ensure overall brand consistency.

CX governance:

- Assign common key performance indicators ("KPIs") to stakeholders to increase responsibility and accountability.
- Create incentives for overall alignment.

With the new Global CX team positioned as a business function, iA Financial Group's ambition is to generate more value from each collaboration and deliver more than the sum of our parts. The new global CX team is now positioned as a business function.

Voice of the Customer program

To ensure client needs, expectations and desires remain top concerns and central to our strategies and actions, multiple CX KPIs, including the Net Promoter Score (**NPS**), the Customer Satisfaction Score (**CSAT**) and the Customer Effort Score (**CES**), were implemented across most of the Corporation's business segments using a common methodology; these KPIs are being continuously tweaked and improved.

In 2023, we continued harmonizing and rolling out more CX KPIs across the Corporation to achieve an increasingly comprehensive CX view for all our clients during targeted moments of truth, including the digital experience. As a result, a host of new metrics have been launched in a number of business segments and digital channels, including in our Wealth Management business units. At the same time, we enhanced our results viewing tools, increased the number of employees who can access them and released advanced self-paced training to help them understand and interpret client experience metrics and ultimately move the needle. We also continued our ongoing and evolving work to implement a continuous feedback loop to quickly call back dissatisfied clients and resolve the underlying issues before others have the same negative experience. The implementation of this feedback loop is ongoing and will continue to evolve in the future.

In addition to those improvements, our Voice of the Customer program surveys, categorizes and analyzes customer feedback from several other sources, including spontaneous comments in our main digital channels and complaints received at two levels within our organization, including that of the Complaints Officer. We plan to add sources of client feedback that will allow us to stay connected with our clients and track their evolving needs, expectations and desires.

Lastly, new governance was introduced to rapidly communicate Voice of the Customer results throughout the Corporation because we believe that all levels of the business must keep them top of mind and at the heart of every action and decision-making process. This new governance makes the Voice of the Customer program more visible, business units more accountable and creates more forums for quickly rallying around an action plan to improve the client experience.

Growth hub

The creation of the Global CX Vision Growth hub in 2023 allowed us to lay the groundwork to support the Corporation's future ambitions by implementing strategies to maximize our client base and enhance synergies between business segments to identify the best opportunities for our clients.

This groundwork will help drive synergies, establish winning conditions and simplify the implementation of customized initiatives for our clients. It will also aid in deploying initiatives by helping us truly understand our clients through segmentation and characterize their potential future value to optimize our client development strategies and grow product uptake. We will roll out these new strategies in collaboration with our advisors and current external networks.

Digital strategy and marketing

In 2023, we worked to create a consistent and simplified digital experience that removes the client friction points on our secure platforms. Efforts are planned to gradually unify client portals and applications across the Corporation to reduce the complexity of our ecosystem and offer clients a single and consistent digital experience.

We also created the Digital Marketing and Communications Centre of Excellence to bring together digital marketing employees from several specific sectors of the organization. The goals of this federated model are to:

- Deliver more value through improved alignment with iA Financial Group strategic priorities.
- Expand delivery capacity by increasing synergies between digital marketing experts.

We started delivering on those goals in 2023.

We also contributed to some major corporate projects including the digital transformation of our subsidiary iA Auto and Home to online quotes and purchases, the creation of the iA Auto and Home client portal experience and enhancing the iA Mobile and My Client Space user experience for the group and individual sectors.

Enterprise client relationship management (“CRM”) solution

One of the goals of Global CX is to deliver an enterprise CRM solution to all business units. Its 360-degree view, powerful data-first decision-making tools and artificial intelligence features will bolster the user experience and drive Growth hub adoption.

The new centre of expertise was created in 2023 to help achieve these goals and develop internal expertise. It will support the CRM solutions, provide sound asset management and oversee an orderly and agile deployment strategy. The centre of expertise will promote innovation by aligning with strategic goals to maximize our investments.

Contact centre

In 2023, we completed the migration of all our Canadian contact centres to our supplier's new flagship solution. This improved the stability of our solutions. We also identified the functionality needed to optimize our operational efficiency to streamline the client experience and improve our telephone wait times. In our ongoing commitment to providing excellent customer service, we furthered our efforts to implement an omnichannel service strategy to digitize our services.

Our 2024 goals

2024 goals	
Global CX: Our new target business model	<ul style="list-style-type: none"> — Continue building on the groundwork put in place in 2023 with the business segments to maximize the overall client experience, synergy and the potential for pooling effort. — Concretely contribute to the growth of each business segment.
Growth hub	<ul style="list-style-type: none"> — Plan, prioritize and deploy client initiatives with the assistance of the business segments and measure the results. — Implement winning conditions that facilitate the deployment of initiatives and synergy between business segments. — Optimize client base targeting and prioritization by maximizing client segments and understanding their client value.
Enterprise client relationship management solution	<ul style="list-style-type: none"> — Deploy the agent portal for the Auto and Home insurance sector. — Support and oversee the evolution of the Career Network client relationship management.
Digital strategy	<ul style="list-style-type: none"> — Contribute to Growth hub project development initiatives. — Deliver a secure public digital experience for multiple major projects such as the digital transformation of the Auto and Home sector, while constantly improving the performance of our platforms (e.g., public website load times). — Deliver our cutting-edge digital marketing solution (Marketing suite), using automation and leveraging client data to their fullest potential.
Voice of the Customer program	<ul style="list-style-type: none"> — Make the most of all the feedback currently received through the Voice of Customer Program by ensuring that it is at the forefront of business unit concerns and CX improvement projects. — Continue to improve the client feedback loop, including officially communicating client experience improvements, through various targeted communication channels. — Explore and detail the fundamentals of setting up a web client panel.
Contact centre	<ul style="list-style-type: none"> — Improve operational efficiency in contact centres in order to streamline the customer experience and generate the necessary capacity for growth, particularly in the Individual, Group, and property and casualty insurance sectors. — Optimize the management of written channels, especially email and chat.



ESG Products and services

Through our various subsidiaries and expertise, we strive to develop products and services that meet the needs of our clients, while also integrating sustainability for a positive impact on the environment and society.

Group insurance and retirement savings

By contributing to Canadians' financial, physical and mental wellbeing, our goal is to enhance their daily lives and help make long-term dreams come true.

As a provider of group insurance and savings solutions, we pride ourselves on working closely with our clients to offer them a compelling and innovative people-first offer.

Addressing a major challenge in group insurance and retirement savings: supporting plan members

Understanding the ins and outs of group insurance and retirement savings plans is essential.

As an added value for organizations, we launched the [Better understanding my group plans](#) website to answer many common yet fundamental questions:

- How does my group retirement savings plan work?
- What first steps should I take with my plan?
- How can I manage my group plan options for maximum benefit?

This new tool is designed as a showcase and reference source for our group insurance and retirement savings solutions. Its goal is to help clients gain a better understanding of their benefits.

It covers:

- How to create an account to access our online tools, [My Client Space](#) and the [iA Mobile](#) application.
- Key functionalities in the two tools (making a claim, signing up for direct deposit, tracking investment performance, getting tax receipts, etc.).
- Detailed information about our services, including the Employee and Family Assistance Program and the Health Navigation Platform.
- Tips and tricks on how to save on your prescription drugs and for preventing insurance fraud.
- Financial planning advice (general and retirement planning).

One step closer to a fully digital experience

As part of our commitment to cost efficiency and environmental sustainability, we have made the decision to stop printing and mailing group insurance and retirement savings plan documents.

Plan sponsors and members will continue to have access to all documents related to their plans (group insurance booklet, plan summaries, statements, etc.) at any time, via the [My Client Space](#) portal. Clients will have the option of printing their documents if they wish.

We have also streamlined our payment processes. We no longer accept cheques and prioritize electronic preauthorized or online payments.

Group Insurance

Working together for mental health

Across the country and beyond our borders, attracting and retaining staff is a challenge for many organizations. More and more organizations now understand the importance of taking action to help individuals optimize their overall wellbeing. A person who feels good will generally be more productive and develop a greater attachment to their organization.

As a benefits partner, we support our plan sponsors' efforts in this area.

We ran a campaign to inform and educate clients on our range of mental health services, including:

- **Health risk assessment questionnaire:** A tool for raising awareness and driving engagement on issues like stress management, work environment and lifestyle.
- **Stay Healthy at Work:** A proactive program aimed at preventing disability by targeting issues such as stress, depression and anxiety.
- **Internet-based cognitive behavioural therapy (iCBT):** A self-directed approach with interactive tools and meditation and mindfulness exercises.
- **Employee and Family Assistance Program (EFAP):** Professional support for career, financial and personal challenges.
- **Mental Health+:** Self-care tools and guided therapies designed for both prevention and optimizing recovery.

Mental Health Week and World Mental Health Day: Towards awareness and prevention

For Mental Health Week (May 1 to 7, 2023) and World Mental Health Day (October 10, 2023), we created an [awareness and prevention tool](#) for the members of our group insurance plans.

It contains five fact sheets highlighting key topics such as stress management, work-life balance and the impact of physical activity, sleep and nutrition on mental health.

The fact sheets include:

- Wellbeing challenges of the day.
- A variety of content on different mental health topics.
- Useful resources for a healthy lifestyle.
- Favourite resources to learn about certain topics.

Health and wellbeing: New online Employee and Family Assistance Program

In today's world, it is important to offer a comprehensive health and wellbeing program that caters to the needs of organizations and their employees.

That is why our external health and wellbeing partner has enhanced its offering to support plan members' overall wellbeing. Its innovative online Employee and Family Assistance Program ("EFAP") includes smart tools that direct people to the right services when life gets challenging.

Going forward, our clients with an EFAP through this partner will enjoy the benefits of its more comprehensive tier, along with the other services offered through this program, such as internet-based cognitive behavioural therapy and treatment for depression (up to 20 individual therapy sessions).

Optimizing overall wellbeing: New services offered in partnership with Dialogue

Our health and wellbeing services and programs are constantly evolving to meet the growing needs of individuals. To engage and attract talent, organizations must adapt their employee benefits strategy to the diverse needs of their staff.

For these reasons, we added new services to support plan member mental health.

- **Wellness:** This program focuses on prevention and overall health. It is designed to engage plan members and encourage behaviours that promote healthy habits through personalized resources and fitness challenges.
- **Mental Health+:** this leading mental health program supports plan members as their needs evolve during recovery.

This Internet-based cognitive behavioural therapy (iCBT) program includes access to self-care toolkits and guided therapies that help prevent and manage symptoms of depression and anxiety.

Wysa Assure: An additional tool to support a safe and sustainable return to work

In 2023, we kicked off a pilot project with Wysa Assure, an AI-driven application designed to help plan members recover while on disability.

This new tool complements existing resources, such as counselling and therapy, and provides an additional point of contact between plan members and their support network.

We also worked with this partner to develop a return-to-work program to help plan members regain a healthy and productive life after a disability.

Based on the principles of behavioural activation and resilience, this new 12-week program:

- Helps participants develop a recovery mindset.
- Offers personalized recommendations over 12 weeks.
- Aims to improve recovery outcomes, assist with recovery management, and reduce the time needed to return to work.

The app, which has been used by over 500,000 people worldwide, has already produced significant results. Research data shows that:

- The therapeutic alliance is comparable to that of traditional cognitive behavioural therapy (CBT).
- Symptoms of anxiety and depression are reduced.
- 80% of users adhered to the recommended programs.
- 90% of users found the app helpful.

Physical health awareness campaign

From October 2 to November 17, 2023, we ran an awareness campaign to promote our physical health services and our approach of working with employers for the overall wellbeing of their employees.

Transition to biosimilars: Ontario follows suit

Like most other Canadian provinces,⁵⁵ Ontario announced in December 2022 that it was expanding its use of biosimilar drugs.⁵⁶

Thus, Ontarians covered by the public program for certain biologic drugs began transitioning to their biosimilar equivalent at the end of 2023. In the wake of this announcement, we are continuing the rollout of our biosimilar transition program in that province. We are also moving to expand this program to other parts of the country.

This program is part of our drug management vision to support prescription drug insurance plan sustainability while preserving the physical and mental health of members through continued access to outstanding prescription drug insurance plans.

Webinar | Inclusivity in drug insurance: a winning trend for group plans

Today's employees expect their employer to fully support their multiple and diverse needs. Integrating a more inclusive approach into benefits programs has thus become a must and a winning strategy for companies seeking to be an employer of choice.

In this webinar, we addressed the issue of inclusivity in healthcare, and more specifically in drug insurance, with a focus on various elements related to equity, diversity and inclusion that can be added to a plan to promote better overall health for members and their families. The webinar is available online: [Inclusivity in drug insurance: a winning trend for group plans](#).

Group Savings and Retirement

The [My Group Plan resource centre](#) is where plan sponsors can find answers to their everyday questions about administering their retirement savings plan.

This self-service content includes:

- **Educational videos** on key topics like managing the plan and its members, remitting contributions, enrolment, etc.
- **Frequently asked questions** on everyday administrative tasks (including remitting contributions and accessing [My Client Space](#), member support and taxation.
- **A general email inbox** for plan sponsors to get quick answers to specific questions.
- **Webinar registration tool** for plan sponsor-specific sessions.

Addition of new alternative funds to our disbursement offering

We rounded out our range of retirement savings solutions by adding new alternative funds to our disbursement offering. Long reserved for institutional investors, alternative investments have become an important component of a retirement savings strategy, as they are weakly correlated with traditional investments and have historically provided stable long-term returns by offering strong diversification opportunities and reducing portfolio volatility.

Webinar | Feeling the Heat: Investing in the Time of Climate Change

As world economies are transitioning to renewable energy sources to reduce carbon emissions and combat climate change, we believe that integrating ESG criteria into investment strategies is becoming important.

Our subsidiary iA Global Asset Management hosted roundtable discussions on the subject on April 18 and 19, 2023. Around 400 people attended the sessions, which aimed to provide an overview of the ins and outs of ESG investment from a climate change mitigation perspective.

The webinar is available online: [Feeling the Heat: Investing in the Time of Climate Change](#)

⁵⁵ British Columbia, Alberta, Northwest Territories, Saskatchewan, Quebec, New Brunswick, Nova Scotia.

⁵⁶ Biosimilars are drugs that have received market authorization from Health Canada after the patent of the reference biologic drug (originator drug) has expired and whose similarity to a biologic drug has been demonstrated.

Individual Insurance, Savings and Retirement products

Our ESG funds

iA Financial Group now offers 7 different ESG funds within our segregated funds. These funds are handled by recognized management firms such as Fidelity Investments, iA Global Asset Management, Vancity and Wellington Management.

On May 1, 2023, Industrial Alliance Investment Management Inc. (iAIM) launched the new entity iA Global Asset Management (iAGAM), along with its website iAGAM.ca, where it outlines its commitments and activities with respect to sustainable investment. Further details are provided in the “Sustainable finance” section of this report.

FHSA: A new way to save

The first home savings account is a new savings vehicle that is particularly popular with 18- to 40-year-olds. It rounds out our advisors’ service offering and gives our clients a savings solution specifically designed to help them buy their first home.

A new FHSA page on ia.ca explains the special features of this new tax-free savings account for first-time homebuyers, its key advantages and how it differs from RRSP and TFSA savings accounts. There is also a frequently asked questions section for advisors and their clients.

Day-to-day tools for our clients and their advisors

Electronic tools

With the implementation of the EVO Insurance and EVO Savings system over the past few years, clients’ and advisors’ time is used wisely by avoiding travel and administrative processing with no added value.

In 2023, 217,000 insurance and savings applications were completed electronically, eliminating hundreds of thousands of printed sheets of paper.

To help our advisors develop efficient work habits and make the most of their time, all digital tools and supporting materials are now consolidated in the Advisor Centre.

Advisors can quickly find what they’re looking for on one of three tabs:

- **My Tools:** All tools sorted and categorized by functionality (prospecting, sales and new business, client care, practice support, etc.).
- **Support and References:** Different tiles give advisors access to everything they need on certain topics (training, tutorials, procedures, FAQs, etc.).
- **Digital Evolution:** A statement of the guiding principles and objectives behind all our digital rollouts.

Choose iA magazines

iA Financial Group made its Choose iA Individual Insurance, Savings and Retirement Magazines 100% digital in 2023, demonstrating our commitment to taking a sustainable approach in helping our advisors grow their businesses.

Financial information for newcomers to Canada

iA Financial Group created a new “Settle in Canada” web page to help advisors better serve clients who have recently arrived in the country. It includes two new posts aimed at helping them get financially established in Canada and navigate the Canadian healthcare system.

To help advisors communicate more effectively with current or potential clients who are native speakers of Mandarin or Punjabi, iA Financial Group has made available 31 documents in Mandarin and 28 in Punjabi for a variety of products offered in the Life Insurance, and Individual Savings and Retirement business segments.

Critical illness insurance

iA Financial Group developed new sales support materials for critical illness insurance products, written in plain language with concrete examples to make it easier for clients to understand this category of products.

Our subsidiary iA Clarington Investments Inc. offers a suite of 5 standalone mutual funds and 5 all-in-one socially responsible and sustainable (“**SRI**”) investment portfolio solutions that are managed by Vancity Investment Management Ltd. (“**VCIM**”).

VCIM evaluates companies based on seven ESG criteria from the perspective of four key stakeholders:

Targeted Stakeholders	ESG Criteria
Shareholders	Corporate governance
Employees	Employee relations
Clients	Diversity
Communities	Sustainable products Community relations Environmental performance Human rights

The ESG screening process has two key dimensions:

- Negative screening means eliminating from consideration all companies that fail to meet VCIM’s stringent ESG criteria. For example, iA Clarington Inhance SRI Funds are fossil fuel-free.
- Positive screening means actively seeking out companies with a strong commitment to high ESG standards. This involves screening on the basis of the seven ESG criteria as well as the United Nations’ Sustainable Development Goals (UN SDGs).

Only securities that satisfy the requirements of both the ESG and fundamental analysis teams are eligible for inclusion in these funds.

The end result of this multi-stage process is a portfolio of attractively valued, responsible investment opportunities with potential for strong risk-adjusted outperformance.

iA Auto and Home solutions

At iA Auto and Home and its subsidiary Prysm General Insurance Inc. (“Prysm”), for which the data presented in this section are consolidated, we insure electric and hybrid vehicles and monitor trends to ensure we offer the right insurance for alternative energy vehicles entering the market.

Among the initiatives taken in 2023 with regard to the fair treatment of clients, iA Auto and Home and Prysm’s Boards of Directors adopted an anti-discrimination policy to protect our clients. We also introduced fair treatment of client indicators to help us identify potentially problematic situations. These metrics are tracked and reported to iA Auto and Home’s senior management and Board of Directors. These help identify potentially problematic situations.

Our concerted effort to offer a quality client experience throughout our clients’ journey with us has not gone unnoticed, as evidenced by our client retention of over 85% in 2023.

Developed from consumer needs studies, our products are sold by over 330 insurance agents mandated to advise and offer clients products suited to their needs.

In the past year, we have driven property and casualty insurance sales[†] growth through digital client touchpoints. The proportion of these sales to total sales increased from 38% in 2022 to 50% in 2023.

The client experience is also measured using the **NPS**, with strategic plan action items to improve this metric added year after year for more than a decade. As last year, our NPS has come in above 60 in 2023.

[†] This is a non-IFRS measure. See the “Non-IFRS and Additional Financial Measures” section in this document for key information on such measures.

Financial literacy

In your Interest! podcast: Your need-to-know economic news

The collapse of Silicon Valley Bank, market instability, inflation and rate hikes. Every week, the [In your interest!](#) podcast covers a range of current economic and financial topics for advisors, retirement savings plan sponsors and members.

New podcast episodes were produced in 2023 to inform listeners about topics related to finance, insurance and sustainability. They included “Sustainability in the insurance sector,” “Philanthropy and community involvement: making a difference,” “Everything you need to know about the FHSA,” “How can I be well protected against the unexpected?” and “Financial and mental balance: Managing stress.”

Short videos on economic and financial topics

Sébastien Mc Mahon, Chief Strategist and Senior Economist, presents [short videos](#) on various economic and financial topics in simple, understandable language.

Various topics are covered:

- Inflation.
- Gross domestic product (GDP).
- Central banks and monetary policy.
- Stocks and bonds.
- Emerging countries and markets.

November: Financial Literacy Month

In Canada, November is Financial Literacy Month. This year, we rolled out a month-long communication campaign.

The goal was to encourage members to learn more about managing their personal finances.

Throughout the month, a series of themed emails were sent to members who signed up for the group retirement savings newsletter. The emails featured three people with different profiles, backgrounds and experiences. Through their stories, we touched on topics such as:

- Paying off debt.
- Buying a first home.
- Immigration challenges.
- Preparing for retirement, and more.

On the individual insurance side, we released a video entitled “To better manage your money, get inspired by their financial experiences” in which people share their personal financial management journeys. The video tackled questions like:

- What do you do when an accident or tragedy turns your life upside down?
- What are the challenges of moving to a new country?
- How do you balance daily expenses and your children’s education?
- How do you plan for major life goals like buying your first home or retiring?



Governance

iA Financial Group recognized for good corporate governance

iA Financial Group was ranked 7th out of 219 companies in *The Globe and Mail's* Board Games ranking of the corporate governance practices of Canada's largest companies listed on the Toronto Stock Exchange. In 2023, iA Financial Group scored 94%, up from 2022, where the Corporation ranked 22nd with a score of 91%.

For more than 20 years, *The Globe and Mail* has rated the work of Canada's corporate boards using a rigorous set of governance criteria that go well beyond the minimum requirements imposed by regulators.

The Globe and Mail's data partner, *Global Governance Advisors*, examined the boards of directors of the S&P/TSX Composite Index to assess the quality of their governance practices and communication.

Institutional governance structure

Board of Directors

(as at December 31)

		2022	2023
Number of directors	Men	8	7
	Women	7	7
Average age		61	62
Average tenure		3.96	5.08

Number of independent directors

2022 14 out of 15	2023 13 out of 14
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Our website features each of the [members of the Board of Directors](#) and the [composition of the four Board committees](#).

The proxy circular for the Annual Meeting of Shareholders provides additional information on the members of the Board of Directors, including their respective expertise, their ownership of iA Financial Group securities, their participation in meetings of the Board of Directors and Board committee meetings and their compensation.

The mandate of our Board of Directors is to promote a culture of integrity at iA Financial Group based on ethical corporate behaviour. For example, Canadian insurance firms' risk, governance and ethics committees are required to monitor the effectiveness of existing fair client treatment and client complaint handling programs, receive annual reports and recommend relevant policies to their Board.

Board independence

The [Board Independence Statement](#), which refers to our *Board Independence Policy*, sets out the criteria for evaluating Board members' independence.

Under this policy, the Board must be independent from the Corporation. Accordingly, all directors are independent of the Corporation, except for Denis Ricard, who has a direct material relationship with the Corporation as President and Chief Executive Officer.

Board diversity

To encourage diversity on its board, iA Financial Group has published a [Board Diversity Statement](#), which refers to our *Board Diversity Policy*. The notion of diversity includes diversity with respect to gender, ethnic origin, nationality, geographic origin, language, cultural identity, sexual orientation, age and disability. Our goal with this policy is to maintain a balanced representation of men and women on the Board, with a minimum of 30% women.

Internal audit responsibility

For iA Insurance, the Audit Committee's oversight is governed by the *Policy Regarding the Head of Internal Audit* and by the *Governance Guideline* of the AMF.

The Audit Committee is responsible for ensuring the independence and objectivity of the internal audit function. The internal auditor must perform their work objectively in an impartial and unbiased manner and avoid any conflict of interest. In 2023, the internal auditor met with the committee in camera after each regularly scheduled committee meeting.

Independence of the external auditor

Deloitte LLP is the external auditor for iA Financial Group.

A rigorous Canadian regulatory framework governs the independence and objectivity of the external auditor. The Canadian Public Accountability Board and the professional provincial associations provide oversight of accounting firms that audit Canadian reporting issuers.

Rotation of the partner in charge is required at least every seven years. For iA Financial Group, the last rotation occurred for the audit of the 2019 fiscal year.

In addition, iA Financial Group has adopted the *External Auditor Independence Policy* which, among other things, sets out the underlying principles for granting service contracts for non-audit services and recruiting the external auditor's partners or employees.

Our sound governance tools

We have developed tools such as governance frameworks, policies and guidelines to establish and maintain sound corporate governance.

Our Governance Framework

Our [Governance Framework](#) links the culture of integrity to the Corporation's purpose, governance structure and key governance policies and practices.

We adhere to governance best practices to preserve the independence of the board and its ability to effectively oversee the Corporation's activities. These practices are based on a solid culture of integrity and ethics, and on a sound and prudent approach to risk management.

Our Code of Business Conduct

Our [Code of Business Conduct](#) applies among others to employees, officers and directors of iA Financial Group. Its main objective is to underscore the high standards of behaviour expected and required of them and the importance of acting ethically, honestly and with integrity at all times.

All new employees, directors and Board members are required to read and agree to abide by the Code before starting to work and must confirm in writing on an annual basis that they have reviewed the Code and complied with it during the year and were not involved in any undisclosed conflict of interest over the course of the year.

Our Code of Business Conduct is reviewed every three years, or more frequently if necessary. It was revised in 2023. Management annually reports to the RGEC on compliance with the Code of Business Conduct. Monitoring the application of the Code is therefore the responsibility of the RGEC. It also receives and reviews the annual Code compliance and conflict of interest reports. Managers and executives also play an important role and have additional responsibilities, including being familiar with the Code and its principles and encouraging their respective teams to do the same. They are also expected to be role models of ethics and integrity. Finally, they must ensure that everyone reporting to them or under their authority has read the Code and has signed a commitment to comply with it.

The Code contains provisions relating to the laws and regulations with which employees, directors and Board members must comply, including but not limited to provisions relating to the protection of personal information, corruption, money laundering and terrorist financing, competition, lobbying and the fight against forced and child labour in supply chains.

It also contains provisions relating to conflicts of interest, offering, soliciting and accepting gifts and gratuities and the participation of employees, directors and Board members in certain outside activities. For example, the Code prohibits offering anything of value to government officials or representatives. It also prohibits offering, soliciting or accepting a gift or other gratuity from any person with whom an employee, director or Board member is involved in a bidding process on behalf of the Corporation.

Finally, the Code encourages employees, directors and Board members to treat clients honestly, courteously, fairly, objectively and independently. The Code also reinforces our commitment to human rights, diversity and respect in the workplace.

Integrity Hotline

iA Financial Group operates an Integrity Hotline that allows its employees, consultants and suppliers to confidentially and anonymously report things, such as questionable behaviour that may seem illegal, fraudulent or contrary to ethics or human rights, irregular activities and practices, or any breach of the iA Financial Group's Code of Business Conduct or Supplier Code of Conduct. Reporting is done through an independent third party.

Every six months, the RGEC receives and examines a report regarding the information received through the Integrity Hotline, which can be about any inappropriate behaviour but excludes fraud, which is instead reported to the Audit Committee.

Guideline on disconnecting

iA Financial Group has created a guideline on work-life balance and disconnecting which sets expectations for employees who engage in professional communications outside regular work hours.

The guideline applies to most of the Corporation's employees in Canada.⁵⁷

iA Financial Group encourages all employees to be mindful of when they send professional emails or other communications to immediate supervisors, team members or other colleagues. Where possible, iA Financial Group encourages its employees to send all important communications during regular work hours or to let their colleagues know that they are not expected to reply outside of regular work hours. This is part of the Corporation's commitment to mental health and work-life balance.

Working conditions and policies

A number of additional measures to encourage work-life balance are also in place. Most employees have flexible schedules and can, depending on their position, decide when they start and end their workday. They are responsible for making sure they work the required number of hours per week and stay on track with their projects. Some may also enter into an agreement to reduce their work hours (part time) or work part of the time in another role for greater versatility.

Disclosure Policy

iA Financial Group communications must be timely, factual, accurate and balanced. They must also be widely available, in compliance with relevant legal and regulatory requirements. The *Disclosure Policy* applies to all employees, directors and all those authorized to speak on behalf of the Corporation.

The internal Disclosure Committee is responsible for ensuring that all securities regulatory disclosure requirements are met and for overseeing the Corporation's disclosure practices.

Securities Trading Policy

iA Financial Group's *Securities Trading Policy* includes certain rules regarding transactions and trades in the Corporation's securities by insiders and employees. It is rooted in the principle that every person who invests in iA Financial Group's securities must have equal access to information that could influence their investment decisions.

This policy applies to all transactions involving iA Financial Group's securities and to any person who, in the performance of their duties at the Corporation, receives or has access to insider and/or important information which has not yet been disclosed to the public.

⁵⁷ Excluding some of our Canadian subsidiaries.

Accessible Customer Service Policy

iA Financial Group strives to provide goods and services that respect the dignity and independence of people with disabilities. We are committed to providing people with disabilities with the same access to our goods and services and enabling them to enjoy the same services, as quickly and in the same manner as other clients. As part of this undertaking, we will strive to comply with our obligations under the *Accessibility for Ontarians with Disabilities Act*, the *Accessibility for Manitobans Act* and any other similar accessibility legislation applicable in other Canadian jurisdictions. iA Financial Group recognizes its obligations under accessibility legislation and supports efforts to achieve accessibility.

Financial Crime Risk Management Policy

In February 2023, we reviewed our policy, which establishes the basis of the risk management program regarding fraud linked to financial crime within iA Financial Group. The primary purpose of the policy is to manage the risks of corruption and fraud. Financial crime risk management is a continuous process supported by the implementation of prevention, detection and monitoring measures and by effective governance.

It applies to all of our activities, in all of the jurisdictions in which we operate, and to all of our employees, officers and directors.

Human Rights Statement

Our [Human Rights Statement](#) outlines our commitment to respecting and promoting internationally recognized human rights.

iA Financial Group is committed to upholding the [Universal Declaration of Human Rights](#), the [International Covenant on Civil and Political Rights](#) and the [International Covenant on Economic, Social and Cultural Rights](#), as well as the [International Labour Organization Declaration on Fundamental Principles and Rights at Work](#). By supporting these international standards, we provide an inclusive work environment where all forms of discrimination are strictly prohibited.

Fighting against forced labour and child labour in supply chains

The *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada) came into force on January 1, 2024. The Act applies to iA Financial Group and means that the Corporation is required to prevent and mitigate the risk of the use of forced or child labour at any stage of the production of goods by the Corporation in Canada or elsewhere, and at any stage of the production of goods that it imports directly into Canada. iA Financial Group will publish a report by May 31, 2024, on the measures taken during the previous fiscal year to prevent and mitigate the risk of the use of forced or child labour.

Supplier Code of Conduct

Our [Supplier Code of Conduct](#) addresses various elements, including ethics and governance, collusion and corruption, diversity and inclusion, human rights and labour law, working conditions, and the environment. We feel it is essential that our business relationships be grounded in transparency and integrity. We ask that our suppliers act ethically in the conduct of their business.

Policies promoting a quality work environment for all employees

To promote and ensure a quality workplace for all employees, iA Financial Group has put in place internal policies such as those on respect in the workplace and on the prevention of violence in the workplace. The goals of these policies are to promote equity, diversity and inclusion; raise awareness and train employees to prevent violent behaviour; and encourage the Corporation to take steps to prevent harassment and provide a respectful work environment.

Anti-discrimination statement

In 2023, iA Financial Group issued an [Anti-discrimination Statement](#) that advocates respect and fair and equitable treatment between individuals.

The statement covers the tools we use to ensure a non-discriminatory work environment, the work environment we create, fair treatment of clients and complaint examination and dispute resolution.

Sound commercial practices and fair treatment of clients

With the goal of embedding high standards for the fair treatment of clients, iA Financial Group has adopted the *Fair Treatment of Customers Corporate Policy* and framework to establish the principles and standards to be adopted by the business units to ensure that clients are treated fairly, offered products that meet their needs and served in an efficient, fair and respectful manner.

The policy is structured around eight key principles that reflect the behaviours expected in order to ensure the fair treatment of clients, namely:

1. Governance and culture.
2. Conflict of interest management.
3. Outsourcing.
4. Product design and marketing.
5. Representations, advertising and communications about our products and services.
6. Handling of client requests.
7. Protection of personal information.
8. Incentive management.

Our indicators

Over the last few years, we have developed indicators to track and measure iA Financial Group's performance with respect to fair treatment of clients. These indicators provide an overall and accurate picture of fair treatment practices and allow us to identify gaps in applying the principles and take action to address them. They also help us ensure proper reporting to our governance bodies.

The [Fair Treatment of Clients Statement](#) provides an overview of this policy.

Sustainable Investment Policy

Since 2021, iAGAM has had a [Sustainable Investment Policy](#) to provide a framework and guidance for integrating ESG considerations into investment management and engagement activities in a consistent manner. iAGAM's sustainable investment strategy aligns with iA Financial Group's goal of helping clients feel confident and secure about their financial future.

Engagement with shareholders

iA Financial Group's Board of Directors and management promote interaction with shareholders and stakeholders by various means and believe that it is important to have direct, regular and constructive engagement with them in order to foster open dialogue and sharing of ideas. Some also participated in our materiality assessment this year, which is described in more detail in the appendix of this report.

iA Financial Group's Board of Directors and management promote interaction with shareholders and stakeholders by various means and believe that it is important to have direct, regular and constructive engagement with them in order to foster open dialogue and sharing of ideas. Some also participated in our materiality assessment this year, which is described in more detail in the appendix of this report.

Senior management and the Board of Directors have established mechanisms for shareholders and other stakeholders to communicate with them. These mechanisms are explained on [ia.ca](#) and in the *2024 Proxy Circular*.

Shareholders who wish to communicate or meet with directors are invited to send us their requests in writing at secretariat_corporatif@ia.ca.

It is also possible to communicate with the directors by writing to the following address:

Chair of the Board iA Financial Corporation Inc.
1080 Grande Allée West
P.O. Box 1907, Station Terminus
Quebec City, Quebec G1K 7M3

Senior management

iA Financial Group's senior management has continued to engage with shareholders by communicating with them and other stakeholders in various ways, including:

Publicly available documents

- *Annual Report* and quarterly reports.
- News releases on quarterly results and other topics of interest.
- *Annual Information Circular for the Solicitation of Proxies*.
- *Annual Information Form*.
- *Annual Sustainability Report*.

Conferences and presentations

- Annual Shareholders' Meeting.
- Quarterly conference calls with financial analysts, which are accessible to all shareholders.
- Participation in industry conferences and other events.
- Live and recorded webcasts of quarterly conference calls to present financial results and the annual shareholders' meeting.
- In-person, videoconference or telephone meetings.

The ia.ca website, particularly under [About iA](#), in the [Investor Relations section](#).

Investor Relations

It is our Investor Relations department's duty and pleasure to provide shareholders with a wealth of information, particularly financial results, information on dividends and credit ratings, and conferences and presentations.

Investor Relations also publishes a newsletter for investors where it shares the latest financial information.

Shareholders who wish to communicate or meet with the executive officers are invited to send their requests in writing to investors@ia.ca.

Members of the Investor Relations Department may also be contacted by writing to:

Investor Relations Department.
1080 Grande Allée West
P.O. Box 1907, Station Terminus
Quebec City, Quebec G1K 7M3

Or by phone at 418-684-5000, ext. 10-5862 or toll free (Canada & U.S) 1-800-463-6236, ext. 10-5862.

Relations with government bodies

An open and constructive dialogue with the government, the public and other economic agents in the community allows us to actively contribute to the development of industry practices that are fair, sustainable and responsible.

Whether we take part directly or through the Canadian Life and Health Insurance Association (CLHIA) or any other industry association, we feel that it is important to contribute to the public debate so we can represent not only our own concerns, but also those of our clients. iA Financial Group is subject to a high degree of regulation, which affects most of our operations. Our clients, employees and shareholders are directly affected by our relationships with regulatory and government authorities.

We are primarily subject to regulation by Quebec's AMF and most of our government relations activities take place in Quebec, where we are registered in the Lobbyists Registry.

Our communications with government bodies are open, transparent, guided by our values and comply with applicable laws and regulations. Our *Code of Business Conduct* sets out certain obligations in this regard.

Dealings with public service employees

Any lobbying activity must first be authorized by Legal Services. Employees who engage in any such activity must do so in accordance with the various applicable laws.

Contributions to political parties

iA Financial Group's guideline is not to make financial contributions to political parties or election candidates at any level of government, whether in Canada or the United States.

Risk management

Integrated risk management framework

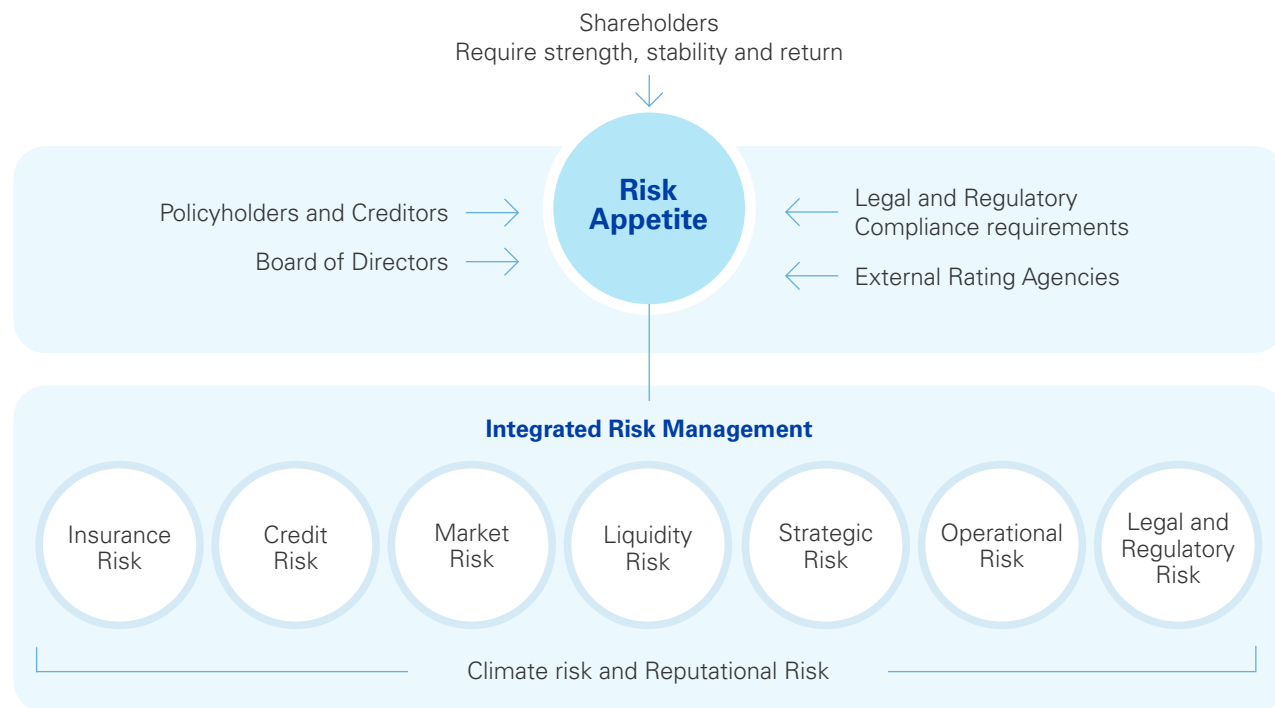
iA Financial Group is committed to carrying out sound and prudent risk management through an approach that balances risk and return. This approach takes risk into consideration in decision-making, is aligned with strategic orientations and ensures compliance with the Corporation's risk appetite and tolerance.

The integrated risk management framework goes over the structures, policies, procedures, processes and other control measures allowing iA Financial Group to identify, assess, manage, mitigate, monitor and report on the risks inherent to its business.

By providing sufficient and relevant information on risk and how effectively it is managed, the risk management framework gives senior management and the Board of Directors a reasonable degree of confidence and reassurance in the Corporation's understanding and management of all risks related to its objectives. It enables the Corporation to monitor its risk profile, report to the appropriate bodies and take prompt action if needed.

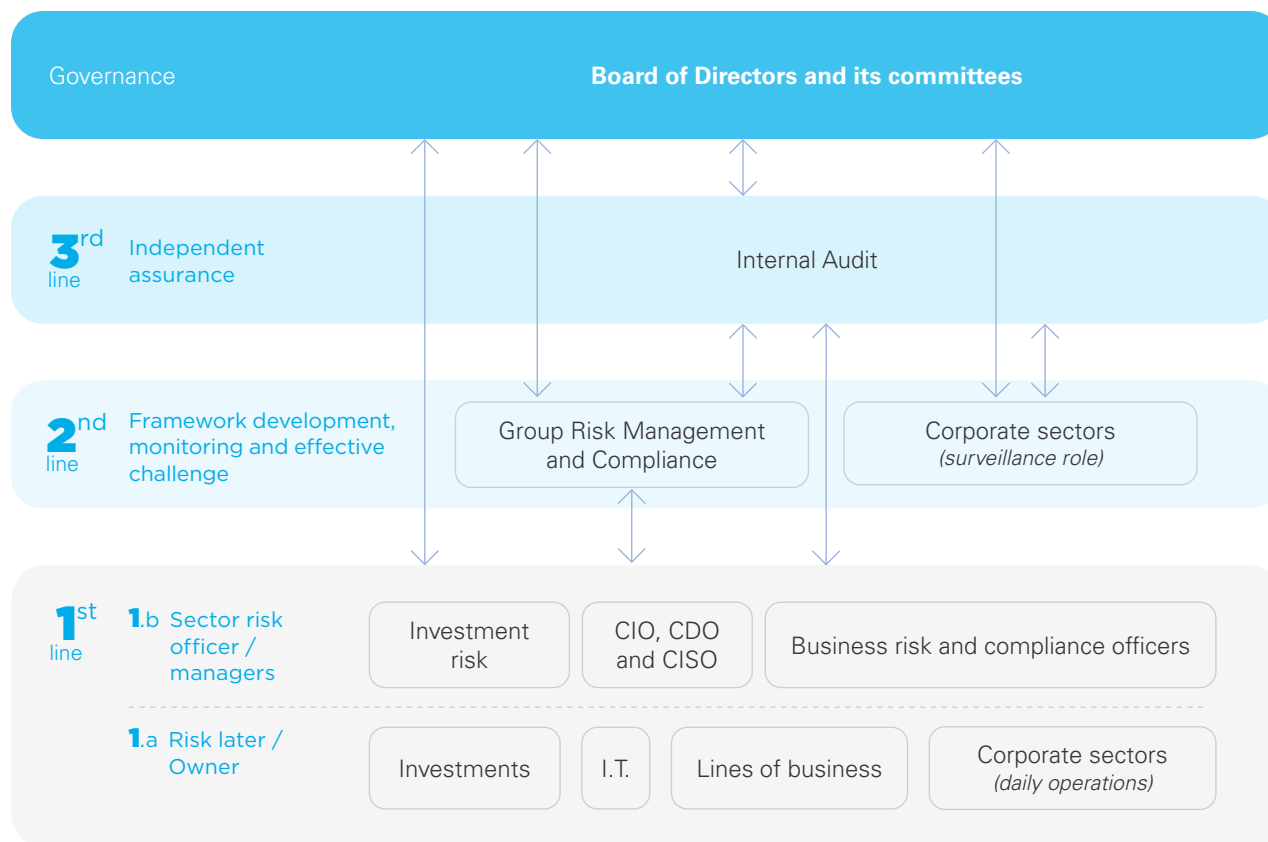
Risk governance structure

iA Financial Group has created and implemented a risk management approach aligned with the "three lines of defence"⁵⁸ model. This approach spreads accountability among those who take and control the risk, those who monitor it and those who provide independent assessments of the overall process.



⁵⁸ *The Three Lines of Defense in Effective Risk Management and Control*, The Institute of Internal Auditors Position Paper, January 2013 or *Leveraging COSO across the three lines of defense*, The Institute of Internal Auditors, July 2015.

iA Financial Group’s risk management organizational structure is shown in the graphic below.



First line of defence

The first line of defence is composed of the risk owners. It is responsible for establishing and executing the business strategies in keeping with the Corporation’s defined risk appetite and tolerance and ensuring a long-term balance between risk and return. It is also responsible for implementing the appropriate controls and corrective measures based on the risks it is taking and managing on a daily basis, and for applying the principles, frameworks, policies, guidelines, standards, tools and methodologies developed by the second line of defence.

At iA Financial Group, the first line of defence is divided into:

- **Line of Defence 1A** refers to the actual owners of the activities and controls within the first line of defence.
- **Line of Defence 1B** refers to individuals with responsibilities for risk management and internal controls for their sector.

Second line of defence

The second line of defence is responsible for objectively and impartially monitoring and critically analyzing the risks and controls implemented by the first line of defence. It is also responsible for developing and maintaining the principles, frameworks, policies, guidelines, standards, tools, and methodologies needed to identify, assess, incorporate, track and monitor the current and emerging risks, and to report thereon. This independent and objective risk management function, the Group Risk Management and Compliance (“**GRMC**”) is the responsibility of the Executive Vice-President and Chief Risk Officer (“**CRO**”). The compliance function is headed by the Vice-President and Chief Compliance Officer (“**CCO**”) and reports to the CRO. The GRMC supports the CRO and CCO in the implementation and monitoring of the risk management framework, policies and programs in all of iA Financial Group’s sectors.

Third line of defence

The third line of defence, internal audit, provides objective and independent assurance and risk-based advice to senior management and to the Board of Directors regarding the effectiveness and adequacy of the governance, risk management framework and internal control processes.

Physical security

In addition, the risk of failing to protect and ensure the physical security of employees, clients or any other person when on or around the Corporation's premises or in the course of the Corporation's business operations has been integrated into the Corporation's operational risk management. This risk includes theft, workplace violence, harassment or discrimination, and a deterioration in employee wellbeing. The operational risk management framework, provides for tools and methodologies to ensure that, for the business segments in which this risk is material, the exposure is identified, assessed and monitored, and appropriately managed within the Corporation.

Compliance

To ensure sound and prudent regulatory risk management, iA Financial Group has undertaken to promote a corporate culture that encourages regulatory compliance, thereby helping to meet business goals. iA Financial Group thus strives to comply with all applicable laws, regulations and guidelines.

To achieve this, iA Financial Group has established an independent Compliance department under the responsibility of the Chief Compliance Officer. Compliance falls under the GRMC, which aims to protect both the Corporation's value and client peace of mind. It promotes a corporate culture that is focused both on realizing the Corporation's strategy and remaining consistent with its risk appetite and tolerance. To achieve this, Compliance oversees the implementation of and adherence to iA Financial Group's compliance management framework, policies and programs.

The Chief Compliance Officer also has a functional link with the sector chief compliance officers to maintain consistency within the department at iA Financial Group. A new guideline adopted in May 2023 formalized this functional link.

Compliance encompasses specific programs to closely monitor the regulatory risks that are most relevant to iA Financial Group. They include the privacy program, the fair treatment of clients program and the anti-money laundering and terrorist financing program.

The Chief Compliance Officer reports periodically on the management of regulatory risk within iA Financial Group. The report includes her observations and action plans and is directed at senior management and the Board of Directors.

Protection of personal information program

In light of the modernization of privacy legislation, particularly in Quebec and across Canada, iA Financial Group has been working to adapt the business practices of our Canadian operations.

Our efforts touch on various facets of the protection of personal information, including consent, the personal information life cycle, information security, technology impact, governance, individual rights and privacy impact assessments.

A major revision of the *Corporate Policy on the Protection of Personal Information* was also adopted in 2022. The purpose of the policy is to define the roles and responsibilities of those involved in its application and to ensure that iA Financial Group complies with the laws and regulations to which it is subject with respect to the protection of personal information. The policy also sets forth the guiding principles on which iA Financial Group's privacy program is based, with the ultimate goal of ensuring that the individuals who are the focus of iA Financial Group's concerns (clients, employees, advisors, etc.) can be confident that their privacy is being protected, while continuing to cultivate a culture of respect for privacy.

This policy is an integral part of the Corporation's privacy program, which consists of a policy framework, related procedures and processes, monitoring activities and awareness activities such as employee training.

In parallel with the policy review, the other elements of the regulatory framework for the protection of personal information will continue to be reviewed in order to make any necessary adjustments or establish new standards to ensure the protection of personal information in compliance with applicable laws.

A major achievement in the protection of personal information in 2023 was the introduction of a new Privacy Notice. The notice informs clients of the purposes for which their information is collected, its collection, use and disclosure, and has been delivered to most of iA Financial Group's Canadian clients.

Protection of personal information awareness campaign

In addition to our various privacy initiatives, we organized an awareness campaign in the summer of 2023. During the campaign, members received a notice describing how we collect, use and disclose their personal information and were reminded that they can withdraw their consent at any time.



Anti-financial crime programs

iA Financial Group is committed to the prevention and detection of fraud, money laundering and terrorist financing, and to preventing its products and services from being used for illegal purposes. The *Anti-money Laundering and Anti-terrorist Financing Policy* for Canadian Operations of iA Financial Group and its financial crime risk management framework reflect the Corporation's firm intention to act prudently to ensure compliance with applicable laws and regulatory requirements, while ensuring the proper use of its resources and assets, and to promote and maintain a culture of integrity at all times and to adequately protect the public.

iA Financial Group considers financial crime to include money laundering and terrorist financing, corruption, internal fraud and external fraud.

Like all other risks, financial crime risk is part of our global approach to integrated risk management that includes the implementation and monitoring of effective controls to prevent and detect activities related to this risk.

To supplement its anti-financial crime program in the fight against corruption, iA Financial Group has adopted a Code of Business Conduct, which clearly states that employees must use their best judgment to avoid any conduct that may constitute corruption. Please refer to the "Our sound governance tools" section for further details.

Fiscal transparency

We firmly believe that there is no room for compromise and half measures when it comes to fiscal transparency.

At iA Financial Group, we comply with all tax laws and regulations in Canada, the United States and worldwide. We encourage the use of legitimate tax optimization opportunities that are consistent with the values of the group and the Corporation.

We also facilitate continuous dialogue and collaboration with the tax authorities.

Our tax governance structure consists of the Corporation's Board of Directors and senior management, including the CFO. Our Taxation department is in charge of our fiscal strategy and all relevant operational matters.

To ensure sound risk management, we have created various committees and working groups to examine and validate various operations and transactions, in collaboration with the Taxation department.

Since we have operations in the United States, iA Financial Group fully complies with the Organization for Economic Co-operation and Development ("**OECD**") principles that apply to transfer pricing.

In a global economy where multinational firms are major players, governments must make sure that taxable profits are not artificially transferred outside their borders and that the tax base declared reflects the actual economic activity in that country.

The OECD Transfer Pricing Guidelines provide guidance on the application of the "arm's length principle", which is the international consensus on the valuation of cross-border transactions between associated enterprises.

Information security

Information security ("IS") is everyone's responsibility

Organizations are under increasing threat from individuals and groups seeking to gain unauthorized access to systems and networks. Organized cybercrime typically targets organizations with large amounts of critical personal and business data. These attacks can have a variety of consequences, including data theft, damage to the Corporation's reputation, unavailability or corruption of information systems, and more.

To this end, iA Financial Group is committed to promoting and integrating the expected security behaviours of people who have access to our organization's information and systems by fostering a culture of information security in the habits and behaviours of employees and close associates, whether at work, at home or in everyday life. This empowers people to make effective risk-based decisions and protects sensitive information used throughout the organization from compromise.

iA Financial Group's strategic plan for information security training and awareness is to continue to develop and strengthen our ability to identify and report suspicious information security situations and to better understand the impact of attacks on the organization. This in turn will allow us to move to an approach focused on risk level, such as high-risk populations, while continuing to refine our IS fundamentals.

Goals:

1. Improve the detection and reporting of suspicious emails to the operational security team.
2. Improve operational resilience.
3. Improve compliance.

The strategy aims to influence employee behaviour to manage cyber risk and uses three delivery methods:

1. Mandatory training to develop information security skills:
 - a. Risk awareness.
 - b. Heightened awareness of complex and suspicious emails and safe behaviours to deal with risks.
 - c. Goal: contribute to the development and adoption of responsible behaviours that protect the organization from cyber risks.
2. Phishing campaigns to test reflexes and behavioural changes in the face of cyber risks:
 - a. Behavioural changes.
 - b. Report suspicious emails instead of responding to, ignoring or deleting them.
 - c. Goals: increase the report rate and decrease the click rate.
3. Awareness and communication:
 - a. Reinforcement.
 - b. Newsletters, articles, gamification, information security showcase, conferences, cyber ambassador network.

This multi-year strategy builds on the National Institute of Standards and Technology's Cybersecurity Framework to maintain a focus on culture change and a continuous approach to onboarding new employees while continuing to develop defensive skills.

Our transformation program

Mission accomplished

In 2023, after two years of work, we completed our transformation program, achieving all of its objectives.

The Transformation Office was given a mandate to act as an accelerator tasked with rolling out a comprehensive program across iA Financial Group. Working in close collaboration with all operating units, it led and orchestrated the organizational and cultural changes needed to simplify and improve iA Financial Group's efficiency, clarify the roles and mandates of the various sectors and ensure strategic alignment to meet the objectives of the digital transformation.

The transformation program's achievements over the past year brought a wave of modernization to iA Financial Group:

- **Client experience:** Implemented the new Global CX business model with a focus on client and revenue growth and a consistent client experience across iA Financial Group.
- **Portfolio management:** Strengthened global prioritization and improved execution to accelerate the delivery of value from strategic initiatives across the organization.
- **Cultural evolution:** Continued to implement a number of initiatives, including enhancing the welcome and onboarding experience, launching new development programs such as Foundations of Leadership, and continuing to improve our equity, diversity and inclusion practices.
- **Operational efficiency:** Launched the operational efficiency Program to identify and implement initiatives across the Corporation to improve operational efficiency and deliver sustainable results.

These initiatives will continue in the coming years, but in a different format. Specifically, sectors will take ownership and integrate transformation into their own activities in tandem with the rest of the organization. In other words, transformation will continue to drive all of our operations and projects.

Appendices

Stakeholder engagement and materiality assessment

iA Financial Group worked with an external firm to conduct its first materiality assessment in 2023. The exercise involved identifying stakeholder expectations regarding the Corporation's performance on specific ESG topics in order to strengthen our ESG strategy by leveraging related opportunities. iA Financial Group used the results of the assessment to

- Proactively manage risks related to public scrutiny.
- Inform engagement efforts with investors and ESG rating agencies.
- Improve market positioning relative to our peers.
- Anticipate emerging trends, opportunities and regulations.

We plan to repeat this exercise at least every five (5) years in order to maintain a constructive and open dialogue with our stakeholders.

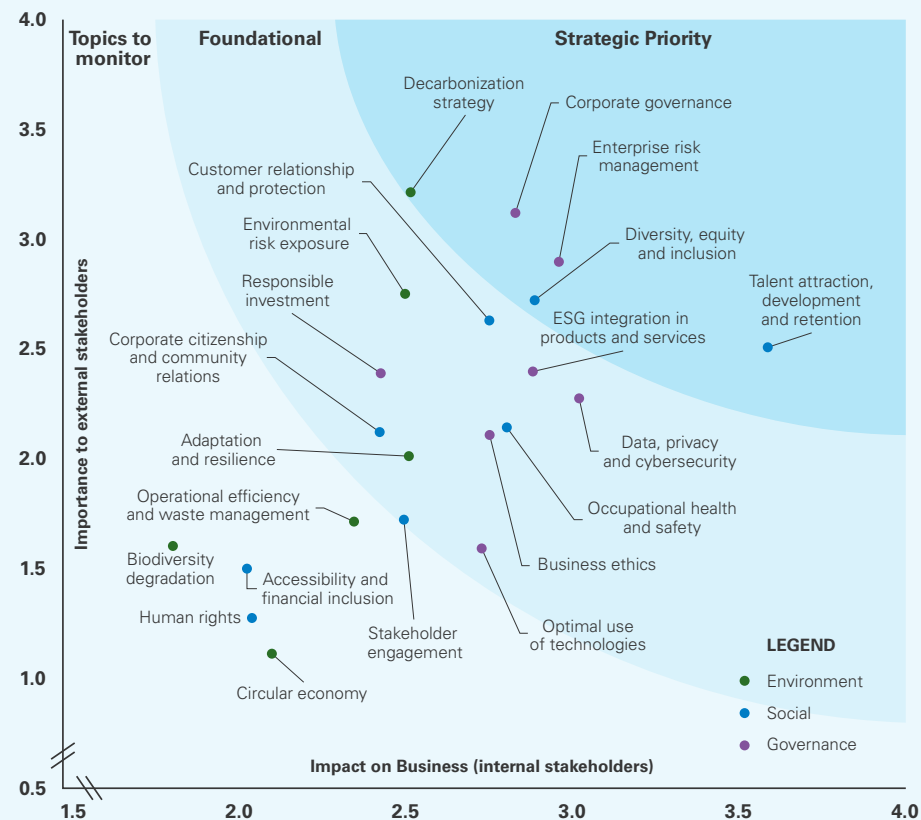
iA Financial Group used the following process to conduct the exercise:

1. Develop a universe of 21 ESG topics.
2. Identify internal and external stakeholders to be consulted.
3. Hold interviews with senior management, investors and suppliers, as well as workshops with operational teams from different business units.
4. Conduct employee and Board members surveys.
5. Apply weighted scoring to the information gathered.
6. Analyze the feedback received from stakeholders throughout the consultation process and prepare the materiality matrix and strategic recommendations.

Five strategic priorities were identified in the materiality assessment:

- Talent attraction, development and retention.
- Risk governance.
- Business risk management.
- Decarbonization strategy.
- Diversity, equity and inclusion.

The results of the assessment were approved by the RGEN, as well as by the Corporation's senior management.



Our assessment by the numbers:

- **25 individual interviews** with senior management, suppliers, investors and clients
- **8 workshops** with Canadian and U.S. teams
- **99 voices** heard through interviews and workshops
- **6,000+ responses** to the Board members and employee surveys

Developing the universe of ESG topics

Twenty-one (21) topics related to E, S and G emerged from the external assessment as being the most important. They make up the universe of ESG topics. They were defined using existing literature, our SASB standards and the United Nations Sustainable Development Goals (“**SDG**”) that we are committed to supporting.

To facilitate stakeholder response, the topics were defined on the basis of mutually exclusive and collectively exhaustive principles.

Universe of iA Financial Group sustainability topics by pillar

Associated UN SDG

Environment

- Environmental risk exposure
- Decarbonization strategy
- Biodiversity degradation
- Operational efficiency and waste management
- Adaptation and resilience
- Circular economy



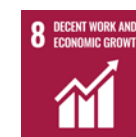
Social

- Diversity, equity and inclusion
- Human rights
- Accessibility and financial inclusion
- Talent attraction, development and retention
- Corporate citizenship and community relations
- Occupational health and safety
- Customer relationship and protection
- Stakeholder engagement



Governance

- Corporate governance
- Business ethics
- ESG integration in products and services
- Enterprise risk management
- Data, privacy and cybersecurity
- Optimal use of technologies
- Responsible investment



SASB framework

In 2020, we adopted the *Sustainability Accounting Standards Board* (“**SASB**”) framework. SASB standards address sustainability issues by industry type. Adopting this robust, recognized framework enables us to identify, measure, manage and better communicate relevant ESG performance information to our various stakeholders.

By adopting SASB standards for our business segments, we are able to focus on the factors that are most likely to have a financial impact on value creation for our business.

In addition, since the measures are specific to our business segments, our stakeholders will have clear, objective and comparable information to track our progress over time and assess our performance.

Moreover, this framework provides an alignment with the recommendations of the TCFD, allowing us to adopt complementary measures and performance metrics.

Business segments: Insurance, asset management and asset safekeeping

Topic	Accounting metric	Code	Disclosure
Incorporation of environmental, social, and governance factors (ESG) in investment management	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment and/or wealth management processes and strategies	FN-IN-410a.2 FN-AC-410a.2	Section “Individual Wealth Management” (page 20) and section “Investment” (page 47) of the 2023 Annual MD&A Section “ Sustainable Finance ” of the <i>2023 Sustainability Report</i> Sustainable Investment Policy

Business segment: Insurance

Topic	Accounting metric	Code	Disclosure
Transparent information and fair advice for customers	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product related information to new and returning customers	FN-IN-270a.1	Although some legal proceedings involve allegations relating to product understanding, an analysis of each specific case has not identified any issues that indicate that marketing or communication of insurance products is unsatisfactory or even lacking.
	Customer retention rate	FN-IN-270a.3	Section “ Global Client Experience ” of the <i>2023 Sustainability Report</i>
	Description of approach to informing customers about products	FN-IN-270a.4	Section “ Sound commercial practices and fair treatment of clients ” of the 2023 Sustainability Report Fair Treatment of Clients Statement

Topic	Accounting metric	Code	Disclosure
Incorporation of environmental, social, and governance factors (ESG) in investment management	Total invested assets, by industry and asset class	FN-IN-410a.1	Section "Investment" (page 47) of the 2023 Annual MD&A
Policies designed to incentivize responsible behaviour	Discussion of products and/or product features that incentivize health, safety, and/or environmentally responsible actions and/or behaviours	FN-IN-410b.2	Section " Creating a positive impact through our investments "; section " ESG Products and Services " and " Financial literacy " of the <i>2023 Sustainability Report</i>
Environmental risk exposure	Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes	FN-IN-450a.1	Section "Risk management" (page 19) of the <i>2023 TCFD Report</i>
	Total amount of monetary losses attributable to insurance payouts from (1) modeled natural catastrophes and (2) non-modeled natural catastrophes, by type of event and geographic segment (net and gross of reinsurance)	FN-IN-450a.2	The premiums of our auto and home insurance subsidiary (iA Auto and Home Insurance) represent approximately 2% of the Group's net premiums, premium equivalents and deposits as at December 31, 2023. The amount of probable losses related to physical risks (damage directly caused by climate events) is not significant.
	Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of firm-level risks and capital adequacy	FN-IN-450a.3	Section "Risk Management" (page 55) of the 2023 Annual MD&A Section " Climate Risk Management " of the <i>2023 Sustainability Report</i> Section "Risk Management" (page 19) of the <i>2023 TCFD Report</i>
Systemic risk management	Exposure to derivative instruments by category: (1) total potential exposure to noncentrally cleared derivatives, (2) total fair value of acceptable collateral posted with the Central Clearinghouse, and (3) total potential exposure to centrally cleared derivatives	FN-IN-550a.1	Section " Climate Risk Management " of the <i>2023 Sustainability Report</i> Section "Risk Management" (page 19) of the <i>2023 TCFD Report</i>
	Total fair value of securities lending collateral assets	FN-IN-550a.2	Section "Consolidated Comprehensive Income Statements" (page 7) of the 2023 Consolidated Financial Statements
	Description of approach to managing capital and liquidity-related risks associated with systemic non-insurance activities	FN-IN-550a.3	Section "Risk Management" (page 55) of the 2023 Annual MD&A Section " Climate Risk Management " of the <i>2023 Sustainability Report</i> Section "Risk Management" (page 19) of the <i>2023 TCFD Report</i>

Business segment: Asset management and safekeeping

Topic	Accounting metric	Code	Disclosure
Incorporation of environmental, social, and governance factors (ESG) in investment management	Amount of assets under management, by asset class, that employ (1) integration of environmental, social, and governance (ESG) issues, (2) sustainable investing and (3) selection.	FN-AC-410a.1	Section "Individual Wealth Management" (page 24) and section "Investment" (page 47) of the 2023 Annual MD&A Section " Sustainable Finance " of the <i>2023 Sustainability Report</i> Sustainable Investment Policy
Employee diversity and inclusion	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees	FN-AC-330a.1	Section " Equity, Diversity and Inclusion " of the <i>2023 Sustainability Report</i> Section "Employment Equity, Diversity and Inclusion" (page 69) of the <i>2024 Proxy Circular</i>
Business ethics	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	FN-AC-510a.1	In 2023, iA Financial Group was not the target of any legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations.
	Description of whistleblower policies and procedures	FN-AC-510a.2	Section " Our sound governance tools " of the <i>2023 Sustainability Report</i> Code of Business Conduct , page 4

Complementary to our operations: real estate, corporate banking and brokerage, integrated healthcare management

Topic	Accounting metric	Code	Disclosure
Energy management	Energy consumption data coverage as a percentage of total floor area, by property subsector	IF-RE-130a.1	Section " Energy and water management at our properties " of the <i>2023 Sustainability Report</i>
	(1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity and (3) percentage renewable, by property subsector	IF-RE-130a.2	
	Percentage change in energy consumed by portfolio area with data coverage, by property subsector	IF-RE-130a.3	
	Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR®, by property subsector	IF-RE-130a.4	Section " Energy and water management at our properties " of the <i>2023 Sustainability Report</i> While our properties are not ENERGY STAR® certified, most have an ENERGY STAR® profile.
	How building energy management considerations are integrated into property investment analysis and operational strategy	IF-RE-130a.5	Section " Energy and water management at our properties " of the <i>2023 Sustainability Report</i>
Water management	Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions with High or Extremely High Baseline Water Stress, by property subsector	IF-RE-140a.1	Section " Energy and water management at our properties " of the <i>2023 Sustainability Report</i>
	(1) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with High or Extremely High Baseline Water Stress, by property subsector	IF-RE-140a.2	
	*Percentage change in energy consumed by portfolio area with data coverage, by property subsector	IF-RE-140a.3	
	Description of water management risks and discussion of strategies and practices to mitigate those risks	IF-RE-140a.4	
Climate change adaptation	Description of climate changes risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	IF-RE-450a.2	Section " Environment " of the <i>2023 Sustainability Report</i> Section "Strategy" (page 7) of the <i>2023 TCFD Report</i>

Topic	Accounting metric	Code	Disclosure
Professional integrity	Description of approach to ensuring professional integrity, including duty of care	FN-IB-510b.4	Section " Our sound governance tools " of the <i>2023 Sustainability Report</i> Code of Business Conduct
Climate change impacts on human health	Discussion of the strategy to address the effects of climate changes on business operations and how specific risks presented by changes in the geographic incidence, morbidity, and mortality of illnesses and diseases are incorporated into risk models	HC-MC-450a.1	Section " Environment " of the <i>2023 Sustainability Report</i> Section "Strategy" (page 7) of the <i>2023 TCFD Report</i>

GHG inventory

The data in this report applies to iA Financial Group for 2023.⁵⁹ The principles used are those set out in ISO 14064-1:2018 (ISO, 2018) and the GHG Protocol. The purpose of this section is to present the consolidation approach, the base year and the different calculation and estimation methods used to quantify iA Financial Group's GHG emissions.

GHG inventory base year

The decarbonization targets were set using 2022 as a baseline to provide a reliable basis for our GHG emissions reduction efforts. That was the year we expanded the scope of our emissions by including a portion of our financed emissions for the first time. We focused on analyzing this new scope to develop a GHG reduction plan consistent with this approach. We have also recalculated the 2022 base year for the Scope 1, 2 and 3 emissions we were previously calculating, to reflect a better data collection methodology and to ensure consistent estimation methods for each reporting year.

Consolidation approach

iA Financial Group uses the financial control consolidation approach. As a property owner, iA Financial Group assumes the inherent risks and rewards associated with its operations, which means that the Corporation is responsible for the decarbonization of its assets. As a result, iA Financial Group uses the financial control consolidation approach to prioritize the reduction of GHG emissions from 36 of the buildings it owns in Canada. This approach is the most appropriate way to aggregate all sources of emissions from iA Financial Group's real estate portfolio and align with the assets targeted by the decarbonization plan.

⁵⁹ Unless indicated otherwise, this methodology covers the period from January 1 to December 31, 2023, and all of the information it contains corresponds to data up to December 31, 2023 entered in the fiscal year ended on that date. Unless indicated otherwise, all data is real and consolidated for all of our subsidiaries and operations in Canada and the United States and all amounts are in Canadian dollars. In addition, the structure of iA Financial Corporation can be found on our [website](#).

GHG emissions calculation method

The most common method for calculating GHG emissions is to use activity-based emission factors. Emission factors provide information on the emissions—typically measured in kilograms of CO₂ equivalent (kg CO₂e)—associated with specific activities, e.g., fuel consumption in litres or distance travelled in kilometres. These emissions are often expressed as an intensity, such as 2.5 kg CO₂e per litre. The emission factors used to calculate emissions are explained in the following sections.

The following equation shows the general principle for calculating GHG emissions:

$$GHG\ emission = \sum Activity\ data \times EF \times GWP$$

Where:

- **Activity data:** Activity data is central to quantifying GHG emissions and is collected annually for the GHG inventory. It shows how iA Financial Group's operations have changed, whether in terms of the number of kilometers traveled or dollar spent on business travel, the amount of fuel purchased or the amount of natural gas consumed. **Activity data is therefore consumption expressed in km, \$, l, m³ or kWh, depending on the source.**
- **EF:** Emission factors provide a sufficiently accurate calculation of the GHG emissions associated with an activity. **Emission factors for CO₂, CH₄ and N₂O are expressed in g/l, g/m³ or g/kWh, depending on the source.**
- **GWP:** Global warming potential (GWP) compares the effect of different GHGs on global warming by converting their effect into equivalent amounts of CO₂. **GWP represents the global warming potential, in CO₂e.**

Detailed calculation method

Scope 1 (direct GHG emissions)

Scope 1 emissions include direct emissions from:

- **Stationary combustion** – Emissions associated with the use of fuels to power equipment such as generators and heating systems in owned buildings.
- **Mobile emissions** – Emissions associated with the use of fuels for Corporation-owned transportation, such as cars and vans.
- **Fugitive emissions** – The direct release of GHGs into the atmosphere, including cases such as refrigerant leaks from air conditioning or refrigeration units in Corporation-owned buildings.

Stationary combustion

The reporting scope for iA Financial Group's real estate holdings⁶⁰ currently includes 36 buildings in Canada and 2 buildings in the United States. CO₂, CH₄ and N₂O emission factors for **stationary combustion** consumption for Canadian buildings are taken from tables A6.1-1 and A6.1-3 in the most recent version of Canada's [National Inventory Report](#). The most recent [U.S. Environmental Protection Agency](#) (EPA) emission factors are used for buildings in the U.S.

Natural Gas (2021)	kg CO ₂ per m ³	g CH ₄ per m ³	g N ₂ O per m ³	kg CO ₂ equivalent per m ³
British Columbia	1.966	0.037	0.035	1.977
Alberta	1.962	0.037	0.035	1.973
Saskatchewan	1.920	0.037	0.035	1.931
Manitoba	1.915	0.037	0.035	1.926
Ontario	1.921	0.037	0.035	1.932
Quebec	1.926	0.037	0.035	1.937
Nova Scotia	1.919	0.037	0.035	1.930
PEI	1.919	0.037	0.035	1.930
New Brunswick	1.919	0.037	0.035	1.930
Newfoundland and Labrador	1.966	0.037	0.035	1.977
Canada	1.944	0.037	0.035	1.955
Yukon	1.966	0.037	0.035	1.977

Diesel	kg CO ₂ per liter	g CH ₄ per liter	g N ₂ O per liter	kg CO ₂ equivalent per liter
Canada	2.681	0.078	0.022	2.689

Natural Gas	kg CO ₂ per m ³	g CH ₄ per m ³	g N ₂ O per m ³	kg CO ₂ equivalent per m ³
USA	1.9225	0.0364	0.0035	1.925

Diesel (Distillate Fuel Oil No. 1)	kg CO ₂ per liter	g CH ₄ per liter	g N ₂ O per liter	kg CO ₂ equivalent per liter
USA	2.69	0.11	0.0003	2.693

Mobile emissions

The iA Financial Group owned fleet consists of 5 vehicles in Canada and 39 vehicles in the U.S. **Mobile emissions** are calculated using the distance-based method, which consists of multiplying the distance travelled by the specific emission factors for each vehicle model, taken from the most recent [Natural Resources Canada](#) report.

⁶⁰ Some properties are not wholly owned by iA Financial Group (ownership less than 100%). Under the financial control consolidation approach, only GHG emissions from the share owned by iA Financial Group are considered. In other words, the building activity data is multiplied by the percentage of ownership in the Scope 1 calculations.

Fugitive emissions

Fugitive emissions are calculated based on the amount and type of gas⁶¹ added during maintenance of refrigeration or air conditioning equipment. This information is typically found on maintenance invoices. The following table shows the emission factors used for the types of gas detected in buildings owned by iA Financial Group:

Type	kg CO ₂ e/kg produced	Source
R134	1260	Supplementary Material IPCC Sixth Assessment Report, 2022
R123	90.4	
R-407C	1624.21	
R-410A	1923.5	California Air Resources Board potential
R-404A	3942.8	
R-514	2	Supplementary Material IPCC Sixth Assessment Report, 2022

The refrigerant gas estimates were based on the screening method, which multiplies the capacity of the air conditioning and refrigeration equipment by the annual leakage rate. An average equipment capacity (in kg) per square metre and per volatile gas was obtained (see table below). Then a leakage rate of 4.7% was applied from Table A6.2-11 of Canada's [National Inventory Report](#).

Gas	kg/ft ²
R-134A	0.00298
R-410A	0.00004
R-123	0.00161
R-404A	0.00009

Scope 2 (indirect GHG emissions)

Scope 2 emissions include the indirect energy-related GHG emissions of the owned real estate holdings⁶² taken into account for the purposes of this calculation by iA Financial Group, which includes emissions related to the production of purchased energy, such as electricity, heat or steam.

Energy consumption is calculated using the location-based method⁶³. Activity data for electricity is taken from invoices provided by electricity suppliers (e.g., Hydro-Québec for buildings located in the province of Quebec), where the amount consumed is expressed in kWh.

Emission factors for electricity consumption are taken from tables A13-2 through A13-13 of Canada's most recent [National Inventory Report](#). The most recent [U.S. Environmental Protection Agency](#) (EPA) emission factors are used for buildings in the U.S.

⁶¹ R-22 refrigerant gas (also known as HCFC-22) is not quantified in the GHG inventory according to the regulations of the UN Environment Program, Montreal Protocol treaties at <https://ozone.unep.org/treaties/montreal-protocol>.

⁶² Similar to Scope 1 emissions, the calculation of Scope 2 emissions is based on the building activity data multiplied by iA Financial Group's ownership percentage.

⁶³ Only the location-based method was used by iA Financial Group since the Corporation does not possess a contractual agreement for the supply of electricity, which is a requirement for applying the market-based method.

Province	Generation intensity in 2021 (kg CO ₂ e/kWh electricity consumed)
Ontario	0.0280
Quebec	0.0013
Manitoba	0.0019
Saskatchewan	0.6700
Alberta	0.5100
British Columbia	0.0140
Yukon	0.0700
Newfoundland and Labrador	0.0160
Nova Scotia	0.6600
PEI	0.0030
Canada	0.1100
New Brunswick	0.2900
U.S. Average	0.436

There is only one case of heating and steam consumption in the GHG inventory, where the activity data was taken from the invoices of the heat supplier. The consumption is expressed in kWh and multiplied by the emission factor provided by the energy supplier.

City	kg CO ₂ /kWh of heating	Source
Vancouver (Surrey)	0.175	Data provided by Surrey City Energy

Incomplete coverage of Scope 1 and Scope 2 data

iA Financial Group uses the financial control consolidation approach. As a property owner, iA Financial Group assumes the risks and benefits inherent in its activities, which means that the company takes into account the consumption data of the tenants of the buildings it owns when accounting for its Scope 1 and Scope 2 GHGs. It is known that tenant energy data (and the corresponding emissions data) can be difficult, if not impossible, to collect. In accordance with the GHG Protocol, for some buildings owned but not occupied by iA Financial Group, for which tenant activity data (such as diesel, natural gas and electricity consumption) were not available, estimates were used, particularly where occupants have their own meter readings to track their energy consumption. Energy consumption in these buildings was estimated based on average electricity or natural gas consumption levels provided by the U.S. Energy Information Administration (EIA), which gives details by building type, climate zone and region. The method is thus adapted to the type of building (residential, industrial, restaurant, commercial). The square footage for which activity data is not available is multiplied by the average consumption level to obtain an estimate. We occasionally use estimated data, but our aim is to collect real data and replace estimates with actual data. We plan to improve data coverage in the coming years.

Scope 3 (indirect emissions)

Scope 3 emissions are those that occur in the iA Financial Group's value chain and are not already included in Scope 2. There are a total of 15 Scope 3 categories covering a wide range of upstream and downstream activities. These emissions result from the Corporation's operations, but are from sources over which the Corporation has little or no control. This section identifies some of Scope 3 categories for iA Financial Group's operations.

Category 3.5: Waste generated by the company's operations

Wastewater

The methodology used is based on the estimation of CH₄ and N₂O emissions from wastewater treatment. In accordance with IPCC guidelines and the [Greenhouse gas emissions Quantification Guide for Quebec](#), the organic load in wastewater was calculated based on the population (P) connected to the wastewater treatment system, i.e., the number of employees per building.

Variable	Value	Unité	Sources
Emission factor for CH ₄ emissions from wastewater treatment	0.065	kg CH ₄ /employee/year	Section 3.23. Emissions from wastewater treatment and discharge. Greenhouse Gas Emissions Quantification Guide for Quebec, MELCCFP, December 2022. https://www.environnement.gouv.qc.ca/changements/ges/guide-quantification/guide-quantification-ges-en.pdf
Emission factor for N ₂ O emissions from wastewater treatment	0.002	kg N ₂ O/employee/year	ECCC 2013, GHG emission for municipal inventories

Solid waste

The waste-type-specific method is used, which implies the use of emission factors for each waste type. For some buildings, the activity data comes from annual solid waste reports obtained directly from the onsite waste management company. For this activity data, the emissions calculation takes into account not only the type of waste, but also the method of waste disposal, i.e., landfilled, recycled or composted. If activity data is not available, an estimate is made based on the number of employees per building. If no activity data is available, an estimate is made based on actual data from available audit reports. An average per square foot for each type of waste is calculated. This average is then multiplied by the surface area of the building for which no activity data is available.

The emission factors used are:

kg of CO ₂ /ton of waste		
Recycled	Landfilled	Composted
0.10	0.57	0.19

Category 3.6: Business travel of the company employees

This category includes emissions from the transportation of employees for business-related activities in vehicles owned or operated by third parties, such as airplanes, trains and cars. Being more precise, the distance-based method is preferred, and when data did not permit its use, the spend-based method is used.

The distance-based method is used to determine the distance and mode of transportation for business travels. Air activity data was obtained from the annual report of the external travel agency, rail activity data is provided by Via Rail (Canada only). Car activity data in kilometer was obtained from employee expense reports, and the emission factor used is the average of emission factors for different car models. For transportation by car, the emission factor used is the average of the emission factors of different car models, according to the most recent report by [Natural Resources Canada](#). For other means of transportation, emission factors from the [U.S. Environmental Protection Agency](#) (EPA) are used.

For greater data coverage, iA Financial Group added, in 2023, the spend-based method. This method involves determining dollar expenditure and mode of transport for business trips. Where activity data in

distance (e.g. kilometer) is not available, then dollar data for air travel and any other transportation-related activities (e.g. parking fees) are extracted from the expense accounts. Emission factors from the [U.S. Environmental Protection Agency](#) (EPA) are used.

The result of the two methods (distance and expense) constitutes the total GHG emissions for iA Financial Group employee business travel.

Category 3.7: Employee commuting to and from work

This category includes emissions from employees commuting between home and work. Emissions can come from train travel, bus travel, rental cars, employee-owned cars and other modes of travel. The most recent Canadian census data on commuting habits for the province of Quebec was used to determine employee's mode of travel by distance between home and work. This data was used to calculate the average daily distance travelled by employees by public transit and by car, in kilometres. For the year 2023, these averages were then multiplied by workplace presenteeism rate to reflect the influence of the WFA initiative on staff travel patterns. The average number of kilometres travelled by each staff member during the year 2023 (car and public transport) is therefore multiplied by the average number of staff members travelling to our workplaces in 2023, i.e., 8.1%. For transportation by car, the emission factor used is the average of the emission factors of different car models, according to the most recent report by [Natural Resources Canada](#). For other means of transportation, emission factors from the [U.S. Environmental Protection Agency](#) (EPA) are used.

Category 3.8: Upstream of the company leased assets (non owned)

According to the financial control approach defined in the GHG Protocol, leased buildings and cars are reported in Category 8 of Scope 3. Activity data is obtained from electricity and natural gas bills where available. No information is available for most leased buildings, as the consumption data is included in the total cost of the lease. Therefore, an estimate has been made. The estimation method is explained below:

Diesel

Diesel consumption for leased buildings was estimated using the average diesel consumption per square metre for owned buildings, as primary data was not available. The average consumption was then multiplied by the area of the buildings occupied by iA Financial Group in leased buildings.

Electricity and natural gas

For properties leased in Canada, electricity and natural gas consumption was estimated using the average electricity and natural gas consumption per square foot of iA Financial Group's owned buildings in Canada. For properties leased in the United States, a different estimation method was used depending on the geographic location of the leased buildings. The consumption data is based on a survey conducted by the U.S. Energy Information Administration (EIA). The data was aggregated by climate zone, resulting in average natural gas and electricity consumption per square foot for each U.S. state. For all leased buildings in Canada and United States, the respective average consumption was multiplied by the square footage occupied by iA in these leased buildings.

Fugitive emissions

The estimation method for refrigerants is the same as that described for Scope 1 "Fugitive Emissions"

Waste

Waste is estimated using the same method described above in "Category 3.5: Waste Generated by the company's operations"

Mobile emissions

iA Financial Group's fleet of leased vehicles is made up of 66 vehicles, 25 of which are hybrid or electric and the rest run on gasoline. Emissions are calculated using the Scope 1 "Mobile Emissions" methodology.

Category 3.13: Downstream leased assets

This category does not apply to iA Financial Group. Under the financial control approach, emissions from assets owned and leased to a third party are included in Scopes 1 and 2.

Category 3.15: Financed emissions linked to our investment portfolio

We have followed the Partnership for Carbon Accounting Financials ("PCAF") methodology to calculate the carbon footprint of our public corporate debt portfolio. The securities in the portfolio and their market value were extracted from our database, while the enterprise value including cash ("EVIC"), company sales figures and greenhouse gas emissions, in particular scope 1 and 2 emissions, were obtained from our third-party data provider, MSCI.

Following our first assessment in 2023, we have seen an increase in portfolio coverage this year. In terms of carbon intensity, the coverage ratio is 94%⁶⁴ of the public corporate debt of the General Funds. For financed emissions, the coverage rate is 64%. It is important to mention that our investments in public corporate bonds are limited in terms of coverage. Some private companies do not disclose information about their carbon measurements. When this information is not available, we fall back on estimated or inherited data from the parent company. While this approach broadens the coverage of our portfolio, it may give a less accurate representation of the true carbon footprint. Over time, we expect to improve data coverage and quality through better disclosures and regulations. In the meantime, we will continue to use these figures, while keeping in mind their limitations. Companies that are not covered by MSCI are not included in the calculation.

⁶⁴ 94% is the success rate of the security mapping of our data warehouse with our data provider's database. This disclosure has been prepared using information provided by MSCI ESG Research LLC or its affiliates or information providers. Although Industrial Alliance Investment Management Inc.'s information providers, including MSCI ESG Research LLC and its affiliates (the "ESG Parties") obtain their information (the "Information") from sources they believe to be reliable, none of the ESG Parties can guarantee the originality, accuracy or completeness of the data contained herein, and they expressly disclaim all warranties, express or implied, including warranties of merchantability or fitness for a particular purpose. The information may be used internally only and may not be reproduced or republished in any form. They may also not be used as a reference or data source for financial instruments, products or indices. In addition, this information should not be used to determine which securities to buy or sell or when to buy or sell securities. Neither ESG Party shall be liable for any errors or omissions with respect to any data herein or for any direct, incidental, indirect, punitive, special, consequential or other damages (including lost profits) even if advised of the possibility of such damages.

In accordance with PCAF guidelines, we used EVIC to calculate the allocation factor of financed emissions. This measure adjusts the sum of the two scopes—Scope 1 and Scope 2 emissions—to obtain total financed emissions. Carbon intensity was calculated as the amount of carbon emissions in total carbon dioxide content (tCO₂) per million in revenue (CAD). Although not required by the PCAF, we have included weighted average carbon intensity (WACI), which is carbon intensity normalized by its weight in the General Funds.

Table 15 sets out the formulas used to calculate the metrics in table 5 for GHG emissions from our investment portfolios.

Table 15: Table of formulas

$$\text{Attribution factor (in \%)} = \frac{\sum_{i=1}^n \text{CAD invested in issuer}}{\text{issuer's EVIC}}$$

$$\text{Total Financed Emissions (in tCO}_2\text{e)} = \sum_{i=1}^n (\text{issuer's scope 1 and scope 2}) * \text{Attribution factor}$$

$$\text{Total Financed Emission Intensity (in tCO}_2\text{e per MM CAD invested)} = \frac{\text{Total Financed Emissions}}{\text{Covered portion of the portfolio's CAD MM value}}$$

$$\text{Carbon intensity (in tCO}_2\text{e per million of revenue)} = \frac{\text{issuer's emission tCO}_2}{\text{issuer's revenue MM CAD}}$$

$$\text{Weighted Average Carbon Intensity (in tCO}_2\text{e per million of revenue)} = \sum_{i=1}^n \frac{\text{CAD invested in issuer}}{\text{portfolio's CAD value}} * \text{carbon intensity}$$



Total GHG emissions⁶⁵

Table 16 details the Corporation's GHG⁶⁶ emissions as at December 31, by scope and category.

Table 16: Total GHG emissions as at December 31, 2023

Scope	Category	2019	2020	2021	2022	2022 (baseline) ⁶⁷	2023
1	Stationary combustion: Diesel and natural gas	3,893	3,869	7,725	6,964	7,214	6,697
	Fugitive emissions: Refrigerants	421	327	2,678	1,662	435	570
	Mobile combustion emissions: Vehicles	8	1	2	281 ⁶⁸	N/A ⁶⁹	217
2	Emissions from purchased energy	68	2,219	3,757	2,889	3,376	3,171
3	Category 5: Waste generated in operations	1,908	237	552	487	134	139
	Category 6: Business travel	2,913	657	313	3,833	1,038	3,075
	Category 7: Employee commuting	2,064	526	189	843	1,064	1,139
	Category 8: Upstream leased assets	–	–	–	3,411	3,280	3,213
	Category 13: Downstream leased assets ⁷⁰	–	–	–	0	N/A	N/A
Absolute total GHG		11,275	7,836	15,216	20,370	16,541	18,221
3	Category 15: Investments ⁷¹	–	–	–	458,688	466,214	389,617

⁶⁶ All iA Financial Group GHG emissions data is unaudited to the best of our knowledge. Since 2019, we have made improvements in the completeness of data collection and GHG calculation accuracy. On the one hand, the number of GHG emission sources considered in each of the scopes has grown since 2019 (e.g., properties and vehicles). On the other hand, the number of Scope 3 categories has expanded (including financed emissions).

⁶⁷ A comparison between 2022 baseline and the previous years is not possible due to changes in calculation methods.

⁶⁸ The 2022 base year has been recalculated for all Scope 1, 2 and 3 emissions to reflect improved data collection methodology and to ensure consistent estimation methods for each reporting year.

⁶⁹ These emissions have been removed from Scope 1 as they come from leased vehicles (which are not owned by iA Financial Group) and have been recalculated and transferred to Category 8: Upstream leased assets.

⁷⁰ Emissions data for mobile combustion were added in 2023, so no data for 2022 is available.

⁷¹ This category does not apply to iA Financial Group. Under the financial control approach, emissions from assets owned and leased to a third party are included in scopes 1 and 2.

⁷² In 2022, we began quantifying Scope 3 Category 15, Investments emissions. This disclosure was developed using information from MSCI ESG Research LLC or its affiliates or information providers. Although Industrial Alliance Investment Management Inc.'s information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for, or a component of, any financial instruments or products or indices. Further, none of the Information can in and of itself be used to determine which securities to buy or sell or when to buy or sell them. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

Endnotes

- ¹ The book value per common share is a financial measure calculated by dividing common equity by the number of common shares outstanding at the end of the period; all components of this measure are IFRS measures.
- ² Amount calculated in accordance with IFRS17. The amount for 2022 would have been \$5.5B instead of \$7.8B, which was calculated in accordance with IFRS4.
- ^{3†} This is a non-IFRS measure. See the “Non-IFRS and Additional Financial Measures” section in this document for key information on such measures.
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- ⁱ Taxes paid (on a cash basis) are composed of : (1) Municipal, which includes property, school, water and water waste taxes collected by the municipal government of residential and commercial property owners ; (2) Corporate income tax, which is levied by federal and provinces/state governments on taxable business profits. The amount of taxes actually paid during the reporting fiscal year includes both payments fulfilling the relevant fiscal year’s tax obligation but also payments fulfilling the previous year(s)’ tax obligation (e.g., payment of unpaid balance of corporate income tax accrued in relation to the previous year(s), including payments related to reassessments of previous years) ; and (3) the other taxes paid, which includes premium tax on insurance premiums. This tax is levied by provinces and applicable on gross premiums receivable during the fiscal year, less the sum of premiums returned, and the cash value of dividends paid or credited to policyholders during the same fiscal year.
- ⁱⁱ S&P Global uses the previous disclosure year for its assessment. As such, the 2023 rating is based on 2022 disclosures. S&P: 2022 rating as of December 8, 2022; 2023 rating as of March 15, 2024.
- ⁱⁱⁱ MSCI: 2022 rating as of July, 26, 2022; 2023 rating as of July 26, 2023. Certain information contained herein (the “Information”) is sourced from/copyright of MSCI Inc., MSCI ESG Research LLC, or their affiliates (“MSCI”), or information providers (together the “MSCI Parties”) and may have been used to calculate scores, signals, or other indicators. The Information is for internal use only and may not be reproduced or disseminated in whole or part without prior written permission. The Information may not be used for, nor does it constitute an offer to buy or sell, or a promotion or recommendation of any security, financial instrument or product, trading strategy or index, nor should it be taken as an indication or guarantee of any future performance. Some funds may be based on or linked to MSCI indexes, and MSCI may be compensated based on the fund’s assets under management or other measures. MSCI has established an information barrier between index research and certain Information. None of the Information in and of itself can be used to determine which securities to buy or sell or when to buy or sell them. The Information is provided “as is” and the user assumes the entire risk of any use it may make or permit to be made of the Information. No MSCI Party warrants or guarantees the originality, accuracy and/or completeness of the Information and each expressly disclaims all express or implied warranties. No MSCI Party shall have any liability for any errors or omissions in connection with any Information herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.
- ^{iv} ISS ESG: 2022 rating as of December 28, 2022; 2023 rating as of December 28, 2023.
- ^v Sustainalytics: As of February 2024, iA Financial Corporation Inc. received an ESG Risk Rating of 20.7 (as of May 17, 2023 the rating was 25.9) from Morningstar Sustainalytics and was assessed to be at medium risk of experiencing material financial impacts from ESG factors. In no event this *Sustainability Report* shall be construed as investment advice or expert opinion as defined by the applicable legislation. Copyright 2023 Morningstar (Sustainalytics). All rights reserved. This report contains information developed by Sustainalytics (www.sustainalytics.com). Such information and data are proprietary of Sustainalytics and/or its third-party suppliers (Third Party Data) and are provided for informational purposes only. They do not constitute an endorsement of any product or project, nor an investment advice and are not warranted to be complete, timely, accurate or suitable for a particular purpose. Their use is subject to conditions available at <https://www.sustainalytics.com/legal-disclaimers>. Sustainalytics uses the previous disclosure year for its assessment. As such, the 2023 rating is based on 2022 disclosures.
- ^{vi} CDP Worldwide. As of December 2022 and 2023, iA Financial Group received a CDP Climate Change score of C which represents an “Awareness” disclosure. CDP uses the previous disclosure year for its assessment. As such, the 2023 rating is based on 2022 disclosures.

This report, our *Sustainability Policy* and various other documents related to sustainability are available on our website at ia.ca, in the *Sustainability* section.

To reduce our production of printed materials at the source, iA Financial Group has decided not to print this *Sustainability Report*. An electronic version of this document is available at ia.ca.

Proven Values, Looking to the Future

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