

# Responsible Choices

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ANNUAL MEETING  
Information for  
participating policyholders  
**2020**

Industrial Alliance Insurance  
and Financial Services Inc.

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# Notice of the 2020 Annual Meeting of the Sole Common Shareholder and of the Participating Policyholders

## When?

May 7, 2020  
2:00 p.m. (Eastern time)

## Where?

Virtual-only meeting  
via live audio webcast online  
at the following address:  
<https://www.icastpro.ca/eia200507a>.

Please refer to section "Meeting Information" of the circular to obtain login instructions.

## Agenda

- 1) receive the consolidated financial statements of Industrial Alliance Insurance and Financial Services Inc. and the report of the external auditor for the year ended December 31, 2019;
- 2) elect the directors for the ensuing year;
- 3) appoint the external auditor for the ensuing year;
- 4) receive copy of the new participating accounts management policy; and
- 5) transact such other business as may be properly brought before the Meeting.

The Annual Meeting of iA Financial Corporation Inc. will be held on the same webcast.



## For your Information

- Please note that according to the applicable regulation, the participating policyholders will be invited to vote only on item 2 of the Agenda, as more fully described in this document.
- In order for a proxy to be voted at the Annual Meeting, the properly completed proxy form must be received by Computershare Investor Services Inc., 100 University Avenue, 8<sup>th</sup> floor, Toronto, Ontario, M5J 2Y1, no later than 5:00 p.m. (local time) on May 5, 2020, or at least 48 hours before any adjournment(s) thereof.

Please refer to section "Meeting Information" for all voting information.

Quebec City, Quebec, March 9, 2020

A handwritten signature in black ink that reads "Jennifer Dibblee".

Jennifer Dibblee  
Corporate Secretary  
Industrial Alliance Insurance and Financial Services Inc.

# Message from the Chair of the Board of Directors

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## Responsible Governance

It gives me great pleasure to invite you to the Industrial Alliance Insurance and Financial Services Inc. Annual Meeting, which will be held on Thursday, May 7, 2020 at 2:00 p.m. via live audio webcast online at <https://www.icastpro.ca/eia200507a>. This will be an opportunity for us to discuss various aspects of the Corporation's governance.

This year, as a precautionary measure to proactively address the public health impact of coronavirus disease (COVID-19), to mitigate health and safety risks to our shareholders, employees and other stakeholders, and to abide by some of the Government of Québec's directives and recommendations, we will hold our Annual Meeting in a virtual-only format. The Annual Meeting will thus be broadcasted live online. Participating policyholders will have an equal opportunity to participate in the Annual Meeting online, regardless of geographic location. At the Annual Meeting, participating policyholders will have the opportunity to ask questions and to exercise their voting right.

We value candid, open and continuous discussion with you, in the spirit of good governance of which we are proud.

I would also like to point out that iA Financial Group ranked seventh in the 18th edition of Board Games, a ranking by *The Globe and Mail*, which assesses, on an annual basis, governance in Canadian companies. In 2019, 224 Canadian listed companies were evaluated using rigorous criteria, in particular transparency, shareholder rights, rules governing shareholding and board composition. It is an honour for us to place for the first time in the top 10 of this prestigious Canadian ranking.

## Two Boards of Directors

After passing all the regulatory milestones and obtaining the approval of our shareholders, iA Financial Corporation became the group's parent company on January 1, 2019. I have the honour of now chairing two boards of directors: that of iA Financial Corporation Inc. and that of Industrial Alliance Insurance and Financial Services Inc. The composition of these two boards is the same.

In 2019, certain changes occurred among the Board of Directors.

Ms. Mary C. Ritchie as well as Mr. Robert Coallier and Mr. Michael Hanley left the Boards. I would like to thank them for their substantial and highly appreciated contribution to our work.

Three new directors joined us: Ms. Monique Mercier, Ms. Ginette Maillé and Mr. Benoit Daignault. Through their vast experience and qualities, these distinguished directors greatly contribute to the Board's activities.

The Board of Directors has 12 directors, 11 of whom are independent members. Furthermore, 42% of the members are women.

## Sustained Creation of Growth

The directors are pleased to note that the group once again demonstrated real drive in the creation of growth.

In this regard, I would like to draw your attention to three elements.

The first is that the Corporation announced, on August 29, 2019, the creation of the new position of Chief Growth Officer. This strategic position was entrusted to Michael L. Stickney, an executive officer who, in his previous roles, worked on developing sectors that now contribute significantly to the Corporation's results. Mr. Stickney oversees growth initiatives for all lines of business in both Canada and the United States.

Second, at the end of 2019, iA Financial Corporation announced its intention to acquire the American company IAS Parent Holdings, which will be the largest acquisition in its history. Based in Austin, Texas, IAS is one of the largest independent providers of solutions in the U.S. vehicle warranty market. This transaction is expected to close in the second quarter of 2020.

This acquisition is part of the solid strategic plan which the group has put in place for the next few years.

And third, sales in 2019 once again posted strong growth. For example, segregated fund sales generated outstanding results. The two divisions of the U.S. Operations, namely Individual Insurance and Dealer Services, maintained their solid growth momentum. Several other business units also achieved noteworthy sales, including Group Savings and Retirement and Industrial Alliance Auto and Home Insurance.

## Sustainable Development

The Corporation also took significant steps toward sustainable development. Since April 17, 2019, iA Financial Group became a signatory of the United Nations Principles for Responsible Investment (PRI).

Later, on December 13, 2019, iA Financial Group announced its commitment to becoming carbon neutral by maximizing its efforts to reduce its residual greenhouse gas (GHG) emissions at the source and by offsetting its residual GHG emissions through the purchase of carbon credits.

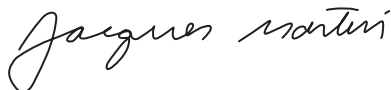
### **Annual Meeting**

In this Information Document, we are providing you with extensive information on our governance that I encourage you to review.

I also invite you to exercise your voting right, either by online ballot at the Annual Meeting, or by telephone, online or by completing the proxy form attached hereto.

On behalf of Industrial Alliance Insurance and Financial Services Inc.'s Board of Directors and executive officers, I would like to sincerely thank you for your trust and support.

I look forward to discussing with you at the Annual Meeting on May 7, 2020.

A handwritten signature in cursive script that reads "Jacques Martin".

Jacques Martin  
Chair of the Board

# Meeting Information

## For your Information

- The Information Document is part of the solicitation of proxies by the management of Industrial Alliance Insurance and Financial Services Inc. (the “**Corporation**” or “**iA Insurance**”), for use at the 2020 Annual Meeting. Herein you shall find important information required to exercise your voting right.
- This year, as a precautionary measure to proactively address the public health impact of coronavirus disease (COVID-19), to mitigate health and safety risks to our shareholders, employees and other stakeholders, and to abide by some of the Government of Québec’s directives and recommendations, we will hold our Annual Meeting in a virtual-only format. The Annual Meeting will thus be broadcasted live online. Participating policyholders will have an equal opportunity to participate in the Annual Meeting online, regardless of geographic location. At the Annual Meeting, participating policyholders will have the opportunity to ask questions and to exercise their voting right.
- Please note that according to the applicable regulation, the participating policyholders will be invited to vote only on item 2 of the Agenda, as more fully described in this document.
- You have received the Information Document because you held, at the close of business on March 9, 2020, a participating policy of iA Insurance. Unless otherwise indicated, the information contained in the Information Document is up to date as of March 9, 2020 and all amounts are in Canadian dollars.
- In order for a proxy to be voted at the Annual Meeting, the properly completed proxy form must be received by Computershare Investor Services Inc., 100 University Avenue, 8<sup>th</sup> floor, Toronto, Ontario, M5J 2Y1, no later than 5:00 p.m. (local time) on May 5, 2020, or at least 48 hours before any adjournment(s) thereof.
- The financial statements presented to the Sole Common Shareholder and to the Participating Policyholders are those of Industrial Alliance Insurance and Financial Services Inc.
- We will hold the Annual Meeting of Common Shareholders of iA Financial Corporation Inc. at the same time. The questions on the agenda of each meeting will be reviewed separately. However, the management’s presentation will cover both companies and a joint question and answer session will follow.

## Questions Submitted at the Annual Meeting

### Our Financial Statements

The consolidated financial statements of iA Insurance for the year ended December 31, 2019 will be presented at the Meeting. You will find the information in our *2019 Annual Report*, which is available on our website at [ia.ca](http://ia.ca) and on the SEDAR website at [sedar.com](http://sedar.com).

### Election of Directors

The term of office of each of the current directors expires at the close of the Meeting. Twelve directors will be elected at the Meeting. These twelve director nominees are also proposed for election as directors of iA Financial Corporation, the Sole Common Shareholder of iA Insurance.

Each director elected at the Meeting will hold office until the close of the next Annual Meeting, unless he or she resigns or otherwise vacates his or her office. In accordance with our *Policy Regarding the Election of Directors*, a candidate who receives a number of abstentions higher than the number of votes in his or her favour is required to submit his or her resignation to the Board.



**Vote FOR**

The Board recommends that you vote FOR each director nominee as proposed by the Corporation.

In accordance with the *Insurers Act* (Quebec), the holders of participating policies are entitled to elect at least one third of the Board of Directors' members. Therefore, the Participating Policyholders are entitled to elect four (4) directors.

All directors, whether elected by the Participating Policyholders or by the Sole Common Shareholder, have a duty to act in the best interest of the Corporation, taking into account both the interests of the policyholders and of the Sole Common Shareholder.

## Appointment of the External Auditor

The Sole Common Shareholder will vote regarding the appointment of the external auditors. Deloitte LLP has been our external auditor since 1940.

## Participating Accounts Management Policy

In 2019, the policies applicable to the management of the participating accounts were revised and consolidated into one policy. In accordance with the *Insurers Act* (Quebec), the new participating accounts management policy will be presented at the Meeting. You will find a summary of this policy in Schedule A as well as information on the main changes that have been made. The policy will be available on the platform during the webcast.

## Consideration of Other Matters

As at the date of this Information Document, iA Insurance is aware of no amendment to the matters discussed above nor of any other matters that may come before the Meeting.



## Who can Vote?

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Persons who hold, as of March 9, 2020, a participating policy will be entitled to vote at the Meeting, but only for the election of at least one third of the Board of Directors' members, the whole in accordance with the *Insurers Act* (Quebec). The Participating Policyholders will be entitled to one vote per person, notwithstanding the number of participating policies they held.

As of March 9, 2020, the number of Participating Policyholders is 62,377.



## How to Vote?

You may exercise your voting right in one of two ways:



Attend the virtual Meeting and vote by online ballot



Do not attend the virtual Meeting and vote by proxy



Attend the virtual Meeting and vote by online ballot

If you wish to attend the Meeting and exercise your voting right at that moment, follow the following steps on the day of the Meeting:

- Log in online at <https://www.icastpro.ca/eia200507a>. We recommend that you log in at least one hour before the Meeting starts.
- Enter your control number (see below) and password "iA2020" (case sensitive) OR log online as a guest at <https://www.icastpro.ca/eia200507b> and then complete the online form (guests can attend the Meeting, but are not able to vote).

The control number located on the form of proxy you received is your "control number".

You are not required to complete the proxy form that was sent to you if you choose to attend the Meeting.

If you attend the Meeting online, it is important that you are connected to the Internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting. You should allow ample time to check into the Meeting online and complete the related procedure.



Do not attend the virtual Meeting and vote by proxy

**The persons named in the accompanying Proxy Form for the Participating Policyholders are the Chair of the Board of Directors and the President and Chief Executive Officer. They will represent Participating Policyholders. You are entitled to appoint a person (who need not to be a Participating Policyholder) other than the persons designated in the Proxy Form to represent you at the Meeting.**

For the proxy voting right to be exercised at the Annual Meeting, the duly completed Proxy Form must be received by Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, no later than 5:00 p.m. (local time) on May 5, 2020 or at least 48 hours before any adjournment(s) of the Meeting

### Solicitation of Proxies

The solicitation of Proxies will be made primarily by mail. However, our management, our employees or employees of Computershare Investor Services Inc., our transfer agent, may also contact you by telephone. We may also retain the services of solicitation agents to assist us with this process. We will pay all expenses in connection with the solicitation of Proxies.

## Amendment of Your Voting Instructions

If you change your mind about how you want to vote, please note that you may change your vote:

- by sending a new Proxy, following the instructions and time limit mentioned above; or
- by submitting an instrument in writing executed by you or by your duly authorized attorney to the Secretary of iA Insurance at 1080 Grande Allée West, P.O. Box 1907, Station Terminus, Quebec City, Quebec, G1K 7M3, at any time up to and including the last business day preceding the day of the Meeting at which the proxy is to be used or any adjournment(s) thereof.

## How Will Your Proxy Vote?

If you provided voting instructions in your proxy form, your proxy must exercise your voting right in accordance with your instructions.

If you did not provide voting instructions in your proxy form, your proxy will vote FOR the election of the director nominee representing the Participating Policyholders.



## How to Attend the Meeting as a Guest?

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You can attend the Virtual-only meeting via live audio webcast online as a guest. You need to log in at the following address: <https://www.icastpro.ca/eia200507b> and then complete the online form. As a guest you can attend the Meeting, but you are not able to vote.

The recording of the Meeting will be available at least until the next Meeting is held. It will be accessible on the "Investor Relations" section of our website ([ia.ca/investorrelations](http://ia.ca/investorrelations)).



# Our Directors

## Majority Voting

Our *Policy Regarding the Election of Directors* provides that a nominee for election as a director for whom the number of votes withheld or abstentions exceeds the number of votes cast in favour will be required to submit his or her resignation to the Board. Within 90 days following the date of the Annual Meeting at which a director does not receive a majority of the votes cast, the Board, excluding the director who tendered his or her resignation, must decide if it will accept or refuse the director's resignation. Barring exceptional circumstances, the Board will accept the resignation.

The Corporation must promptly issue a news release announcing the Board's decision. If the Board refuses the resignation, the reasons underlying this decision will be disclosed in the news release. Otherwise, the resignation will take effect upon its acceptance by the Board and the position will be filled in accordance with the Corporation's By-Laws. This policy does not apply to a director who is not recommended by the Board in contested elections.

## Director Nominees

The director nominees for the ensuing year are presented in the following pages.

The table below lists the director nominees representing the Participating Policyholders and the director nominees who will be elected by the Sole Common Shareholder of iA Insurance.

| Director nominees to be elected by the Participating Policyholders | Director nominees to be elected by the Sole Common Shareholder |
|--|--|
| Agathe Côté  | Benoit Daignault   |
| Claude Lamoureux   | Nicolas Darveau-Garneau  |
| Danielle G. Morin  | Emma K. Griffin  |
| Louis Têtu   | Ginette Maillé   |
|  | Jacques Martin   |
|  | Monique Mercier  |
|  | Marc Poulin  |
|  | Denis Ricard   |

The Sole Common Shareholder of iA Insurance, iA Financial Corporation, intends to vote FOR the election of each of the director nominees to be elected by the Sole Common Shareholder.

## Agathe Côté



**B. Sc. Econ., M. Sc. Econ. ICD.D**

**Age: 61**

**Residence:  
Ottawa (Ontario)  
Canada**

Director since May 2016  
Independent

Obtained 95,53 %  
of votes FOR by  
participating policyholders  
at the 2019 Annual Meeting

Agathe Côté was Deputy Governor of the Bank of Canada from 2010 until her retirement in 2016. With the members of the Governing Council, Ms. Côté shared responsibility for decisions with respect to monetary policy and financial system stability, and for setting the Bank's strategic direction. Ms. Côté joined the Bank in 1982 as an economist. After assuming a series of positions of increasing responsibility, Ms. Côté was appointed Deputy Chief of the Department of Monetary and Financial Analysis in 2000 and, in 2001, Deputy Chief of the Financial Markets Department. Ms. Côté was appointed Chief of the Bank's Canadian Economic Analysis Department in 2003 and Advisor to the Governor in 2008. Ms. Côté was an alternate ex-officio member of the Board of Directors of the Canada Deposit Insurance Corporation from 2010 to 2013. She has also been an ex-officio member of the Board of Directors of the Center for Interuniversity Research and Analysis of Organizations (CIRANO) and has been a member of Statistics Canada's National Accounts Advisory Committee. Ms. Côté received a bachelor's degree in economics in 1981 and a master's degree in economics in 1983, both from the Université de Montréal. Ms. Côté is a holder of the Institute of Corporate Directors Director designation.

| Board/Committee Membership | Attendance |       | Publicly Traded Company Board Membership During Last Five Years |
|----------------------------|------------|-------|---|
| Board of Directors         | 10/10      | 100 % | N/A   |
| Investment Committee       | 7/7        | 100 % |   |
| Audit Committee            | 5/5        | 100 % |   |

### Areas of Expertise

- Business Areas
- Financial
- Risk Management
- Corporate Governance

## Benoit Daignault



**BBA, CFA**

**Age: 56**

**Residence:  
Ottawa (Ontario)  
Canada**

Director since May 2019  
Independent

Obtained 100 %  
of votes FOR by the  
Sole Common Shareholder  
at the 2019 Annual Meeting

Benoit Daignault is a corporate director. He was President and Chief Executive Officer of EDC between February 2014 and February 2019. Prior to this appointment, Mr. Daignault served as Senior Vice President, Financing and Investments, after having served as Senior Vice President, Business Development. Prior to joining EDC in 2004, Mr. Daignault worked for more than 10 years at General Electric Capital, where he held increasingly senior positions in both Canada and the United States. Mr. Daignault holds a Bachelor of Business Administration from HEC Montréal and is a designated Chartered Financial Analyst (CFA). He completed the Proteus program at the London Business School and the Senior Executive Program at Columbia University. He currently serves on the Board of Directors of the Conference Board of Canada.

| Board/Committee Membership                 | Attendance         |       | Publicly Traded Company Board Membership During Last Five Years |
|--|--------------------|-------|---|
| Board of Directors                         | 7/7 <sup>(1)</sup> | 100 % | N/A   |
| Investment Committee                       | 4/5 <sup>(1)</sup> | 80 %  |   |
| Human Resources and Compensation Committee | 2/2 <sup>(1)</sup> | 100 % |   |

### Areas of Expertise

- Corporate Management
- Financial
- Business Areas
- Talent Management

(1) Mr. Daignault has been a member of the Board of Directors, the Investment Committee and the Human Resources and Compensation Committee since May 9, 2019.

## Nicolas Darveau-Garneau



**B. Math., MBA**

**Age: 51**

**Residence:  
Los Gatos  
(California) U.S.A.**

Director since May 2018  
Independent

Obtained 100 %  
of votes FOR by the  
Sole Common Shareholder  
at the 2019 Annual Meeting

Nicolas Darveau-Garneau is Chief Strategist at Google Search. Prior to that, he was Director of Sales at Google in charge of a \$1.2-billion division. He started with Google as Manager of the Montreal Office. Prior to Google, Mr. Darveau-Garneau was an Internet entrepreneur, consultant and investor. Since 1995, he has co-founded many Internet companies, including Imix.com, BigDeal and Liquor.com, a company for which he has been a director since its inception in 2008. Mr. Darveau-Garneau is also an angel investor in Silicon Valley, California. He worked as a business analyst at McKinsey & Co. in Montreal and senior analyst at Sanford C. Bernstein & Co., LLC in New York. He specializes in marketing and Internet product development. He holds an MBA with honours from Harvard Business School and a bachelor's degree in mathematics from University of Waterloo. Since 2012, he has been a director of a number of not-for-profit organizations.

| Board/Committee Membership                 | Attendance |       | Publicly Traded Company Board Membership During Last Five Years |        |
|--|------------|-------|---|--------|
| Board of Directors                         | 10/10      | 100 % | TMX Group Limited   | 2018 – |
| Human Resources and Compensation Committee | 4/4        | 100 % |   |        |

### Areas of Expertise

- Sales, Distribution and Client Experience
- Talent Management
- Business Areas
- IT Management

## Emma K. Griffin



**BA (Oxon), MA (Oxon)**

**Age: 47**

**Residence:  
Henley on Thames  
(Oxfordshire) U.K.**

Director since November 2016  
Independent

Obtained 100 %  
of votes FOR by the  
Sole Common Shareholder  
at the 2019 Annual Meeting

Emma K. Griffin has been, since November 2017, a director of Claridge Inc., a private investment company. Since January 2020, she has also been a director at Solotech, an organization that offers audiovisual and entertainment technology services. In February 2020, she joined the board of directors of St. James's Place Plc, an FTSE 100 wealth manager. From December 2015 to November 2018, she was a director and strategic advisor for Golder Associates, a global organization offering environmental services. From January 2016 to June 2019, Ms. Griffin was also a director of Aimia Inc. From January 2014 to June 2015, she was managing director and co-founder of Refined Selection Limited, a holding company created to invest in the professional services and recruitment industries. From 2002 to 2013, Ms. Griffin was a founding partner of Oriel Securities, a core brokerage firm recognized for its independence and for providing trusted advice, which was sold to Stifel Financial Corp. in the summer of 2014. Until November 2016, Ms. Griffin was also chair of the board of Cancer Research UK's Catalyst Club, a pioneering venture that raises money for personalized medicine research. She holds an MA from Oxford University.

| Board/Committee Membership                 | Attendance |       | Publicly Traded Company Board Membership During Last Five Years |             |
|--|------------|-------|---|-------------|
| Board of Directors                         | 10/10      | 100 % | St. James's Place Plc   | 2020 –      |
| Investment Committee (Chair)               | 7/4        | 100 % | Aimia Inc.  | 2016 – 2019 |
| Human Resources and Compensation Committee | 4/4        | 100 % |   |             |

### Areas of Expertise

- Financial
- Corporate Management
- Corporate Governance
- Risk Management

## Claude Lamoureux



**BA, B. Comm., FSA, ICD.D, F.ICD**

**Age: 77**

**Residence:  
Montreal (Quebec)  
Canada**

Director since May 2010  
Independent

Obtained 91,36 %  
of votes FOR by  
participating policyholders  
at the 2019 Annual Meeting

Claude Lamoureux was President and Chief Executive Officer of the Ontario Teachers' Pension Plan until his retirement in 2007. An actuary by profession, he had been appointed to this position in 1990. Previously, he spent 25 years as an executive with Metropolitan Life in Canada and the U.S. He is a director of the Home Capital Group Inc. and was a co-founder and board member of the Canadian Coalition for Good Governance. He has also been a director of a number of corporations, including Northumbrian Water Group, Domtar and Xstrata (now Glencore). Mr. Lamoureux holds a BA from Université de Montréal and a B. Comm. from Université Laval. He is a member of the Society of Actuaries and Fellow of the Institute of Corporate Directors.

| Board/Committee Membership      | Attendance |       | Publicly Traded Company Board Membership During Last Five Years |             |
|---------------------------------|------------|-------|---|-------------|
| Board of Directors              | 10/10      | 100 % | Home Capital Group Inc.   | 2017 –      |
| Investment Committee            | 6/7        | 86 %  | Technologies Orbite Inc.<br>(formerly Orbite Aluminae inc.)     | 2013 –      |
| Governance and Ethics Committee | 4/4        | 100 % | Maple Leaf Foods Inc.   | 2008 – 2016 |

### Areas of Expertise

- Corporate Management
- Corporate Governance
- Financial
- Talent Management

## Ginette Maillé



**BBA, CPA, CA, ICD.D**

**Age: 57**

**Residence:  
Montreal (Quebec)  
Canada**

Director since July 2019  
Independent

Ginette Maillé has been Vice President, Finance and Administration and Chief Financial Officer at Aéroports de Montréal since April 2017. Ms. Maillé has more than 30 years of financial, operational and strategic experience in startups and large companies, both private and publicly listed (TSX and NASDAQ), operating nationally and internationally. In particular, she was with Yellow Pages Ltd. for 14 years, where she held the position of Vice President and Chief Accounting Officer to later be promoted to Executive Vice President and Chief Financial Officer. A Chartered Professional Accountant, Ms. Maillé holds a Bachelor of Accounting Science from Université du Québec à Montréal. She sat on the board of Financial Executives International Canada (Quebec chapter) from 2014 to 2017. She is currently a member of the Board of Directors of La Fondation Le Chaînon.

| Board/Committee Membership | Attendance         |       | Publicly Traded Company Board Membership During Last Five Years |
|----------------------------|--------------------|-------|---|
| Board of Directors         | 6/6 <sup>(1)</sup> | 100 % | N/A   |
| Audit Committee            | 2/2 <sup>(1)</sup> | 100 % |   |

### Areas of Expertise

- Financial
- Risk Management
- Corporate Governance
- IT Management

(1) Ms. Maillé has been a member of the Board of Directors and the Audit Committee since July 9, 2019.

# Jacques Martin



**B. Comm., LL.B., MBA, IDP-C**

**Chair of the Board**

**Age: 64**

**Residence:  
Larchmont  
(New York) U.S.A**

Director since January 2011  
Independent

Obtained 100 %  
of votes FOR by the  
Sole Common Shareholder  
at the 2019 Annual Meeting

Jacques Martin has been the Chair of the Board since September 2018. He is a corporate director and currently a member of the Board of Directors of RGA Life Reinsurance Company of Canada. He spent 17 years at Goldman Sachs in London and New York where he was Managing Director and Head of International Equities at the time of his departure in 2003. From 2004 until 2008, he was Senior Vice President, International Equities, based in New York, for the Caisse de dépôt et placement du Québec. He holds a Bachelor of Commerce from McGill University and a Bachelor of Law from Université de Montréal. Mr. Martin also holds an MBA and a certificate in corporate governance from INSEAD. He is a member of the Québec Bar.

| Board/Committee Membership                 | Attendance |       | Publicly Traded Company Board Membership During Last Five Years |
|--|------------|-------|---|
| Board of Directors (Chair)                 | 10/10      | 100 % | N/A   |
| Governance and Ethics Committee (Chair)    | 4/4        | 100 % |   |
| Human Resources and Compensation Committee | 4/4        | 100 % |   |

## Areas of Expertise

- Business Areas
- Financial
- Talent Management
- Social Responsibility and Sustainable Development



## Monique Mercier



**LL. B., M. Phil., Ad. E.**

**Age: 63**

**Residence:  
Vancouver  
(British Columbia)  
Canada**

Director since May 2019  
Independent

Obtained 100 %  
of votes FOR by the  
Sole Common Shareholder  
at the 2019 Annual Meeting

Monique Mercier is a corporate director. During her career, she has held various executive roles in the telecommunications and technology industry. From 2014 until she retired in December 2018, she held the position of Executive Vice President, Corporate Affairs and Chief Legal and Governance Officer at TELUS. She oversaw legal and regulatory affairs, government relations, media, real estate and sustainable development. She began her career at Stikeman Elliott as a tax lawyer in 1984. She then worked at BCE and Bell Canada International before joining Emergis in 1999, which was acquired by TELUS in 2008. Ms. Mercier holds a degree from the Faculty of Law at Université de Montréal and a master's degree in political science from Oxford University, where she was awarded the prestigious Commonwealth Scholarship. In June 2018, Ms. Mercier received a Lifetime Achievement Award at the Canadian General Counsel Awards. In 2016, she was honoured as Woman of the Year by the organization Women in Communications and Technology (WCT). In 2015, she was inducted into the Hall of Fame of the Women's Executive Network Top 100 Most Powerful Women in Canada. In 2002, she was honoured with the Queen Elizabeth II Golden Jubilee Medal as a Canadian businesswoman who has made an exemplary contribution to Canada as a whole. Ms. Mercier serves on the Board of Trustees of the Legal Leaders for Diversity Trust Fund. She sits on the Board of Directors of the Bank of Canada, Innergex Renewable Energy Inc. and Alamos Gold Inc. She gives back to the community through her involvement on the Boards of Directors of the Canadian Cancer Research Society and the Thoracic Surgery Research Foundation of Montreal.

| Board/Committee Membership      | Attendance         |       | Publicly Traded Company Board Membership During Last Five Years |             |
|---------------------------------|--------------------|-------|---|-------------|
| Board of Directors              | 6/7 <sup>(1)</sup> | 86 %  | Alamos Gold Inc.  | 2019 –      |
| Audit Committee                 | 2/2 <sup>(1)</sup> | 100 % | Innergex Renewable Energy Inc.                                  | 2015 –      |
| Governance and Ethics Committee | 2/2 <sup>(1)</sup> | 100 % | Stornoway Diamond Corporation                                   | 2011 – 2015 |

### Areas of Expertise

- Corporate Management
- Legal and Regulatory
- Talent Management
- Corporate Governance

(1) Ms. Mercier has been a member of Board of Directors, the Audit Committee and the Governance and Ethics Committee since May 9, 2019.

## Danielle G. Morin



**B. Sc., ICD.D**

**Age: 64**

**Residence:  
Longueuil (Quebec)  
Canada**

Director since May 2014  
Independent

Obtained 96,97 %  
of votes FOR by  
participating policyholders  
at the 2019 Annual Meeting

Danielle G. Morin has more than 35 years of experience in various sectors of the financial services industry. She worked for Sun Life Assurance Company of Canada from 1977 until 1990 and for the Laurentian Imperial Company from 1990 until 1994, where she was Senior Vice President and Chief Operating Officer. She then worked for Desjardins Group in the group pensions and pooled investment funds areas, before joining Canagex inc., a Desjardins Group investment subsidiary, as Vice President, Finance and Operations, in 1999. In 2001, she joined the Public Sector Pension Investment Board as Senior Vice President of Financial Operations. Ms. Morin then worked as Senior Vice President, Distribution and Client Services, at Standard Life Investments Inc., from 2006 until 2013. Ms. Morin has also been on the boards of ASSURIS, Standard Life Investments Inc. and the Fondation de l'Université Laval. Since 2017, she has served on the Board of Directors of Université Laval. She graduated from the Institute of Corporate Directors and obtained her bachelor's degree in actuarial science from Université Laval. She became a Fellow of the Canadian Institute of Actuaries in 1980.

| Board/Committee Membership      | Attendance         |       | Publicly Traded Company Board Membership During Last Five Years |
|---------------------------------|--------------------|-------|---|
| Board of Directors              | 10/10              | 100 % | N/A   |
| Audit Committee (Chair)         | 5/5 <sup>(1)</sup> | 100 % |   |
| Governance and Ethics Committee | 4/4                | 100 % |   |

### Areas of Expertise

- Business Areas
- Financial
- Sales, Distribution and Client Experience
- Risk Management

(1) Ms. Morin was appointed Chair of the Audit Committee on May 9, 2019.

## Marc Poulin



**B. Sc., MBA**

**Age: 58**

**Residence:  
Montreal (Quebec)  
Canada**

Director since May 2018  
Independent

Obtained 100 %  
of votes FOR by the  
Sole Common Shareholder  
at the 2019 Annual Meeting

Marc Poulin currently serves as a corporate director. Mr. Poulin was a senior-level manager in the food industry in Canada. Over the last 19 years he was at Sobeys Inc., he held, successively, the roles of Vice President, Purchasing and Merchandising, Executive Vice President and Assistant General Manager (Quebec), Head of Operations for Quebec and, from 2012 to 2016, President and Chief Executive Officer. He also served as President and Chief Executive Officer of Empire Company Limited from 2012 to 2016. Prior thereto, Mr. Poulin held the strategic positions of Vice President at Groupe Vie Desjardins-Laurentienne and at Culinar. Mr. Poulin is a member of the Board of Directors of the Montreal Heart Institute Foundation. He is also a director and member of the Audit Committee of Richelieu Hardware Ltd. and a director and member of the Human Resources Committee of Sportscene Group Inc. He holds a bachelor's degree in actuarial science from Université Laval and an MBA from the J.L. Kellogg Graduate School of Management in Evanston (Illinois).

| Board/Committee Membership                         | Attendance         |       | Publicly Traded Company Board Membership During Last Five Years |             |
|--|--------------------|-------|---|-------------|
| Board of Directors                                 | 10/10              | 100 % | Sportscene Group Inc.   | 2018 –      |
| Audit Committee                                    | 5/5                | 100 % | Richelieu Hardware Ltd.   | 2013 –      |
| Investment Committee                               | 2/2 <sup>(1)</sup> | 100 % | Empire Company Limited  | 2012 – 2016 |
| Human Resources and Compensation Committee (Chair) | 2/2 <sup>(1)</sup> | 100 % |   |             |

### Areas of Expertise

- Corporate Management
- Sales, Distribution and Client Experience
- Financial
- Talent Management

(1) Mr. Poulin has been a member of the Human Resources and Compensation Committee since May 9, 2019 and ceased to be a member of the Investment Committee on the same day.

## Denis Ricard



**B. Sc., FSA, FCIA**

**Age: 58**

**Residence:  
Pont-Rouge (Quebec)  
Canada**

Director since September 2018  
Non-independent (Management)

Obtained 100 %  
of votes FOR by the  
Sole Common Shareholder  
at the 2019 Annual Meeting

Denis Ricard is President and Chief Executive Officer of the Corporation, a position that he has held since September 1, 2018. Mr. Ricard began his career with the Corporation in 1985, where he assumed several positions. In 2003, he was Vice President, Marketing, and then in March 2004, he was appointed Senior Vice President and Chief Actuary, a role that he held until April 2010. He then became Senior Vice President, Business Development. In 2015, he was promoted to Executive Vice President, Individual Insurance and Annuities until November 2017, when he became Chief Operating Officer. Mr. Ricard is also a director of certain subsidiaries of the Corporation, including, most notably, Industrial Alliance Insurance and Financial Services Inc. Mr. Ricard obtained a bachelor's degree in actuarial science from Université Laval in 1985 and, in 1988, he became a Fellow of the Canadian Institute of Actuaries and of the Society of Actuaries. He is also a member of the Board of Directors of the Canadian Life and Health Insurance Association (CLHIA) and Chair of its Quebec chapter.

Mr. Ricard has been actively involved in the community for many years. He is a member of the campaign cabinet of Fondation CERVO, an organization that supports in particular mental health care and neuroscience research. He also serves as honorary chair for different philanthropic events or campaigns.

| Board/Committee Membership | Attendance |       | Publicly Traded Company Board Membership During Last Five Years |
|----------------------------|------------|-------|---|
| Board of Directors         | 10/10      | 100 % | N/A   |

### Areas of Expertise

- Business Areas
- Corporate Management
- Financial
- Talent Management

## Louis Têtu



**B. Eng.**

**Age: 55**

**Residence:**  
**Quebec City (Quebec)**  
**Canada**

Director since May 2016  
Independent

Obtained 92,77 %  
of votes FOR by  
participating policyholders  
at the 2019 Annual Meeting

Louis Têtu is President, Chief Executive Officer and a member of the Board of Directors of Coveo Solutions Inc., an artificial intelligence customer experience software company. Mr. Têtu co-founded Taleo Corporation, a company that was acquired by Oracle in 2012, and held the position of Chief Executive Officer and Chair of the Board of Directors from the company's inception in 1999 through 2007. Prior to working for Taleo Corporation, Mr. Têtu was president of Baan Supply Chain Solutions, an international enterprise resource planning software company. Mr. Têtu is a mechanical engineering graduate from Université Laval and was honoured by the university in 1997 for his outstanding social contributions and business achievements. He received the 2006 Ernst & Young Entrepreneur of The Year award in the Technology and Communication category. Mr. Têtu has served on the Board of Directors of Alimentation Couche-Tard Inc. since 2019 and is also Chair of the Board of Petal Solutions Inc., a social platform developer for the medical sector. He also served on the Board of Directors of l'Entraide Assurance-vie, a mutual insurance company, from 1998 until 2009, when it was acquired by Union Life, a mutual insurance company, and on the Board of Directors of Aéroport de Québec inc. from 2013 to 2019.

| Board/Committee Membership      | Attendance |      | Publicly Traded Company Board Membership During Last Five Years |        |
|---------------------------------|------------|------|---|--------|
| Board of Directors              | 8/10       | 80 % | Alimentation Couche-Tard Inc.                                   | 2019 - |
| Governance and Ethics Committee | 3/4        | 75 % |   |        |

### Areas of Expertise

- IT Management
- Talent Management
- Sales, Distribution and Client Experience
- Corporate Management

## Board Member Areas of Expertise and Knowledge

Director nominees offer a wide variety of knowledge and expertise to meet our needs. Each year, the Governance and Ethics Committee ensures that together the nominees possess an array of experience and skill sets that will enable the Board to effectively fulfill its mandate.

The following table presents the diversity of expertise essential to our operations.

| Board Competency Profile   | Agathe Côté | Benoit Daignault | Nicolas Darveau-Garneau | Emma K. Griffin | Claude Lamoureux | Ginette Maillé | Jacques Martin | Monique Mercier | Danielle G. Morin | Marc Poulin | Denis Ricard | Louis Tétu |
|--|-------------|------------------|-------------------------|-----------------|------------------|----------------|----------------|-----------------|-------------------|-------------|--------------|------------|
| <p>1. <b>Business areas</b> – knowledge of one or more of the markets in which the Company operates, including financial services, the sale and distribution of financial products and services, wealth management, real estate and international financial markets.</p> | ○           | ○                | ○                       |                 | ○                |                | ○              |                 | ○                 |             | ○            |            |
| <p>2. <b>Key competencies</b> - Business experience in one or more of the following areas:</p>   |             |                  |                         |                 |                  |                |                |                 |                   |             |              |            |
| <p>— <b>Corporate management:</b> competencies in corporate management (public companies or large corporations operating in heavily regulated industries), strategic planning, organizational development and transformation (CEO experience or similar);</p>            | ○           | ○                |                         | ○               | ○                | ○              | ○              | ○               | ○                 | ○           | ○            | ○          |
| <p>— <b>Corporate governance:</b> competencies in corporate governance practices of large corporations.</p>  | ○           | ○                | ○                       | ○               | ○                | ○              | ○              | ○               | ○                 | ○           |              | ○          |

### Board Competency Profile

**3. Functional expertise** - Experience in one or more of the following functions:

- **Financial:** expertise in the finance, accounting, risk management, actuarial, or investment areas;
- **Talent management:** expertise in organizational development, compensation, leadership development, talent management and succession planning;
- **Sales distribution and client experience:** expertise in sales, distribution and the company-client relationship;
- **IT:** expertise in digital strategy, online services, information management and big data management;
- **Legal and regulatory:** expertise in complex legal systems and relationships with governments in heavily regulated industries;
- **Risk management:** expertise in identification, assessment, mitigation and monitoring of risks and their related controls;
- **Social responsibility and sustainable development:** experience in corporate social responsibility, sustainable development and repercussions on the various stakeholders.

|   | Agathe Côté | Benoit Daignault | Nicolas Darveau-Garneau | Emma K. Griffin | Claude Lamoureux | Ginette Maillé | Jacques Martin | Monique Mercier | Danielle G. Morin | Marc Poulin | Denis Ricard | Louis Tétu |
|---|-------------|------------------|-------------------------|-----------------|------------------|----------------|----------------|-----------------|-------------------|-------------|--------------|------------|
|   |             |                  |                         |                 |                  |                |                |                 |                   |             |              |            |
| — <b>Financial:</b> expertise in the finance, accounting, risk management, actuarial, or investment areas;  | ○           | ○                | ○                       | ○               | ○                | ○              | ○              | ○               | ○                 | ○           | ○            |            |
| — <b>Talent management:</b> expertise in organizational development, compensation, leadership development, talent management and succession planning;                             |             | ○                | ○                       |                 | ○                |                | ○              | ○               |                   | ○           | ○            | ○          |
| — <b>Sales distribution and client experience:</b> expertise in sales, distribution and the company-client relationship;  |             |                  | ○                       | ○               |                  |                |                |                 | ○                 | ○           | ○            | ○          |
| — <b>IT:</b> expertise in digital strategy, online services, information management and big data management;  |             |                  | ○                       |                 |                  | ○              |                |                 |                   |             |              | ○          |
| — <b>Legal and regulatory:</b> expertise in complex legal systems and relationships with governments in heavily regulated industries;   | ○           |                  |                         |                 |                  |                | ○              | ○               |                   |             |              |            |
| — <b>Risk management:</b> expertise in identification, assessment, mitigation and monitoring of risks and their related controls;   | ○           |                  |                         | ○               | ○                | ○              | ○              |                 | ○                 | ○           | ○            |            |
| — <b>Social responsibility and sustainable development:</b> experience in corporate social responsibility, sustainable development and repercussions on the various stakeholders. |             |                  |                         | ○               |                  | ○              | ○              | ○               |                   |             |              |            |

# Directors' Compensation

Except for the President and Chief Executive Officer, who does not receive any compensation as a director for attending meetings of the Board or its committees, directors receive the compensation set out in the chart below.

Directors' compensation is paid to them in cash or Deferred Share Units ("DSU") at their option. If they wish to receive all or part of their compensation in DSUs, directors must notify the Corporation before May 31 of a given year, otherwise the compensation will be paid in cash. This choice applies to the 12-month period starting on June 1 of that same year and ending on May 31 the following year. A DSU is an accounting entry corresponding to the value of Common Shares credited to an account in the director's name and payable in cash on a specific date after he or she leaves the Board.

The chart on next page shows the total compensation paid to the directors for services rendered to iA Financial Corporation Inc. and iA Insurance in 2019. The compensation is divided equally between the two corporations.

The following table summarizes the various elements of compensation paid to the Board and Board committee members for 2019 :

|  | Compensation (\$)                     |
|--|---------------------------------------|
| Annual Board Chair Retainer  | 220,000                               |
| Directors' Annual Board Retainer <sup>(1)</sup>  | 100,000                               |
| <b>Additional Committee Chair Retainer<sup>(2)</sup></b>   |                                       |
| Audit Committee  | 25,000                                |
| Investment Committee   | 25,000                                |
| Human Resources and Compensation Committee   | 25,000                                |
| Governance and Ethics Committee  | 25,000                                |
| <b>Additional Committee Member Retainer<sup>(2)</sup></b>  |                                       |
| Audit Committee  | 15,000                                |
| Investment Committee   | 15,000                                |
| Human Resources and Compensation Committee   | 15,000                                |
| Governance and Ethics Committee  | 15,000                                |
| Board or Committee Attendance Fees in the event of more than two additional meetings (not planned in the director-approved schedule) per year <sup>(3)</sup> | 1,500 in person<br>1,000 by telephone |
| Attendance Fees for Special Non-Meeting Mandates upon Chair of the Board Approval  | 1,500                                 |
| Travel Allowance <sup>(4)</sup>  | 1,500                                 |

(1) Other than the Chair of the Board.

(2) The Chair of the Board does not receive this compensation.

(3) If a meeting is spread over two days, an attendance fee shall be paid for each of the days.

(4) Applies to a director who resides outside of the provinces of Quebec and Ontario, to attend one or more Board and/or committee meetings in Quebec.



Directors are also entitled to be reimbursed for expenses incurred to attend Board meetings or committee meetings. Directors other than the President and Chief Executive Officer do not receive pension benefits and are not eligible for stock options.

**Denis Ricard, President and Chief Executive Officer of the Corporation, does not receive any compensation in his capacity as Director of the Corporation.**

The Corporation and iA Financial Corporation implemented a group insurance policy that guarantees, at no charge, \$20,000 in life insurance to each independent director in office and \$10,000 in life insurance to each independent director who leaves these Boards of Directors after 10 years of service, also at no charge.

The following table shows total compensation paid to the directors for the year ended December 31, 2019:

|                                 | Fees <sup>(1)</sup> Received in Cash | Fees <sup>(1)</sup> Received in DSUs | Percentage in DSU | Total            |
|---------------------------------|--------------------------------------|--------------------------------------|-------------------|------------------|
|                                 | \$                                   | \$                                   | %                 | \$               |
| Jocelyne Bourgon <sup>(2)</sup> | 0                                    | 4,637                                | 100               | 4,637            |
| Robert Coallier                 | 50,054                               | 0                                    | 0                 | 50,054           |
| Agathe Côté                     | 47,417                               | 88,083                               | 65                | 135,500          |
| Benoit Daignault                | 41,483                               | 44,888                               | 52                | 86,371           |
| Nicolas Darveau-Garneau         | 0                                    | 123,500                              | 100               | 123,500          |
| Emma K. Griffin                 | 140,400                              | 15,600                               | 10                | 156,000          |
| Michael Hanley                  | 25,027                               | 25,027                               | 50                | 50,054           |
| Claude Lamoureux                | 0                                    | 134,000                              | 100               | 134,000          |
| Ginette Maillé                  | 58,027                               | 0                                    | 0                 | 58,027           |
| Jacques Martin                  | 240,500                              | 0                                    | 0                 | 240,500          |
| Monique Mercier                 | 8,038                                | 80,333                               | 91                | 88,371           |
| Danielle G. Morin               | 140,452                              | 0                                    | 0                 | 140,452          |
| Marc Poulin                     | 90,892                               | 48,559                               | 35                | 139,451          |
| Denis Ricard                    | 0                                    | 0                                    | 0                 | 0                |
| Mary C. Ritchie                 | 45,616                               | 0                                    | 0                 | 45,616           |
| Louis Têtu                      | 0                                    | 116,500                              | 100               | 116,500          |
| <b>Total</b>                    | <b>887,906</b>                       | <b>681,127</b>                       |                   | <b>1,569,033</b> |

(1) Includes attendance fees, if applicable, and travel allowances, but does not include reimbursement of expenses.

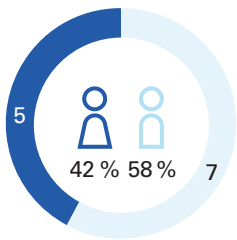
(2) Ms. Jocelyne Bourgon ceased to be a director on January 15, 2019.

# Board of Directors and its Committees

As at December 31, 2019

**11** of our 12 directors are independent

Diversity fosters a variety of ideas and opinions



Average age:  
**59**

Attendance rate at Board and committee meetings:

Average tenure:  
**3.42 years**

Board:  
**94 %**

Committees:  
**92 %**

## Board Meetings and Board Committee Meetings

The table below indicates the number of meetings held by the Board and its committees in 2019 and directors' overall attendance at these meetings.

|  | Meetings  | Attendance  |
|--|-----------|-------------|
| Board of Directors                         | 10        | 94 %        |
| Audit Committee                            | 5         | 96 %        |
| Human Resources and Compensation Committee | 4         | 90 %        |
| Governance and Ethics Committee            | 4         | 90 %        |
| Investment Committee                       | 7         | 93 %        |
| <b>Number of meetings</b>                  | <b>30</b> | <b>93 %</b> |

## Composition of the Committees

The table below indicates the composition of the different committees as of March 9, 2020.

|                               | Audit Committee | Human Resources and Compensation Committee | Governance and Ethics Committee | Investment Committee |
|-------------------------------|-----------------|--|---------------------------------|----------------------|
| Agathe Côté                   | ○               |  |                                 | ○                    |
| Benoit Daignault              |                 | ○  |                                 | ○                    |
| Nicolas Darveau-Garneau       |                 | ○  |                                 |                      |
| Emma K. Griffin               |                 | ○  |                                 | ○<br>(chair)         |
| Claude Lamoureux              |                 |  | ○                               | ○                    |
| Ginette Maillé                | ○               |  |                                 |                      |
| Jacques Martin <sup>(1)</sup> |                 | ○  | ○<br>(chair)                    |                      |
| Monique Mercier               | ○               |  | ○                               |                      |
| Danielle G. Morin             | ○<br>(chair)    |  | ○                               |                      |
| Marc Poulin                   | ○               | ○<br>(chair)                               |                                 |                      |
| Denis Ricard                  |                 |  |                                 |                      |
| Louis Têtu                    |                 |  | ○                               |                      |

(1) As Chair of the Board of Directors, Mr. Martin is an ex-officio member of all the committees.

## Director Attendance at Meetings

The table below presents an attendance record for directors<sup>(1)</sup> at Board meetings and Board committee meetings.

| Name of Director                | Board of Directors |     | Audit Committee |     | Human Resources and Compensation Committee |     | Governance and Ethics Committee |     | Investment Committee |     | Total      |
|---------------------------------|--------------------|-----|-----------------|-----|--|-----|---------------------------------|-----|----------------------|-----|------------|
|                                 | Number             | %   | Number          | %   | Number                                     | %   | Number                          | %   | Number               | %   |            |
| Robert Coallier <sup>(2)</sup>  | 3/4                | 75  | -               | -   | 1/2  | 50  | 1/2                             | 50  | -                    | -   | <b>63</b>  |
| Agathe Côté                     | 10/10              | 100 | 5/5             | 100 | -  | -   | -                               | -   | 7/7                  | 100 | <b>100</b> |
| Benoit Daignault <sup>(3)</sup> | 7/7                | 100 | -               | -   | 2/2  | 100 | -                               | -   | 4/5                  | 80  | <b>93</b>  |
| Nicolas Darveau-Garneau         | 10/10              | 100 | -               | -   | 4/4  | 100 | -                               | -   | -                    | -   | <b>100</b> |
| Emma K. Griffin                 | 10/10              | 100 | -               | -   | 4/4  | 100 | -                               | -   | 7/7                  | 100 | <b>100</b> |
| Michael Hanley <sup>(2)</sup>   | 2/4                | 50  | 2/3             | 67  | 1/2  | 50  | -                               | -   | -                    | -   | <b>56</b>  |
| Claude Lamoureux                | 10/10              | 100 | -               | -   | -  | -   | 4/4                             | 100 | 6/7                  | 86  | <b>95</b>  |
| Ginette Maillé <sup>(4)</sup>   | 6/6                | 100 | 2/2             | 100 | -  | -   | -                               | -   | -                    | -   | <b>100</b> |
| Jacques Martin <sup>(5)</sup>   | 10/10              | 100 |                 |     | 4/4  | 100 | 4/4                             | 100 |                      |     | <b>100</b> |
| Monique Mercier <sup>(3)</sup>  | 6/7                | 86  | 2/2             | 100 | -  | -   | 2/2                             | 100 | -                    | -   | <b>91</b>  |
| Danielle G. Morin               | 10/10              | 100 | 5/5             | 100 | -  | -   | 4/4                             | 100 | -                    | -   | <b>100</b> |
| Marc Poulin <sup>(6)</sup>      | 10/10              | 100 | 5/5             | 100 | 2/2  | 100 | -                               | -   | 2/2                  | 100 | <b>100</b> |
| Denis Ricard                    | 10/10              | 100 | -               | -   | -  | -   | -                               | -   | -                    | -   | <b>100</b> |
| Mary C. Ritchie <sup>(2)</sup>  | 3/4                | 75  | 3/3             | 100 | -  | -   | -                               | -   | -                    | -   | <b>86</b>  |
| Louis Têtu                      | 8/10               | 80  | -               | -   | -  | -   | 3/4                             | 75  | -                    | -   | <b>79</b>  |
| Attendance at meetings          | 115/122            | 94  | 24/25           | 96  | 18/20                                      | 90  | 18/20                           | 90  | 26/28                | 93  | <b>93</b>  |

(1) Ms. Jocelyne Bourgon ceased to be a director on January 15, 2019, prior to any 2019 meetings.

(2) Mr. Robert Coallier, Mr. Michael Hanley and Ms. Mary C. Ritchie ceased to be directors on May 9, 2019.

(3) Mr. Benoit Daignault and Ms. Monique Mercier became directors on May 9, 2019.

(4) Ms. Ginette Maillé became a director on July 9, 2019.

(5) Mr. Martin is an ex-officio member of all the committees. He attended all meetings.

(6) Mr. Marc Poulin has been a member of the Human Resources and Compensation Committee since May 9, 2019 and ceased to be a member of the Investment Committee the same day.

# **SCHEDULE A – Summary of the *Participating accounts management policy for contracts issued or assumed prior to June 13<sup>th</sup>, 2019***

The *Participating accounts management policy for contracts issued or assumed prior to June 13<sup>th</sup>, 2019* (the “**Policy**”) sets out the key principles and methods applied in managing the participating accounts for contracts issued or assumed by Industrial Alliance Insurance and Financial Services Inc. (the “**Corporation**”), prior to June 13<sup>th</sup>, 2019.

## **Participating Accounts**

The participating contracts are spread out between the three following participating accounts:

**1. Participating account for Industrial Alliance Pacific Insurance and Financial Services Inc. (“iAP”):**

- Participating Account that existed at iAP, before its acquisition by the Corporation;
- This account is divided in three sub-accounts:
  - one sub-account for the participating contracts that existed in the North West Life Insurance Company of Canada (“**North West**”);
  - two sub-accounts (the “**Fidelity**” and the “**Founders**”) for the participating contracts that existed in the Seaboard Life Insurance Company (“**Seaboard**”);

**2. Participating account for National Life Insurance Company of Canada (“National Life”):**

- Participating account that existed in National Life, prior to its acquisition by the Corporation;

**3. Pre-Conversion participating account:**

- Participating account for the participating contracts issued by the Corporation, prior to its demutualization;

All these participating accounts are closed to new business.

Each account and sub-account, except the Pre-Conversion participating account<sup>1</sup>, is made up of two elements: liabilities and surplus. Liabilities are used to honor obligations towards policyholders, while the surplus represents the earnings to distribute as dividends to participating policyholders and transfers to the Corporation’s retained earnings’ account.

## **Surplus**

The surplus increases or decreases according to the incurred experience gains and losses. It is then gradually distributed to the participating policyholders through dividends calculated according to the *Contract dividend policy for participating contracts issued or assumed prior to June 13<sup>th</sup>, 2019*.

Amongst other factors, the amount of surplus must be sufficient to meet regulatory capital requirements and the target solvency ratio determined by the Corporation.

When the surplus is greater than the target ratio, dividends may increase, and when the surplus is lower than the target ratio, dividends may decrease, in order to maintain the surplus at the target ratio level.

<sup>1</sup> At the time of demutualization, an agreement was put in place in which policyholders renounced their rights to participate in the surplus of the Corporation in exchange for shares or a sum of money. Therefore, this account is composed only of liabilities.

## Asset Investment

The assets supporting the liabilities and surpluses of these accounts are invested in asset segments maintained separately from the other assets of the Corporation. Investment decisions regarding these assets are taken in accordance with the objectives of being able to support the obligations towards the participating policyholders, i.e. to pay the benefits, as well as to ensure financial strength of the participating accounts and the Corporation and to yield an excess return without taking undue risk.

In order to reach these objectives, the Corporation has implemented the following asset class guidelines:

- 0% to 15% for short term investments;
- 35% to 100% for fixed income;
- 0% to 65% for stocks.

The Corporation may use financial derivatives to manage the portfolio's risks, if deemed appropriate.

## Income and Expenses Allocation

Returns on assets are allocated to the participating accounts to be fair and equitable to participating policyholders.

Commissions, benefit payments, premium taxes and investment income taxes and fees are allocated directly to each participating account and sub-account, as incurred. Administrative expenses are allocated based on the number and type of policies in force. Expenses for asset management are allocated according to Corporation's in force practices.

## Summary of the Changes Made to this Policy

- Update of the language to reflect the change of regulatory authority and of capital requirement (ex: AMF instead of OSFI, LICAT instead of MCCSR, compliance with the *Insurers Act* (Québec), etc.);
- Policy standardization for all the participating accounts closed to new business (iAP participating account, National Life participation account, Pre-Conversion participating account);
- Implementation of a method to pay exceptional dividends for the North West sub-account, in order to avoid a tontine effect<sup>2</sup>. This method needed to be put in place to ensure a distribution of this sub-account surplus;
- Segmentation of the participating accounts' surplus assets from the surplus assets of the Corporation;
- Uniformization of the allocation guidelines for each type of asset.

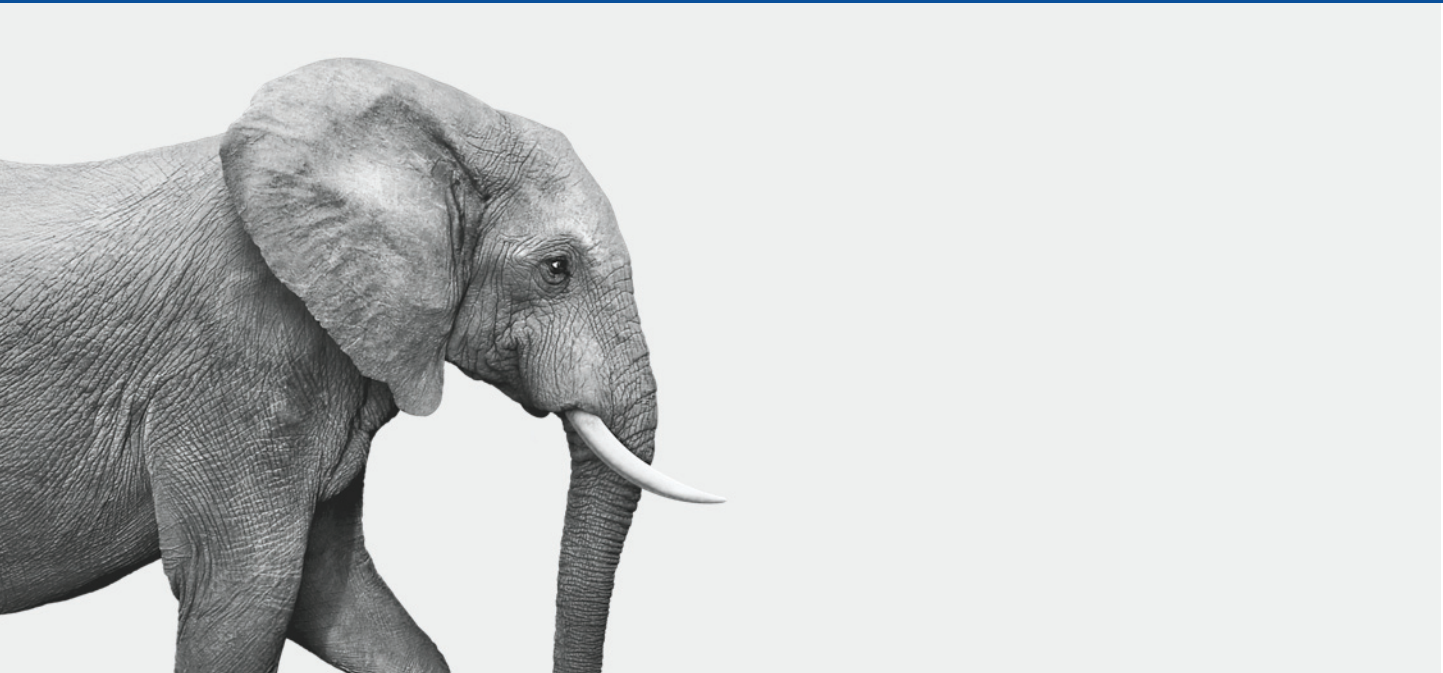
<sup>2</sup> Tontine Effect: A situation where experience and/or surplus are inappropriately shifted among the participating contracts, in such a way that an inadequate surplus accumulates into the participating account, to be eventually distributed in the future years to a smaller number of participating contracts' holders.

**Industrial Alliance Insurance  
and Financial Services Inc.**

**Head Office**

iA Financial Group  
1080 Grande Allée West  
PO Box 1907, Station Terminus  
Quebec City, QC G1K 7M3

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Toll-free: 1-800-463-6236  
ia.ca



**INVESTED IN YOU.**

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**Industrial Alliance Insurance and Financial Services Inc.**

**ia.ca**