

Quebec City, May 6, 2021

iA Financial Group Reports Good First Quarter Results

Solid earnings results and continued strong sales momentum in all lines of business

FIRST QUARTER HIGHLIGHTS – iA Financial Corporation

- Core EPS of \$1.79 (+20% YoY), in the top half of guidance (\$1.70 to \$1.85)
- Core ROE of 13.6% (trailing twelve months), in the top half of guidance (12.5% to 14.0%)
- Reported EPS of \$1.61 and ROE of 12.7% (trailing twelve months)
- Premiums and deposits above \$4.4 billion (+25% YoY) and AUM/AUA of \$201.3 billion (+15% YoY)
- Record sales in Individual Wealth Management, surpassing \$2.5 billion
- Solvency ratio of 128% at March 31, 2021, and leverage ratio of 24.3%
- DBRS Morningstar raises credit ratings based on improved risk profile

The results presented below are for iA Financial Corporation Inc. (“iA Financial Corporation” or the “Company”), the holding company that owns 100% of the common shares of Industrial Alliance Insurance and Financial Services Inc. (“iA Insurance”). The results for iA Insurance are presented in a separate section on page 5 of this document.

For the first quarter ended March 31, 2021, iA Financial Corporation (TSX: IAG) reports net income attributed to common shareholders of \$172.9 million, diluted earnings per common share (EPS) of \$1.61 and return on common shareholders’ equity (ROE)¹ for the trailing twelve months of 12.7%. Core EPS was \$1.79 and core ROE for the trailing twelve months was 13.6%.

“The results released today are excellent, with core EPS and core ROE both above the midpoint of guidance. All our business lines performed well, delivering strong sales and earnings. Sales were particularly good in individual insurance, where they were up 29% year over year, and in individual wealth management, which saw record sales of segregated funds and mutual funds,” commented Denis Ricard, President and CEO of iA Financial Group. “Also of note is the good performance of our dealer services operations in Canada as well as in the US, where we are just beginning to reap the benefits of the IAS acquisition. These results bode well for 2021 and position us favourably to pursue our growth, while continuing to work closely with our communities to overcome the challenges arising from the pandemic.”

“All of our business lines contributed to the Company’s solid profitability in the first quarter. The results of our US operations, our auto loans business and our iA Auto and Home affiliate were especially positive,” added Jacques Potvin, Executive Vice-President, CFO and Chief Actuary. “Our financial position continues to be robust, with a very healthy capital ratio of 128% and ongoing strong organic capital generation. Moreover, the additional provisions that we prudently established at the end of 2020 to account for the potential impacts of the pandemic were more than adequate in the first quarter, and we expect them to be sufficient for future quarters as well.”

Earnings Highlights	First quarter		
	2021	2020	Variation
Net income attributed to shareholders (in millions)	\$178.6	\$44.7	300%
Less: dividends on preferred shares issued by a subsidiary (in millions)	\$5.7	\$5.6	2%
Net income attributed to common shareholders (in millions)	\$172.9	\$39.1	342%
Weighted average number of common shares (in millions, diluted)	107.5	107.4	—
Earnings per common share (diluted)	\$1.61	\$0.36	347%
Core earnings per common share (diluted) ¹	\$1.79	\$1.49	20%

Other Financial Highlights	March 31, 2021	December 31, 2020	March 31, 2020
Return on common shareholders’ equity ¹	12.7%	10.6%	10.7%
Core return on common shareholders’ equity ¹	13.6%	13.3%	13.3%
Solvency ratio	128%	130%	137%
Book value per share	\$56.95	\$55.52	\$52.29
Assets under management and administration (in billions)	\$201.3	\$197.5	\$175.7

This news release presents non-IFRS measures. See “Non-IFRS Financial Information” at the end of this news release for further information.

¹ ROE, core ROE and core EPS are non-IFRS measures. See “Reported EPS and Core EPS Reconciliation” and “Non-IFRS Financial Information” in this news release.

The results of iA Financial Corporation for the first quarter of 2021 are presented on a consolidated basis with those of its subsidiaries, including iA Insurance. Unless otherwise indicated, the results presented in this document are compared with those from the corresponding period last year.

Profitability – For the first quarter ended March 31, 2021, iA Financial Corporation reports diluted earnings per common share (EPS) of \$1.61, up significantly from \$0.36 in the first quarter of last year, which was marked by the onset of the COVID-19 pandemic and major market fluctuations.

Diluted core EPS for the first quarter of 2021 was \$1.79, a year-over-year increase of 20%. The table below reconciles the Company's reported and core earnings. Core earnings is a non-IFRS measure that represents management's view of the Company's capacity to generate sustainable earnings.

Reported Earnings and Core Earnings Reconciliation²				
(in millions of dollars after tax unless otherwise indicated)	Earnings	First quarter		
		EPS (diluted basis)		
		2021	2020	Variation
Reported earnings	172.9	\$1.61	\$0.36	347%
Core earnings remove from reported earnings the impacts of the following items:				
Market-related impacts that differ from management's best estimate assumptions	(4.4)	(\$0.04)	\$0.80	
Assumption changes and management actions	—	—	—	
Charges or proceeds related to acquisition or disposition of a business, including acquisition, integration and restructuring costs	3.5	\$0.03	—	
Amortization of acquisition-related finite life intangible assets	13.5	\$0.13	\$0.07	
Non-core pension expense	6.7	\$0.06	\$0.04	
Other specified unusual gains and losses	—	—	\$0.22	
Core earnings	192.2	\$1.79	\$1.49	20%

The following items presented in the "Sources of Earnings" section of the Company's Financial Information Package explain the differences between management's expectations and reported earnings for the three-month period ended March 31, 2021. This information contains non-IFRS measures. All figures are after tax unless otherwise indicated.

The Company reported net income attributed to common shareholders of \$172.9 million for the first quarter of 2021. This result, as analyzed according to sources of earnings, can be explained as follows:

Expected profit on in-force – At \$204.7 million pre-tax, expected profit on in-force for the first quarter of 2021 was up 10% year over year. This growth is mainly explained by the addition of expected profit from the IAS acquisition in the US Operations sector and by good expected growth in the Individual Insurance sector.

Experience gains (losses) versus expected profit – For the first quarter of 2021, the Company reports a total net experience gain of \$0.04 EPS (\$4.9 million) versus management expectations. The following experience results are worthy of note:

- **Additional protections in reserves for pandemic uncertainty** – Additional mortality arising from the pandemic was lower than expected during the first quarter. Additional mortality benefits were absorbed by the additional protection planned for the first quarter and the remainder of this amount remains in the provision for potential use in future quarters. As for adverse policyholder behaviour, the additional protection remains intact as no adverse experience was recorded during the quarter.
- **Expenses** – Due to higher IT expenses and higher charges for employee benefits, expenses were above plan during Q1, generating a loss of \$0.06 EPS. This loss is allocated among the four Canadian business lines as mentioned below.
- **Individual Insurance** recorded a loss of \$0.02 EPS (-\$2.9 million) in the first quarter. The market-related variations had a positive impact on universal life insurance policies (+\$0.04 EPS), which was more than offset by expenses as mentioned above (-\$0.03 EPS), by a provision taken on a private bond (-\$0.02 EPS) and by other unfavourable small miscellaneous items (-\$0.01 EPS).

² For the definition of core earnings, refer to the "Non-IFRS Financial Information" section on page 6. 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.

- *Individual Wealth Management* reported favourable experience in the first quarter with a gain of \$0.02 EPS (\$2.5 million). Higher revenues (+\$0.04 EPS) from segregated funds, iA Clarington and distribution affiliates were partly driven by high net sales and by the positive market-related variations on investment fund income (MERs). In contrast, the segregated fund hedging program generated a small loss (-\$0.01 EPS) and expenses were higher than expected, as mentioned above (-\$0.01 EPS).
- *Group Insurance* recorded a loss of \$0.01 EPS (-\$1.2 million) for the quarter. Experience in the Employee Plans division was lower than expected (-\$0.03 EPS) due to unfavourable mortality experience, which was partly offset by good long-term disability experience. In the Dealer Services division, P&C experience was favourable (+\$0.02 EPS) and car loans generated a gain as we observed favourable car loan credit experience (+\$0.03 EPS). In the Special Markets division, claims for health coverage were slightly higher than expected (-\$0.01 EPS). Lastly, expenses for the sector were higher than expected, as mentioned above (-\$0.02 EPS).
- *Group Savings and Retirement* reported an experience gain of \$0.01 EPS (\$1.3 million) due to favourable longevity experience, partly offset by expenses as mentioned above.
- *US Operations* reported experience above expectations for the quarter with a gain of \$0.04 EPS (\$5.2 million). Results were as expected in the Individual Insurance division and better than expected in Dealer Services. Favourable claims experience, strong sales and lower expenses had a positive impact (+\$0.05 EPS), but IAS integration costs were slightly higher than expected (-\$0.01 EPS).

Impact of new business (strain) in Individual Insurance and US Operations – Strain for the two business lines amounted to \$4.8 million pre-tax, or 5% of sales for the quarter. This result is within the -5% to 10% guidance range, but is slightly unfavourable (-\$0.01 EPS) because the sales mix was slightly different than expected.

Income on capital – Net income earned on the Company’s surplus funds, which includes income from the iA Auto and Home affiliate (iAAH), was \$33.4 million before tax for the first quarter, representing a gain of \$0.09 EPS versus management expectations. This is explained by experience at iAAH—which was once again much more favourable than expected, mainly due to lower claims ratios for both auto and home insurance (+\$0.08 EPS)—and by investment income on capital being higher than expected (+ 0.01 EPS).

Income taxes – The effective tax rate for the quarter was 25.5%. This higher than expected tax expense represents a negative impact of \$0.09 EPS. This is mainly explained by higher taxation from the Company’s status as a multinational insurer (CIF) due to market-related variations and, to a lesser extent, the negative impact of the decrease in the value of real estate and other small deviations.

Business growth – The Company started 2021 with solid business growth across all lines of business during the first quarter. In Canada, we continue to strengthen our market position in our “Foundation”³ businesses of individual insurance and individual wealth management. In addition to their “Support”³ of branding and synergies with other businesses, Employee Plans and iA Auto and Home also had excellent sales growth. Lastly, in the US, the good sales results demonstrate the “Expansion”² potential of the Dealer Services division.

- *Premiums and deposits* exceeded \$4.4 billion in the first quarter, an increase of 25% year over year, mainly due to the contribution of Individual Wealth Management, Group Savings and Retirement and US Operations.
- *Assets under management and administration* totalled \$201.3 billion at the end of the first quarter, up 15% from a year earlier, when financial markets were impacted by the onset of the pandemic. During the quarter, assets under management and administration grew 2%, mainly due to market growth and net fund entries.
- In *Individual Insurance*, strong momentum continued in the first quarter with total sales of \$58.1 million, a substantial year-over-year increase of 29%. This positive result stems in part from the improvement of our product offering in 2020, the strength of our distribution networks and the excellent performance of our digital tools.
- In *Individual Wealth Management*, guaranteed product sales for the quarter were up from last year at \$228.7 million (+11%). The first quarter ended with record high results for gross and net sales of both segregated and mutual funds. Gross segregated funds generated strong sales of \$1,377.0 million (+58%), and net sales more than doubled at \$972.3 million compared to \$423.8 million a year earlier. The Company continued to strengthen its position in the industry, ranking first in gross and net sales. As for gross mutual fund sales, they were up significantly year over year at \$941.8 million (+36%), and net sales recorded solid net inflows at \$377.8 million.

³ At the Investor Event held on March 10, 2021, the Company presented its business mix under three main categories: Foundation, Support and Expansion. For more information, please refer to the “2021 iA Financial Group Investor Event” paragraph on page 4 and the Company’s website at <http://ia.ca/investorrelations> under *Events and Presentations/2021 Investor Event*.

- The *Group Insurance* business line is made up of three divisions. In the Employee Plans division, sales totalled \$87.1 million, representing strong year-over-year growth (+53%) due to the implementation of several new groups during the quarter. In the Dealer Services division, total sales of \$231.2 million were up 3% from 2020. By product, creditor insurance sales were \$43.0 million (-27%), P&C sales were \$64.5 million (+4%), and car loan originations totalled \$123.7 million (+20%). Lastly, sales in the Special Markets division amounted to \$46.8 million, compared to \$75.8 million a year earlier. This decrease is largely explained by significantly lower sales of travel insurance due to the pandemic.
- In *Group Savings and Retirement*, total first quarter sales amounted to \$693.3 million, up from a year earlier (+5%), mainly supported by accumulation product sales with the signing of several new groups with sizable assets during the quarter.
- In *US Operations*, Individual Insurance first quarter sales totalled US\$31.2 million (+6%). Dealer Services sales totalled US\$233.0 million, significantly up from a year earlier (+99%). Along with the addition of IAS's sales, this growth is also explained by several new dealer group enrollments.
- At *iA Auto and Home*, strong business growth continued with direct written premiums in the first quarter up 14% year over year at \$84.1 million.

Financial position – At March 31, 2021, the solvency ratio was 128%, compared with 130% at December 31, 2020 and 137% a year earlier, before deploying capital for the acquisition of IAS Parent Holdings. This is above the Company's target range of 110% to 116%. The decrease of two percentage points during the quarter essentially stems from the negative impact of market-related variations, which was partially offset by organic capital generation of approximately \$90 million during the quarter. The debt ratio at March 31, 2021 was 24.3%, down slightly from 24.8% at December 31, 2020.

Book value – The book value per common share was \$56.95 at March 31, 2021, up 3% from the previous quarter and 9% over twelve months.

Dividend – In accordance with regulators' instructions not to increase dividends on common shares due to the COVID-19 pandemic, the Board of Directors has approved a quarterly dividend of \$0.4850 per share, the same as that announced the previous quarter, on the outstanding common shares of iA Financial Corporation. This dividend is payable on June 15, 2021 to the shareholders of record at May 21, 2021.

Dividend Reinvestment and Share Purchase Plan – Registered shareholders wishing to enrol in iA Financial Corporation's Dividend Reinvestment and Share Purchase Plan (DRIP) so as to be eligible to reinvest the next dividend payable on June 15, 2021 must ensure that the duly completed form is delivered to Computershare no later than 4:00 p.m. on May 14, 2021. Enrolment information is provided on iA Financial Group's website at <http://ia.ca/investorrelations>, under the *Dividends* section. Common shares issued under iA Financial Corporation's DRIP will be purchased on the secondary market and no discount will be applicable.

Litigation – On March 10, 2021, the Saskatchewan Court of Appeal ruled in favour of iA Financial Group in the litigation between the Company and Ituna Investment LP ("Ituna"). Ituna sought to make unlimited deposits into a universal life insurance contract that it purchased from a policyholder. In its decision, the Court of Appeal found that Ituna's position was inconsistent with the language and the purpose of the contract. iA Financial Group has always maintained that the position taken by Ituna was legally unfounded.

Credit rating update – On March 9, 2021, the rating agency DBRS Morningstar upgraded its credit ratings for iA Financial Corporation and Industrial Alliance Insurance and Financial Services. The rating upgrades reflect the significant efforts made by iA Financial Group in the past few years to improve its risk profile, in particular its sensitivity to market-related risks. In addition, the credit ratings assigned by Standard & Poor's and A.M. Best remained stable.

2021 iA Financial Group Investor Event – iA Financial Group held a virtual Investor Event on March 10, 2021. During this public event, under the theme "Guiding to solid growth," an update was given on the company's strategic priorities, digital evolution and financial objectives.

In particular, the Company explained its growth strategy by presenting its business mix under three main categories: Foundation, Support and Expansion. "Foundation" activities include long-established businesses in which iA Financial Group excels and is already a leader, namely Individual Insurance, Individual Wealth Management and Dealer Services (Canada). "Support" businesses support branding and deliver synergies and competitive advantages to other iA businesses. They include Group Insurance Employee Plans and Special Markets; Group Savings and Retirement; and iA Auto and Home. Lastly, the distribution affiliates and US Operations are part of the "Expansion" businesses, which are high-growth distinctive businesses in which iA Financial Group seeks to become a leader.

For more information on the strategic initiatives presented during this event, please refer to the Company's website at <http://ia.ca/investorrelations> under *Events and Presentations/2021 Investor Event*.

2020 Sustainability Report – On March 30, 2021, iA Financial Group released its 2020 Sustainability Report which outlines the company's environmental, social and governance initiatives and achievements for 2020.

iA Wealth launches iA Private Wealth and iA Capital Markets brands – On January 18, 2021, iA Wealth announced the launch of iA Private Wealth, a new brand identity that replaces the iA Securities and HollisWealth brands and unifies iA Wealth's IROC wealth management business. As part of this change, iA Wealth's capital markets division, formerly operating under the iA Securities brand, will now be known as iA Capital Markets. This change will be reflected in our reports beginning this quarter.

Market guidance for 2021 for iA Financial Corporation

- Core earnings per common share: target range of \$7.60 to \$8.20
- Core return on common shareholders' equity (ROE): target range of 12.5% to 14.0%
- Solvency ratio: target range of 110% to 116%
- Impact of new business (strain): annual target of 2% of sales with quarterly range of -5% to 10%
- Organic capital generation: target range of \$275 million to \$325 million
- Effective tax rate: target range of 20% to 22%
- Dividend payout ratio⁴: range of 25% to 35% with the target being the midpoint

The market guidance provided above is a forecast. Please refer to the "Forward-looking Statements" section at the end of this news release for more information.

FIRST QUARTER HIGHLIGHTS – iA Insurance

Profitability – In the first quarter of 2021, iA Insurance recorded net income attributed to its sole common shareholder, iA Financial Corporation, of \$171.0 million, compared to \$40.6 million in the first quarter of 2020, a quarter marked by the onset of the COVID-19 pandemic and major market fluctuations.

Financial position – The solvency ratio was 116% at March 31, 2021, compared with 122% at the end of the previous quarter and 116% a year earlier. This is above the minimum required by regulatory authorities and at the upper end of iA Insurance's target range of 110% to 116%.

Dividend – iA Insurance declared a dividend of \$250.0 million in the first quarter of 2021. The dividends payable following this declaration were paid in full during the first quarter. For the second quarter of 2021, the Board of Directors of iA Insurance approved no dividend to its sole common shareholder, iA Financial Corporation. As a result, no dividend will be paid by iA Insurance to iA Financial Corporation.

iA Insurance			
Earnings Highlights	First quarter		
(In millions of dollars)	2021	2020	Variation
Net income attributed to shareholders	176.7	46.2	282%
Less: dividends on preferred shares	5.7	5.6	2%
Net income attributed to common shareholders	171.0	40.6	321%
Other Financial Highlights			
(In millions of dollars, unless otherwise indicated)	March 31, 2021	December 31, 2020	March 31, 2020
Total capital	5,860.9	5,887.5	5,746.3
Solvency ratio	116%	122%	116%

⁴ Dividend per common share paid during the period divided by the basic earnings per common share during the period.

GENERAL INFORMATION

Non-IFRS Financial Information

iA Financial Corporation and iA Insurance (collectively “iA Financial Group”) report their financial results and statements in accordance with International Financial Reporting Standards (IFRS). iA Financial Group 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 companies’ 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. iA Financial Group believes that these non-IFRS financial measures provide additional information to better understand iA Financial Group’s financial results and assess its growth and earnings potential, and that they facilitate comparison of the quarterly and full-year results of iA Financial Group’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. iA Financial Group 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 iA Financial Corporation’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 iA Financial Corporation’s surplus funds); and any other items not attributed to operating profit.

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 iA Insurance 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 iA Financial Group'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 iA Financial Group'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 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", 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 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. 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 iA Financial 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 iA Financial 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 iA Financial Corporation's business and financial results could be material. However, despite the short-term negative impacts of the pandemic on its results, iA Financial Corporation remains financially solid. In addition, iA Financial 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 iA Financial Group's filings with the Canadian Securities Administrators, which are available for review at sedar.com.

The forward-looking statements in this news release reflect iA Financial Group's expectations as of the date of this document. iA Financial 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.

Documents Related to the Financial Results

For a detailed discussion of iA Financial Corporation's and iA Insurance's first quarter results, investors are invited to consult the Management's Discussion and Analysis for the quarter ended March 31, 2021, the related financial statements and accompanying notes and the Financial Information Package for each company, all of which are available on the iA Financial Group website at ia.ca under *About iA*, in the *Investor Relations/Financial Reports* section and on SEDAR at sedar.com.

Conference Call

Management will hold a conference call to present iA Financial Group's first quarter results on Thursday, May 6, 2021 at 11:30 a.m. (ET). The dial-in number is 416-641-6712 or 1-800-768-8804 (toll-free within North America). A replay of the conference call will be available for a one-week period, starting at 2:00 p.m. on Thursday, May 6, 2021. To access the conference call replay, dial 1-800-558-5253 (toll-free) and enter access code 21992299. A webcast of the conference call (listen-only mode) will also be available on the iA Financial Group website at ia.ca.

Annual Meeting

iA Financial Corporation is holding its Annual Meeting virtually at 2:00 p.m. (ET) on Thursday, May 6, 2021, at the following web address: <https://www.icastpro.ca/eia210506b>. An audio webcast of the meeting as well as a copy of management's presentation will be available on the Company's website at ia.ca under About iA, in the Investor Relations/Events and Presentations section.

About iA Financial Group

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).

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