

# PRESENT AND STRONG.

More than ever.

Company profile  
Data as at June 30, 2021



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).

## OUR PURPOSE

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

## OUR MISSION

To ensure the financial wellbeing of our clients by offering them personal insurance coverage and investment solutions to help them achieve their personal goals.

## OUR AMBITION

To be the company that best meets client expectations, in partnership with our distributors.

# OUR FIVE VALUES

Teamwork

1

High-  
performance  
environment

2

Continuous  
improvement

3

Respect for  
individuals  
and  
distributors

4

Service-  
oriented

5

# THE GROUP TODAY

4 million  
+

clients

8,100  
+

employees

25,000  
+

representatives

\$210.5  
billion

asset  
under management  
and administration

\$7.3  
billion

market  
capitalization

# THE GROUP TODAY

**iA Financial Group has four main lines of business in Canada:**

- Individual Insurance and Individual Wealth Management, which address the needs of retail customers.
- Group insurance and Group Savings and Retirement, which address the needs of groups and businesses.

**A fifth line of business comprises the company's US Operations.**



# DIVERSIFIED BUSINESS MIX

driven by a shared purpose, a strong vision and high ambition



## Foundation

Long-established businesses in which iA excels and is already a leader.



## Expansion

High-growth distinctive businesses in which iA seeks to become a leader.



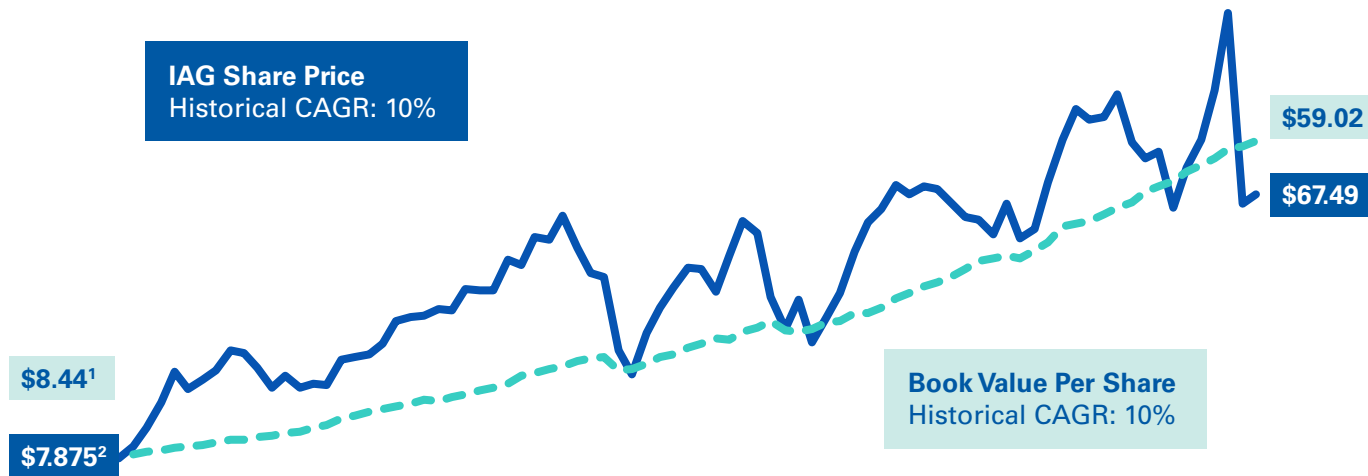
## Support

Businesses supporting branding and delivering synergies and competitive advantages to other iA businesses.



# SHAREHOLDER RETURN

The company is managed with a long-term perspective. The sustained growth in the company's book value and common share price since 2000 reflects the success of this approach and the scale of the company's growth as a whole.



<sup>1</sup> As at March 31, 2000, first disclosed book value as a public company.

<sup>2</sup> As at Feb. 3, 2000, when iA became a public company, taking into account the 2/1 split on May 16, 2005.

# BUSINESS GROWTH

## ORGANIC GROWTH

Organic growth is strong and steady. It is supported by our comprehensive product offering and vast distribution network. These elements are strategic vectors that allow us to provide considerable added value to our clients.

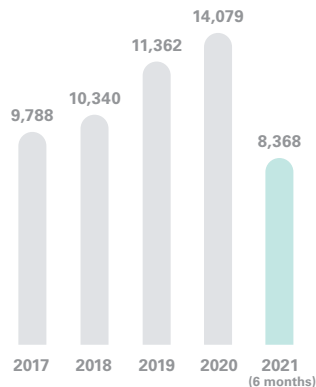
## GROWTH THROUGH ACQUISITIONS

Acquisitions allow us to diversify our activities and grow in scale, and we have made over forty acquisitions since 2000. In May 2020, we concluded the acquisition of a US-based company in the vehicle warranty sector, which is the largest acquisition in our history.

### Growth of premiums and deposits

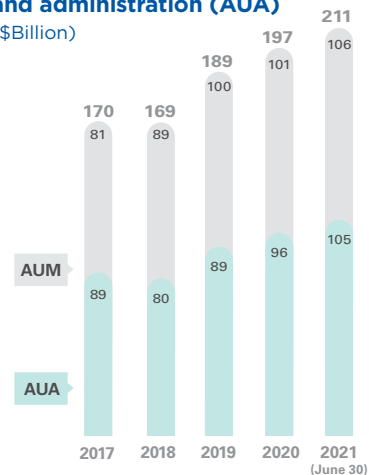
is the result from new sales and strong retention of in-force business.

#### Net premiums, premium equivalents and deposits (\$Billion)



**Growth in assets**, which is reliant on gross sales, in-force business persistency and the return on assets, is a key long-term profitability driver.

#### Assets under management (AUM) and administration (AUA) (\$Billion)



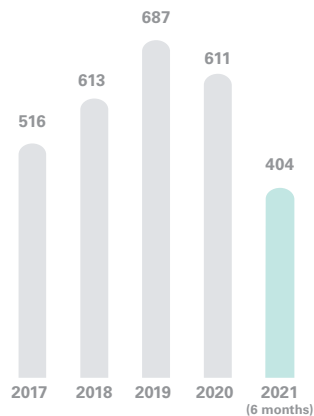


## EARNING POWER

Our long-term strategy and the success of recent profitability improvement initiatives allowed us to grow earnings per share (EPS) and return on common shareholders' equity (ROE).

### Net income attributed to common shareholders

(\$Million)



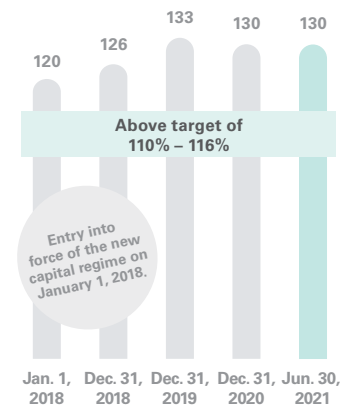
## FINANCIAL STRENGTH

We have a solid balance sheet and a low debt ratio that provides us with great financial flexibility. Our capital position is robust and we manage our business with a long-term perspective, all of which supports our growth strategy.

The company completed the first half of 2021 with a solvency ratio, one of the most significant measures of a company's financial strength, well above target. In addition, since the new capital regime took effect in early 2018, the ratio's sensitivity to macroeconomic changes has been low.

### Solvency ratio

(%)



# SHAPING THE iA ECOSYSTEM OF THE FUTURE

Continuity of digital strategy goes beyond IT:  
An integrated approach based on our four strategic axes



## Growth

**Digital initiatives to contribute to 1%+ of annual core EPS growth**

## Client experience

**Deepening a 360 client view**

- Provide a high-level client/advisor experience
- Provide online self-serve capabilities
- Leverage data for better insights

## Operating efficiency

**Maximizing operational efficiencies**

- Reduce direct operating costs
- Increase scalability and flexibility
- Efficiency gain of ~20%

## Employee experience

**Ongoing talent development**

- Increase employee engagement
- Develop high-performing team
- Adopt a culture of innovation

# CREDIT RATINGS

The company and its subsidiaries receive credit ratings from three independent rating agencies: Standard & Poor's, DBRS and A.M. Best. These ratings, presented in the table below, confirm the financial strength of the company and its subsidiaries and their ability to meet their commitments to policyholders and creditors.

<b>Credit rating agency</b>	<b>iA Financial Corporation Inc.</b> Issuer rating	<b>Industrial Alliance Insurance and Financial Services Inc.</b> Financial strength	<b>Outlook</b>
Standard & Poor's	A	AA-	Stable
DBRS Morningstar	A	AA (low)	Stable
A.M. Best	N/A	A+ (Superior)	Stable

# ESG AMBITION

To contribute to sustainable growth and wellbeing for our clients, employees, partners, investors and communities



## ENVIRONMENT

Reduction of our GHG emissions by **20%** per employee by 2025

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## SOCIAL

Now and in the future, achieve increased gender equity of between **40%** and **60%** in iAFinancial Group senior leadership positions and appointments

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## GOVERNANCE

Identify, measure and better **communicate** ESG factors that can influence sustainable value creation for all of our stakeholders



Signatory of:



## ESG – A COHESIVE, MOBILIZING VISION

### ENVIRONMENT

- Carbon neutral since the beginning of 2020
- Focused on initiatives aimed at reducing our GHG emissions
- **\$80.5 million** of new investments in renewable energy in 2020
- Majority of our 40+ properties in Canada are BOMA BEST or LEED certified
- Participation in the Carbon Disclosure Project since 2007

### SOCIAL

- Diversity and Inclusion program with a focus on increasing gender equity and other types of diversity: **59%** of employees and **47%** of managers are women<sup>1</sup>
- Offering our clients products and services that provide access to quality health care and health services 2020 donations totalling **\$6.4 million**, the equivalent of **\$820 per employee**
- **1.85 million** meals provided to food banks in 2020
- iA's Health & wellness program provide global health assistance to clients, employees and their families, and communities

### GOVERNANCE

- Signatory of United Nations Principles for Responsible Investment (PRI)
- Best governance practices reinforced with the creation of a formalized Governance Framework
- Use of the SASB framework to guide ESG disclosure
- ESG criteria is now included in executive compensation
- Commitment to five United Nations Sustainable Development Goals (SDG)

<sup>1</sup> As at June 28, 2021.

# CONTACTS

## CUSTOMER SERVICE

418-684-5000 or 1-800-463-6236  
**infolife@ia.ca**

## PUBLIC RELATIONS

418-684-5000, ext. 101660  
**public.relations@ia.ca**

## INVESTOR RELATIONS

418-684-5000, ext. 105862  
**investors@ia.ca**

For information on our earnings releases, conference calls and related disclosure documents, consult the Investor Relations section of our website at [ia.ca](http://ia.ca).

### **No offer or solicitation to purchase**

This presentation does not, and is not intended to, constitute or form part of, and should not be construed as, an offer or invitation for the sale or purchase of, or a solicitation of an offer to purchase, subscribe for or otherwise acquire, any securities, businesses and/or assets of any entity, nor shall it or any part of it be relied upon in connection with or act as any inducement to enter into any contract or commitment or investment decision whatsoever.

# NON-IFRS FINANCIAL INFORMATION

iA Financial Corporation reports its financial results and statements in accordance with International Financial Reporting Standards (IFRS). It also publishes certain financial measures 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 used for the Company's audited financial statements. These non-IFRS financial measures are often accompanied by and reconciled with IFRS financial measures. For certain non-IFRS financial measures, there are no directly comparable amounts under IFRS. The Company believes that these non-IFRS financial measures provide additional information to better understand the Company's financial results and assess its growth and earnings potential, and that they facilitate comparison of the quarterly and full-year results of the Company's ongoing operations. Since non-IFRS financial measures do not have standardized definitions and meaning, 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 Company 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.

Non-IFRS financial measures published by iA Financial Corporation include, but are not limited to: return on common shareholders' equity (ROE), core earnings per common share (core EPS), core return on common shareholders' equity (core ROE), sales, net sales, assets under management (AUM), assets under administration (AUA), premium equivalents, deposits, sources of earnings measures (expected profit on in-force, experience gains and losses, impact of new business (strain), changes in assumptions, management actions and income on capital), capital, solvency ratio, interest rate and equity market sensitivities, loan originations, finance receivables and average credit loss rate on car loans.

The analysis of profitability according to the sources of earnings presents sources of income in compliance with the guideline issued by the Office of the Superintendent of Financial Institutions and developed in co-operation with the Canadian Institute of Actuaries. This analysis is intended to be a supplement to the disclosure required by IFRS and to facilitate the understanding of the Company's financial position by both existing and prospective stakeholders to better form a view as to the quality, potential volatility and sustainability of earnings. It provides an analysis of the difference between actual income and the income that would have been reported had all assumptions at the start of the reporting period materialized during the reporting period. It sets out the following measures: expected profit on in-force business (representing the portion of the consolidated net income on business in force at the start of the reporting period that was expected to be realized based on the achievement of best-estimate assumptions); experience gains and losses (representing gains and losses that are due to differences between the actual experience during the reporting period and the best-estimate assumptions at the start of the reporting period); impact of new business (strain) (representing the point-of-sale impact on net income of writing new business during the period); changes in assumptions, management actions and income on capital (representing the net income earned on the Company's surplus funds); and any other items not attributed to operating profit.

# NON-IFRS FINANCIAL INFORMATION (CONTINUED)

Core earnings (loss) and financial measures based on core earnings (loss), including core EPS and core ROE, are non-IFRS financial measures used to better understand the capacity of the Company to generate sustainable earnings. Core earnings (loss) remove from reported earnings (loss) the impacts of the following items that create volatility in the Company's results under IFRS, or that are not representative of its underlying operating performance:

- a. market-related impacts that differ from management's best estimate assumptions, which include impacts of returns on equity markets and changes in interest rates related to (i) management fees collected on assets under management or administration (MERs), (ii) universal life policies, (iii) the level of assets backing long-term liabilities, and (iv) the dynamic hedging program for segregated fund guarantees;
- b. assumption changes and management actions;
- c. charges or proceeds related to acquisition or disposition of a business, including acquisition, integration and restructuring costs;
- d. amortization of acquisition-related finite life intangible assets;
- e. non-core pension expense, that represents the difference between the asset return (interest income on plan assets) calculated using the expected return on plan assets and the IFRS prescribed pension plan discount rate;
- f. specified items which management believes are not representative of the performance of the Company, including (i) material legal settlements and provisions, (ii) unusual income tax gains and losses, (iii) material impairment charges related to goodwill and intangible assets, and (iv) other specified unusual gains and losses.

This core earnings definition is applicable as of January 1, 2021. However, the core results for prior periods that are presented for comparison purposes have also been calculated according to this definition.

Non-IFRS financial measures published by iAInsurance include, but are not limited to: return on common shareholders' equity (ROE), sales, assets under management (AUM), assets under administration (AUA), capital and solvency ratio.

Sales is a non-IFRS measure used to assess the Company's ability to generate new business. They are defined as fund entries on new business written during the period. Net premiums, which are part of the revenues presented in the financial statements, include fund entries from both in-force contracts and new business written during the period. Assets under management and administration is a non-IFRS measure used to assess the Company's ability to generate fees, particularly for investment funds and funds under administration. An analysis of revenues by sector is presented in the "Analysis According to the Financial Statements" section of the Management's Discussion and Analysis.



# FORWARD-LOOKING STATEMENTS

This news release may contain statements relating to strategies used by iAFinancial 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,” and “forecast” or other similar words or expressions. Such statements constitute forward-looking statements within the meaning of securities laws. In this news release, forward-looking statements include, but are not limited to, information concerning possible or assumed future operating results. These statements are not historical facts; they represent only expectations, estimates and projections regarding future events and are subject to change, particularly in light of the ongoing and evolving COVID-19 pandemic, its effect on the global economy and its uncertain impact on our operations.

Although iAFinancial 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. Certain material factors or assumptions are applied in making forward-looking statements, and actual results may differ materially from those expressed or implied in such statements. Factors that could cause actual results to differ materially from expectations include, but are not limited to: general business and economic conditions; level of competition and consolidation; changes in laws and regulations, including tax laws; liquidity of iAFinancial Group, including the availability of financing to meet existing financial commitments on their expected maturity dates when required; accuracy of information received from counterparties and the ability of counterparties to meet their obligations; accuracy of accounting policies and actuarial methods used by iAFinancial Group; insurance risks such as mortality, morbidity, longevity and policyholder behaviour, including the occurrence of natural or man-made disasters, pandemic diseases (such as the current COVID-19 pandemic) and acts of terrorism.

Potential impacts of the COVID-19 pandemic – Since March 2020, the COVID-19 pandemic has had major, unprecedented implications for both society and the economy. The overall impact of the COVID-19 pandemic is still uncertain and depends on many factors, such as the progression of the virus, the emergence of new variants, the duration of the pandemic, potential treatments and therapies, the availability of vaccines, the effectiveness of government measures to slow the virus's spread and the impact of those measures on the economy. As a result, we cannot accurately predict the total bearing the pandemic will have, but the impact on iAFinancial Corporation's business and financial results could be material. However, despite the short-term negative impacts of the pandemic on its results, iAFinancial Corporation remains financially solid. In addition, iAFinancial Corporation's business continuity protocol has continued, ensuring that the quality of service clients receive is similar to or better than before the pandemic and enabling employees and advisors to continue to work safely and securely.

Additional information about the material factors that could cause actual results to differ materially from expectations and about material factors or assumptions applied in making forward-looking statements may be found in the “Risk Management” section of the Management's Discussion and Analysis for 2020, the “Management of Risks Associated with Financial Instruments” note to the audited consolidated financial statements for the year ended December 31, 2020, and elsewhere in iAFinancial Group's filings with the Canadian Securities Administrators, which are available for review at [sedar.com](https://www.sedar.com).

The forward-looking statements in this news release reflect iAFinancial Group's expectations as of the date of this document. iAFinancial Group does not undertake to update or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events, except as required by law.

INVESTED IN YOU.

