Growth oriented, excellence driven

Report to Shareholders

2025 Second Quarter

For the Quarter Ended June 30, 2025

iA Financial Group

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis for iA Financial Corporation Inc. ("iA Financial Group" or the "Company") is dated August 5, 2025. This Management's Discussion and Analysis should be read in conjunction with the unaudited interim condensed consolidated financial statements for the three and six months ended June 30, 2025 and 2024. It should also be read with the Management's Discussion and Analysis and the audited consolidated financial statements for the year ended December 31, 2024. The Supplemental Information Package for the last nine quarters may contain additional data that complements the information in this Management's Discussion and Analysis and is not and should not be considered incorporated by reference into this document.

The financial information is presented in accordance with IFRS® Accounting Standards (referred to as "IFRS" in this document), as they apply to life insurance companies in Canada, and with the accounting requirements prescribed by the regulatory authorities. The Company also uses non-IFRS and other financial measures when evaluating its results and measuring its performance. For relevant information about non-IFRS and other financial measures, see the "Non-IFRS and Additional Financial Measures" and the "Reconciliation of Select Non-IFRS Financial Measures" sections in this document.

The Company's business units are grouped into reportable operating segments based on their similar economic characteristics.

The Company's operating segments, which reflect its organizational structure for decision making, are described below according to their main products and services or their specific characteristics:

Insurance, Canada – Life and health insurance products, auto and home insurance products, creditor insurance, replacement insurance and warranties, extended warranties and other ancillary products for dealer services, and specialized products for special markets.

Wealth Management – Products and services for savings plans, retirement funds and segregated funds, in addition to securities brokerage (including cross-border services), trust operations and mutual funds.

US Operations – Life insurance products and extended warranties relating to dealer services sold in the United States.

Investment – Investment and financing activities of the Company, except the investment activities of wealth management distribution affiliates.

Corporate – All expenses that are not allocated to other operating segments, such as expenses for certain corporate functions.

Information concerning these segments is included in our annual and interim consolidated financial statements and accompanying notes and this Management's Discussion and Analysis.

Unless otherwise indicated, the results presented in this document are in Canadian dollars and are compared with those from the corresponding period last year.

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A. Highlights for the Second Quarter

Profitability

	Second quarter			Year-to-date at June 30		
	2025	2024	Variation	2025	2024	Variation
Net income attributed to common shareholders (in millions)	$321	$206	56%	$507	$439	15%
Core earnings† (in millions)	$327	$267	22%	$600	$510	18%
Weighted average number of common shares (diluted) (in millions)	94	97	(3%)	94	98	(4%)
Earnings per common share (EPS) (diluted)	$3.43	$2.12	62%	$5.41	$4.47	21%
Core earnings per common share (core EPS) (diluted)††	$3.49	$2.75	27%	$6.40	$5.19	23%

Return on common shareholders' equity (ROE)[1]	June 30, 2025	March 31, 2025	December 31, 2024	June 30, 2024
ROE (trailing 12 months)	14.7%	13.0%	13.9%	11.1%
Core ROE†† (trailing 12 months)	17.0%	16.1%	15.9%	15.0%
ROE quarter annualized	18.3%	10.8%	12.9%	12.3%
Core ROE†† quarter annualized	18.6%	15.8%	16.9%	15.9%

The Company recorded core earnings† of $327 million in the second quarter of 2025 and core diluted earnings per common share (core EPS)†† of $3.49, which is 27% higher than the same period in 2024. Core return on common shareholders' equity (ROE)†† for the trailing 12 months was 17.0% at June 30, 2025. Quarterly annualized core ROE†† was 18.6% for the second quarter.

Net income attributed to common shareholders was $321 million and diluted earnings per common share (EPS) was $3.43, which is 62% higher than in the second quarter of 2024. Return on common shareholders' equity (ROE) for the trailing 12 months was 14.7% at June 30, 2025. Annualized ROE was 18.3% for the second quarter.

An analysis of earnings by business segment for the quarter is provided in the "Analysis of Earnings by Business Segment" section of this document. Also, refer to the "Reconciliation of Select Non-IFRS Financial Measures" section of this document for reconciliations between core earnings† and net income (loss) attributed to common shareholders.

Business growth – During the second quarter of 2025, almost all business units recorded good sales[2] growth compared to the same period last year. Sales growth was particularly high for Individual Insurance in both Canada and the U.S., as well as in Dealer Services in Canada, iA Auto and Home and segregated funds. In Canada, Individual Insurance sales were strong at $103 million, and the Company maintained a leading position for the number of policies sold.[3] In the Wealth Management segment, the Company continued to rank first for both gross and net segregated fund sales,[4] with net inflows totalling $670 million. Sales results in both US Operations units were solid. Good sales contributed to the 4% increase in net premiums,[5] premium equivalents and deposits,[5] totalling nearly $5.1 billion, compared to the same period last year. Also, total assets under management[6] and total assets under administration[6] amounted to approximately $274 billion, an increase of 16% over the last 12 months.

Financial position – The Company's solvency ratio[7] was 138%[8] at June 30, 2025, compared with 132% at the end of the previous quarter and 141% a year earlier. This result is well above the regulatory minimum ratio of 90%. The six-percentage-point increase during the quarter was mainly driven by the favourable impact of organic capital generation[2] and the preferred share issuance completed on June 23, 2025, as outlined below in this section. The Company's financial leverage ratio†† of 16.9% at June 30, 2025 compares to 14.8% at the end of the previous quarter.

1 Consolidated net income attributed to common shareholders divided by the average common shareholders' equity for the period. Return on common shareholders' equity is a supplementary financial measure. Refer to the "Non-IFRS and Additional Financial Measures" section of this document for more information on return on common shareholders' equity.
2 Sales and organic capital generation are supplementary financial measures. Refer to the "Non-IFRS and Additional Financial Measures" section of this document for more information.
3 According to the latest Canadian data published by LIMRA.
4 According to the latest industry data from Investor Economics.
5 Net premiums and premium equivalents and deposits are supplementary financial measures. Refer to the "Non-IFRS and Additional Financial Measures" section of this document for more information.
6 Assets under management and assets under administration are supplementary financial measures. Refer to the "Non-IFRS and Additional Financial Measures" section of this document for more information.
7 The solvency ratio is calculated in accordance with the Capital Adequacy Requirements Guideline – Life and Health Insurance (CARLI) mandated by the Autorité des marchés financiers du Québec (AMF). This financial measure is exempt from certain requirements of Regulation 52-112 respecting Non-GAAP and Other Financial Measures Disclosure according to AMF Blanket Order No. 2021-PDG-0065. Refer to the "Non-IFRS and Additional Financial Measures" section of this document for more information.
8 As at June 30, 2025, on a pro forma basis, taking into account the proposed acquisition of RF Capital announced on July 28, 2025, the solvency ratio is estimated at 132% and the capital available for deployment is estimated at $900 million.

† This item is a non-IFRS financial measure; see the "Non-IFRS and Additional Financial Measures" section and the "Reconciliation of Select Non-IFRS Financial Measures" section in this document for relevant information about such measures and a reconciliation of non-IFRS financial measures to the most directly comparable IFRS measure.
†† This item is a non-IFRS ratio; see the "Non-IFRS and Additional Financial Measures" section in this document for relevant information about such measures.

Organic capital generation and capital available for deployment[9] – The Company organically generated $200 million in additional capital during the second quarter. At June 30, 2025, the capital available for deployment was assessed at $1.5 billion.[10]

Book value – The book value per common share[11] was $76.02 at June 30, 2025, up 2% during the quarter and 9% during the last 12 months.

Capital issuance – On June 23, 2025, the Company closed its offering of 6.435% Non-Cumulative 5-Year Rate Reset Class A Preferred Shares Series C by way of a prospectus supplement to the short form base shelf prospectus dated April 25, 2024. The shares were issued for aggregate gross proceeds of $400 million and will pay fixed dividends at a rate of 6.435% per annum, payable semi-annually, as and when declared by the Board of Directors of the Company, for the initial period ending on, but excluding, June 30, 2030. Thereafter, the dividend rate of the shares will reset every five years at a rate per annum equal to the prevailing 5-year Government of Canada Yield, plus 3.40%.

Normal Course Issuer Bid (NCIB) – During the second quarter of 2025, the Company repurchased and cancelled 535,400 outstanding common shares for a total value of $73 million under the NCIB program. Under the current NCIB in force from November 14, 2024 to November 13, 2025, the Company can repurchase up to 4,694,894 common shares, representing approximately 5% of the issued and outstanding common shares as at October 31, 2024. Since November 14, 2024, 1,358,000 shares, or 1.4% of the outstanding common shares, have been repurchased and cancelled. Therefore, the Company may repurchase up to 3,336,894 outstanding common shares between June 30, 2025 and November 13, 2025.

Dividend – The Company paid a quarterly dividend of $0.9000 per share to common shareholders in the second quarter of 2025. The Board of Directors approved a quarterly dividend of $0.9900 per share payable during the third quarter of 2025, representing an increase of $0.09 per share or 10% compared to the dividend paid in the previous quarter. This dividend is payable on September 15, 2025 to the shareholders of record at August 22, 2025.

Dividend Reinvestment and Share Purchase Plan – Registered shareholders wishing to enroll in iA Financial Group's Dividend Reinvestment and Share Purchase Plan (DRIP) so as to be eligible to reinvest the next dividend payable on September 15, 2025 must ensure that the duly completed form is delivered to Computershare no later than 4:00 p.m. on August 15, 2025. Enrolment information is provided on iA Financial Group's website at ia.ca, under *About iA,* in the *Investor Relations/Dividends* section. Common shares issued under iA Financial Group's DRIP will be purchased on the secondary market and no discount will be applicable.

Annual Meetings – The Annual Shareholder Meeting of the Company and the Annual Meeting of the Sole Common Shareholder and of the Participating Policyholders of Industrial Alliance Insurance and Financial Services Inc. were held on May 8, 2025. At the Annual Meeting of the Company, all thirteen nominated directors were elected by the shareholders.

Awards:

- iA Financial Group was recognized by Forbes magazine as Canada's best auto insurance provider in its 2025 "World's Best Auto Insurance Companies" list. The ranking is based on a global survey of over 45,000 consumers, evaluating, among other things, satisfaction, loyalty, advice, transparency and claims handling. This recognition reflects the trust clients place in iA Auto and Home.
- On June 30, 2025, iA Financial Group was named one of Canada's 50 Best Corporate Citizens by Corporate Knights, marking its second consecutive year on the list. The prestigious ranking highlights the Company's leadership in sustainability, with notable achievements in sustainable revenue, gender diversity on its Board and wellbeing and personal development initiatives.
- iA Auto Finance secured second place for the fifth consecutive year in the non-captive non-prime segment of the J.D. Power 2025 Canada Dealer Financing Satisfaction Study, reflecting strong performance in areas like sales representative relationships, responsiveness and funding efficiency.

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9 Capital available for deployment is a supplementary financial measure. Refer to the "Non-IFRS and Additional Financial Measures" section of this document for more information.

10 On a pro forma basis, taking into account the proposed acquisition of RF Capital announced on July 28, 2025, the solvency ratio is estimated at 132% and the capital available for deployment is estimated at $900 million.

11 Book value per common share is calculated by dividing the common shareholders' equity, which represents the total equity less other equity instruments, by the number of common shares outstanding at the end of the period.

† This item is a non-IFRS financial measure; see the "Non-IFRS and Additional Financial Measures" section and the "Reconciliation of Select Non-IFRS Financial Measures" section in this document for relevant information about such measures and a reconciliation of non-IFRS financial measures to the most directly comparable IFRS measure.

†† This item is a non-IFRS ratio; see the "Non-IFRS and Additional Financial Measures" section in this document for relevant information about such measures.

Unsolicited mini-tender offer – On May 7, 2025, iA Financial Group issued a press release warning about an unsolicited mini-tender offer made by Ocehan LLC to purchase up to 50,000 of its common shares at a price of $93.30 per share, which represented a discount of approximately 29.84% to the closing price of iA Financial Group's common shares on the TSX as of May 6, 2025. The press release noted, among other things, that iA Financial Group was not associated with Ocehan LLC and did not recommend or endorse acceptance of this restricted tender offer in any way. For additional information, please refer to the press release, which can be found on our website at ia.ca.

Philanthropy – iA Financial Group donated $50,000 in June to the Canadian Red Cross in support of the 2025 Manitoba Wildfires Appeal. This contribution aims to provide immediate and ongoing relief to those affected, including financial assistance, support for evacuees and risk reduction for future all-hazard disaster events in these regions.

Subsequent to the second quarter:

- **Acquisition of RF Capital Group Inc.** – On July 28, 2025, iA Financial Group announced that it had entered into a definitive agreement with RF Capital Group Inc. (RF Capital), pursuant to which iA Financial Group will acquire all of the issued and outstanding common shares of RF Capital for $20.00 per share in cash, for a total purchase price of $597 million. Upon completion, this acquisition is expected to add over $40 billion in assets under administration and significantly expand iA's presence in the high-net-worth segment. RF Capital advisors will continue operating independently under the Richardson Wealth brand,[12] supported by iA Financial Group's financial strength and digital platforms. As at June 30, 2025, on a pro forma basis taking into account this acquisition, the solvency ratio is estimated at 132%, the capital available for deployment is estimated at $900 million and the financial leverage ratio is estimated to remain the same.

- **AMF Capital Adequacy Requirements Guideline** – A revised Capital Adequacy Requirements for Life and Health Insurance (CARLI) Guideline became effective on January 1, 2025. The new CARLI guideline includes, among other things, revisions related to the regulatory capital requirements for segregated fund guarantees. As allowed by the AMF for insurers, the Company applied the previous version of the guideline during the first half of 2025. As of July 1, 2025, the revised guideline allows for the explicit recognition of the CSM related to segregated funds, the impact of which is expected to be slightly positive on the capital available for deployment and increase the solvency ratio sensitivity to public market variations, while remaining within our risk tolerance.

- **Philanthropy** – iA Financial Group and its U.S. subsidiaries donated $75,000 to the Community Foundation of the Texas Hill Country to support those affected by flash flooding in Texas. The funds will provide immediate and ongoing relief, including financial aid and support for evacuees and the communities hosting them.

[12] Richardson Wealth is a trademark of James Richardson & Sons, Limited and Richardson Wealth Limited is a licensed user of the mark.

† This item is a non-IFRS financial measure; see the "Non-IFRS and Additional Financial Measures" section and the "Reconciliation of Select Non-IFRS Financial Measures" section in this document for relevant information about such measures and a reconciliation of non-IFRS financial measures to the most directly comparable IFRS measure.
†† This item is a non-IFRS ratio; see the "Non-IFRS and Additional Financial Measures" section in this document for relevant information about such measures.

B. Business Growth

Business growth is measured by growth in sales, premiums, premium equivalents and deposits and assets under management and administration.

Sales – Sales measure the Company's ability to generate new business and are defined as fund entries on new business written during the period. For more information on the calculation and presentation of sales within each business unit, refer to the "Non-IFRS and Additional Financial Measures" section in this document.

Sales Growth by Business Segment						
	Second quarter			Year-to-date at June 30		
(In millions of dollars, unless otherwise indicated)	2025	2024	Variation	2025	2024	Variation
INSURANCE, CANADA						
Individual Insurance						
Minimum premiums	91	87	5%	177	167	6%
Excess premiums	12	11	9%	25	20	25%
Total	103	98	5%	202	187	8%
Group Insurance						
Employee Plans	8	25	(68%)	78	55	42%
Special Markets	99	100	(1%)	207	206	—
Total	107	125	(14%)	285	261	9%
Dealer Services						
Creditor Insurance	50	55	(9%)	85	94	(10%)
P&C Insurance[1]	175	139	26%	303	248	22%
Total	225	194	16%	388	342	13%
General Insurance						
iA Auto and Home	206	188	10%	335	302	11%
WEALTH MANAGEMENT						
Individual Wealth Management						
Gross sales						
Segregated funds	1,368	1,270	8%	3,307	2,548	30%
Mutual funds	442	468	(6%)	1,089	954	14%
Other savings products	428	541	(21%)	895	1,122	(20%)
Total	2,238	2,279	(2%)	5,291	4,624	14%
Net sales						
Segregated funds	670	608	62	1,843	1,165	678
Mutual funds	(165)	(194)	29	(227)	(337)	110
Total	505	414	91	1,616	828	788
Group Savings and Retirement	821	858	(4%)	1,662	1,776	(6%)
US OPERATIONS ($US)						
Individual Insurance	78	49	59%	146	91	60%
Dealer Services	296	279	6%	602	527	14%

[1] Q2/2025 figures include data from Global Warranty for the period from February to June 2025, as data for February and March was not included in the first quarter results.

† This item is a non-IFRS financial measure; see the "Non-IFRS and Additional Financial Measures" section and the "Reconciliation of Select Non-IFRS Financial Measures" section in this document for relevant information about such measures and a reconciliation of non-IFRS financial measures to the most directly comparable IFRS measure.
†† This item is a non-IFRS ratio; see the "Non-IFRS and Additional Financial Measures" section in this document for relevant information about such measures.

INSURANCE, CANADA

Individual Insurance – Second quarter sales totalled $103 million, a 5% increase over a strong quarter a year earlier. This very good result reflects the strength of all our distribution networks, the excellent performance of our digital tools, as well as our comprehensive and distinctive range of products. Sales were notably strong for participating insurance. The Company maintained its leading position in the Canadian market for the number of policies issued.[2]

Group Insurance – Second quarter sales in Employee Plans totalled $8 million compared to $25 million in the same quarter last year. This result is largely attributed to a lower volume of quoting activities in the prior months. Note that sales in this business unit vary considerably from one quarter to another based on the size of the contracts sold. On a year-to-date basis, Employee Plans sales were 42% higher than last year. Net premiums, premium equivalents and deposits increased by 9% year over year, benefiting from premium increases on renewals. Special Markets sales reached $99 million, a result similar to the previous year.

Dealer Services – Total sales ended the second quarter at $225 million, 16% higher than the same period in 2024. This growth was supported by P&C Insurance sales growth of 26% year over year, notably from the addition of sales from the acquisition of the Global Warranty business completed in the first quarter.

General Insurance (iA Auto and Home) – Direct written premiums reached $206 million in the second quarter, a strong increase of 10% compared to the same period last year. This good business growth is the result of an increased number of policies as well as recent price adjustments.

WEALTH MANAGEMENT

Individual Wealth Management – Sales of segregated funds were strong during the second quarter, with gross sales totalling $1.4 billion, an 8% year-over-year increase, and net sales of $670 million. The Company continued to rank first in Canada in gross and net segregated fund sales.[3] This robust performance was notably driven by the strength of our distribution networks and our competitive and comprehensive product lineup. Additionally, clients continued to favour asset classes with higher return potential over guaranteed investments. In this context, sales of other savings products reached $428 million in the second quarter, compared to a strong quarter of $541 million a year earlier. Gross sales of mutual funds totalled $442 million for the quarter, compared to $468 million in the same quarter last year. Net outflows of $165 million were recorded, compared to outflows of $194 million in the second quarter of 2024.

Group Savings and Retirement – Sales for the second quarter totalled $821 million and were 4% lower than a year earlier, as growth in accumulation product sales was offset by the decrease in insured annuities sales. Total assets under management at the end of the quarter were 18% higher than a year earlier.

US OPERATIONS

Individual Insurance – Quarterly sales reached a record US$78 million, 59% higher than a year earlier. This solid result is driven by good growth in the final expense and middle/family markets and the addition of sales from the Vericity acquisition. These results underscore our potential for strong growth in the U.S. life insurance market, both organically and through acquisitions.

Dealer Services – Second quarter sales of US$296 million were up 6% over the same period last year. This good result reflects the quality of our products and services as well as the effectiveness and diversity of our distribution channels.

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[2] According to the latest Canadian data published by LIMRA.
[3] According to the latest industry data from Investor Economics.

† This item is a non-IFRS financial measure; see the "Non-IFRS and Additional Financial Measures" section and the "Reconciliation of Select Non-IFRS Financial Measures" section in this document for relevant information about such measures and a reconciliation of non-IFRS financial measures to the most directly comparable IFRS measure.
†† This item is a non-IFRS ratio; see the "Non-IFRS and Additional Financial Measures" section in this document for relevant information about such measures.

ASSETS UNDER MANAGEMENT AND ASSETS UNDER ADMINISTRATION

Assets under management and assets under administration – Assets under management and assets under administration measure the Company's ability to generate fees, particularly for investment funds, funds under management and funds under administration.

Assets Under Management and Assets Under Administration				
(In millions of dollars)	June 30, 2025	March 31, 2025	December 31, 2024	June 30, 2024
Assets under management				
General fund[4]	57,932	58,036	57,286	53,879
Segregated funds	56,547	53,640	52,575	46,582
Mutual funds	13,378	13,101	13,290	12,643
Other	6,045	5,876	5,579	5,030
Subtotal	133,902	130,653	128,730	118,134
Assets under administration[5]	139,870	133,368	132,576	118,805
Total[4]	**273,772**	**264,021**	**261,306**	**236,939**

Assets under management and administration totalled nearly $274 billion at the end of the second quarter, up 16% over the last 12 months and 4% during the quarter. This growth was mainly driven by the performance of financial markets and high net segregated fund inflows.

NET PREMIUMS, PREMIUM EQUIVALENTS AND DEPOSITS

Net premiums, premium equivalents and deposits – Net premiums, premium equivalents and deposits include entries from both new business written and in-force contracts. For more information on the calculation and presentation of net premiums, premium equivalents and deposits within each business unit, refer to the "Non-IFRS and Additional Financial Measures" section in this document.

Net Premiums, Premium Equivalents and Deposits						
	Second quarter			Year-to-date at June 30		
(In millions of dollars)	2025	2024	Variation	2025	2024	Variation
Insurance, Canada						
Individual Insurance	614	532	15%	1,195	1,048	14%
Group Insurance	544	510	7%	1,075	1,016	6%
Dealer Services[6]	203	171	19%	342	299	14%
General Insurance[7]	148	129	15%	289	253	14%
Wealth Management						
Individual Wealth Management	2,238	2,279	(2%)	5,291	4,624	14%
Group Savings and Retirement	817	853	(4%)	1,652	1,764	(6%)
US Operations						
Individual Insurance	253	179	41%	508	352	44%
Dealer Services	249	209	19%	501	385	30%
Total	**5,066**	**4,862**	**4%**	**10,853**	**9,741**	**11%**

Net premiums, premium equivalents and deposits amounted to nearly $5.1 billion in the second quarter, a 4% increase over the same period last year driven by all business units in the Insurance, Canada and U.S. Operations segments.

4 All general fund assets, including insured annuities, other savings products and other accumulation contracts.
5 In Q2/2025, the 2024 assets under administration figures were adjusted to reflect refinements in consolidation adjustments between the Company and one of its subsidiaries.
6 Q2/2025 figures include data from Global Warranty for the period from February to June 2025, as data for February and March was not included in the first quarter results.
7 Includes iA Auto and Home and some minor consolidation adjustments.

† This item is a non-IFRS financial measure; see the "Non-IFRS and Additional Financial Measures" section and the "Reconciliation of Select Non-IFRS Financial Measures" section in this document for relevant information about such measures and a reconciliation of non-IFRS financial measures to the most directly comparable IFRS measure.
†† This item is a non-IFRS ratio; see the "Non-IFRS and Additional Financial Measures" section in this document for relevant information about such measures.

C. Analysis of Earnings by Business Segment

The following table sets out the core earnings† and net income attributed to common shareholders by business segment. An analysis of the performance by business segment and a reconciliation between the net income attributed to common shareholders and core earnings† for each business segment are provided in the following pages.

Core earnings†						**Year-to-date at June 30**		
	Q2/2025	*Quarter-over-quarter*		*Year-over-year*		*Year-over-year*		
(In millions of dollars, unless otherwise indicated)		**Q1/2025**	**Variation**	**Q2/2024**	**Variation**	**2025**	**2024**	**Variation**
Insurance, Canada	133	100	33%	106	25%	233	198	18%
Wealth Management	113	106	7%	98	15%	219	193	13%
US Operations	36	30	20%	22	64%	66	41	61%
Investment	102	85	20%	91	12%	187	177	6%
Corporate	(57)	(48)	(19%)	(50)	(14%)	(105)	(99)	(6%)
Total	**327**	**273**	**20%**	**267**	**22%**	**600**	**510**	**18%**
Net income attributed to common shareholders								
Insurance, Canada	130	87	49%	97	34%	217	180	21%
Wealth Management	105	95	11%	91	15%	200	179	12%
US Operations	55	19	189%	8	588%	74	20	270%
Investment	103	35	194%	63	63%	138	163	(15%)
Corporate	(72)	(50)	(44%)	(53)	(36%)	(122)	(103)	(18%)
Total	**321**	**186**	**73%**	**206**	**56%**	**507**	**439**	**15%**

† This item is a non-IFRS financial measure; see the "Non-IFRS and Additional Financial Measures" section and the "Reconciliation of Select Non-IFRS Financial Measures" section in this document for relevant information about such measures and a reconciliation of non-IFRS financial measures to the most directly comparable IFRS measure.
†† This item is a non-IFRS ratio; see the "Non-IFRS and Additional Financial Measures" section in this document for relevant information about such measures.

Reconciliation of Net Income Attributed to Common Shareholders and Core Earnings†

The following table presents net income attributed to common shareholders and the adjustments that account for the difference between net income attributed to common shareholders and core earnings.†

Net Income Attributed to Common Shareholders and Core Earnings† Reconciliation – Consolidated

	Second quarter			Year-to-date at June 30		
(In millions of dollars, unless otherwise indicated)	**2025**	**2024**	**Variation**	**2025**	**2024**	**Variation**
Net income attributed to common shareholders	**321**	**206**	**56%**	**507**	**439**	**15%**
Core earnings adjustments (post tax)						
Market-related impacts	1	27		64	18	
Interest rates and credit spreads	45	15		29	12	
Equity	(74)	(21)		(15)	(53)	
Investment properties	25	31		41	54	
CIF[1]	5	2		9	5	
Currency	—	—		—	—	
Assumption changes and management actions	(22)	1		(27)	(4)	
Charges or proceeds related to acquisition or disposition of a business, including acquisition, integration and restructuring costs	3	12		5	15	
Amortization of acquisition-related finite life intangible assets	20	17		41	34	
Non-core pension expense	4	4		8	8	
Other specified unusual gains and losses	—	—		2	—	
Total	6	61		93	71	
Core earnings†	**327**	**267**	**22%**	**600**	**510**	**18%**

Core earnings† of $327 million in the second quarter are derived from net income attributed to common shareholders of $321 million and a total adjustment of $6 million (post tax) from:

- the market-related impacts that differ from management's expectations, totalling a net loss of $1 million. This adjustment is explained by the favourable impacts from equity variations of $74 million, primarily from the good performance of public equity. However, these gains were more than offset by the sum of the unfavourable impacts of interest rate and credit spread variations of $45 million, CIF adjustments of $5 million, and $25 million from investment properties, mostly driven by unfavourable market value adjustments;
- the net favourable impact of assumption changes and management actions of $22 million as a net result of the following items: 1) a favourable adjustment of $30 million to Vericity's deferred tax assets related to tax losses incurred prior to the acquisition, 2) assumption changes and management actions in the Insurance, Canada segment that resulted in a net gain of $6 million, and 3) a management action related to the pension plan, which unfavourably impacted the Corporate segment by $14 million (refer to the "Corporate" subsection below for more details);
- a total charge of $3 million mainly related to the integration of Vericity and Global Warranty;
- expenses associated with acquisition-related intangible assets of $20 million; and
- the impact of non-core pension expenses of $4 million.

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[1] Impact of the tax-exempt investment income (above or below expected long-term tax impacts) from the Company's multinational insurer status.

† This item is a non-IFRS financial measure; see the "Non-IFRS and Additional Financial Measures" section and the "Reconciliation of Select Non-IFRS Financial Measures" section in this document for relevant information about such measures and a reconciliation of non-IFRS financial measures to the most directly comparable IFRS measure.
†† This item is a non-IFRS ratio; see the "Non-IFRS and Additional Financial Measures" section in this document for relevant information about such measures.

Insurance, Canada

This operating business segment includes all Canadian insurance activities offering a wide range of life, health, auto and home insurance coverage to individuals and groups, as well as vehicle warranties.

Net Income and Core Earnings† Reconciliation – Insurance, Canada

	Second quarter			Year-to-date at June 30		
(In millions of dollars, unless otherwise indicated)	**2025**	**2024**	**Variation**	**2025**	**2024**	**Variation**
Net income attributed to common shareholders	**130**	**97**	**34%**	**217**	**180**	**21%**
Core earnings adjustments (post tax)						
Market-related impacts	—	—		—	—	
Assumption changes and management actions	(6)	—		(6)	—	
Charges or proceeds related to acquisition or disposition of a business, including acquisition, integration and restructuring costs	—	2		—	4	
Amortization of acquisition-related finite life intangible assets	5	4		10	8	
Non-core pension expense	3	3		6	6	
Other specified unusual gains and losses	1	—		6	—	
Total	3	9		16	18	
Core earnings†	**133**	**106**	**25%**	**233**	**198**	**18%**

Results for the second quarter of 2025

- Net income attributed to common shareholders for the Insurance, Canada segment was $130 million, which is higher than $97 million for the same period in 2024. Net income attributed to common shareholders is composed of core earnings† as well as core earnings adjustments.

- Core earnings adjustments to net income totalled $3 million. These include acquisition-related items ($5 million), impact of non-core pension expenses ($3 million) and a reallocation for reporting consistency, which sums to zero on a consolidated basis ($1 million). These items were partly offset by a gain resulting from assumption changes and management actions ($6 million).

- Core earnings† for this business segment were $133 million, higher than $106 million for the same period in 2024. This 25% increase in core earnings† over the same period in 2024 is the net result of several items. Expected insurance earnings[2] were 8% higher, mainly reflecting an increase in expected earnings on Premium Allocation Approach (PAA)[2] business from iA Auto and Home and an increase in the combined risk adjustment (RA) release[2] and CSM recognized for services provided.[2] Additionally, core insurance experience gains[2] of $31 million were recorded during the quarter, mainly due to favourable morbidity experience in Employee Plans, favourable mortality experience in Individual Insurance and lower claims at iA Auto and Home. Core non-insurance activities[2] were also higher than the same period a year earlier, mainly driven by good earnings growth from Dealer Services. In addition, lower core other expenses[2] were recorded for the quarter. Lastly, these favourable items were partially offset by the impact of new insurance business[2] from Employee Plans due to higher confirmed sales compared to a year ago.

Results for the first six months of 2025

- Net income attributed to common shareholders was $217 million in 2025 compared with $180 million in 2024. Net income attributed to common shareholders is composed of core earnings† as well as core earnings adjustments.
- Core earnings adjustments to net income totalled $16 million from the aforementioned assumption changes and management actions that resulted in a gain ($6 million), acquisition-related items ($10 million), impact of non-core pension expenses ($6 million) and other specified adjustments ($6 million), primarily tax-related items and reallocations for reporting consistency, which mostly sum to zero on a consolidated basis.
- Core earnings† were $233 million in 2025, which is 18% higher than $198 million in 2024. The increase is mainly due to higher expected insurance earnings, higher core non-insurance activities, core insurance experience gains and lower core other expenses.

[2] This item is a component of the drivers of earnings (DOE). Refer to the "Non-IFRS and Additional Financial Measures" section in this document for more information on presentation according to the DOE. For a reconciliation of core earnings† to net income attributed to common shareholders through the drivers of earnings (DOE), refer to the "Reconciliation of Select Non-IFRS Financial Measures" section of this document.

† This item is a non-IFRS financial measure; see the "Non-IFRS and Additional Financial Measures" section and the "Reconciliation of Select Non-IFRS Financial Measures" section in this document for relevant information about such measures and a reconciliation of non-IFRS financial measures to the most directly comparable IFRS measure.
†† This item is a non-IFRS ratio; see the "Non-IFRS and Additional Financial Measures" section in this document for relevant information about such measures.

Wealth Management

This operating business segment includes all the Company's wealth management activities offering a wide range of savings and retirement solutions to individuals and groups.

Net Income and Core Earnings† Reconciliation – Wealth Management

	Second quarter			Year-to-date at June 30		
(In millions of dollars, unless otherwise indicated)	**2025**	**2024**	**Variation**	**2025**	**2024**	**Variation**
Net income attributed to common shareholders	**105**	**91**	**15%**	**200**	**179**	**12%**
Core earnings adjustments (post tax)						
Market-related impacts	—	—		—	—	
Assumption changes and management actions	—	—		—	—	
Charges or proceeds related to acquisition or disposition of a business, including acquisition, integration and restructuring costs	—	—		—	—	
Amortization of acquisition-related finite life intangible assets	7	6		14	12	
Non-core pension expense	1	1		2	2	
Other specified unusual gains and losses	—	—		3	—	
Total	8	7		19	14	
Core earnings†	**113**	**98**	**15%**	**219**	**193**	**13%**

Results for the second quarter of 2025

- Net income attributed to common shareholders for the Wealth Management segment was $105 million, which is higher than $91 million for the same period in 2024. Net income attributed to common shareholders is composed of core earnings† as well as core earnings adjustments.

- Core earnings adjustments to net income totalled $8 million from acquisition-related items ($7 million) and the impact of non-core pension expenses ($1 million).

- Core earnings† for this business segment were $113 million for the second quarter compared with $98 million a year ago. The 15% increase in core earnings† over the same period in 2024 is mainly the result of an increase in the combined RA release and CSM recognized for service provided due to strong net segregated fund sales and the impact of favourable financial market performance over the last 12 months. Also, core non-insurance activities were slightly higher, mainly reflecting higher net revenue on assets in Group Savings and Retirement and at iA Clarington (mutual funds).

Results for the first six months of 2025

- Net income attributed to common shareholders was $200 million in 2025 compared with $179 million in 2024. Net income attributed to common shareholders is composed of core earnings† as well as core earnings adjustments.

- Core earnings adjustments to net income totalled $19 million from acquisition-related items ($14 million), the impact of non-core pension expenses ($2 million) and a specified item related to the impact of a non-recurring distribution arrangement that occurred during the first quarter of 2025 ($3 million).

- Core earnings† were $219 million in 2025, which is higher than $193 million in 2024. The 13% increase over the same period in 2024 is mainly the result of an increase in the combined RA release and CSM recognized for service provided due to strong net segregated fund sales and the impact of favourable financial market performance over the last 12 months, as well as higher core non-insurance activities.

† This item is a non-IFRS financial measure; see the "Non-IFRS and Additional Financial Measures" section and the "Reconciliation of Select Non-IFRS Financial Measures" section in this document for relevant information about such measures and a reconciliation of non-IFRS financial measures to the most directly comparable IFRS measure.
†† This item is a non-IFRS ratio; see the "Non-IFRS and Additional Financial Measures" section in this document for relevant information about such measures.

US Operations

This operating business segment includes all the Company's U.S. activities offering individuals a range of life insurance and vehicle warranty products.

Net Income and Core Earnings† Reconciliation – US Operations

	Second quarter			Year-to-date at June 30		
(In millions of dollars, unless otherwise indicated)	**2025**	**2024**	**Variation**	**2025**	**2024**	**Variation**
Net income attributed to common shareholders	**55**	**8**	**588%**	**74**	**20**	**270%**
Core earnings adjustments (post tax)						
Market-related impacts	—	—		—	—	
Assumption changes and management actions	(30)	—		(30)	—	
Charges or proceeds related to acquisition or disposition of a business, including acquisition, integration and restructuring costs	2	7		2	7	
Amortization of acquisition-related finite life intangible assets	8	7		17	14	
Non-core pension expense	—	—		—	—	
Other specified unusual gains and losses	1	—		3	—	
Total	(19)	14		(8)	21	
Core earnings†	**36**	**22**	**64%**	**66**	**41**	**61%**

Results for the second quarter of 2025

- Net income attributed to common shareholders for the US Operations segment was $55 million, which is higher than $8 million for the same period in 2024. Net income attributed to common shareholders is composed of core earnings† as well as core earnings adjustments.
- Core earnings adjustments to net income totalled a net gain of $19 million from a favourable adjustment to Vericity's deferred tax assets related to tax losses incurred prior to the acquisition ($30 million), partly offset by acquisition-related items ($10 million) and a small unfavourable tax-related item dating back prior to 2025 ($1 million).
- Core earnings† for this business segment were $36 million, compared to $22 million for the same period in 2024. The 64% increase in core earnings† over the same period in 2024 is driven by the following:
  - A strong $28 million[3] increase in the core insurance service result,[4] which is the result of an increase in the combined RA release and CSM recognized for service provided, mainly due to the addition of Vericity and Prosperity; the lower impact of new insurance business; and core insurance experience gains of $6 million from favourable mortality experience in Individual Insurance;
  - A $1 million[3] increase in core non-insurance activities, driven by higher earnings from Dealer Services; and
  - An increase in core other expenses, as expected following the addition of Vericity expenses.

  Note that the impact of the Vericity and Prosperity acquisitions for the second quarter is slightly positive on core earnings† and in line with expectations set at the time of their acquisition.

Results for the first six months of 2025

- Net income attributed to common shareholders was $74 million in 2025, which is higher than $20 million in 2024. Net income attributed to common shareholders is composed of core earnings† as well as core earnings adjustments.
- Core earnings adjustments to net income totalled a net gain of $8 million arising from the favourable impact during the second quarter of the tax adjustment mentioned above ($30 million), partially offset by acquisition-related items ($19 million).
- Core earnings† were $66 million in 2025 compared with $41 million in 2024. The 61% increase in core earnings† is mainly the result of an increase in the core insurance service result and core non-insurance activities, partially offset by higher core other expenses, notably due to the addition of Vericity expenses.

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3 Before taxes.
4 This item is a component of the drivers of earnings (DOE). Refer to the "Non-IFRS and Additional Financial Measures" section in this document for more information on presentation according to the DOE. For a reconciliation of core earnings† to net income attributed to common shareholders through the drivers of earnings (DOE), refer to the "Reconciliation of Select Non-IFRS Financial Measures" section of this document.

† This item is a non-IFRS financial measure; see the "Non-IFRS and Additional Financial Measures" section and the "Reconciliation of Select Non-IFRS Financial Measures" section in this document for relevant information about such measures and a reconciliation of non-IFRS financial measures to the most directly comparable IFRS measure.
†† This item is a non-IFRS ratio; see the "Non-IFRS and Additional Financial Measures" section in this document for relevant information about such measures.

Investment

This accounting segment includes the Company's investment and financing activities, except for the investment activities of the wealth distribution affiliates.

Net Income and Core Earnings† Reconciliation – Investment

	Second quarter			Year-to-date at June 30		
(In millions of dollars, unless otherwise indicated)	**2025**	**2024**	**Variation**	**2025**	**2024**	**Variation**
Net income attributed to common shareholders	**103**	**63**	**63%**	**138**	**163**	**(15%)**
Core earnings adjustments (post tax)						
Market-related impacts	1	27		64	18	
Interest rates and credit spreads	45	15		29	12	
Equity	(74)	(21)		(15)	(53)	
Investment properties	25	31		41	54	
CIF[5]	5	2		9	5	
Currency	—	—		—	—	
Assumption changes and management actions	—	1		(5)	(4)	
Charges or proceeds related to acquisition or disposition of a business, including acquisition, integration and restructuring costs	—	—		—	—	
Amortization of acquisition-related finite life intangible assets	—	—		—	—	
Non-core pension expense	—	—		—	—	
Other specified unusual gains and losses	(2)	—		(10)	—	
Total	(1)	28		49	14	
Core earnings†	**102**	**91**	**12%**	**187**	**177**	**6%**

Results for the second quarter of 2025

- Net income attributed to common shareholders for the Investment segment was $103 million, which is higher than $63 million for the same period in 2024. Net income attributed to common shareholders is composed of core earnings† as well as core earnings adjustments.
- Core earnings adjustments to net income totalled a net gain of $1 million, as a result of the following items:
  - the market-related impacts that differ from management's expectations, totalling a net loss of $1 million as the favourable impacts from equity variations of $74 million, primarily from the good performance of public equity, were more than offset by the unfavourable impacts of interest rate and credit spread variations of $45 million, CIF adjustments of $5 million, and $25 million from investment properties, mostly driven by unfavourable market value adjustments; and
  - favourable other adjustments totalling $2 million consisting of a tax-related item and a reallocation for reporting consistency which sum to zero on a consolidated basis.
- Core earnings† for this business segment were $102 million, which is higher than $91 million in 2024. Prior to taxes, financing charges on debentures and dividends, core earnings† were driven by a core net investment result[6] of $127 million. This result compares favourably with $108 million recorded a year ago, reflecting, among other factors, the favourable impact of interest rate variations in recent quarters. In addition, favourable credit experience[6] resulted in a $4 million gain due to higher impacts from upgrades than downgrades in the fixed income portfolio ($2 million) and positive credit experience in the car loans portfolio of iA Auto Finance ($2 million).

Results for the first six months of 2025

- Net income attributed to common shareholders was $138 million in 2025 compared with $163 million in 2024. Net income attributed to common shareholders is composed of core earnings† as well as core earnings adjustments.
- Core earnings adjustments to net income totalled $49 million as a result of market-related impacts that differ from management's expectations, totalling $64 million, being partially offset by the favourable impact of assumption changes of $5 million in the first quarter of 2025 and other favourable adjustments consisting of tax-related items and reallocations for reporting consistency, which mostly sum to zero on a consolidated basis.
- Core earnings† totalled $187 million in 2025 compared to $177 million in 2024. The increase is driven by a higher core net investment result reflecting, among other factors, the favourable impact of interest rate variations in recent quarters in addition to favourable credit experience.

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[5] Impact of the tax-exempt investment income (above or below expected long-term tax impacts) from the Company's multinational insurer status.

[6] This item is a component of the drivers of earnings (DOE). Refer to the "Non-IFRS and Additional Financial Measures" section in this document for more information on presentation according to the DOE. For a reconciliation of core earnings† to net income attributed to common shareholders through the drivers of earnings (DOE), refer to the "Reconciliation of Select Non-IFRS Financial Measures" section of this document.

† This item is a non-IFRS financial measure; see the "Non-IFRS and Additional Financial Measures" section and the "Reconciliation of Select Non-IFRS Financial Measures" section in this document for relevant information about such measures and a reconciliation of non-IFRS financial measures to the most directly comparable IFRS measure.

†† This item is a non-IFRS ratio; see the "Non-IFRS and Additional Financial Measures" section in this document for relevant information about such measures.

Corporate

This accounting segment reports all expenses that are not allocated to other segments, such as expenses for certain corporate functions. These expenses include, among other things, investments in the digital transformation, M&A prospecting activities, digital data and security projects and regulatory compliance projects.

Net Income and Core Earnings† Reconciliation – Corporate

	Second quarter			Year-to-date at June 30		
(In millions of dollars, unless otherwise indicated)	**2025**	**2024**	**Variation**	**2025**	**2024**	**Variation**
Net income (net loss) attributed to common shareholders	**(72)**	**(53)**	**(36%)**	**(122)**	**(103)**	**(18%)**
Core earnings (losses) adjustments (post tax)						
Market-related impacts	—	—		—	—	
Assumption changes and management actions	14	—		14	—	
Charges or proceeds related to acquisition or disposition of a business, including acquisition, integration and restructuring costs	1	3		3	4	
Amortization of acquisition-related finite life intangible assets	—	—		—	—	
Non-core pension expense	—	—		—	—	
Other specified unusual gains and losses	—	—		—	—	
Total	15	3		17	4	
Core earnings† (losses)	**(57)**	**(50)**	**(14%)**	**(105)**	**(99)**	**(6%)**

Results for the second quarter of 2025

- The net loss attributed to common shareholders for the Corporate segment was $72 million compared to $53 million for the same period in 2024. The net loss attributed to common shareholders is composed of core losses† as well as core loss adjustments.
- Core loss adjustments to net loss for this business segment totalled $15 million. These include integration charges related to the acquisitions of Vericity and Global Warranty ($1 million) and a charge related to the pension plan ($14 million). The latter was the result of a management action to allocate a portion of the pension plan surplus in the form of a one-time increase in benefits to current retirees and a temporary reduction in contributions for active members. This initiative stems from the favourable surplus position of our pension plan. The one-time increase in benefits to current retirees had an impact of $14 million on second quarter earnings, while the charge resulting from the temporary reduction in contributions had no impact on second quarter earnings and is expected to have an impact of about $4 million in each of the next four quarters.
- This segment recorded core losses† from after-tax expenses of $57 million, which compares with $50 million in the second quarter of 2024. Before taxes, Corporate core other expenses were $79 million. This amount is composed of $68 million in core other expenses before taxes, which reflects ongoing strong emphasis on operational efficiency leading to positive operating leverage,[7] and a higher provision of $11 million before taxes for variable compensation related to the Company's performance since the beginning of 2025.

Results for the first six months of 2025

- The net loss attributed to common shareholders for the Corporate segment was $122 million compared to $103 million for the same period in 2024. The net loss attributed to common shareholders is composed of core losses† as well as core earnings adjustments.
- Core losses adjustments to net loss for this business segment totalled $17 million resulting from the management actions mentioned above ($14 million), as well as acquisition-related items ($3 million).
- This segment recorded core losses† from after-tax expenses of $105 million, which compares with $99 million for the same period in 2024. This result is derived from core other expenses of $144 million before taxes and includes a higher provision of $11 million before taxes for variable compensation as mentioned above.

[7] Operating leverage is the difference between revenue growth and expense growth at a consolidated level.

† This item is a non-IFRS financial measure; see the "Non-IFRS and Additional Financial Measures" section and the "Reconciliation of Select Non-IFRS Financial Measures" section in this document for relevant information about such measures and a reconciliation of non-IFRS financial measures to the most directly comparable IFRS measure.
†† This item is a non-IFRS ratio; see the "Non-IFRS and Additional Financial Measures" section in this document for relevant information about such measures.

Consolidated items

Income taxes

Income taxes represent the value of amounts payable under the tax laws and include both tax payable and deferred income taxes. A life insurer's investment income taxes and premium taxes are not included in these amounts.

Results for the second quarter of 2025

- Income tax expense amounted to $43 million compared to $52 million for the same period of 2024. This result comprises the tax charge included in core earnings[†] as well as core tax adjustments.
- Core tax adjustments totalled $30 million in the second quarter, mostly due to a favourable adjustment to Vericity's deferred tax assets related to tax losses incurred prior to the acquisition in the US Operations segment.
- Core income taxes[8] in the second quarter were $86 million, reflecting a core effective tax rate[††] (ETR) of 20.5%. The core ETR[††] was driven upwards by the impact of experience gains taxed at a higher marginal rate and by a charge related to tax filing adjustments (true-up) for the previous year recognized annually in June. This increase in ETR was offset by the favourable impact of a larger portion of tax-exempt investment income.

Results for the first six months of 2025

- Income tax expense amounted to $89 million compared to $123 million for the same period of 2024.
- Core tax adjustments totalled $29 million, mostly from the favourable adjustment during the second quarter as mentioned above.
- Core income taxes in the first six months were $168 million, for a core effective tax rate[††] of 21.5%.

Distributions on other equity instruments and dividends on preferred shares

This item represents the after-tax dividends on preferred shares and distributions on other equity instruments, which amounted to $6 million in the second quarter and $15 million for the year to date.

[8] This item is a component of the drivers of earnings (DOE). Refer to the "Non-IFRS and Additional Financial Measures" section in this document for more information on presentation according to the DOE. For a reconciliation of core earnings† to net income attributed to common shareholders through the drivers of earnings (DOE), refer to the "Reconciliation of Select Non-IFRS Financial Measures" section of this document.

[†] This item is a non-IFRS financial measure; see the "Non-IFRS and Additional Financial Measures" section and the "Reconciliation of Select Non-IFRS Financial Measures" section in this document for relevant information about such measures and a reconciliation of non-IFRS financial measures to the most directly comparable IFRS measure.

[††] This item is a non-IFRS ratio; see the "Non-IFRS and Additional Financial Measures" section in this document for relevant information about such measures.

D. Analysis According to the Financial Statements

The following table presents the Company's financial results by business segment according to the financial statements for the second quarter of 2025 and 2024. The analysis of these results is presented below and should be read in conjunction with the consolidated income statement presented in the last pages of this document and Note 16 "Segmented Information" in the Company's unaudited interim condensed consolidated financial statements.

	Second quarter													
	Insurance, Canada		Wealth Management		US Operations		Investment		Corporate		Consolidation adjustments		Total	
(In millions of dollars)	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Insurance service result														
Insurance revenue	1,077	976	321	274	483	394	—	—	—	—	—	—	1,881	1,644
Insurance service expenses and net expenses from reinsurance contracts	(900)	(826)	(216)	(188)	(425)	(363)	—	—	—	—	—	—	(1,541)	(1,377)
	177	150	105	86	58	31	—	—	—	—	—	—	340	267
Net investment result														
Net investment income	—	—	28	31	—	—	(137)	193	4	1	—	—	(105)	225
Finance income (expenses) from insurance and reinsurance contracts and change in investment contracts and interest on deposits	—	—	(1)	(1)	—	—	295	(82)	—	—	—	—	294	(83)
	—	—	27	30	—	—	158	111	4	1	—	—	189	142
Other revenues	63	50	378	345	51	42	9	9	1	3	(16)	(17)	486	432
Other expenses	(62)	(67)	(364)	(334)	(74)	(64)	(56)	(55)	(105)	(72)	16	17	(645)	(575)
Income before income taxes	178	133	146	127	35	9	111	65	(100)	(68)	—	—	370	266
Income tax (expense) recovery	(48)	(36)	(41)	(36)	20	(1)	(2)	6	28	15	—	—	(43)	(52)
Net income	130	97	105	91	55	8	109	71	(72)	(53)	—	—	327	214
Distributions on other equity instruments and dividends on preferred shares	—	—	—	—	—	—	(6)	(8)	—	—	—	—	(6)	(8)
Net income attributed to common shareholders	**130**	**97**	**105**	**91**	**55**	**8**	**103**	**63**	**(72)**	**(53)**	**—**	**—**	**321**	**206**

† This item is a non-IFRS financial measure; see the "Non-IFRS and Additional Financial Measures" section and the "Reconciliation of Select Non-IFRS Financial Measures" section in this document for relevant information about such measures and a reconciliation of non-IFRS financial measures to the most directly comparable IFRS measure.

†† This item is a non-IFRS ratio; see the "Non-IFRS and Additional Financial Measures" section in this document for relevant information about such measures.

	Year-to-date at June 30													
	Insurance, Canada		Wealth Management		US Operations		Investment		Corporate		Consolidation adjustments		Total	
(In millions of dollars)	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Insurance service result														
Insurance revenue	2,126	1,944	628	536	953	759	—	—	—	—	—	—	3,707	3,239
Insurance service expenses and net expenses from reinsurance contracts	(1,813)	(1,660)	(427)	(368)	(846)	(695)	—	—	—	—	—	—	(3,086)	(2,723)
	313	284	201	168	107	64	—	—	—	—	—	—	621	516
Net investment result														
Net investment income	—	—	54	63	—	—	299	(387)	5	(1)	—	—	358	(325)
Finance income (expenses) from insurance and reinsurance contracts and change in investment contracts and interest on deposits	—	—	(1)	(2)	—	—	(62)	665	—	—	—	—	(63)	663
	—	—	53	61	—	—	237	278	5	(1)	—	—	295	338
Other revenues	115	94	768	673	104	81	18	17	3	4	(35)	(33)	973	836
Other expenses	(122)	(131)	(744)	(654)	(152)	(121)	(120)	(108)	(175)	(138)	35	33	(1,278)	(1,119)
Income before income taxes	306	247	278	248	59	24	135	187	(167)	(135)	—	—	611	571
Income tax (expense) recovery	(89)	(67)	(78)	(69)	15	(4)	18	(15)	45	32	—	—	(89)	(123)
Net income	217	180	200	179	74	20	153	172	(122)	(103)	—	—	522	448
Distributions on other equity instruments and dividends on preferred shares	—	—	—	—	—	—	(15)	(9)	—	—	—	—	(15)	(9)
Net income attributed to common shareholders	**217**	**180**	**200**	**179**	**74**	**20**	**138**	**163**	**(122)**	**(103)**	**—**	**—**	**507**	**439**

INSURANCE SERVICE RESULT

INSURANCE, CANADA

For the second quarter of 2025, the insurance service result in the Insurance, Canada segment totalled $177 million, representing an increase of $27 million compared to the same period in 2024.

The segment's insurance revenue amounted to $1,077 million in the second quarter of 2025, up 10% from $976 million in the same quarter last year. The increase was primarily driven by Individual Insurance, iA Auto and Home, P&C insurance in Dealer Services, and Group Insurance: Employee Plans, resulting in higher revenue recognized to cover expected claims and other insurance service expenses, as well as higher recovery of insurance acquisition cash flows. The increase is also explained by the pricing adjustment at iA Auto and Home in 2024.

The segment's insurance service expenses and net expenses from reinsurance contracts totalled $900 million in the second quarter of 2025 compared to $826 million in the same quarter last year, a 9% increase. This change was mostly due to the impact of higher incurred claims and higher amortization of insurance acquisition cash flows, in line with business growth, primarily in Individual Insurance, iA Auto and Home, and P&C Insurance in Dealer Services. This impact was partially offset by greater recoveries related to death claims in Individual Insurance and fewer morbidity claims in Group Insurance: Employee Plans compared to the same period in 2024.

For the six months ended June 30, 2025, the insurance service result for the Insurance, Canada segment was $313 million, representing an increase of $29 million or 10% compared to the same period in 2024. The increase is attributable to the segment's business growth over the years, which has led to a higher insurance service result.

WEALTH MANAGEMENT

For the second quarter of 2025, the insurance service result in the Wealth Management segment totalled $105 million, representing an increase of $19 million or 22% compared to the same period in 2024.

The segment's insurance revenue amounted to $321 million in the second quarter of 2025, up 17% from $274 million in the same quarter last year. This increase was primarily driven by higher sales of segregated funds in Individual Wealth Management and

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favourable financial market performance, resulting in a higher contractual service margin recognized for services provided during the period, higher recovery of insurance acquisition cash flows, as well as higher revenue recognized to cover trailer fees.

The segment's insurance service expenses and net expenses from reinsurance contracts totalled $216 million in the second quarter of 2025 compared to $188 million in the same quarter last year, a 15% increase. This change was mainly due to higher trailer fees from the increased sale of segregated funds and higher amortization of insurance acquisition cash flows in Individual Wealth Management.

For the six months ended June 30, 2025, the insurance service result for the Wealth Management segment was $201 million, representing an increase of $33 million or 20% compared to the same period in 2024. As with the quarterly results, the increase is mainly explained by the higher segregated fund sales in Individual Wealth Management and favourable financial market performance.

US OPERATIONS

For the second quarter of 2025, the insurance service result in the US Operations segment totalled $58 million, representing an increase of $27 million or 87% compared to the same period in 2024.

The segment's insurance revenue amounted to $483 million in the second quarter of 2025, up 23% from $394 million in the same quarter last year. The increase was primarily driven by the contributions from Individual Insurance as well as additions from the acquisitions of Vericity and the two blocks of business from Prosperity Life Group. This resulted in higher revenue recognized to cover expected claims and other insurance service expenses, higher recovery of insurance acquisition cash flows, a higher risk adjustment release, and a higher contractual service margin recognized for services provided during the period.

The segment's insurance service expenses and net expenses from reinsurance contracts totalled $425 million in the second quarter of 2025 compared to $363 million in the same period of 2024, a 17% increase. This change was primarily a result of Individual Insurance as well as the additions from the acquisitions of Vericity and the two blocks of business from Prosperity Life Group. This resulted in higher incurred claims and higher amortization of insurance acquisition cash flows. The change was also partly due to increased net expenses related to Vericity's reinsurance contracts.

For the six months ended June 30, 2025, the insurance service result for the US Operations segment was $107 million, representing an increase of $43 million or 67% compared to the same period in 2024. The increase was primarily driven by the acquisitions of Vericity and Prosperity Life Group in Individual Insurance, in combination with the segment's business growth.

NET INVESTMENT RESULT

Net investment income amounted to a loss of $105 million in the second quarter of 2025, representing a $330 million decrease compared to the same period in 2024. The change was mainly driven by the unfavourable impact of increasing interest rates on the fair value of fixed income assets, compared to the impact of steepening interest rate curves in 2024. This was partially offset by the favourable performance of financial markets, which resulted in better returns on equity investments.

Finance income from insurance and reinsurance contracts and change in investment contracts and interest on deposits amounted to $294 million in the second quarter of 2025, compared to an $83 million expense in 2024. This $377 million increase was driven by the impact of increasing interest rates during the quarter, compared to the impact of steepening interest rates curves in 2024, both of which are important factors in determining the finance expenses of the insurance contract liabilities.

As a result, for the second quarter of 2025, the net investment result totalled $189 million compared to $142 million for the same period in 2024, representing a $47 million or 33% increase.

For the six months ended June 30, 2025, the net investment result totalled $295 million compared to $338 million for the same period in 2024. This $43 million change was primarily driven by weaker market performance in the first quarter of 2025, compared to the first quarter of 2024.

OTHER REVENUES

Other revenues include fees earned from the management of the Company's mutual fund assets and the Company's segregated fund assets relating to investment contracts, as well as commissions from intermediary activities, administration income and administrative services only income. For the second quarter of 2025, other revenues totalled $486 million compared to $432 million in the same quarter last year. The increase of $54 million mainly came from the Wealth Management segment, with an increase of $33 million. This was due to higher commission from distribution affiliates and higher management fee revenues from Group Savings and Retirement, which is the result of increased assets under administration and assets under management, driven

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favourably by positive market performance in 2024. The increase is also explained by the revenues in the US Operations segment from the distribution operations of the Vericity acquisition as well as higher revenue for Dealer Services in the Insurance, Canada segment, including the contributions from the Global Warranty acquisition.

For the six months ended June 30, 2025, other revenues were $973 million, representing an increase of $137 million compared to the same period in 2024. This growth is primarily driven by favourable market performance, which resulted in higher commission from distribution affiliates and higher management fee revenues from Group Savings and Retirement.

OTHER EXPENSES

For the second quarter of 2025, other expenses totalled $645 million compared to $575 million in the same quarter last year. The variation of $70 million is explained by increased commission expenses in the Wealth Management segment in line with revenue growth, and by the additions in the US Operations segment from the acquisition of Vericity. The variation is also explained by a one-time charge resulting from management's decision to distribute a portion of the pension plan surplus in the form of an increase in benefits to current retirees, and by higher compensation based on the Company's performance in the Corporate segment.

For the six months ended June 30, 2025, other expenses were $1,278 million, representing an increase of $159 million compared to the same period in 2024. Similar to the current quarter, the variation is primarily explained by increased commission expenses in the Wealth Management segment in line with revenue growth. The distribution operations of the Vericity acquisition also contributed to the year-to-date increase in other expenses in the US Operations segment. Other reasons for the variation include a one-time charge resulting from management's decision to distribute a portion of the pension plan surplus, as well as higher compensation based on the Company's performance in the Corporate segment.

INCOME TAX (EXPENSE) RECOVERY

For the second quarter of 2025, the Company recorded an income tax expense of $43 million compared to $52 million in the same quarter last year. The variation is explained by the recognition of unrecognized tax losses, along with increased savings from tax-exempt investment income. These positive tax effects were partially offset by higher tax expenses resulting from stronger income and unfavourable prior-year adjustments.

For the six months ended June 30, 2025, the Company recorded an income tax expense of $89 million compared to $123 million in the same period last year. The variation is explained by the recognition of unrecognized tax losses, along with increased savings from tax-exempt investment income. These positive tax effects were partially offset by unfavourable prior-year adjustments and higher tax expenses resulting from stronger income.

NET INCOME ATTRIBUTED TO COMMON SHAREHOLDERS

Net income attributed to common shareholders totalled $321 million for the second quarter of 2025, compared to $206 million for the same period in 2024. The change is primarily a result of:

- sustained business growth across Insurance, Canada, Wealth Management and US Operations, which had a favourable impact on the insurance service result and other revenues;
- better market performance compared to the second quarter of 2024, which had a positive impact on the performance of equity investments; and
- factors having an impact on other expenses as described above.

For the six months ended June 30, 2025, net income attributed to common shareholders totalled $507 million, up $68 million compared to the same period in 2024. The increase was primarily driven by sustained growth in the insurance service result across all segments and commission revenue growth in the Wealth Management segment. This was partially offset by the impact of weaker market performance on equity investments and factors having an impact on other expenses during the period.

The breakdown of net income attributed to common shareholders by segment is presented and discussed in the "Analysis of Earnings by Business Segment" section.

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Quarterly results

Below is a summary of the Company's quarterly results, taken from the financial statements for the last eight quarters.

Selected Financial Data								
	2025		2024				2023	
(In millions of dollars, unless otherwise indicated)	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Revenues								
Insurance revenue	1,881	1,826	1,822	1,741	1,644	1,595	1,547	1,458
Net investment income	(105)	463	273	2,170	225	(550)	4,414	(2,573)
Other revenues	486	487	471	437	432	404	386	387
Total	**2,262**	**2,776**	**2,566**	**4,348**	**2,301**	**1,449**	**6,347**	**(728)**
Income before income taxes	370	241	269	389	266	305	333	69
Income taxes	(43)	(46)	(43)	(101)	(52)	(71)	(77)	(13)
Net income	327	195	226	288	214	234	256	56
Distributions on other equity instruments and dividends on preferred shares	(6)	(9)	(6)	(5)	(8)	(1)	(8)	(1)
Net income attributed to common shareholders	**321**	**186**	**220**	**283**	**206**	**233**	**248**	**55**
Earnings per common share								
Basic	3.45	1.99	2.34	3.00	2.13	2.35	2.47	0.55
Diluted	3.43	1.98	2.33	2.99	2.12	2.34	2.46	0.54

The analysis below presents the main trends and factors that have caused variations in the results over the quarters.

Quarterly insurance revenue has increased steadily over the last eight quarters due to favourable market performance and the Company's organic growth, which has been particularly notable in the Individual Insurance and Wealth Management business units. The acquisition of Vericity and the two blocks of business from Prosperity Group in the US Operations segment have also contributed to this growth since their acquisition at the end of the second quarter 2024. Overall, the increase in insurance revenue reflects the Company's strength and performance year over year.

Net investment income is mostly influenced by changes in the interest rate curve and corporate credit spreads. In 2023, lower inflation in Canada prompted expectations of a Bank of Canada rate cut. This led to decreased interest rates, boosting bond returns and equity market performance. In 2024, the Bank of Canada lowered rates, affecting both short-term and long-term rates. Although higher long-term rates impacted bond values, macroeconomic factors in Canada drove robust equity and bond returns, supported by reduced credit spreads and real estate recovery. The first half of 2025 saw a steepening of the interest rate curves, which led to lower returns on bonds.

Other revenues remained stable for the second half of 2023, increased steadily throughout 2024 and early 2025, and stabilized in the second quarter of 2025. This growth is attributed to favourable market performance, recruitment efforts and business acquisitions, which led to higher commissions from distribution affiliates, higher management fee revenues in the Wealth Management segment and higher revenues from distribution operations in the US Operations segment. The stability in the second quarter of 2025 is attributed to unfavourable global macroeconomic factors in March and April of 2025, which led to a temporary decrease in the fair value of assets under administration and caused average assets under administration to be lower than the first quarter of 2025.

Net income attributed to common shareholders fluctuated from quarter to quarter primarily due to market-related impacts in the Investment segment. These include the impact of financial market performance on equity investments and the impact of interest rate fluctuations and interest rate curves on fixed income and derivative financial instruments. For the third quarter of 2023, the variations were mainly attributable to unfavourable macroeconomic variations, including value adjustments to investment properties.

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RELATED PARTY TRANSACTIONS

The Company eliminates transactions carried out with its subsidiaries and between the various subsidiaries of the Group on consolidation. It provides investment management services to its pension plans and concludes transactions with associates. These services and transactions are offered and concluded in the normal course of business and are subject to normal market conditions.

ACCOUNTING POLICIES AND MAIN ACCOUNTING ESTIMATES

The Company's second quarter unaudited interim condensed consolidated financial statements were prepared as outlined in Note 1 "General Information" of these financial statements.

The preparation of financial statements requires management to exercise judgment and make estimates and assumptions that affect the reported amounts of assets and liabilities, net income and complementary information. Actual results could differ from management's best estimates. Management has exercised its judgment and made estimates and assumptions as outlined in Note 2 "Material Accounting Policy Information" in section b) "Important Estimates, Assumptions and Judgments" of the consolidated financial statements in the Company's 2024 Annual Report.

More information on new accounting policies applied and future changes in accounting policies is presented in Note 2 "Changes in Accounting Policies" of the unaudited interim condensed consolidated financial statements for the second quarter of 2025.

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E. CSM Movement Analysis

The contractual service margin, or CSM, is an accounting metric that gives an indication of future profits and that is factored as available capital in the calculation of the solvency ratio.[1] However, this metric is not comprehensive as it does not consider required capital, non-insurance business, PAA[2] insurance business or the risk adjustment metric, which is also an indication of future profit. Organic CSM movement is a component of organic capital generation, and represents the ongoing CSM value creation calculated excluding the impact of non-organic items that add volatility to the total CSM, such as market variations.

The following table presents the evolution of the CSM for the second quarter of 2025.

CSM Movement Analysis[3]

	Second quarter			Year-to-date at June 30		
(In millions of dollars, unless otherwise indicated)	**2025**	**2024**	**Variation**	**2025**	**2024**	**Variation**
CSM - Beginning of period	6,932	6,159	13%	6,899	5,925	16%
Organic CSM movement						
Impact of new insurance business	195	167		386	325	
Organic financial growth	93	76		185	151	
Insurance experience gains (losses)	52	35		96	17	
CSM recognized for services provided	(200)	(170)		(395)	(334)	
Sub-total - Organic CSM movement	140	108	30%	272	159	71%
Non-organic CSM movement						
Impact of changes in assumptions and management actions	—	—		(3)	2	
Impact of markets	104	33		5	201	
Currency impact	(36)	7		(36)	20	
Acquisition or disposition of a business	—	164		3	164	
Sub-total - Non-organic CSM movement	68	204		(31)	387	
Total - CSM movement	208	312		241	546	
CSM - End of period	7,140	6,471	10%	7,140	6,471	10%
CSM - Net insurance contract liabilities at end	6,706	6,200	8%	6,706	6,200	8%
CSM - Net reinsurance contract liabilities at end	434	271	60%	434	271	60%
CSM - End of period	7,140	6,471	10%	7,140	6,471	10%

At June 30, 2025, the CSM totalled more than $7.1 billion, an increase of $669 million or 10% over the last twelve months.

Results for the second quarter of 2025

During the second quarter, the CSM increased organically by $140 million. This increase was driven by the following items:

- The positive impact of new insurance business of $195 million, mainly driven by good business growth, in particular in individual insurance in Canada and segregated funds, in addition to the impact of a favourable product sales mix;
- Organic financial growth of $93 million; and
- Net insurance experience gains of $52 million, mainly reflecting favourable policyholder behaviour experience in the segregated fund portfolio.

The CSM recognized for service provided in earnings amounted to $200 million, representing an increase of 18% compared to the same period last year.

During the second quarter, non-organic items led to an increase in the CSM of $68 million, mostly due to the favourable impact of market variations of $104 million, partly offset by the unfavourable currency impact from U.S. Operations of $36 million.

1 The CSM, excluding the CSM for segregated funds, counts as Tier 1 capital in the solvency ratio calculation.
2 PAA: Premium Allocation Approach.
3 Components of the CSM movement analysis constitute supplementary financial measures. Refer to the "Non-IFRS and Additional Financial Measures" section of this document for more information.

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As a result of organic and non-organic items, the CSM increased by $208 million (+3%) during the second quarter of 2025.

Results for the first six months of 2025

During the first six months of 2025, the CSM increased organically by $272 million. This increase was driven by the positive impact of new insurance business of $386 million, mainly from sales of individual insurance in Canada and segregated funds, and by organic financial growth of $185 million and a net insurance experience gain of $96 million. The net insurance experience gain mainly reflects favourable policyholder behaviour experience in the segregated fund portfolio. These positive items were partially offset by CSM recognized for service provided in earnings of $395 million. During the first half of 2025, non-organic items led to a CSM decrease of $31 million, mainly as a result of unfavourable currency impacts from U.S. Operations.

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F. Financial Position

Solvency				
(In millions of dollars, unless otherwise indicated)	June 30, 2025	March 31, 2025	December 31, 2024	June 30, 2024
Available capital				
Tier 1	5,185	4,628	4,742	5,010
Tier 2	3,824	3,818	4,081	3,421
Surplus allowance and eligible deposits	2,786	2,785	2,758	2,538
Total	11,795	11,231	11,581	10,969
Base solvency buffer	8,551	8,500	8,337	7,766
Solvency ratio	138%	132%	139%	141%

The Company ended the second quarter of 2025 with a solvency ratio of 138%, compared with 132% at the end of the previous quarter and 141% a year earlier. This result is well above the regulatory minimum ratio of 90%. The six-percentage-point increase during the quarter was mainly driven by the favourable impact of organic capital generation and the preferred share issuance completed on June 23, 2025, as outlined in the "Highlights" section of this document. The increase was partially offset by capital deployment activities, including share buybacks (NCIB) and IT investments. As at June 30, 2025, on a pro forma basis, taking into account the proposed acquisition of RF Capital announced on July 28, 2025, the solvency ratio is estimated at 132%.

During the second quarter, the Company organically generated $200 million in additional capital. After six months, $325 million has been generated. At June 30, 2025, the capital available for deployment was assessed at $1.5 billion. This result was largely driven by good organic capital generation, although it was partly offset by capital deployed during the quarter. As at June 30, 2025, on a pro forma basis, taking into account the proposed acquisition of RF Capital announced on July 28, 2025, the capital available for deployment is estimated at $900 million.

Financial Leverage Ratio††				
	June 30, 2025	March 31, 2025	December 31, 2024	June 30, 2024
Financial leverage ratio	16.9%	14.8%	17.3%	16.4%

The financial leverage ratio†† was 16.9% on June 30, 2025 compared to 14.8% at the end of the previous quarter. The variation is mainly due to the $400 million issuance of preferred shares outlined in the "Highlights" section of this document.

Book Value per Common Share and Market Capitalization				
	June 30, 2025	March 31, 2025	December 31, 2024	June 30, 2024
Book value per common share[1]	$76.02	$74.62	$73.44	$69.92
Number of common shares outstanding	92,795,397	93,258,297	93,455,697	95,142,257
Share price at close	$149.29	$136.66	$133.32	$85.91
Market capitalization (in million of dollars)	$13,853	$12,745	$12,460	$8,174

The book value per common share increased by 9% during the last 12 months and by 2% during the quarter to reach $76.02 at June 30, 2025. This result is mostly attributable to the increase in retained earnings, which was partly offset by the impact of the share buybacks (NCIB) and the dividend payment to common shareholders.

The number of common shares outstanding decreased by 462,900 during the quarter. This decrease is mainly due to the Company's redemption and cancellation of common shares under the NCIB program, which was partly offset by the exercise of stock options under the stock option plan for senior managers.

During the second quarter, the Company repurchased and cancelled a total of 535,400 outstanding common shares for a total value of $73 million. Under the current NCIB in force from November 14, 2024 to November 13, 2025, the Company can repurchase up to 4,694,894 common shares, representing approximately 5% of the issued and outstanding shares as at October 31, 2024.

[1] Book value per common share is calculated by dividing the common shareholders' equity, which represents the total equity less other equity instruments, by the number of common shares outstanding at the end of the period.

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Since November 14, 2024, 1,358,000 shares, or 1.4% of the outstanding shares, have been repurchased and cancelled. Therefore, the Company may repurchase up to 3,336,894 outstanding common shares between June 30, 2025 and November 13, 2025.

CHANGES IN FINANCIAL POSITION ACCORDING TO THE FINANCIAL STATEMENTS

The following table presents the balances of assets, liabilities and equity in the general fund.

Financial Position of General Fund		
(In millions of dollars)	**June 30, 2025**	**December 31, 2024**
General fund assets	57,932	57,286
General fund liabilities	49,877	49,819
Total equity	8,055	7,467

General fund assets and liabilities remained relatively stable as at June 30, 2025 compared to the previous year ended December 31, 2024.

At June 30, 2025, general fund assets totalled $57.9 billion compared to $57.3 billion at December 31, 2024. The variation is mainly driven by amounts receivable arising from investment transactions that occurred in the normal course of business, as well as an increase in deferred income tax assets mainly related to the change in insurance contract liabilities.

At June 30, 2025, general fund liabilities totalled $49.9 billion compared to $49.8 billion at December 31, 2024. The redemption of subordinated debentures in February 2025 decreased the general fund liabilities by $400 million, which was more than offset by an increase in other liabilities due to amounts payable related to investment transactions in the normal course of business.

Capital Structure				
(In millions of dollars)	**June 30, 2025**	**March 31, 2025**	**December 31, 2024**	**June 30, 2024**
Equity				
Common shares and contributed surplus	1,538	1,542	1,540	1,555
Preferred shares and other equity instruments	1,000	600	600	725
Retained earnings and accumulated other comprehensive income	5,517	5,420	5,327	5,094
Total shareholders' equity	8,055	7,562	7,467	7,374
Debentures	1,495	1,495	1,894	1,496
Total capital structure	9,550	9,057	9,361	8,870

The Company's capital structure is defined as the total of the shareholders' equity and debentures.

Equity was $8.1 billion at June 30, 2025 compared to $7.5 billion at December 31, 2024. The six-month variation is primarily related to the:

- contribution of net income to retained earnings, totalling $522 million, and the $55 million decrease in comprehensive income attributed to shareholders for the first six months of 2025;
- increase in preferred shares and other equity instruments as a result of the $400 million Class A – Series C preferred share issuance mentioned in the "Highlights" section of this document;
- $168 million impact of dividends on common shares; and
- repurchase and cancellation of $104 million in common shares through the NCIB program.

Debentures were $1.5 billion at June 30, 2025 compared to $1.9 billion at December 31, 2024. The six-month variation is due to the redemption of subordinated debentures as mentioned above.

As a result of the items listed above, the Company's capital structure amounted to nearly $9.6 billion at June 30, 2025, an increase of $189 million from December 31, 2024.

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LIQUIDITY

At June 30, 2025, cash and short-term investments were $2,207 million compared to $1,794 million at March 31, 2025 and $1,566 million at December 31, 2024. The following table summarizes the source and use of the Company's funds for the second quarter of 2025 and 2024 and the six months ended June 30, 2025 and 2024.

Cash Flows	**Second quarter**		**Year-to-date at June 30**	
(In millions of dollars, unless otherwise indicated)	**2025**	**2024**	**2025**	**2024**
Cash and short-term investments at beginning	1,794	1,462	1,566	1,379
Cash flows from (used in):				
Operating activities	272	843	1,143	1,194
Investing activities	(52)	(275)	(154)	(333)
Financing activities	208	(45)	(334)	(263)
Foreign currency gains (losses) on cash	(15)	5	(14)	13
Increase (decrease) in cash and short-term investments	413	528	641	611
Cash and short-term investments at end	2,207	1,990	2,207	1,990

Cash flows from operating activities generally vary due to income before income taxes, sales and purchases of investments as well as receipts and disbursements on insurance and reinsurance contracts. Cash flows from investing activities change due to the acquisition of businesses and purchases of fixed and intangible assets. Cash flows from financing activities change due to transactions involving equity and debentures.

Cash flows increased by $413 million for the second quarter of 2025 compared to an increase of $528 million for the same period in 2024. The decrease in cash flows from operating activities between the two periods is offset by cash flows used in investing activities, with the acquisition of Vericity in 2024, as well as by cash flows used in financing activities for the redemption of common shares, which was higher in 2024 than in 2025.

For the six months ended June 30, 2025, cash flows increased by $641 million compared to an increase of $611 million for the same period in 2024. The variation between the two periods is mainly attributable to investing activities, driven by the acquisition of Vericity in 2024 and, to a lesser extent, the acquisition of Global Warranty in 2025. This variation was partially offset by financing activities cash outflows, which were higher in 2025 due to the redemption of $400 million of subordinated debentures in February, offset in part by lower common share repurchases compared to 2024.

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G. Investments

The following table shows the main asset classes that make up the Company's investment portfolio.

Investment Mix				
(In millions of dollars, unless otherwise indicated)	**June 30, 2025**	**March 31, 2025**	**December 31, 2024**	**June 30, 2024**
Book value of investments	45,806	45,676	45,580	42,644
Allocation of investments by asset class				
Bonds	69.1%	70.5%	71.7%	69.7%
Stocks	12.4%	12.3%	11.3%	10.7%
Loans (including mortgages)	7.3%	7.5%	7.6%	8.4%
Investment properties	3.3%	3.3%	3.3%	3.7%
Cash and short-term investments	4.8%	3.9%	3.4%	4.7%
Other	3.1%	2.5%	2.7%	2.8%
Total	100.0%	100.0%	100.0%	100.0%

The total value of the investment portfolio was nearly $46 billion at June 30, 2025, 7% higher than a year ago and slightly higher than the first quarter of 2025. The second quarter variation is primarily attributed to the issuance of preferred shares as outlined in the "Highlights" section of this document, which was partly offset by the unfavourable impact of macroeconomic variations, mostly on the bond portfolio.

Quality of Investments				
	June 30, 2025	**March 31, 2025**	**December 31, 2024**	**June 30, 2024**
Bonds – Proportion rated BB or lower	0.8%	0.7%	0.7%	0.6%
Mortgages – Proportion of securitized and insured loans	61.9%	63.4%	65.0%	66.2%
Investment properties – Occupancy rate[1]	84.7%	85.8%	85.5%	86.0%
Car loans – Net impaired loans as a percentage of gross loans[2]	0.43%	0.44%	0.49%	0.43%
Car loans – Total allowance for credit losses (ACL) as a percentage of gross loans[3]	5.73%	5.63%	5.61%	5.20%

The indicators in the above table continue to demonstrate the high quality of the investment portfolio. For investment properties, the occupancy rate decreased modestly during the quarter while continuing to compare favourably with the Canadian office market.[4] The quality of the auto loan portfolio continues to be very good, despite a slight increase during the last 12 months in the total allowance for credit losses (ACL) as a percentage of gross loans.

Derivative Financial Instruments				
	June 30, 2025	**March 31, 2025**	**December 31, 2024**	**June 30, 2024**
Total notional amount ($B)	55	49	48	46
Company's credit risk				
AA - or higher	100%	100%	100%	100%
A + or lower	—	—	—	—
Positive fair value ($M)	1,265	995	1,066	1,039
Negative fair value ($M)	798	1,021	1,060	815

1 Occupancy rate on investment properties is calculated by dividing the total number of square feet rented by the total number of square feet in the Company's real estate portfolio. Land and real estate properties intended for redevelopment are excluded from the calculation.
2 Net impaired loans as a percentage of gross loans is a ratio of impaired loans net of allowance for credit losses expressed as a percentage of gross loans. It is an indicator of the quality of the loan portfolio.
3 Total allowance for credit losses (ACL) as a percentage of gross loans is defined as the ratio of ACL expressed as a percentage of gross loans. Provides a measure of the expected credit experience of the loan portfolio.
4 Source: CBRE.

The Company uses derivative financial instruments in the normal course of managing the risks associated with fluctuations in interest rates, stock markets, currencies and the fair value of invested assets. These instruments are composed of various types of contracts, including interest rate swaps, market index and exchange rate contracts, forward agreements, futures contracts, and market index and currency options.

Derivative financial instruments are used as part of the Company's hedging program designed to alleviate the sensitivity of segregated fund guarantees to interest rate and stock market fluctuations. They are also used to hedge the Company's foreign exchange and interest rate risks and as part of investment strategies to reduce the Company's risk profile.

The positive fair value represents the amounts payable to the Company by the different counterparties. This amount fluctuates from one period to another according to changes in interest rates, equity markets and exchange rates. Conversely, negative fair value represents the amount payable by the Company to the different counterparties.

For more information, refer to Note 5 and Note 7 of the Company's unaudited interim condensed consolidated financial statements.

H. Declaration of Dividend

The Board of Directors of iA Financial Group approved a quarterly dividend of $0.9900 per share on the Company's outstanding common shares, representing an increase of $0.09 per share or 10% compared to the dividend paid in the previous quarter.

Following is the amount and the dates of payment and closing of registers for the iA Financial Group common shares.

Declaration of Dividend			
	Amount	**Payment date**	**Closing date**
Common shares – iA Financial Corporation Inc.	$0.9900	September 15, 2025	August 22, 2025

For the purposes of the *Income Tax Act* (Canada) and any corresponding provincial or territorial tax legislation, all dividends paid by iA Financial Group on its common shares are eligible dividends.

REINVESTMENT OF DIVIDENDS

Registered shareholders wishing to enrol in the Company's Dividend Reinvestment and Share Purchase Plan (DRIP) so as to be eligible to reinvest the next dividend payable on September 15, 2025 must ensure that the duly completed form is delivered to Computershare no later than 4:00 p.m. on August 15, 2025. Enrolment information is provided on iA Financial Group's website at ia.ca under *About iA,* in the *Investor Relations/Dividends* section. Common shares issued under the Company's DRIP will be purchased on the secondary market and no discount will apply.

I. Risk Management and Sensitivities – Update

The "Risk Management and Sensitivities – Update" section of this Management's Discussion and Analysis contains certain IFRS® Accounting Standards information regarding the nature and scope of the risks arising from financial instruments. This information, which appears in darker grey in this section, is disclosed in the unaudited interim condensed consolidated financial statements for the period ended June 30, 2025, given that the standards permit cross-references between the Notes to the Financial Statements and the Management's Discussion and Analysis. Because of the references made to the financial statements, the terminology used in this section is generally aligned with what is found in the financial statements.

As at June 30, 2025, the Company updated some portions of the Management's Discussion and Analysis for 2024, "Risk Management" section. Considering that the unaudited interim condensed consolidated financial statements do not contain all the information required in complete annual financial statements, they should be read in conjunction with the consolidated financial statements for the year ended December 31, 2024 as well as the Management's Discussion and Analysis for 2024. The Company's risk profile has not changed significantly with respect to strategic risk, credit risk, liquidity risk, model risk, operational risk, or legal, regulatory and reputational risk.

Sensitivities provided by the Company constitute forward-looking information and involve risks and uncertainties, and undue reliance should not be placed on them. Refer to the "Forward-Looking Statements" section of this document for more information.

Immediate Sensitivity						
		Immediate Impact				
(as at June 30, 2025)		**Net income[1]** *$M after tax*	**Equity: OCI only[2]** *$M after tax*	**Equity: OCI[2] and net income** *$M after tax*	**Solvency ratio** *Percentage points*	**CSM** *$M before tax*
Public equity[3]	Immediate +10% change in market values	100	25	125	(0.5%)	275
	Immediate -10% change in market values	(100)	(25)	(125)	0.5%	(300)
Private non-fixed income (NFI) assets	Immediate +10% change in market values of private equity, investment property and infrastructure	300	25	325	1.0%	—
	Immediate -10% change in market values of private equity, investment property and infrastructure	(300)	(25)	(325)	(1.0%)	—
Interest rates	Immediate parallel shift of +50 bps on all rates	(25)	25	—	(0.5%)	25
	Immediate parallel shift of -50 bps on all rates	—	(25)	(25)	0.5%	(25)
Corporate spreads	Immediate parallel shift of +50 bps	(25)	75	50	0.5%	—
	Immediate parallel shift of -50 bps	25	(75)	(50)	(0.5%)	—
Provincial government bond spreads	Immediate parallel shift of +50 bps	25	(25)	—	(0.5%)	75
	Immediate parallel shift of -50 bps	(25)	25	—	0.5%	(100)
	Rounding	**±25**	**±25**	**±25**	**±0.5%**	**±25**

1 Represents the impact on net income (reported). Note that the non-core adjustment corresponds to the difference between the actual reported net investment result and management's expectations, which for equity and investment properties include long-term expected average annual returns of 8%–9% on aggregate.
2 Impact of macroeconomic variations on equity (OCI) is related to the Company's pension plan.
3 Excluding preferred shares.

† This item is a non-IFRS financial measure; see the "Non-IFRS and Additional Financial Measures" section and the "Reconciliation of Select Non-IFRS Financial Measures" section in this document for relevant information about such measures and a reconciliation of non-IFRS financial measures to the most directly comparable IFRS measure.
†† This item is a non-IFRS ratio; see the "Non-IFRS and Additional Financial Measures" section in this document for relevant information about such measures.

Core Earnings[†] Sensitivities

(as at June 30, 2025)	Business segment	Variation	Impact on future quarter core earnings[†,4] *$M after tax*	Description of shock
Public equity[5]	Investment	+5%	0.3	Immediate +5% change in market values
		-5%	(0.3)	Immediate -5% change in market values
	Wealth Management	+5%	4.2	Immediate +5% change in market values
		-5%	(4.6)	Immediate -5% change in market values
Private non-fixed income (NFI) assets[6]	Investment	+5%	3.3	Immediate +5% change in market values
		-5%	(3.3)	Immediate -5% change in market values
Interest rates	Investment	+10 bps	0.4	Immediate parallel shift of +10 bps on all rates
		-10 bps	(0.4)	Immediate parallel shift of -10 bps on all rates
	Wealth Management	+10 bps	0.4	Immediate parallel shift of +10 bps on all rates
		-10 bps	(0.4)	Immediate parallel shift of -10 bps on all rates
Credit and swap spreads	Investment	+10 bps	0.1	Immediate parallel shift of +10 bps
		-10 bps	—	Immediate parallel shift of -10 bps

Caution Regarding Immediate Sensitivities

Sensitivities are provided in this section for certain risks. The sensitivities are projected using internal models at the reporting date and reflect the Company's assets and liabilities at that date. These sensitivities measure the impact of changing one factor at a time and assume that all other factors remain unchanged. Sensitivities include the impact of rebalancing equity and interest rate hedges as expected with the Company's dynamic hedging program used for guarantees on segregated funds. They exclude any subsequent actions on the Company's investment portfolio.

For solvency ratio sensitivities, it is assumed that no scenario switch occurs when estimating the impact on the interest rate risk under CARLI[7] (CARLI interest rate risk is assessed under four different interest rate scenarios, and the scenario leading to the highest capital requirement is chosen as the worst scenario for each geographic region).

Actual results can differ significantly from these estimates for a variety of reasons, including the interaction among these factors when more than one change occurs: change in business mix, change in actuarial and investment assumptions, change in investment strategies, actual experience differing from assumptions, change in regulatory requirements, the effective tax rate, market factors, the fact that sensitivities represent simplified scenarios (e.g., parallel shift of interest rates versus non-parallel movements) and limitations of our internal models. Also, changes in factors that are less than or more than the changes tested may not be linear. For these reasons, the sensitivities should only be viewed as directional estimates of the underlying sensitivities for the respective factors based on the assumptions outlined in the Management's Discussion and Analysis for 2024,

Immediate sensitivities refer to the instantaneous effects on asset and liability values, ignoring any effects on future revenues and expenses. They should be used with caution to estimate financial impacts from market variations for a quarter. Immediate sensitivities assume an immediate market variation followed by a normally expected market evolution for the rest of the quarter. In other words, immediate sensitivities could be roughly interpreted as the difference between an actual market variation for a quarter versus the expectation for that quarter. For example, for public equity markets where growth is normally expected, flat market values for a quarter would be equivalent to an immediate decline in market values.

Caution Regarding Core Earnings[†] Sensitivities

Sensitivities are provided in this section for certain risks. The sensitivities are projected using internal models at the reporting date and reflect the Company's assets and liabilities at that date. These sensitivities measure the impact of changing one factor at a time and assume that all other factors remain unchanged. Also, they exclude any subsequent actions on the Company's investment portfolio.

Actual results can differ significantly from these estimates for a variety of reasons, including the interaction among these factors when more than one change occurs: change in business mix, change in actuarial and investment assumptions, change in investment strategies, actual experience differing from assumptions, change in regulatory requirements, the effective tax rate, market factors, the fact that sensitivities represent simplified scenarios (e.g., parallel shift of interest rates versus non-parallel movements) and limitations of our internal models. Also, changes in factors that are less than or more than the changes tested may not be linear. For these reasons, the sensitivities should only be viewed as directional estimates of the underlying sensitivities

4 Impacts on core earnings[†] for the next quarter.
5 Excluding preferred shares.
6 Private equity, investment property and infrastructure.
7 Capital Adequacy Requirements Guideline – Life and Health Insurers.

† This item is a non-IFRS financial measure; see the "Non-IFRS and Additional Financial Measures" section and the "Reconciliation of Select Non-IFRS Financial Measures" section in this document for relevant information about such measures and a reconciliation of non-IFRS financial measures to the most directly comparable IFRS measure.
†† This item is a non-IFRS ratio; see the "Non-IFRS and Additional Financial Measures" section in this document for relevant information about such measures.

for the respective factors based on the assumptions outlined in the Management’s Discussion and Analysis for 2024, “Risk Management” section.

† This item is a non-IFRS financial measure; see the “Non-IFRS and Additional Financial Measures” section and the “Reconciliation of Select Non-IFRS Financial Measures” section in this document for relevant information about such measures and a reconciliation of non-IFRS financial measures to the most directly comparable IFRS measure.
†† This item is a non-IFRS ratio; see the “Non-IFRS and Additional Financial Measures” section in this document for relevant information about such measures.

J. Reconciliation of Select Non-IFRS Financial Measures

RECONCILIATION OF EARNINGS ACCORDING TO THE DRIVERS OF EARNINGS ANALYSIS

The following table provides a reconciliation between net income attributed to common shareholders and core earnings† according to the drivers of earnings (DOE) analysis. It supplements the information presented in the "Analysis According to the Financial Statements" and "Analysis of Earnings by Business Segment" sections of this document and provides additional indicators for evaluating financial performance. Detailed information on core earnings adjustments and reclassifications is provided on the following page. Refer to the "Non-IFRS and Additional Financial Measures" section in this document for more information on presentation according to the DOE and its components.

Core Earnings† to Net Income Attributed to Common Shareholders Reconciliation – Consolidated

	Three months ended June 30								
	Core earnings†,[1]			Core earnings adjustments[1]	Reclassifications: Net investment result[2]	Reclassifications: Other[2]	Income per financial statements		
(In millions of dollars, unless otherwise indicated)	2025	2024	Variation	2025	2025	2025	2025	2024	Variation
Insurance service result	341	267	28%	(1)	—	—	340	267	27%
Net investment result	127	108	18%	—	62	—	189	142	33%
Non-insurance activities or other revenues per financial statements	97	87	11%	6	(25)	408	486	432	13%
Other expenses and financing charges on debentures[3]	(146)	(123)	(19%)	(54)	(37)	(408)	(645)	(575)	(12%)
Core earnings† or income per financial statements, before taxes	419	339	24%	(49)	—	—	370	266	39%
Income taxes or income tax (expense) recovery	(86)	(64)		43	—	—	(43)	(52)	
Distributions on other equity instruments[4]	(6)	(8)					(6)	(8)	
Core earnings† or net income attributed to common shareholders per financial statements	**327**	**267**	**22%**	**(6)**	**—**	**—**	**321**	**206**	**56%**
	Six months ended June 30								
Insurance service result	626	516	21%	(5)	—	—	621	516	20%
Net investment result	251	217	16%	(83)	127	—	295	338	(13%)
Non-insurance activities or other revenues per financial statements	183	162	13%	—	(50)	840	973	836	16%
Other expenses and financing charges on debentures[3]	(277)	(246)	(13%)	(84)	(77)	(840)	(1,278)	(1,119)	(14%)
Core earnings† or income per financial statements, before taxes	783	649	21%	(172)	—	—	611	571	7%
Income taxes or income tax (expense) recovery	(168)	(130)		79	—	—	(89)	(123)	
Distributions on other equity instruments[4]	(15)	(9)					(15)	(9)	
Core earnings† or net income attributed to common shareholders per financial statements	**600**	**510**	**18%**	**(93)**	**—**	**—**	**507**	**439**	**15%**

1 For a breakdown of core earnings adjustments applied to reconcile to net income attributed to common shareholders, see "Core Earnings Adjustments" below.
2 These reclassifications reflect items subject to a different classification treatment between the financial statements and the drivers of earnings (DOE).
3 Starting in Q2/2025, "financing charges on debentures" previously presented in other expenses are shown as a separate line item in the DOE and do not imply any change in the compilation methodology. See the "Non-IFRS and Additional Financial Measures" section in this document for more information on the "financing charges on debentures" line item.
4 Dividends on preferred shares and distributions on other equity instruments.

† This item is a non-IFRS financial measure; see the "Non-IFRS and Additional Financial Measures" section and the "Reconciliation of Select Non-IFRS Financial Measures" section in this document for relevant information about such measures and a reconciliation of non-IFRS financial measures to the most directly comparable IFRS measure.
†† This item is a non-IFRS ratio; see the "Non-IFRS and Additional Financial Measures" section in this document for relevant information about such measures.

CORE EARNINGS ADJUSTMENTS

Please refer to the "Analysis of Earnings by Business Segment" section for a table presenting the net income attributed to common shareholders and core earnings[†] reconciliation and an analysis of the adjustments that account for the difference between net income attributed to common shareholders and core earnings.[†]

NET INVESTMENT RESULT RECLASSIFICATION

Net investment result reclassifications totalled $62 million for the second quarter and $127 million for the year to date, and are broken down in the following table.

Net investment result

	Second quarter			Year-to-date at June 30		
(In millions of dollars, unless otherwise indicated)	**2025**	**2024**	**Variation**	**2025**	**2024**	**Variation**
Net investment result – IFRS Income Statements	189	142	47	295	338	(43)
Investment income of wealth distribution affiliates *Income statements: Net investment result* *DOE: Non-insurance activities*	(27)	(30)	3	(53)	(61)	8
Investment expenses *Income statements: Other operating expenses* *DOE: Net investment result*	(7)	(9)	2	(19)	(17)	(2)
Other revenues and other operating expenses of iA Auto Finance *Income statements: Other revenues and other operating expenses* *DOE: Net investment result*	(24)	(23)	(1)	(50)	(46)	(4)
Income relating to the DSU hedging instrument *Income statements: Change in fair value of investment* *DOE: Other expenses*	(4)	(1)	(3)	(5)	1	(6)
Net investment result – Non-IFRS Drivers of Earnings (DOE)	**127**	**79**	**48**	**168**	**215**	**(47)**

OTHER RECLASSIFICATIONS

Other reclassifications relate mainly to expenses that are subject to a different classification treatment in the financial statements and the drivers of earnings (DOE). Other reclassifications totalled $408 million for the second quarter and $840 million for the year to date.

† This item is a non-IFRS financial measure; see the "Non-IFRS and Additional Financial Measures" section and the "Reconciliation of Select Non-IFRS Financial Measures" section in this document for relevant information about such measures and a reconciliation of non-IFRS financial measures to the most directly comparable IFRS measure.

†† This item is a non-IFRS ratio; see the "Non-IFRS and Additional Financial Measures" section in this document for relevant information about such measures.

K. Non-IFRS and Additional Financial Measures

The Company reports its financial results and statements in accordance with IFRS® Accounting Standards. The Company also publishes certain financial measures or ratios that are not presented in accordance with IFRS. The Company uses non-IFRS and other financial measures when evaluating its results and measuring its performance. The Company believes that such measures provide additional information to better understand its financial results and assess its growth and earnings potential, and that they facilitate comparison of the quarterly and full year results of the Company's ongoing operations. Since such non-IFRS and other financial measures do not have standardized definitions and meaning, they may differ from similar measures used by other institutions and should not be viewed as an alternative to measures of financial performance, financial position or cash flow determined in accordance with IFRS. The Company strongly encourages investors to review its financial statements and other publicly filed reports in their entirety and not to rely on any single financial measure.

Regulation 52-112 respecting Non-GAAP and Other Financial Measures Disclosure from the Canadian Securities Administrators ("Regulation 52-112") establishes disclosure requirements that apply, respectively, to the following categories of non-IFRS measures used by the Company:

– *Non-IFRS financial measures*, which depict historical or expected future financial performance, financial position or cash flow, and with respect to their composition, exclude an amount that is included in, or includes an amount that is excluded from, the composition of the most directly comparable financial measure disclosed in the Company's financial statements;

– *Non-IFRS ratios*, which are in the form of a ratio, fraction, percentage, or similar representation, have a non-IFRS financial measure as one or more of their components and are not disclosed in the Company's financial statements; and

– *Supplementary financial measures*, which are not non-IFRS financial measures or non-IFRS ratios but are disclosed on a periodic basis to depict historical or expected future financial performance, financial position, or cash flow and are not disclosed in the Company's financial statements.

Below is a description of the non-IFRS financial measures, non-IFRS ratios and the supplementary financial measures used by the Company. Additional information is provided, along with a description of the reconciliation to the most directly comparable IFRS measure, where applicable.

This document also makes reference to certain pro forma financial information, including pro forma supplementary financial measures giving effect to the proposed acquisition of RF Capital, including total AUA and AUM, solvency ratio and capital available for deployment. These measures do not have standardized definitions and meaning, they may differ from similar measures used by other institutions and should not be viewed as an alternative to measures determined in accordance with IFRS. Pro forma information as regards RF Capital is based upon information made publicly available by RF Capital and upon non-public information made available by RF Capital to the Company. Such information has not been verified independently by the Company. Accordingly, an unavoidable level of risk remains regarding the accuracy and completeness of such information, including with respect to facts or circumstances that would affect the completeness or accuracy of such information and which are unknown to the Company. See "Forward-Looking Statements".

Core earnings (losses) – Core earnings is a non-IFRS financial measure that removes from net income attributed to common shareholders the impacts of the following items:

a) market-related impacts that differ from management's expectations, which include the impacts of equity and investment property markets, interest rates and exchange rate variations on the net investment result (including impacts on net investment income and on finance expenses from insurance and reinsurance contracts) and on the insurance service result (i.e., on losses and reversal of losses on onerous contracts accounted for using the variable fee approach measurement model) and the impacts of the tax-exempt investment income (above or below expected long-term tax impacts) from the Company's multinational insurer status. For such purposes, management's expectations include:

   i. an expected long-term annual return (between 8% and 9% on average) on non-pass-through non-fixed income asset investments (public and private equity, investment properties, infrastructure and preferred shares);

   ii. that interest rates (including credit spreads) that are observable on the markets at the beginning of each month of the quarter will remain unchanged during each month of the quarter and that liability discount rates for the non-observable period will change as implied in the discount rate curve at the beginning of each month of the quarter; and

   iii. that exchange rates at the beginning of each month of the quarter will remain unchanged during each month of the quarter;

† This item is a non-IFRS financial measure; see the "Non-IFRS and Additional Financial Measures" section and the "Reconciliation of Select Non-IFRS Financial Measures" section in this document for relevant information about such measures and a reconciliation of non-IFRS financial measures to the most directly comparable IFRS measure.
†† This item is a non-IFRS ratio; see the "Non-IFRS and Additional Financial Measures" section in this document for relevant information about such measures.

b) assumption changes and management actions;[1]

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, which represents the difference between the asset return calculated using the expected return on plan assets and the IFRS prescribed pension plan discount rate;

f) specified items which management believes are non-recurring or otherwise 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, (iv) reallocations for reporting consistency, which sum to zero on a consolidated basis, and (v) other specified unusual gains and losses; and

g) income taxes on items listed above.

Purpose: The nature of the Company's business involves long-term financial commitments which are supported by a resilient portfolio of assets. However, movements in equity markets, interest rates, currency exchange rates, private equity valuations and real estate markets, among other things, result in ongoing variations in value that can be relatively significant to reported assets, insurance contract liabilities and net income attributed to shareholders. Such variations are not necessarily realized and may never be realized, including notably as a result of market movements in opposite directions or, in respect of interest rate movements, if fixed income investments are held to maturity.

Core earnings is presented to assist market participants in understanding the earnings potential of the business over the medium and long term by excluding from net income attributed to common shareholders certain impacts of market volatility, changes in actuarial methods, and items which management believes are non-recurring or otherwise not representative of the performance of the Company. Management believes that core earnings enable a more robust comparison of financial and operating performance from period to period and with other reporting issuers. Management also uses core earnings as a key measure to assess operating business performance and as a basis for management planning, compensation and strategic priority setting.

The core earnings calculation is supported by management expectations and assumptions subject to periodic and necessary adjustments to reflect, as accurately as possible, the impact of recent events as well as the current and projected environment on management's medium- and long-term expectations. Market risk and insurance risk management are considered in the calculation of core earnings in a medium- to long-term perspective, taking into account the Company's financial commitments. Core earnings are therefore not immune to market movements and changes in macroeconomic conditions.

Reconciliation: "Net income attributed to common shareholders" is the most directly comparable IFRS measure disclosed in the financial statements of the Company. For a reconciliation of this measure with the most directly comparable IFRS measure, refer to the "Reconciliation of Select Non-IFRS Financial Measures" section of this document.

Core earnings per common share (core EPS) – Core earnings per common share is a non-IFRS ratio obtained by dividing the core earnings by the diluted weighted average number of common shares in the corresponding period. Core EPS is used to better understand the Company's capacity to generate sustainable earnings in comparing the profitability across multiple periods and is an additional indicator for evaluating the Company's financial performance. Management also uses core EPS as a key measure to assess operating business performance and as a basis for management planning and strategic priority setting.

Return on common shareholders' equity (ROE) – Return on common shareholders' equity is a supplementary financial measure, expressed as a percentage, obtained by dividing the consolidated net income attributed to common shareholders by the average common shareholders' equity for the period. This measure provides a general measure of the Company's efficiency in using equity.

Core return on common shareholders' equity (core ROE) – Core return on common shareholders' equity is a non-IFRS ratio, expressed as a percentage, obtained by dividing the consolidated core earnings by the average common shareholders' equity for the corresponding period. This measure provides a general measure of the Company's efficiency in using equity, based on core earnings, and an additional indicator for evaluating the Company's financial performance.

CSM movement analysis – Components of the CSM movement analysis constitute supplementary financial measures. CSM movement analysis presents the movement of the contractual service margin (CSM) on a net-of-reinsurance basis, broken down as follows:

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[1] Assumption changes and management actions are governed by a rigorous process, driven by industry guidance, actuarial practices and risk management practices that lead to periodic and necessary adjustments to reflect, as accurately as possible, the impact of historical and recent events as well as the current and projected environment on assumptions and expectations, namely with the objective of meeting all of the Company's commitments and maintaining its financial strength.

† This item is a non-IFRS financial measure; see the "Non-IFRS and Additional Financial Measures" section and the "Reconciliation of Select Non-IFRS Financial Measures" section in this document for relevant information about such measures and a reconciliation of non-IFRS financial measures to the most directly comparable IFRS measure.
†† This item is a non-IFRS ratio; see the "Non-IFRS and Additional Financial Measures" section in this document for relevant information about such measures.

a) Organic CSM movement, which excludes the impacts of items that create undue volatility or are non-representative of the underlying business performance from period to period and helps in better understanding the ongoing CSM value creation. It is the sum of the following components:

   i. *Impact of new insurance business*, which is the CSM established from non-onerous insurance contracts initially recognized in the period. It includes the impacts related to policy cancellations and acquisition expenses, and it excludes the impacts of unusual new reinsurance contracts on in-force business that are categorized as management actions;

   ii. *Organic financial growth*, which is the movement of the CSM from 1) expected asset returns on underlying items (for insurance contracts measured under the variable-fee approach); and 2) interest accreted based on locked-in discount rates at initial recognition (for insurance contracts measured under the general measurement model);

   iii. *Insurance experience gains (losses)*, which is non-financial experience that relates to future services (e.g., policyholder behaviour that differs from expectations) on non-onerous contracts; and

   iv. *CSM recognized for services provided*, which is the CSM recognized in net income for services provided during the period.

b) *Non-organic CSM movement*, which is the sum of the following components:

   i. *Impact of changes in assumptions and management actions*, which is the impact on non-onerous contracts of changes in methods and assumptions that relate to future services or other management actions. Changes in assumptions result from the Company ensuring the adequacy of its liabilities. Management actions represent the impact of actions apart from the normal operation of the business, including but not limited to changes in methodology, model refinement and impacts of acquisitions, mergers and divestitures;

   ii. *Impact of markets*, which represents the market experience for non-onerous contracts measured under the variable-fee approach. It is the impact on fulfilment cash flows of actual market variations (e.g., equity markets and interest rates) that differ from expectations;

   iii. *Currency impact*, which is the impact of variations in exchange rates on the CSM, presented in Canadian dollars; and

   iv. *Acquisition or disposition of a business*, which represents the impact on the CSM from contracts acquired as part of the acquisition of a business, or the impact on the CSM as part of the disposition of a business, presented in Canadian dollars.

The total CSM movement equals the sum of the variation of the CSM for insurance contracts and the variation of the CSM for reinsurance contracts disclosed in the note titled "Insurance Contracts and Reinsurance Contracts" in the Company's financial statements.

The CSM movement analysis provides additional information to better understand the drivers of the changes in contractual service margin from one period to another.

† This item is a non-IFRS financial measure; see the "Non-IFRS and Additional Financial Measures" section and the "Reconciliation of Select Non-IFRS Financial Measures" section in this document for relevant information about such measures and a reconciliation of non-IFRS financial measures to the most directly comparable IFRS measure.
†† This item is a non-IFRS ratio; see the "Non-IFRS and Additional Financial Measures" section in this document for relevant information about such measures.

Drivers of earnings (DOE) – Components of the DOE analysis constitute additional financial measures. The analysis according to the DOE presents net income attributed to common shareholders and core earnings broken down by the following key drivers:

a) *Insurance service result*, or correspondingly the *Core insurance service result* when taking into account the related core earnings adjustments, as the sum of the following components (on a net-of-reinsurance basis when applicable):

   i. *Expected insurance earnings*, which represent the recurring insurance-related earnings on business in force during the reporting period. It is the sum of the following components:
      - Risk adjustment release, which is the change in risk adjustment for non-financial risk for risk expired;
      - Contractual service margin (CSM) recognized for services provided, which is the CSM recognized in net income for services provided during the period; and
      - Expected earnings on PAA insurance business, which is the insurance service result (insurance revenue, net of insurance service expenses) for insurance contracts measured under the premium allocation approach, excluding estimated experience gains (losses).

   ii. *Impact of new insurance business*, which is point-of-sale loss of writing new insurance business identified as onerous as per IFRS 17 during the period. The expected profit realized in the years after a contract is issued should cover the loss incurred at the time of issue. The gain of writing new insurance business identified as non-onerous as per IFRS 17 is recorded in the contractual service margin (not in net income).

   iii. *Insurance experience gains (losses),* or correspondingly *Core insurance experience gains (losses)* when taking into account the related core earnings adjustments, which are differences between expected and actual insurance claims and expenses as measured by IFRS 17. Also included are: 1) estimated experience gains (losses) on insurance claims and expenses for contracts measured under the premium allocation approach, 2) adjustments related to current and past services, 3) insurance experience that relates to future services for onerous contracts, and 4) market experience for onerous contracts measured under the variable-fee approach. Insurance experience gains (losses) correspond to experience gains (losses), excluding market experience for onerous contracts measured under the variable-fee approach.

   iv. *Insurance assumption changes and management actions,* which is the impact on pre-tax net income resulting from changes, on onerous contracts, in non-financial methods and assumptions that relate to future services or other management actions. Changes in non-financial assumptions result from the Company ensuring the adequacy of its liabilities given the Company's own experience in terms of mortality, morbidity, lapse rates, expenses, and other factors. Management actions represent the impact of actions apart from the normal operation of the business, including but not limited to changes in methodology, model refinement and impacts of acquisitions, mergers and divestitures.

b) *Net investment result*, or correspondingly the *Core net investment result* when taking into account the related core earnings adjustments, which is the sum of the following components (on a net-of-reinsurance basis when applicable):

   i) *Expected investment earnings*, which is the net investment income, net of finance expenses from contract liabilities and net of investment-related expenses that are part of core earnings. It excludes the credit-related experience impacts and financing charges on debentures;

   ii) *Credit experience*, which includes 1) the impact of rating changes, including defaults, on fixed income assets measured at fair value through profit or loss of the investment portfolio, and 2) changes in the quarterly credit experience on car loans (which are all classified at amortized cost), including impacts on allowance for credit losses (ACL);

   iii) *Market experience gains (losses),* which are impacts on net investment income and on finance expenses from contract liabilities of actual market variations (e.g., equity markets, interest rates and exchanges rates) that differ from expectations; and

   iv) *Financial assumption changes and other,* which is the impact on pre-tax net income resulting from changes in financial methods and assumptions. Changes in financial assumptions result from the Company ensuring the adequacy of its liabilities.

c) *Non-insurance activities*, or correspondingly *Core non-insurance activities* when taking into account the related core earnings adjustments, which are revenues net of expenses for non-insurance activities such as, but not limited to, mutual funds, wealth distribution, insurance distribution, group insurance administrative services only (ASO) business and non-insurance dealer services activities.

d) *Other expenses*, or correspondingly *Core other expenses* when taking into account the related core earnings adjustments, which are expenses not attributable to either insurance contracts or non-insurance activities, such as, but not limited to, corporate expenses, amortization of acquisition-related intangible assets, financing charges on debentures and intangible asset and goodwill writedowns.

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e) *Financing charges on debentures*, which represent interest on debentures calculated according to the effective interest method and premiums paid on redemption of debentures that are recognized as *Other financing charges* in the Income Statement.

f) *Income taxes*, or correspondingly *Core income taxes* when taking into account the related core earnings adjustments, which represent the value of amounts payable under the tax laws and include tax payable and deferred income taxes. A life insurer's investment income taxes and premium taxes are not included in these amounts.

g) *Dividends/distributions on equity instruments*, which are dividends on preferred shares and distributions on other equity instruments.

Purpose: The drivers of earnings provide additional information for evaluating the Company's financial performance and is an additional tool to help investors better understand the drivers of shareholder value creation.

Reconciliation: For a reconciliation of core earnings to net income attributed to common shareholders in accordance with the DOE analysis, refer to the "Reconciliation of Select non-IFRS Financial Measures" section of this document.

Assets under administration – Assets under administration (AUA) is a supplementary financial measure defined as all assets with respect to which the Company acts only as an intermediary between a client and an external fund manager. This measure is used to assess the Company's ability to generate fees, particularly for investment funds and funds under administration.

Assets under management – Assets under management (AUM) is a supplementary financial measure defined as all assets with respect to which the Company establishes a contract with a client and makes investment decisions for amounts deposited in this contract. This measure is used to assess the Company's ability to generate fees, particularly for investment funds and funds under management. Refer to the "Business Growth – Assets Under Management and Assets Under Administration" section of this document for a presentation of the components of assets under management.

Capital available for deployment – Capital available for deployment is a supplementary financial measure defined as the amount of capital the Company can deploy in an acquisition-type transaction, assuming the most restrictive transaction parameters with respect to regulatory capital (e.g., a transaction involving only intangible assets such as goodwill). The calculation considers the amount of capital over and above the Company's operating capital target ratios, calculated under the Capital Adequacy Requirements Guideline – Life and Health Insurance (CARLI), in addition to potential debt capital and other regulatory capital instruments other than common shares, considering all limits and constraints of the regulatory capital guideline and the Company's own internal targets. This measure provides a measure of the Company's capacity to deploy capital for transactions.

Core effective tax rate – Core effective tax rate is a non-IFRS ratio obtained by dividing income taxes, as included in the presentation of core earnings in accordance with the DOE analysis, by core earnings before tax. The core effective tax rate is an additional indicator used to evaluate and better compare tax expenses across multiple periods

Dividend payout ratio – Dividend payout ratio is a supplementary financial measure defined as the percentage of net income attributed to common shareholders that is distributed to common shareholders in the form of dividends during the period. It indicates the percentage of the Company's net income attributed to shareholders that shareholders received in the form of dividends.

Core dividend payout ratio – Core dividend payout ratio is a non-IFRS ratio defined as the percentage of core earnings that is distributed to common shareholders in the form of dividends during the period. This measure indicates the percentage of the Company's core earnings shareholders received in the form of dividends.

Financial leverage ratio – Financial leverage ratio is a non-IFRS ratio calculated by dividing the total debentures plus preferred shares and other equity instruments by the sum of total debentures plus shareholders' equity and post-tax contractual service margin (CSM). The CSM is used for the purpose of presenting the financial leverage ratio and is calculated as the difference between the CSM balance and the product obtained by multiplying the CSM balance for each legal entity by the applicable statutory tax rate. The financial leverage ratio provides a measure of the Company's financial leverage when planning the Company's strategies and priorities for capital management initiatives.

Financial leverage ratio (debentures only) – Financial leverage ratio (debentures only) is a non-IFRS ratio calculated by dividing the total debentures by the sum of total debentures plus shareholders' equity and post-tax contractual service margin (CSM). The CSM is used for the purpose of presenting the financial leverage ratio and is calculated as the difference between the CSM balance and the product obtained by multiplying the CSM balance for each legal entity by the applicable statutory tax rate. The financial leverage ratio (debentures only) provides a measure of the Company's financial leverage when planning the Company's strategies and priorities for capital management initiatives.

Organic capital generation – Organic capital generation is a supplementary financial measure defined as the amount of capital generated during a period, in excess of the Company's operating solvency target ratio, through activities representative of the Company's earnings performance and potential over the medium and long term, consistent with the core earnings definition. The

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calculation considers core earnings net of dividends paid to common shareholders in addition to organic contractual service margin (CSM) and risk adjustment (RA) movements, less the organic increase of regulatory capital requirements calculated under the CARLI guideline. It provides a measure of the Company's capacity to generate excess capital in the normal course of business. In addition, organic capital generation is used for management planning and strategic priority setting. This measure is an additional financial indicator to evaluate the Company's financial performance.

Net premiums – Net premiums is a supplementary financial measure defined as follows:

a) Individual Insurance net premiums, Group Insurance Employee Plans net premiums and US Operations Individual Insurance net premiums are defined as premiums reduced by premiums ceded to reinsurers and include both fund entries on new business written during the period and on in-force contracts.

b) Dealer Services P&C net premiums, US Operations Dealer Services net premiums and iA Auto & Home net premiums are defined as direct written premiums less amounts ceded to a reinsurer.

c) Group Insurance Special Markets net premiums and Dealer Services Creditor Insurance net premiums refer to gross premiums less amounts ceded to a reinsurer.

d) Group Savings and Retirement net premiums refer to net premiums after reinsurance and exclude premium equivalents.

Premiums are one of many measures used to assess the Company's ability to generate income from in-force and new business.

Premium equivalents and deposits

a) Premium equivalents is a supplementary financial measure and refers to amounts related to service contracts (such as Administrative Services Only (ASO) contracts) or related to services where the Company is primarily an administrator. For some business units, they also include the amount of premiums kept externally for insurance contracts where the Company will compensate the counterparty for losses that exceed a specific threshold, or failure to pay. These amounts are not accounted for in "Net premiums".

b) Deposits refer to amounts received from clients under a mutual fund contract or an investment contract. Deposits are not reflected in the Company's income statements.

Premium equivalents and deposits are one of many measures used to assess the Company's ability to generate income from in-force and new business.

Sales – Sales are defined as fund entries on new business written during the period. Sales assess the Company's ability to generate new business.

a) Insurance, Canada
   - Individual Insurance: In the Individual Insurance sector, sales are defined as first-year annualized premiums. Gross sales are defined as premiums before reinsurance and cancellations. Net premiums include both fund entries on new business written during the period and on in-force contracts and are reduced by premiums ceded to reinsurers.
   - Group Insurance:

     Employee Plans: Sales are defined as annualized premiums of contracts for new groups becoming effective during the quarter. Net premiums are net of reinsurance and include both fund entries on new business written during the period and on in-force contracts.

     Special Markets: Sales (gross premiums) are defined as premiums before reinsurance. Net sales are defined as gross premiums net of reinsurance.
   - Dealer Services:

     Creditor Insurance: Creditor insurance sales are defined as premiums before reinsurance and cancellations.

     P&C: P&C sales are defined as direct written premiums before reinsurance and cancellations.
   - iA Auto & Home: In iA Auto & Home, sales are defined as direct written premiums before reinsurance and cancellations.

b) Wealth Management
   - Individual Wealth Management:

     Total sales: In the Individual Wealth Management sector, total sales (or gross sales) for general fund and segregated fund products correspond to the net premiums. Sales for mutual funds are defined as deposits and include primary market sales of ETFs.

     Net sales: In the Individual Wealth Management sector, net sales are a useful measure because they provide a more detailed understanding of the source of AUM growth. The change in AUM is important because it determines the

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level of management fees. Sales for segregated funds and mutual funds correspond to net fund entries (gross sales less withdrawals and transfers).

- Group Savings and Retirement: In the Group Savings and Retirement sector, sales of accumulation contracts and insured annuities include gross premiums (before reinsurance) and premium equivalents, or deposits. Net premiums are after reinsurance and exclude premium equivalents.

  Net fund sales: In the Group Savings and Retirement sector, net fund sales correspond to gross sales (entries) less disbursements, which include withdrawals and transfers. The change in AUM is important because it determines the management fees recorded in the consolidated financial statements under Other revenues.

c) US Operations

- Individual Insurance: Sales are defined as first-year annualized premiums.
- Dealer Services: P&C sales are defined as direct written premiums (before reinsurance) and premium equivalents.

Total payout ratio (trailing 12 months) – Total payout ratio (trailing 12 months) is a supplementary financial measure defined as the sum of common dividends paid and common shares repurchased (buybacks) over the last twelve months divided by the net income attributed to common shareholders over the last twelve months. This measure indicates the percentage of the Company's net income attributed to common shareholders that shareholders received in the form of dividends and share repurchases over a trailing twelve-month period.

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†† This item is a non-IFRS ratio; see the "Non-IFRS and Additional Financial Measures" section in this document for relevant information about such measures.

L. Notice and General Information

INTERNAL CONTROL OVER FINANCIAL REPORTING

No changes were made to the Company's internal control over financial reporting during the interim period ended June 30, 2025, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

FORWARD-LOOKING STATEMENTS

This document may contain statements that are predictive or otherwise forward-looking 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 "financial targets", "objective", "goal", "guidance", "outlook" and "forecast", or other similar words or expressions. Such statements constitute forward-looking statements within the meaning of securities laws. In this document, forward-looking statements include, but are not limited to, information concerning possible or future operating results, strategies, and financial and operational outlook, and statements regarding the anticipated benefits of the proposed acquisition of RF Capital (including with respect to the impact of the transaction on iA's financial performance, more specifically on the Company's AUA and AUM, core earnings, core EPS, solvency ratio and capital available for deployment). These statements are not historical facts; they represent only expectations, estimates and projections regarding future events and are subject to change.

Although iA Financial Group believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements. In addition, certain material factors or assumptions are applied in making forward-looking statements, and actual results may differ materially from those expressed or implied in such statements.

– Material factors and risks 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 and ability to adapt products and services to market or customer changes; information technology, data protection, governance and management, including privacy breach, and information security risks, including cyber risks; level of inflation; performance and volatility of equity markets; interest rate fluctuations; hedging strategy risks; accuracy of information received from counterparties and the ability of counterparties to meet their obligations; unexpected changes in pricing or reserving assumptions; iA Financial Group liquidity risk, including the availability of funding to meet financial liabilities at expected maturity dates; mismanagement or dependence on third-party relationships in a supply chain context; ability to attract, develop and retain key employees; risk of inappropriate design, implementation or use of complex models; fraud risk; changes in laws and regulations, including tax laws; contractual and legal disputes; actions by regulatory authorities that may affect the business or operations of iA Financial Group or its business partners; changes made to capital and liquidity guidelines; risks associated with the regional or global political and social environment; geopolitical and trade uncertainty; climate-related risks including extreme weather events or longer-term climate changes and the transition to a low-carbon economy; iA Financial Group's ability to meet stakeholder expectations on environmental, social and governance matters; the occurrence of natural or man-made disasters, international conflicts, pandemic diseases (such as the COVID-19 pandemic) and acts of terrorism; and downgrades in the financial strength or credit ratings of iA Financial Group or its subsidiaries.

– Material factors and assumptions used in the preparation of financial outlooks include, but are not limited to: accuracy of estimates, assumptions and judgments under applicable accounting policies, and no material change in accounting standards and policies applicable to the Company; no material variation in interest rates; no significant changes to the Company's effective tax rate; no material changes in the level of the Company's regulatory capital requirements; availability of options for deployment of excess capital; credit experience, mortality, morbidity, longevity and policyholder behaviour being in line with actuarial experience studies; investment returns being in line with the Company's expectations and consistent with historical trends; different business growth rates per business unit; no unexpected changes in the economic, competitive, insurance, legal or regulatory environment or actions by regulatory authorities that could have a material impact on the business or operations of iA Financial Group or its business partners; no unexpected change in the number of shares outstanding; and the non-materialization of risks or other factors mentioned or discussed elsewhere in this document or found in the "Risk Management" section of the Company's Management's Discussion and Analysis for 2024 that could influence the Company's performance or results.

Escalating U.S.–Canada trade tensions, including tariffs on automobiles and auto parts, along with U.S.–China trade frictions and retaliatory tariffs, have intensified global trade instability. Global equity markets have experienced volatility due to uncertainty around tariffs, shifting interest rate expectations, and softer-than-expected economic data. In addition, trade barriers, such as potential and actual tariffs by the U.S., may shift global growth and trade patterns and have a ripple effect on supply chains, potentially further disrupting markets. These factors could lead to reduced consumer and investor confidence, increased financial volatility, and constrained growth opportunities.

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 2024, the "Management of Financial Risks Associated with Financial Instruments and Insurance Contracts" note to the audited consolidated financial statements for the year ended December 31, 2024 and elsewhere in iA Financial Group's filings with the Canadian Securities Administrators, which are available for review at sedarplus.ca.

The forward-looking statements and outlooks in this document 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. Forward-looking statements are presented in this document for the purpose of assisting investors and others in understanding certain key elements of the Company's expected financial results, as well as the Company's objectives, strategic priorities and business outlook, and in obtaining a better understanding of the Company's anticipated operating environment. Readers are cautioned that such information may not be appropriate for other purposes.

The completion of the proposed acquisition of RF Capital is subject to customary closing conditions, termination rights and other risks and uncertainties, including, without limitation and as applicable, shareholder approval and certain regulatory approvals, and there can be no assurance that the acquisition will be completed within the intended timing or at all. There can also be no assurance that if the acquisition is completed, the strategic and financial benefits expected to result therefrom will be realized.

The pro forma information set forth in this document should not be considered to be what the actual financial position or results of operations of the Company would have necessarily been had the proposed acquisition of RF Capital been completed as at or for the periods stated. Readers should not place undue reliance on pro forma information. See the "Non-IFRS and Additional Financial Measures" section.

DOCUMENTS RELATED TO THE FINANCIAL RESULTS

All documents related to iA Financial Group's results are available on the iA Financial Group website at ia.ca under *About iA,* in the *Investor Relations/Financial Reports* section. More information about the Company can also be found on the SEDAR+ website at sedarplus.ca, as well as in the Annual Information Form for iA Financial Group, which can also be found on the iA Financial Group website or the SEDAR+ website.

Consolidated Income Statements

(unaudited, in millions of Canadian dollars, unless otherwise indicated)	Quarters ended June 30 **2025**	2024	Six months ended June 30 **2025**	2024
Insurance service result				
Insurance revenue (Note 9)	**$ 1,881**	$ 1,644	**$ 3,707**	$ 3,239
Insurance service expenses	**(1,465)**	(1,297)	**(2,930)**	(2,580)
Net income (expenses) from reinsurance contracts	**(76)**	(80)	**(156)**	(143)
	340	267	**621**	516
Net investment result				
Net investment income (Note 4)				
Interest and other investment income	**506**	547	**1,055**	1,124
Change in fair value of investments	**(611)**	(322)	**(697)**	(1,449)
	(105)	225	**358**	(325)
Finance income (expenses) from insurance contracts	**323**	(57)	**(43)**	736
Finance income (expenses) from reinsurance contracts	**9**	33	**59**	36
(Increase) decrease in investment contract liabilities and interest on deposits	**(38)**	(59)	**(79)**	(109)
	189	142	**295**	338
Investment income (expenses) from segregated funds net assets	**2,362**	870	**2,246**	3,511
Finance income (expenses) related to segregated funds liabilities	**(2,362)**	(870)	**(2,246)**	(3,511)
	—	—	**—**	—
	189	142	**295**	338
Other revenues	**486**	432	**973**	836
Other operating expenses	**(628)**	(558)	**(1,243)**	(1,085)
Other financing charges	**(17)**	(17)	**(35)**	(34)
Income before income taxes	**370**	266	**611**	571
Income tax (expense) recovery (Note 15)	**(43)**	(52)	**(89)**	(123)
Net income	**327**	214	**522**	448
Distributions on other equity instruments and dividends on preferred shares	**(6)**	(8)	**(15)**	(9)
Net income attributed to common shareholders	**$ 321**	$ 206	**$ 507**	$ 439
Earnings per common share (in dollars) (Note 17)				
Basic	**$ 3.45**	$ 2.13	**$ 5.44**	$ 4.48
Diluted	**3.43**	2.12	**5.41**	4.47
Weighted average number of shares outstanding (in millions of units) (Note 17)				
Basic	**93**	97	**93**	98
Diluted	**94**	97	**94**	98
Dividends per common share (in dollars) (Note 11)	**0.90**	0.82	**1.80**	1.64

The accompanying notes are an integral part of these Interim Condensed Consolidated Financial Statements.

Consolidated Comprehensive Income Statements

(unaudited, in millions of Canadian dollars)	Quarters ended June 30 2025	Quarters ended June 30 2024	Six months ended June 30 2025	Six months ended June 30 2024
Net income	**$ 327**	$ 214	**$ 522**	$ 448
Other comprehensive income, net of income taxes				
Items that may be reclassified subsequently to net income:				
Net investment hedge				
Unrealized gains (losses) on currency translation in foreign operations	**(165)**	23	**(162)**	95
Hedges of net investment in foreign operations	**88**	(12)	**87**	(56)
	(77)	11	**(75)**	39
Cash flow hedge				
Unrealized gains (losses) on cash flow hedges	**—**	1	**—**	4
Items that will not be reclassified subsequently to net income:				
Remeasurement of post-employment benefits	**4**	16	**20**	62
Total other comprehensive income	**(73)**	28	**(55)**	105
Comprehensive income attributed to shareholders	**$ 254**	$ 242	**$ 467**	$ 553

Income Taxes Included in Other Comprehensive Income

(unaudited, in millions of Canadian dollars)	Quarters ended June 30 2025	Quarters ended June 30 2024	Six months ended June 30 2025	Six months ended June 30 2024
Income tax recovery (expense) related to:				
Items that may be reclassified subsequently to net income:				
Hedges of net investment in foreign operations	**$ (16)**	$ 2	**$ (16)**	$ 10
Items that will not be reclassified subsequently to net income:				
Remeasurement of post-employment benefits	**(1)**	(6)	**(7)**	(23)
Total income tax recovery (expense) included in other comprehensive income	**$ (17)**	$ (4)	**$ (23)**	$ (13)

The accompanying notes are an integral part of these Interim Condensed Consolidated Financial Statements.

Consolidated Statements of Financial Position

(in millions of Canadian dollars)	As at June 30 2025 (unaudited)	As at December 31 2024
Assets		
Investments (Note 4)		
Cash and short-term investments	**$ 2,207**	$ 1,566
Bonds	**31,585**	32,690
Stocks	**5,683**	5,130
Loans	**3,362**	3,444
Derivative financial instruments (Note 7)	**1,265**	1,066
Other investments	**171**	165
Investment properties	**1,533**	1,519
	45,806	45,580
Other assets	**4,427**	3,989
Insurance contract assets (Note 9)	**79**	105
Reinsurance contract assets (Note 9)	**3,269**	3,382
Fixed assets	**288**	317
Deferred income tax assets	**624**	459
Intangible assets	**1,949**	1,964
Goodwill	**1,490**	1,490
General fund assets	**57,932**	57,286
Segregated funds net assets (Note 8)	**56,547**	52,575
Total assets	**$ 114,479**	$ 109,861
Liabilities		
Insurance contract liabilities (Note 9)	**$ 36,672**	$ 36,894
Investment contract liabilities and deposits	**6,489**	6,352
Derivative financial instruments (Note 7)	**798**	1,060
Other liabilities	**4,084**	3,292
Deferred income tax liabilities	**339**	327
Debentures	**1,495**	1,894
General fund liabilities	**49,877**	49,819
Insurance contract liabilities related to segregated funds (Note 9)	**41,051**	38,149
Investment contract liabilities related to segregated funds	**15,496**	14,426
Total liabilities	**$ 106,424**	$ 102,394
Equity		
Common shares and contributed surplus	**$ 1,538**	$ 1,540
Preferred shares and other equity instruments (Note 12)	**1,000**	600
Retained earnings and accumulated other comprehensive income	**5,517**	5,327
	8,055	7,467
Total liabilities and equity	**$ 114,479**	$ 109,861

The accompanying notes are an integral part of these Interim Condensed Consolidated Financial Statements.

Consolidated Equity Statements

	As at June 30, 2025					
	Common shares	Preferred shares and other equity instruments	Contributed surplus	Retained earnings	Accumulated other comprehensive income	Total
(unaudited, in millions of Canadian dollars)	(Note 11)	(Note 12)			(Note 13)	
Balance as at December 31, 2023	$ 1,603	$ 375	$ 17	$ 5,060	$ (17)	$ 7,038
Net income	—	—	—	962	—	962
Other comprehensive income	—	—	—	—	183	183
Comprehensive income for the year	—	—	—	962	183	1,145
Equity transactions						
Transfer of revaluation surplus related to investment properties	—	—	—	22	(22)	—
Transfer of post-employment benefits	—	—	—	70	(70)	—
Stock option plan	—	—	3	—	—	3
Stock options exercised	—	—	(4)	—	—	(4)
Issuance of common shares	28	—	—	—	—	28
Redemption of common shares	(107)	—	—	(513)	—	(620)
Redemption of preferred shares issued by a subsidiary	—	(125)	—	—	—	(125)
Issuance of other equity instruments	—	350	—	(4)	—	346
Dividends on common shares	—	—	—	(322)	—	(322)
Dividends on preferred shares issued by a subsidiary and distributions on other equity instruments	—	—	—	(20)	—	(20)
Other	—	—	—	(2)	—	(2)
	(79)	225	(1)	(769)	(92)	(716)
Balance as at December 31, 2024	**1,524**	**600**	**16**	**5,253**	**74**	**7,467**
Net income	**—**	**—**	**—**	**522**	**—**	**522**
Other comprehensive income	**—**	**—**	**—**	**—**	**(55)**	**(55)**
Comprehensive income for the period	**—**	**—**	**—**	**522**	**(55)**	**467**
Equity transactions						
Transfer of post-employment benefits	**—**	**—**	**—**	**20**	**(20)**	**—**
Stock option plan	**—**	**—**	**2**	**—**	**—**	**2**
Stock options exercised	**—**	**—**	**(2)**	**—**	**—**	**(2)**
Issuance of common shares	**10**	**—**	**—**	**—**	**—**	**10**
Redemption of common shares	**(12)**	**—**	**—**	**(92)**	**—**	**(104)**
Issuance of preferred shares	**—**	**400**	**—**	**(4)**	**—**	**396**
Dividends on common shares	**—**	**—**	**—**	**(168)**	**—**	**(168)**
Distributions on other equity instruments	**—**	**—**	**—**	**(15)**	**—**	**(15)**
Other	**—**	**—**	**—**	**2**	**—**	**2**
	(2)	**400**	**—**	**(257)**	**(20)**	**121**
Balance as at June 30, 2025	**$ 1,522**	**$ 1,000**	**$ 16**	**$ 5,518**	**$ (1)**	**$ 8,055**

The accompanying notes are an integral part of these Interim Condensed Consolidated Financial Statements.

	As at June 30, 2024					
	Common shares	Preferred shares and other equity instruments	Contributed surplus	Retained earnings	Accumulated other comprehensive income	Total
(unaudited, in millions of Canadian dollars)	(Note 11)	(Note 12)			(Note 13)	
Balance as at December 31, 2023	$ 1,603	$ 375	$ 17	$ 5,060	$ (17)	$ 7,038
Net income	—	—	—	448	—	448
Other comprehensive income	—	—	—	—	105	105
Comprehensive income for the period	—	—	—	448	105	553
Equity transactions						
Transfer of post-employment benefits	—	—	—	62	(62)	—
Stock option plan	—	—	2	—	—	2
Stock options exercised	—	—	(2)	—	—	(2)
Issuance of common shares	10	—	—	—	—	10
Redemption of common shares	(75)	—	—	(333)	—	(408)
Issuance of other equity instruments	—	350	—	(4)	—	346
Dividends on common shares	—	—	—	(160)	—	(160)
Dividends on preferred shares issued by a subsidiary and distributions on other equity instruments	—	—	—	(9)	—	(9)
Other	—	—	—	4	—	4
	(65)	350	—	(440)	(62)	(217)
Balance as at June 30, 2024	$ 1,538	$ 725	$ 17	$ 5,068	$ 26	$ 7,374

The accompanying notes are an integral part of these Interim Condensed Consolidated Financial Statements.

Consolidated Cash Flows Statements

(unaudited, in millions of Canadian dollars)	Six months ended June 30 2025	2024
Cash flows from operating activities		
Income before income taxes	**$ 611**	$ 571
Other financing charges	**35**	34
Income taxes paid, net of refunds	**(142)**	(277)
Operating activities not affecting cash:		
Expenses (income) from insurance contracts	**(734)**	(1,395)
Expenses (income) from reinsurance contracts	**97**	107
Expenses (income) from investment contracts and interest on deposits	**79**	109
Unrealized losses (gains) on investments	**703**	1,458
Provision for credit losses	**45**	43
Other depreciation	**174**	151
Other items not affecting cash	**74**	93
Operating activities affecting cash:		
Sales, maturities and repayments on investments	**25,023**	20,676
Purchases of investments	**(25,777)**	(20,483)
Change in assets/liabilities related to insurance contracts	**741**	696
Change in assets/liabilities related to reinsurance contracts	**(116)**	(167)
Change in liabilities related to investment contracts and deposits	**58**	132
Other items affecting cash	**272**	(554)
Net cash from (used in) operating activities	**1,143**	1,194
Cash flows from investing activities		
Acquisition of businesses, net of cash	**(52)**	(213)
Net purchases of fixed and intangible assets	**(102)**	(120)
Net cash from (used in) investing activities	**(154)**	(333)
Cash flows from financing activities		
Issuance of common shares	**8**	8
Redemption of common shares (Note 11)	**(102)**	(402)
Issuance of preferred shares (Note 12)	**395**	—
Issuance of other equity instruments (Note 12)	**—**	345
Redemption of debentures (Note 10)	**(400)**	(4)
Reimbursement of lease liabilities[1]	**(10)**	(10)
Dividends paid on common shares	**(168)**	(160)
Distributions on other equity instruments and dividends paid on preferred shares	**(20)**	(11)
Interest paid on debentures	**(35)**	(27)
Interest paid on lease liabilities	**(2)**	(2)
Net cash from (used in) financing activities	**(334)**	(263)
Foreign currency gains (losses) on cash	**(14)**	13
Increase (decrease) in cash and short-term investments	**641**	611
Cash and short-term investments at beginning	**1,566**	1,379
Cash and short-term investments at end	**$ 2,207**	$ 1,990
Supplementary information:		
Cash	**$ 1,365**	$ 933
Short-term investments including cash equivalents	**842**	1,057
Total cash and short-term investments	**$ 2,207**	$ 1,990

[1] For the six months ended June 30, 2025, lease liabilities, presented in *Other liabilities* in the Consolidated Statements of Financial Position, include an amount of $13 ($6 for the six months ended June 30, 2024) of items not affecting cash, mostly attributable to new liabilities.

The accompanying notes are an integral part of these Interim Condensed Consolidated Financial Statements.

Notes to Interim Condensed Consolidated Financial Statements

Six months ended June 30, 2025 and 2024 (unaudited) (in millions of Canadian dollars, unless otherwise indicated)

1 › General Information

iA Financial Corporation Inc. (iA Financial Corporation) is a holding company listed on the Toronto Stock Exchange and incorporated under the *Business Corporations Act* (Quebec). iA Financial Corporation and its subsidiaries (the "Company") offer a wide range of life and health insurance products, savings and retirement plans, mutual funds, securities, loans, auto and home insurance, creditor insurance, replacement insurance, replacement warranties, extended warranties and other ancillary products for dealer services and other financial products and services. The Company's products and services are offered on both an individual and group basis and extend throughout Canada and the United States.

The Company's Interim Condensed Consolidated Financial Statements (the "Financial Statements") are prepared on the basis of IFRS® Accounting Standards in accordance with IAS 34 *Interim Financial Reporting*, issued by the International Accounting Standards Board (IASB). These Financial Statements do not contain all the information required in a complete annual financial statement and should be read in conjunction with the Consolidated Financial Statements for the year ended December 31, 2024, which are included in the 2024 Annual Report. The material accounting policies used to prepare these Financial Statements are consistent with those found in the 2024 Annual Report, except for items mentioned in Note 2.

The publication of these Financial Statements was authorized by the Company's Board of Directors on August 5, 2025.

2 › Changes in Accounting Policies

New Accounting Policies Applied to Financial Statements beginning on or after January 1, 2025.

Standards or amendments	Description of the standards or amendments and impacts on financial statements of the Company
IAS 21 *The Effects of Changes in Foreign Exchange Rates*	*Description:* On August 15, 2023, the IASB published an amendment to IAS 21 *The Effects of Changes in Foreign Exchange Rates*. The amendment *Lack of Exchangeability* specifies when a currency is exchangeable and when it is not, how to determine the exchange rate when a currency is not exchangeable, and the additional information required to be disclosed when a currency is not exchangeable. The provisions of this amendment apply on a modified retrospective basis. *Impact:* No impact on the Company's financial statements.

Future Changes in Accounting Policies

Standards or amendments are presented on the basis of their publication date unless a more relevant approach allows for better information.

Standards or amendments	Description of the standards or amendments
IFRS 18 *Presentation and Disclosure in Financial Statements*	*Description:* On April 9, 2024, the IASB published the standard IFRS 18 *Presentation and Disclosure in Financial Statements* which replaces the provisions of the standard IAS 1 *Presentation of Financial Statements* and carries forward many of its requirements. The standard IFRS 18: • establishes a defined structure for the income statement by classifying income and expenses into distinct defined categories and imposing new defined subtotals to improve comparability; • requires that specific information on management-defined performance measures (MPMs), which represent subtotals of income and expenses disclosed outside the financial statements, be disclosed in a single note to the financial statements in order to enhance transparency on those MPMs; • sets out guidance on classification of the information in the primary financial statements or in the notes. The provisions of the new standard IFRS 18 will apply retrospectively to financial statements beginning on or after January 1, 2027. Early adoption is permitted. *Status:* The Company is currently evaluating the impact of this standard on its financial statements.
IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*	*Description:* On May 30, 2024, the IASB published an amendment to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures.* The amendment *Amendments to the Classification and Measurement of Financial Instruments* introduces an accounting policy choice relating to the derecognition of financial liabilities settled through electronic payment systems, clarifies the classification and characteristics of some financial asset types and adds new disclosure requirements regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features, including environmental, social and corporate governance events. The provisions of this amendment will apply on a modified retrospective basis to financial statements beginning on or after January 1, 2026. Early adoption is permitted. *Status:* The Company is currently evaluating the impact of this amendment on its financial statements.

Standards or amendments	Description of the standards or amendments
Annual Improvements to IFRS Accounting Standards 2024-2025 Cycle	*Description:* On July 18, 2024, the IASB published the Annual Improvements to IFRS Accounting Standards 2024-2025 Cycle. The Annual Improvements clarify situations specific to five standards: • IFRS 1 *First-time Adoption of International Financial Reporting Standards* related to the fact that an entity which had designated a transaction as hedge accounting before the date of transition to IFRS Accounting Standards must meet the qualifying criteria of IFRS 9 *Financial Instruments* to reflect it in its opening IFRS statement of financial position. Otherwise, the entity should discontinue the hedge accounting; • IFRS 7 *Financial Instruments: Disclosures* related to the fact that an entity which is disclosing a gain or a loss on derecognition relating to financial assets in which the entity has continuing involvement shall disclose whether the fair value measurements included significant unobservable inputs as described in the "fair value hierarchy" requirements of IFRS 13 *Fair Value Measurement*; • IFRS 9 *Financial Instruments* related to the fact that when a lease liability is derecognized by a lessee, the difference between the carrying amount of the extinguished liability and the consideration paid are recognized in profit or loss. The amendment also specifies that the initial measurement of trade receivables must be in accordance with "the amount determined by applying IFRS 15 *Revenue from Contracts with Customers*" instead of "at their transaction price", as previously mentioned in IFRS 9; • IFRS 10 *Consolidated Financial Statements* related to the fact that when assessing control, a party might be a "de facto agent" when those that direct the activities of the investor have the ability to direct that party to act on the investor's behalf; • IAS 7 *Statement of Cash Flows* related to the fact that the term "cost method" replaces the term "at cost" regarding the reporting requirements in the statement of cash flows for investments in subsidiaries, associates and joint ventures since the term "cost method" is no longer defined in IFRS Accounting Standards. The provisions of these improvements will apply prospectively to financial statements beginning on or after January 1, 2026. Early adoption is permitted. *Status:* The Company is currently evaluating the impact of these improvements on its financial statements.

3 › Acquisition of Businesses

Insurance, Canada

On February 4, 2025, the Company acquired 100% of the shares of Global Warranty, a group of companies that are important independent warranty providers and administrators in the used vehicle market in Canada, for consideration of $55, subject to post-closing adjustments. Global Warranty does business with a network of over 1,500 automotive dealerships and more than 400 authorized repair centres across the country.

The preliminary allocation of the purchase price is summarized as follows:

(in millions of dollars)	
Fair value of identifiable assets and liabilities acquired	**$ (4)**
Fair value of intangible assets	**36**
Fair value of deferred income tax liabilities on intangible assets	**(10)**
Fair value of net identifiable assets acquired	**22**
Goodwill	**33**
	$ 55

The allocation of the purchase price could be adjusted to reflect new information obtained about facts and circumstances that existed at the acquisition date within a period not to exceed 12 months.

Goodwill primarily reflects the growth potential arising from the acquisition. Goodwill is not deductible for tax purposes. Intangible assets mainly consist of distribution networks. For the six months ended June 30, 2025, revenues and net income from Global Warranty did not have a significant impact on the Company's financial results.

US Operations

On June 28, 2024, the Company acquired, through one of its subsidiaries, 100% of the shares of the American company Vericity, Inc. and its subsidiaries (collectively "Vericity") for total cash consideration of $233. Vericity comprises two entities servicing the middle-market life insurance space, with synergies in between and combining artificial intelligence and rich data analytics to deliver innovative proprietary technology: Fidelity Life, an insurance carrier, and eFinancial, a direct-to-consumer digital agency.

As at June 30, 2025, the allocation of the purchase price was completed and the adjustments made in the final allocation did not have a significant impact on the Company's financial statements.

4 › Investments and Net Investment Income

a) Carrying Value and Fair Value

	As at June 30, 2025				
(in millions of dollars)	At fair value through profit or loss	At amortized cost	Other	Total	Fair value
Cash and short-term investments	$ 816	$ 1,391	$ —	$ 2,207	$ 2,207
Bonds					
Governments	8,161	—	—	8,161	
Municipalities	1,007	—	—	1,007	
Corporate and other	22,417	—	—	22,417	
	31,585	—	—	31,585	31,585
Stocks					
Common	3,319	—	—	3,319	
Preferred	526	—	—	526	
Stock indexes	347	—	—	347	
Investment fund units	1,491	—	—	1,491	
	5,683	—	—	5,683	5,683
Loans					
Mortgages					
Insured mortgages					
Multi-residential	683	—	—	683	
Non-residential	2	—	—	2	
	685	—	—	685	
Conventional mortgages					
Multi-residential	188	—	—	188	
Non-residential	233	—	—	233	
	421	—	—	421	
	1,106	—	—	1,106	
Car loans	—	1,439	—	1,439	
Other loans	—	817	—	817	
	1,106	2,256	—	3,362	3,351
Derivative financial instruments	1,265	—	—	1,265	1,265
Other investments	44	3	124	171	171
Investment properties	—	—	1,533	1,533	1,568
Total investments	$ 40,499	$ 3,650	$ 1,657	$ 45,806	$ 45,830

	As at December 31, 2024				
(in millions of dollars)	At fair value through profit or loss	At amortized cost	Other	Total	Fair value
Cash and short-term investments	$ 510	$ 1,056	$ —	$ 1,566	$ 1,566
Bonds					
Governments	9,096	—	—	9,096	
Municipalities	1,077	—	—	1,077	
Corporate and other	22,517	—	—	22,517	
	32,690	—	—	32,690	32,690
Stocks					
Common	2,916	—	—	2,916	
Preferred	515	—	—	515	
Stock indexes	319	—	—	319	
Investment fund units	1,380	—	—	1,380	
	5,130	—	—	5,130	5,130
Loans					
Mortgages					
Insured mortgages					
Multi-residential	774	—	—	774	
Non-residential	2	—	—	2	
	776	—	—	776	
Conventional mortgages					
Multi-residential	185	—	—	185	
Non-residential	232	—	—	232	
	417	—	—	417	
	1,193	—	—	1,193	
Car loans	—	1,457	—	1,457	
Other loans	—	794	—	794	
	1,193	2,251	—	3,444	3,433
Derivative financial instruments	1,066	—	—	1,066	1,066
Other investments	39	3	123	165	165
Investment properties	—	—	1,519	1,519	1,552
Total investments	$ 40,628	$ 3,310	$ 1,642	$ 45,580	$ 45,602

Other investments are made up of bonds, common stocks and investment fund units that represent restricted investments, notes receivable and investments in associates and joint ventures. Bonds, common stocks and investment fund units are classified at fair value through profit or loss. Notes receivable are classified at amortized cost. Investments in associates and joint ventures, accounted for using the equity method, are presented in the *Other* column.

The fair value of investment properties includes the carrying value of investment properties accounted for at fair value and the fair value of linearization of rents accounted for in *Other Assets*.

Financial Assets Used in Fair Value Hedging

Interest Rate Risk Hedging

The Company designated a portion of its bonds in a fair-value hedge relationship in order to reduce its exposure to changes in interest rates on financial liabilities classified as financial liabilities at amortized cost. The Company uses bonds that have maturities of less than 1 year to 9 years as at June 30, 2025 (less than 1 year to 9 years as at December 31, 2024). The notional amount of the bonds is $699 as at June 30, 2025 ($845 as at December 31, 2024), while the carrying value and the fair value of the bonds are $711 ($858 as at December 31, 2024). For the six months ended June 30, 2025, the Company recognized a gain of $3 on the hedging instruments (gain of $3 for the six months ended June 30, 2024) and a gain of $1 on the hedged items (loss of $1 for the six months ended June 30, 2024). For the six months ended June 30, 2025, the Company recognized an ineffectiveness of $4 ($2 for the six months ended June 30, 2024).

b) Investments in Associates and Joint Ventures

The Company holds interests ranging from 25% to 29% as at June 30, 2025 (25% to 29% as at December 31, 2024). The carrying value of these investments as at June 30, 2025 is $124 ($123 as at December 31, 2024). The share of net income and comprehensive income for the six months ended June 30, 2025 corresponds to a profit of $2 (profit of $2 for the six months ended June 30, 2024).

c) Net Investment Income

	Quarters ended June 30		Six months ended June 30	
(in millions of dollars)	**2025**	2024	**2025**	2024
Interest and other investment income				
Interest	**$ 447**	$ 433	**$ 902**	$ 855
Dividends	**99**	91	**212**	192
Derivative financial instruments	**(10)**	18	**(27)**	57
Net rental income	**21**	22	**43**	43
Provision for credit losses	**(21)**	(23)	**(45)**	(43)
Other income and expenses	**(30)**	6	**(30)**	20
	506	547	**1,055**	1,124
Change in fair value of investments				
Cash and short-term investments	**3**	5	**6**	9
Bonds	**(782)**	(256)	**(499)**	(997)
Stocks	**126**	13	**67**	115
Loans	**(10)**	8	**4**	4
Derivative financial instruments	**72**	(57)	**(245)**	(533)
Investment properties	**(20)**	(29)	**(31)**	(46)
Other	**—**	(6)	**1**	(1)
	(611)	(322)	**(697)**	(1,449)
Total net investment income	**$ (105)**	$ 225	**$ 358**	$ (325)

5 › Fair Value of Financial Instruments and Investment Properties

Methods and assumptions used to estimate fair values of financial instruments and investment properties are disclosed in Note 6 of the Company's Consolidated Financial Statements for the year ended December 31, 2024.

Fair Value Hierarchy

Disclosures regarding financial instruments and investment properties must be presented as a hierarchy that categorizes the inputs to valuation models used to measure the fair value of financial assets and financial liabilities. The hierarchy gives the highest priority to readily available unadjusted quoted prices in active markets for identical assets or liabilities and lowest priority to unobserved inputs. The three levels of the hierarchy are described below:

Level 1 – Valuation based on quoted prices in active markets (unadjusted) for identical assets or liabilities. Stocks traded on the market, among other things, are classified in Level 1.

Level 2 – Valuation model based on inputs other than quoted prices included in Level 1 that are observable on the market for the asset or liability, either directly or indirectly. Most bonds, short-term investments and certain derivative financial instruments are classified in Level 2.

Level 3 – Valuation model based on valuation techniques that use significant unobservable market parameters and that reflect management's best estimates. Most private placements are classified in Level 3.

If a financial instrument classified as Level 1 subsequently ceases to be actively traded, it is reclassified into Level 2. If the measurement of its fair value requires the use of significant unobservable inputs, it is directly reclassified into Level 3.

Assets

	As at June 30, 2025			
(in millions of dollars)	**Level 1**	**Level 2**	**Level 3**	**Total**
Recurring fair value measurements				
Cash and short-term investments	**$ —**	**$ 816**	**$ —**	**$ 816**
Bonds				
Governments	**—**	**8,074**	**87**	**8,161**
Municipalities	**—**	**1,007**	**—**	**1,007**
Corporate and other	**—**	**18,251**	**4,166**	**22,417**
	—	**27,332**	**4,253**	**31,585**
Stocks	**2,626**	**396**	**2,661**	**5,683**
Mortgages	**—**	**1,106**	**—**	**1,106**
Derivative financial instruments	**254**	**1,011**	**—**	**1,265**
Other investments	**3**	**41**	**—**	**44**
Investment properties	**—**	**—**	**1,533**	**1,533**
General fund investments recognized at fair value	**2,883**	**30,702**	**8,447**	**42,032**
Other assets	**—**	**71**	**—**	**71**
Segregated funds financial instruments	**45,555**	**9,566**	**1,341**	**56,462**
Total financial assets at fair value	**$ 48,438**	**$ 40,339**	**$ 9,788**	**$ 98,565**

	As at December 31, 2024			
(in millions of dollars)	Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Cash and short-term investments	$ —	$ 510	$ —	$ 510
Bonds				
Governments	—	9,008	88	9,096
Municipalities	—	1,077	—	1,077
Corporate and other	—	18,502	4,015	22,517
	—	28,587	4,103	32,690
Stocks	2,236	393	2,501	5,130
Mortgages	—	1,193	—	1,193
Derivative financial instruments	223	843	—	1,066
Other investments	—	39	—	39
Investment properties	—	—	1,519	1,519
General fund investments recognized at fair value	2,459	31,565	8,123	42,147
Other assets	—	87	—	87
Segregated funds financial instruments	41,878	9,309	1,178	52,365
Total financial assets at fair value	$ 44,337	$ 40,961	$ 9,301	$ 94,599

There were no transfers from Level 1 to Level 2 during the six months ended June 30, 2025 (none for the year ended December 31, 2024). There were no transfers from Level 2 to Level 1 during the six months ended June 30, 2025 (none for the year ended December 31, 2024).

There were no transfers from Level 2 to Level 3 during the six months ended June 30, 2025 ($44 for the year ended December 31, 2024). The transfers for the year ended December 31, 2024 were related to bonds. The fair value of these bonds was previously measured at the quoted market price obtained through brokers. The fair value of these bonds is now valued using internal valuation models that require the use of assumptions, including one main assumption that is not observable in the market. Transfers from Level 3 to Level 2 during the six months ended June 30, 2025 amount to $65 ($35 for the year ended December 31, 2024). These transfers are related to bonds. The fair value of these bonds was previously determined using internal valuation models that required the use of assumptions, including one main assumption that was not observable in the market. The fair value of these bonds is now measured at the quoted market price obtained through brokers.

There were no transfers from Level 1 to Level 3 during the six months ended June 30, 2025 (none for the year ended December 31, 2024). There were no transfers from Level 3 to Level 1 during the six months ended June 30, 2025 (none for the year ended December 31, 2024).

During the six months ended June 30, 2025, the Company made a Level 3 transfer from owner-occupied properties to investment properties in relation to a change in use of a property (none for the year ended December 31, 2024). The fair value of the property at the transfer date was assessed at $27.

The Company presents the transfers between hierarchy levels at the quarter-end fair value for the quarter during which the transfer occurred.

The following table presents assets recognized at fair value evaluated according to Level 3 parameters:

	Six months ended June 30, 2025						
(in millions of dollars)	**Balance as at December 31, 2024**	**Gains (losses) included in net income**	**Purchases**	**Sales and settlements**	**Transfers into (out of) Level 3 and reclassifications**	**Balance as at June 30, 2025**	**Total unrealized gains (losses) included in net income on investments still held**
Bonds	**$ 4,103**	**$ (39)**	**$ 402**	**$ (148)**	**$ (65)**	**$ 4,253**	**$ (37)**
Stocks	**2,501**	**(16)**	**231**	**(55)**	**—**	**2,661**	**(14)**
Investment properties	**1,519**	**(31)**	**18**	**—**	**27**	**1,533**	**(31)**
General fund investments recognized at fair value	**8,123**	**(86)**	**651**	**(203)**	**(38)**	**8,447**	**(82)**
Segregated funds financial instruments	**1,178**	**34**	**141**	**(12)**	**—**	**1,341**	**30**
Total	**$ 9,301**	**$ (52)**	**$ 792**	**$ (215)**	**$ (38)**	**$ 9,788**	**$ (52)**

	Year ended December 31, 2024						
(in millions of dollars)	Balance as at December 31, 2023	Gains (losses) included in net income	Purchases	Sales and settlements	Transfers into (out of) Level 3 and reclassifications	Balance as at December 31, 2024	Total unrealized gains (losses) included in net income on investments still held
Bonds	$ 3,257	$ 57	$ 1,201	$ (421)	$ 9	$ 4,103	$ 57
Stocks	2,097	122	516	(234)	—	2,501	191
Investment properties	1,611	(47)	34	(79)	—	1,519	(62)
General fund investments recognized at fair value	6,965	132	1,751	(734)	9	8,123	186
Segregated funds financial instruments	915	80	313	(130)	—	1,178	67
Total	$ 7,880	$ 212	$ 2,064	$ (864)	$ 9	$ 9,301	$ 253

During the six months ended June 30, 2025, an amount of $18 ($34 for the year ended December 31, 2024) presented in *Purchases* for investment properties corresponds to capitalizations to *Investment properties*.

Gains (losses) included in net income and *Total unrealized gains (losses) included in net income on investments still held* are presented in *Net investment income* in the Income Statement, except for those related to segregated funds net assets, which are presented in *Investment income (expenses) from segregated funds net assets* in the Income Statement.

Valuation for Level 3 Assets

The main unobservable input used in valuation of bonds as at June 30, 2025 corresponds to credit and liquidity risk premiums ranging from 0.77% to 5.27% (0.63% to 5.29% as at December 31, 2024). The credit and liquidity risk premiums are the difference between the expected yield of an asset and the risk-free rate of return. The difference is called a spread and represents an extra compensation for the risk of default of the borrower and the lack of active markets to sell the financial assets. If all other factors remain constant, a decrease (increase) in credit and liquidity risk premiums will lead to an increase (decrease) in fair value of bonds.

The main unobservable input used in valuation of stocks as at June 30, 2025 corresponds to 100% of the net asset value of the shares owned by the Company, which is provided by the general partner of the limited partnership investments or the manager of the funds. The net asset value is the estimated fair value of the asset minus the fair value of the liability divided by the number of shares outstanding of a fund or a limited partnership.

The main unobservable inputs used in the valuation of the investment properties as at June 30, 2025 are the discount rate, which is between 5.75% and 9.00% (5.75% and 8.75% as at December 31, 2024) and the terminal capitalization rate, which is between 5.50% and 7.75% (5.50% and 7.75% as at December 31, 2024). The discount rate is based on market activity by type of building and by location and reflects the expected rate of return to be realized on investments over the next 10 years. The terminal capitalization rate is based on market activity by type of building and by location and reflects the expected rate of return to be realized on investments over the remaining life after the 10-year period. If all other factors remain constant, a decrease (increase) in the discount rate and terminal capitalization rate will lead to an increase (decrease) in fair value of investment properties.

Fair Value Disclosed in the Notes

The Company classifies and measures certain financial instruments at amortized cost. The fair value of these financial instruments is disclosed in the notes. The following table shows the hierarchy level of such fair values:

	As at June 30, 2025			
(in millions of dollars)	**Level 1**	**Level 2**	**Level 3**	**Total**
Classified at amortized cost				
Car loans and other loans	**$ —**	**$ 2,245**	**$ —**	**$ 2,245**
Total of assets whose fair value is disclosed in the notes	**$ —**	**$ 2,245**	**$ —**	**$ 2,245**

	As at December 31, 2024			
(in millions of dollars)	Level 1	Level 2	Level 3	Total
Classified at amortized cost				
Car loans and other loans	$ —	$ 2,240	$ —	$ 2,240
Total of assets whose fair value is disclosed in the notes	$ —	$ 2,240	$ —	$ 2,240

Financial Liabilities

The following table presents the fair value of financial liabilities measured at fair value on a recurring basis and those whose fair value is disclosed in a note by hierarchy level:

	As at June 30, 2025			
(in millions of dollars)	**Level 1**	**Level 2**	**Level 3**	**Total**
Recurring fair value measurements				
Other liabilities				
Short-selling securities	**$ —**	**$ 437**	**$ —**	**$ 437**
Securities sold under repurchase agreements	**—**	**1,138**	**—**	**1,138**
Securitization liabilities	**—**	**45**	**—**	**45**
Derivative financial instruments	**89**	**709**	**—**	**798**
Investment contract liabilities and deposits	**—**	**985**	**—**	**985**
Total of liabilities classified at fair value through profit or loss	**$ 89**	**$ 3,314**	**$ —**	**$ 3,403**
Classified at amortized cost				
Other liabilities				
Mortgage debt	**$ —**	**$ 2**	**$ —**	**$ 2**
Debentures	**—**	**1,522**	**—**	**1,522**
Investment contract liabilities and deposits	**—**	**5,446**	**—**	**5,446**
Investment contract liabilities related to segregated funds	**—**	**15,496**	**—**	**15,496**
Total of liabilities classified at amortized cost	**$ —**	**$ 22,466**	**$ —**	**$ 22,466**

(in millions of dollars)	As at December 31, 2024 Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Other liabilities				
Short-selling securities	$ —	$ 397	$ —	$ 397
Securities sold under repurchase agreements	—	838	—	838
Securitization liabilities	—	89	—	89
Derivative financial instruments	64	996	—	1,060
Investment contract liabilities and deposits	—	735	—	735
Total of liabilities classified at fair value through profit or loss	$ 64	$ 3,055	$ —	$ 3,119
Classified at amortized cost				
Other liabilities				
Mortgage debt	$ —	$ 2	$ —	$ 2
Debentures	—	1,910	—	1,910
Investment contract liabilities and deposits	—	5,610	—	5,610
Investment contract liabilities related to segregated funds	—	14,426	—	14,426
Total of liabilities classified at amortized cost	$ —	$ 21,948	$ —	$ 21,948

6 › Management of Financial Risks Associated with Financial Instruments and Insurance Contracts

Effective risk management rests on identifying, assessing, measuring, understanding, managing, monitoring and communicating the risks to which the Company is exposed to in the course of its operations. Risk management is comprised of a series of objectives, policies and procedures that are approved by the Board of Directors and enforced by managers. The main risk management policies and procedures are subject to review annually, or more frequently when deemed relevant. More information regarding the principles, responsibilities, key measures and management practices of the Company's risk management of financial instruments is provided in the shaded portion of the "Risk Management" section of the 2024 Management's Discussion and Analysis on pages 67 to 80. The shaded information in these pages is considered an integral part of these financial statements.

a) Market Risk

Market risk represents the risk of financial loss due to unexpected changes in the level or volatility of market prices of assets and liabilities.

a) i) Market Risk Immediate Sensitivities

Interest Rate and Credit Spread Immediate Sensitivities

An analysis of the Company's sensitivity to an immediate change in risk-free interest rates as well as corporate bond and provincial government bond credit spreads is presented below. Each sensitivity assumes that all other assumptions remain unchanged. Considering that the Company manages these risks by looking jointly at financial instruments and insurance contracts, it analyzes and discloses its sensitivities on a net basis. The impact on equity includes the impact of net income and of remeasurement of post-employment benefits. The impact on contractual service margin is before tax.

The following tables present the immediate impact of an immediate parallel shift (rounded to the nearest 25 million dollars) of:

Interest rates

	As at June 30, 2025		As at December 31, 2024	
(in millions of dollars)	**50 basis point decrease**	**50 basis point increase**	50 basis point decrease	50 basis point increase
Net income	**$ —**	**$ (25)**	$ —	$ (25)
Equity	**(25)**	**—**	(25)	25
Contractual service margin	**(25)**	**25**	(25)	25

Corporate bond credit spreads

	As at June 30, 2025		As at December 31, 2024	
(in millions of dollars)	**50 basis point decrease**	**50 basis point increase**	50 basis point decrease	50 basis point increase
Net income	**$ 25**	**$ (25)**	$ —	$ —
Equity	**(50)**	**50**	(75)	50
Contractual service margin	**—**	**—**	—	—

Provincial government bond credit spreads

	As at June 30, 2025		As at December 31, 2024	
(in millions of dollars)	**50 basis point decrease**	**50 basis point increase**	50 basis point decrease	50 basis point increase
Net income	**$ (25)**	**$ 25**	$ (25)	$ 25
Equity	**—**	**—**	—	—
Contractual service margin	**(100)**	**75**	(100)	75

Ultimate Discount Rate Immediate Sensitivities
An analysis of the Company's sensitivity to an immediate change in the ultimate discount rate assumption used to establish insurance contract liabilities (assets) is presented below. Each sensitivity assumes that all other assumptions remain unchanged. The impact on contractual service margin is before tax.

The following table presents the immediate impact of an immediate change in the ultimate discount rate assumption (rounded to the nearest 10 million dollars):

	As at June 30, 2025		As at December 31, 2024	
(in millions of dollars)	**10 basis point decrease**	**10 basis point increase**	10 basis point decrease	10 basis point increase
Net income	**$ (50)**	**$ 50**	$ (50)	$ 50
Equity	**(50)**	**50**	(50)	50
Contractual service margin	**—**	**—**	—	—

Public Equity Immediate Sensitivities
An analysis of the Company's sensitivity to an immediate change in public equity market values is presented below and assumes that all other assumptions remain unchanged. Considering that the Company manages this risk by looking jointly at financial instruments and insurance contracts, it analyzes and discloses its sensitivity on a net basis. Preferred shares are excluded from the scope of these sensitivities' analysis. The impact on equity includes the impact of net income and of remeasurement of post-employment benefits. The impact on contractual service margin is before tax.

The following tables present the immediate impact of an immediate change in public equity market values (rounded to the nearest 25 million dollars):

	As at June 30, 2025			
(in millions of dollars)	**25% decrease**	**10% decrease**	**10% increase**	**25% increase**
Net income	**$ (175)**	**$ (100)**	**$ 100**	**$ 175**
Equity	**(250)**	**(125)**	**125**	**250**
Contractual service margin	**(725)**	**(300)**	**275**	**675**

	As at December 31, 2024			
(in millions of dollars)	25% decrease	10% decrease	10% increase	25% increase
Net income	$ (150)	$ (100)	$ 100	$ 150
Equity	(250)	(125)	125	225
Contractual service margin	(675)	(275)	250	600

In order to measure its public equity sensitivity, the Company examined the impact of a 10% market variance at the end of the period, believing that this kind of variance was reasonable in the current market environment. A 25% market change is also disclosed to provide a wider range of potential impacts due to significant changes in public equity market levels.

Private Non-Fixed Income Asset Immediate Sensitivities

An analysis of the Company's sensitivity to an immediate change in private non-fixed income assets' market values is presented below and assumes that all other assumptions remain unchanged. These impacts are only on financial instruments as insurance contracts are insensitive to these market values. Private non-fixed income assets include private equity, investment property and infrastructure. The impact on equity includes the impact of net income and of remeasurement of post-employment benefits.

The following table presents the immediate impact of an immediate change in private non-fixed income asset market values on private equity, investment property and infrastructure (rounded to the nearest 25 million dollars):

	As at June 30, 2025		As at December 31, 2024	
(in millions of dollars)	**10% decrease**	**10% increase**	10% decrease	10% increase
Net income	**$ (300)**	**$ 300**	$ (275)	$ 275
Equity	**(325)**	**325**	(300)	300

b) Credit Risk

Credit risk represents the risk of financial loss due to a borrower's or a counterparty's failure to repay its obligation when due.

b) i) Credit Quality Indicators

Bonds by Investment Grade

(in millions of dollars)	**As at June 30, 2025**	As at December 31, 2024
AAA	**$ 1,465**	$ 1,942
AA	**8,481**	8,794
A	**11,600**	11,513
BBB	**9,789**	10,221
BB and lower	**250**	220
Total	**$ 31,585**	$ 32,690

The Company prepares an assessment of the quality of the investment if the evaluation is not available from a credit rating agency. Bonds that have been internally evaluated represent an amount of $3,299 as at June 30, 2025 ($3,357 as at December 31, 2024).

Loans

(in millions of dollars)	**As at June 30, 2025**	As at December 31, 2024
Insured mortgages	**$ 685**	$ 776
Conventional mortgages	**421**	417
Car loans and other loans	**2,256**	2,251
Total	**$ 3,362**	$ 3,444

The credit quality of loans is assessed internally, on a regular basis, when the review of the portfolio is carried out.

b) ii) Allowance for Credit Losses

Allowance for Credit Losses by Stage

The following table presents the gross carrying amount and the allowance for credit losses related to car loans by stage:

	As at June 30, 2025			
	Non-impaired		**Impaired**	
(in millions of dollars)	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Car loans[1]				
Low risk[2]	**$ 1,258**	**$ 213**	**$ —**	**$ 1,471**
Medium risk[2]	**28**	**7**	**—**	**35**
High risk[2]	**2**	**—**	**—**	**2**
Impaired	**—**	**—**	**18**	**18**
Gross carrying amount	**1,288**	**220**	**18**	**1,526**
Allowance for credit losses	**48**	**27**	**12**	**87**
Carrying amount	**$ 1,240**	**$ 193**	**$ 6**	**$ 1,439**

	As at December 31, 2024			
	Non-impaired		Impaired	
(in millions of dollars)	Stage 1	Stage 2	Stage 3	Total
Car loans[1]				
Low risk[2]	$ 1,264	$ 214	$ —	$ 1,478
Medium risk[2]	33	9	—	42
High risk[2]	2	—	—	2
Impaired	—	—	21	21
Gross carrying amount	1,299	223	21	1,543
Allowance for credit losses	48	25	13	86
Carrying amount	$ 1,251	$ 198	$ 8	$ 1,457

[1] The credit risk rating is reflective of a nonprime lender's risk perception.
[2] Low risk is considered near prime, medium risk is nonprime and high risk is subprime.

For the six months ended June 30, 2025, the provision for credit losses related to car loans was $45 ($43 for the six months ended June 30, 2024).

Considering their nature, other loans have a negligible allowance for credit losses due to their low credit risk.

7 › Derivative Financial Instruments

The Company is an end user of derivative financial instruments in the normal course of managing exposure to fluctuations in interest rates, currency exchange rates and fair values of investments. Derivative financial instruments are financial contracts whose value is derived from underlying interest rates, exchange rates, other financial instruments or indexes.

The notional amount represents the amount to which a rate or price is applied to determine the cash flows to be exchanged periodically and does not represent direct credit exposure. Maximum credit risk is the estimated cost of replacing derivative financial instruments that have a positive value should the counterparty default. The maximum credit risk of derivative financial instruments as at June 30, 2025 is $1,265 ($1,066 as at December 31, 2024). The Company's exposure at the end of each reporting period is limited to the risk that a counterparty does not honour the terms of a derivative financial instrument.

	As at June 30, 2025					
	Notional amount				**Fair value**	
(in millions of dollars)	**Less than 1 year**	**1 to 5 years**	**Over 5 years**	**Total**	**Positive**	**Negative**
Equity contracts						
Swap contracts	**$ 760**	**$ 8**	**$ 55**	**$ 823**	**$ 56**	**$ —**
Futures contracts	**1,442**	**—**	**—**	**1,442**	**—**	**—**
Options	**6,254**	**—**	**—**	**6,254**	**254**	**(89)**
Currency contracts						
Swap contracts	**66**	**190**	**7,208**	**7,464**	**481**	**(53)**
Forward contracts	**10,251**	**—**	**—**	**10,251**	**195**	**(60)**
Options	**702**	**135**	**—**	**837**	**10**	**(10)**
Interest rate contracts						
Swap contracts	**883**	**3,738**	**14,216**	**18,837**	**210**	**(566)**
Futures contracts	**157**	**—**	**—**	**157**	**—**	**—**
Forward contracts	**8,897**	**—**	**—**	**8,897**	**59**	**(20)**
Other derivative contracts	**1**	**1**	**—**	**2**	**—**	**—**
Total	**$ 29,413**	**$ 4,072**	**$ 21,479**	**$ 54,964**	**$ 1,265**	**$ (798)**

	As at December 31, 2024					
	Notional amount				Fair value	
(in millions of dollars)	Less than 1 year	1 to 5 years	Over 5 years	Total	Positive	Negative
Equity contracts						
Swap contracts	$ 833	$ 4	$ 57	$ 894	$ 21	$ (16)
Futures contracts	574	—	—	574	—	—
Options	6,300	—	—	6,300	235	(68)
Currency contracts						
Swap contracts	30	240	7,007	7,277	445	(84)
Forward contracts	6,515	—	—	6,515	13	(113)
Options	674	198	—	872	18	(18)
Interest rate contracts						
Swap contracts	1,099	3,902	11,092	16,093	283	(644)
Futures contracts	64	—	—	64	—	—
Forward contracts	9,137	—	—	9,137	51	(117)
Other derivative contracts	1	1	—	2	—	—
Total	$ 25,227	$ 4,345	$ 18,156	$ 47,728	$ 1,066	$ (1,060)

	As at June 30, 2025		
	Notional amount	**Fair value**	
(in millions of dollars)		**Positive**	**Negative**
Derivative financial instruments not designated as hedge accounting	**$ 52,071**	**$ 1,186**	**$ (796)**
Net investment hedge	**2,885**	**76**	**(2)**
Cash flow hedges			
Market risk	**8**	**3**	**—**
Total of derivative financial instruments	**$ 54,964**	**$ 1,265**	**$ (798)**

	As at December 31, 2024		
	Notional amount	Fair value	
(in millions of dollars)		Positive	Negative
Derivative financial instruments not designated as hedge accounting	$ 45,741	$ 1,064	$ (1,018)
Net investment hedge	1,983	—	(42)
Cash flow hedges			
Market risk	4	2	—
Total of derivative financial instruments	$ 47,728	$ 1,066	$ (1,060)

Net Investment Hedge

As at June 30, 2025, forward contracts, designated as hedges of net investments in foreign operations with a functional currency other than the functional currency of the Company, have maturities of less than 1 year (less than 1 year as at December 31, 2024) and an average CAD/USD exchange rate of 0.7111 (0.7127 as at December 31, 2024). The effective portion of changes in fair value is recorded in *Other comprehensive income*, as is the foreign currency translation of the net investment in a foreign operation. For the six months ended June 30, 2025 and 2024, the Company did not recognize any ineffectiveness.

Cash Flow Hedge

Currency Risk Hedging

During the six months ended June 30, 2024, the Company ended a cash flow hedging relationship which aimed to manage its exposure to changes in currency rate risk on forecast transactions. The Company was using forward contracts that had maturities of less than 1 year. For the six months ended June 30, 2024, the Company did not recognize any ineffectiveness.

Market Risk Hedging

As at June 30, 2025, the Company uses a cash flow hedging relationship in order to manage its exposure to volatility of market prices on forecast transactions. The Company uses swap contracts that have maturities of 3 years or less (2 years or less as at December 31, 2024). For the six months ended June 30, 2025 and 2024, the Company did not recognize any ineffectiveness.

8 › Segregated Funds Net Assets

The table below comprises the underlying items for insurance contracts with direct participation features related to segregated funds as well as those for investment contracts related to segregated funds, which is the segregated funds net assets, and shows the composition. The fair value of the underlying items for insurance contracts with direct participation features, which are calculated under the variable fee approach, is equivalent to the *Insurance contract liabilities related to segregated funds* in Note 9 "Insurance Contracts and Reinsurance Contracts", and the fair value of the underlying items for investment contracts related to segregated funds, which are accounted for at amortized cost, is equivalent to the *Investment contract liabilities related to segregated funds* in the Statement of Financial Position.

(in millions of dollars)	**As at June 30, 2025**	As at December 31, 2024
Assets		
Cash and short-term investments	**$ 1,313**	$ 1,707
Bonds	**7,800**	7,489
Stocks and investment funds	**47,407**	43,623
Mortgages	**57**	55
Derivative financial instruments	**19**	4
Other assets	**809**	617
	57,405	53,495
Liabilities		
Accounts payable and accrued expenses	**858**	920
Net assets	**$ 56,547**	$ 52,575

The following table presents the change in segregated funds net assets:

	Quarters ended June 30		**Six months ended June 30**	
(in millions of dollars)	**2025**	2024	**2025**	2024
Balance at beginning	**$ 53,640**	$ 45,192	**$ 52,575**	$ 41,837
Add:				
Amounts received from policyholders	**2,366**	2,204	**5,576**	4,659
Interest, dividends and other investment income	**259**	246	**574**	478
Change in fair value of investments	**2,103**	624	**1,672**	3,033
	4,728	3,074	**7,822**	8,170
Less:				
Amounts withdrawn by policyholders	**1,562**	1,465	**3,333**	3,002
Operating expenses	**259**	219	**517**	423
	1,821	1,684	**3,850**	3,425
Balance at end	**$ 56,547**	$ 46,582	**$ 56,547**	$ 46,582

9 › Insurance Contracts and Reinsurance Contracts

A) Changes in Insurance Contract and Reinsurance Contract Balances

a) Roll-Forward of Net Insurance Contract Liabilities (Assets) by Measurement Component

The following tables disclose the reconciliation by measurement component for insurance contracts not measured under the premium allocation approach (PAA):

	As at June 30, 2025			
(in millions of dollars)	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
Balance at beginning				
Insurance contract liabilities	$ 24,336	$ 3,896	$ 6,130	$ 34,362
Insurance contract assets	(492)	32	355	(105)
Insurance contract liabilities related to segregated funds	38,149	—	—	38,149
Net insurance contract liabilities (assets) at beginning	61,993	3,928	6,485	72,406
Insurance service result				
Changes that relate to current services				
Contractual service margin recognized for services provided	—	—	(377)	(377)
Change in risk adjustment for non-financial risk for risk expired	—	(172)	—	(172)
Experience adjustments	(49)	—	—	(49)
Changes that relate to future services				
Contracts initially recognized in the period	(556)	229	352	25
Changes in estimates that adjust the contractual service margin	(258)	—	258	—
Changes in estimates that result in losses and reversal of losses on onerous contracts	13	(4)	—	9
Changes that relate to past services				
Changes to liabilities for incurred claims	14	(18)	—	(4)
	(836)	35	233	(568)
Finance expenses (income) from insurance contracts	1,523	42	21	1,586
Amounts recognized in net income	687	77	254	1,018
Effect of change in exchange rates	(40)	(25)	(36)	(101)
Cash flows	1,816	—	—	1,816
Contracts acquired in the period	13	1	3	17
Net insurance contract liabilities (assets) at end	$ 64,469	$ 3,981	$ 6,706	$ 75,156
Balance at end				
Insurance contract liabilities	$ 23,758	$ 3,949	$ 6,477	$ 34,184
Insurance contract assets	(340)	32	229	(79)
Insurance contract liabilities related to segregated funds	41,051	—	—	41,051
Net insurance contract liabilities (assets) at end	$ 64,469	$ 3,981	$ 6,706	$ 75,156

(in millions of dollars)	As at December 31, 2024 Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
Balance at beginning				
Insurance contract liabilities	$ 22,749	$ 3,416	$ 5,305	$ 31,470
Insurance contract assets	(531)	29	335	(167)
Insurance contract liabilities related to segregated funds	30,201	—	—	30,201
Net insurance contract liabilities (assets) at beginning	52,419	3,445	5,640	61,504
Insurance service result				
Changes that relate to current services				
Contractual service margin recognized for services provided	—	—	(684)	(684)
Change in risk adjustment for non-financial risk for risk expired	—	(329)	—	(329)
Experience adjustments	(130)	—	—	(130)
Changes that relate to future services				
Contracts initially recognized in the year	(1,016)	415	655	54
Changes in estimates that adjust the contractual service margin	(629)	53	576	—
Changes in estimates that result in losses and reversal of losses on onerous contracts	(10)	64	—	54
Changes that relate to past services				
Changes to liabilities for incurred claims	80	(23)	—	57
	(1,705)	180	547	(978)
Finance expenses (income) from insurance contracts	6,882	126	12	7,020
Amounts recognized in net income	5,177	306	559	6,042
Effect of change in exchange rates	69	32	50	151
Cash flows	4,276	—	—	4,276
Contracts acquired in the year	52	145	236	433
Net insurance contract liabilities (assets) at end	$ 61,993	$ 3,928	$ 6,485	$ 72,406
Balance at end				
Insurance contract liabilities	$ 24,336	$ 3,896	$ 6,130	$ 34,362
Insurance contract assets	(492)	32	355	(105)
Insurance contract liabilities related to segregated funds	38,149	—	—	38,149
Net insurance contract liabilities (assets) at end	$ 61,993	$ 3,928	$ 6,485	$ 72,406

As at June 30, 2025, the amount of net insurance contract liabilities (assets) measured under the PAA is $2,488 ($2,532 as at December 31, 2024).

b) Net Reinsurance Contract Assets (Liabilities) by Measurement Component
The following tables disclose the net reinsurance contract assets (liabilities) by measurement component for reinsurance contracts not measured under the PAA:

(in millions of dollars)	**As at June 30, 2025** **Estimates of present value of future cash flows**	**Risk adjustment for non-financial risk**	**Contractual service margin**	**Total**
Net reinsurance contract assets (liabilities)				
Reinsurance contracts not measured under the PAA				
Reinsurance contract assets	**$ 993**	**$ 1,046**	**$ (434)**	**$ 1,605**
Reinsurance contract liabilities	**—**	**—**	**—**	**—**
	$ 993	**$ 1,046**	**$ (434)**	**$ 1,605**

	As at December 31, 2024			
(in millions of dollars)	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
Net reinsurance contract assets (liabilities)				
Reinsurance contracts not measured under the PAA				
Reinsurance contract assets	$ 1,030	$ 1,053	$ (414)	$ 1,669
Reinsurance contract liabilities	—	—	—	—
	$ 1,030	$ 1,053	$ (414)	$ 1,669

During the six months ended June 30, 2025, there were no reinsurance contracts acquired. For the year ended December 31, 2024, the amount arising from the initial recognition of reinsurance contracts acquired was $159, which corresponded to estimates of present value of future cash flows of $70, a risk adjustment for non-financial risk of $53 and a contractual service margin of $36.

As at June 30, 2025, the amount of net reinsurance contract assets measured under the PAA is $1,664 ($1,713 as at December 31, 2024).

B) Insurance Revenue

	Quarters ended June 30		**Six months ended June 30**	
(in millions of dollars)	**2025**	2024	**2025**	2024
Contracts not measured under the PAA				
Changes in liabilities for remaining coverage				
Contractual service margin recognized for services provided	**$ 191**	$ 164	**$ 377**	$ 322
Change in risk adjustment for non-financial risk for risk expired	**93**	82	**186**	163
Expected incurred claims and other insurance service expenses	**905**	792	**1,779**	1,555
Recovery of insurance acquisition cash flows	**161**	113	**308**	215
	1,350	1,151	**2,650**	2,255
Contracts measured under the PAA	**531**	493	**1,057**	984
	$ 1,881	$ 1,644	**$ 3,707**	$ 3,239

C) Discount Rates

The following table presents discount rates applied to discounting of future cash flows based on the liquidity characteristics of the insurance contracts:

	As at June 30, 2025					
	1 year	**5 years**	**10 years**	**20 years**	**30 years**	**70 years**
Canadian products						
Least illiquid curve	**2.60%**	**3.15%**	**4.04%**	**4.74%**	**4.63%**	**4.35%**
Most illiquid curve	**3.65%**	**4.41%**	**5.07%**	**5.56%**	**5.50%**	**5.15%**
U.S. products						
Least illiquid curve	**4.46%**	**4.61%**	**5.22%**	**5.92%**	**5.89%**	**4.90%**
Most illiquid curve	**4.71%**	**4.86%**	**5.47%**	**6.17%**	**6.14%**	**5.15%**

	As at December 31, 2024					
	1 year	5 years	10 years	20 years	30 years	70 years
Canadian products						
Least illiquid curve	2.99%	3.30%	4.00%	4.46%	4.32%	4.35%
Most illiquid curve	3.92%	4.44%	4.99%	5.40%	5.29%	5.15%
U.S. products						
Least illiquid curve	4.82%	5.13%	5.48%	5.84%	5.77%	4.90%
Most illiquid curve	5.07%	5.38%	5.73%	6.09%	6.02%	5.15%

10 › Debentures

Redemption

On February 21, 2025, the Company redeemed all of its $400 subordinated debentures maturing February 21, 2030, bearing interest of 2.40% payable semi-annually until February 21, 2025. The subordinated debentures were redeemed at nominal value plus accrued and unpaid interest, for a total disbursement of $405.

11 › Common Shares

The common shares issued by the Company are as follows:

	As at June 30, 2025		As at December 31, 2024	
(in millions of dollars, unless otherwise indicated)	**Number (in thousands)**	**Amount**	Number (in thousands)	Amount
Common shares				
Balance at beginning	**93,403**	**$ 1,524**	99,643	$ 1,603
Shares issued on exercise of stock options	**146**	**10**	410	28
Shares redeemed and cancelled	**(754)**	**(12)**	(6,597)	(106)
Common shares outstanding	**92,795**	**1,522**	93,456	1,525
Shares redeemed but not cancelled	**—**	**—**	(53)	(1)
Balance at end	**92,795**	**$ 1,522**	93,403	$ 1,524

Stock Option Plan

As at June 30, 2025, the number of outstanding stock options was 1,303,833 (1,287,833 as at December 31, 2024). For the six months ended June 30, 2025, the Company granted 162,000 stock options exercisable at $134.17 (233,000 stock options exercisable at $92.15 for the year ended December 31, 2024).

Normal Course Issuer Bid

With the approval of the Toronto Stock Exchange and the Autorité des marchés financiers (AMF), the Board of Directors authorized the Company to repurchase, in the normal course of its activities, between November 14, 2024 and November 13, 2025, up to 4,694,894 common shares, representing approximately 5% of its 93,897,897 common shares issued and outstanding as at October 31, 2024 (8,074,936 common shares, representing approximately 8.01% of its common shares that constituted the Company's "public float" in the normal course issuer bid of 2023). For the six months ended June 30, 2025, a total of 753,600 common shares were repurchased and cancelled (6,596,948 as at December 31, 2024) and 52,700 common shares were cancelled (52,700 repurchased but not cancelled as at December 31, 2024) for a net cash amount of $102 ($609 as at December 31, 2024), of which $12 was recorded against common shares ($107 as at December 31, 2024) and $90 against retained earnings ($502 as at December 31, 2024). Taxes related to the redemption net of the issuance of common shares for a total of $2 were recognized in *Retained earnings* ($11 as at December 31, 2024).

Dividends

	Quarters ended June 30				**Six months ended June 30**			
	2025		2024		**2025**		2024	
(in millions of dollars, unless otherwise indicated)	**Total**	**Per share (in dollars)**	Total	Per share (in dollars)	**Total**	**Per share (in dollars)**	Total	Per share (in dollars)
Common shares	**$ 84**	**$ 0.90**	$ 79	$ 0.82	**$ 168**	**$ 1.80**	$ 160	$ 1.64

Dividends Declared and Not Recognized on Common Shares

A dividend of 0.990 dollars per share was approved by the Board of Directors of the Company on August 5, 2025. This dividend was not recorded as a liability in these Financial Statements. This dividend will be paid on September 15, 2025 to the shareholders of record as of August 22, 2025, date on which it will be recognized in the retained earnings of the Company.

12 › Preferred Shares and Other Equity Instruments

The description of the preferred shares issued during the six months ended June 30, 2025 is as follows:

An unlimited number of Class A – Series C preferred shares, without par value, without voting rights, with a fixed non-cumulative semi-annual dividend in cash with an initial annual rate of 6.435% which represents 64.35 dollars per share for a period of 5 years beginning on June 23, 2025 and ending on June 30, 2030, excluding this date. On June 30, 2030 and every 5 years thereafter, the rate will be reset at a rate equal to the 5-year Government of Canada Yield plus 3.40%. These preferred shares are redeemable in whole or in part at the option of the Company on June 30, 2030 and every 5 years thereafter during the period from May 30 to and including June 30, or in whole but not in part at any time on or following a Regulatory Event Date, for a cash value of 1,000 dollars, subject to approval by the AMF.

The preferred shares and other equity instruments issued are as follows:

	As at June 30, 2025		As at December 31, 2024	
(in millions of dollars, unless otherwise indicated)	**Number (in thousands)**	**Amount**	Number (in thousands)	Amount
Preferred shares, Class A				
Balance at beginning	**—**	**$ —**	—	$ —
Shares issued – Series C	**400**	**400**	—	—
Balance at end	**400**	**400**	—	—
Preferred shares, Class A, issued by iA Insurance				
Balance at beginning	**—**	**—**	5,000	125
Shares redeemed – Series B	**—**	**—**	(5,000)	(125)
Balance at end	**—**	**—**	—	—
Other equity instruments – Subordinated debentures				
Balance at beginning	**600**	**600**	250	250
Subordinated debentures issued – Series 2024-1	**—**	**—**	350	350
Balance at end	**600**	**600**	600	600
Total preferred shares and other equity instruments	**1,000**	**$ 1,000**	600	$ 600

Preferred Shares

Issuance

On June 23, 2025, the Company issued 400,000 Class A – Series C preferred shares for a net cash amount of $395. Transaction costs for a total of $5 ($4 after tax) were recognized in *Retained earnings*.

Other Equity Instruments

Issuance

On June 25, 2024, the Company issued Limited Recourse Capital Notes Series 2024-1 Subordinated Debentures, bearing interest at 6.921% and maturing on September 30, 2084, for a net cash amount of $345. Transaction costs for a total of $5 ($4 after tax) were recognized in *Retained earnings*. At the same time, the Company issued 350,000 Class A – Series B non-cumulative 5-year rate reset preferred shares to be held by the Limited Recourse Trust.

Distributions

For the quarter ended June 30, 2025, distributions on other equity instruments for a total of $8 ($6 after tax) were recognized in *Retained earnings* ($8 ($6 after tax) for the quarter ended June 30, 2024). For the six months ended June 30, 2025, distributions on other equity instruments for a total of $20 ($15 after tax) were recognized in *Retained earnings* ($8 ($6 after tax) for the six months ended June 30, 2024).

13 › Accumulated Other Comprehensive Income

(in millions of dollars)	Currency translation	Hedging	Investment properties	Total
Balance as at December 31, 2024	**$ 300**	**$ (229)**	**$ 3**	**$ 74**
Other	**(162)**	**103**	**—**	**(59)**
Income taxes on other	**—**	**(16)**	**—**	**(16)**
	(162)	**87**	**—**	**(75)**
Balance as at June 30, 2025	**138**	**(142)**	**3**	**(1)**
Balance as at December 31, 2023	57	(99)	25	(17)
Revaluation surplus related to transfers to investment properties	—	—	(26)	(26)
Income taxes on revaluation surplus related to transfers to investment properties	—	—	4	4
Other	243	(155)	—	88
Income taxes on other	—	25	—	25
	243	(130)	(22)	91
Balance as at December 31, 2024	300	(229)	3	74
Balance as at December 31, 2023	57	(99)	25	(17)
Other	95	(62)	—	33
Income taxes on other	—	10	—	10
	95	(52)	—	43
Balance as at June 30, 2024	$ 152	$ (151)	$ 25	$ 26

14 › Capital Management

Regulatory Requirements and Solvency Ratio

The Company is committed to respecting certain requirements of the guideline on capital adequacy requirements for life insurers (CARLI).

According to CARLI, many items are included in the solvency ratio:

The available capital represents the total Tier 1 and Tier 2 capital, less other deductions prescribed by the AMF.

Tier 1 capital contains more permanent equity items and is primarily composed of equity attributable to common shareholders, preferred shares, other qualifying equity instruments and the contractual service margin, excluding the contractual service margin for segregated funds. Goodwill and other intangible assets are deducted from this category.

Tier 2 capital is notably composed of subordinated debentures.

The surplus allowance is the value of the risk adjustment for non-financial risk included in insurance contract liabilities, excluding insurance contract liabilities related to segregated funds.

The eligible deposits are amounts related to unregistered reinsurance agreements, which are deposited in guarantee instruments.

The base solvency buffer is determined according to five risk categories, namely credit risk, market risk, insurance risk, segregated fund guarantee risk and operational risk. These risk components are calculated using various methods and consider the risks associated to asset and liability elements that are on and off the Statement of Financial Position. The base solvency buffer represents the sum of risk components minus some credits (for example, between-risk diversification and adjustable products) multiplied by a scalar of 1.00.

The CARLI total ratio is calculated by dividing the sum of the available capital, the surplus allowance and the eligible deposits by the base solvency buffer.

According to the AMF guideline, the Company must set a target level of available capital that exceeds the minimum requirements. The guideline also stipulates that most of the available capital must be Tier 1, which absorbs the losses related to current operations.

The Company manages its capital on a consolidated basis. As at June 30, 2025, the Company maintains a ratio that satisfies the regulatory requirements.

(in millions of dollars, unless otherwise indicated)	As at June 30, 2025
Available capital	
Tier 1 capital	$ 5,185
Tier 2 capital	3,824
Surplus allowance and eligible deposits	2,786
Total	**$ 11,795**
Base solvency buffer	**$ 8,551**
Total ratio	**138%**

As at December 31, 2024, the solvency ratio was 139% and the Company maintained a ratio that satisfied the regulatory requirements.

15 › Income Taxes

Income tax expense (recovery) for the period consists of:

	Quarters ended June 30		Six months ended June 30	
(in millions of dollars, unless otherwise indicated)	**2025**	2024	**2025**	2024
Current income tax expense (recovery)	**$ 146**	$ 144	**$ 262**	$ 235
Deferred income tax expense (recovery)	**(103)**	(92)	**(173)**	(112)
	$ 43	$ 52	**$ 89**	$ 123

Effective Income Tax Rates

The effective income tax rates are lower than the Company's statutory income tax rate of 28%.

For the quarter ended June 30, 2025, the effective income tax rate was 12% (20% for the quarter ended June 30, 2024) and for the six months ended June 30, 2025, the effective income tax rate was 15% (22% for the six months ended June 30, 2024).

The effective income tax rates for the quarter ended June 30, 2025 and for the six months ended June 30, 2025 are lower than those for the quarter ended June 30, 2024 and the six months ended June 30, 2024, mainly due to the recognition of unrecognized tax losses, along with increased savings from tax-exempt investment income, which are partially offset by an income tax expense regarding adjustments related to prior years.

16 › Segmented Information

The Company offers its products and services to retail customers, businesses and groups and primarily operates in Canada and in the United States. The Company's business units are grouped into reportable operating segments based on their similar economic characteristics. The Company's operating segments, which reflect its organizational structure for decision making, are described below according to their main products and services or to their specific characteristics:

Insurance, Canada – Life and health insurance products, auto and home insurance products, creditor insurance, replacement insurance and warranties, extended warranties and other ancillary products for dealer services, and specialized products for special markets.

Wealth Management – Products and services for savings plans, retirement funds and segregated funds, in addition to securities brokerage (including cross-border services), trust operations and mutual funds.

US Operations – Life insurance products and extended warranties relating to dealer services sold in the United States.

Investment – Investment and financing activities of the Company, except the investment activities of wealth distribution affiliates.

Corporate – All expenses that are not allocated to other operating segments, such as expenses for certain corporate functions.

Inter-segment transactions as well as some adjustments related to consolidation are shown in the *Consolidation adjustments* column. Inter-segment transactions consist primarily of activities carried out in the normal course of business for those operating segments and are subject to normal market conditions.

Considering the Company's total portfolio management strategy, most of the Company's investments are allocated to the Investment segment. When assessing segmented performance, management allocates *Finance income (expenses) from insurance contracts*, *Finance income (expenses) from reinsurance contracts* and nearly all *(Increase) decrease in investment contract liabilities and interest on deposits* to this operating segment.

Segmented Results

	Quarter ended June 30, 2025						
(in millions of dollars)	**Insurance, Canada**	**Wealth Management**	**US Operations**	**Investment**	**Corporate**	**Consolidation adjustments**	**Total**
Insurance service result							
Insurance revenue	**$ 1,077**	**$ 321**	**$ 483**	**$ —**	**$ —**	**$ —**	**$ 1,881**
Insurance service expenses and net expenses from reinsurance contracts	**(900)**	**(216)**	**(425)**	**—**	**—**	**—**	**(1,541)**
	177	**105**	**58**	**—**	**—**	**—**	**340**
Net investment result							
Net investment income	**—**	**28**	**—**	**(137)**	**4**	**—**	**(105)**
Finance income (expenses) from insurance and reinsurance contracts and change in investment contract liabilities and interest on deposits	**—**	**(1)**	**—**	**295**	**—**	**—**	**294**
	—	**27**	**—**	**158**	**4**	**—**	**189**
Other revenues	**63**	**378**	**51**	**9**	**1**	**(16)**	**486**
Other expenses	**(62)**	**(364)**	**(74)**	**(56)**	**(105)**	**16**	**(645)**
Income before income taxes	**178**	**146**	**35**	**111**	**(100)**	**—**	**370**
Income tax (expense) recovery	**(48)**	**(41)**	**20**	**(2)**	**28**	**—**	**(43)**
Net income	**130**	**105**	**55**	**109**	**(72)**	**—**	**327**
Distribution on other equity instruments	**—**	**—**	**—**	**(6)**	**—**	**—**	**(6)**
Net income attributed to common shareholders	**$ 130**	**$ 105**	**$ 55**	**$ 103**	**$ (72)**	**$ —**	**$ 321**

	Quarter ended June 30, 2024						
(in millions of dollars)	Insurance, Canada	Wealth Management	US Operations	Investment	Corporate	Consolidation adjustments	Total
Insurance service result							
Insurance revenue	$ 976	$ 274	$ 394	$ —	$ —	$ —	$ 1,644
Insurance service expenses and net expenses from reinsurance contracts	(826)	(188)	(363)	—	—	—	(1,377)
	150	86	31	—	—	—	267
Net investment result							
Net investment income	—	31	—	193	1	—	225
Finance income (expenses) from insurance and reinsurance contracts and change in investment contract liabilities and interest on deposits	—	(1)	—	(82)	—	—	(83)
	—	30	—	111	1	—	142
Other revenues	50	345	42	9	3	(17)	432
Other expenses	(67)	(334)	(64)	(55)	(72)	17	(575)
Income before income taxes	133	127	9	65	(68)	—	266
Income tax (expense) recovery	(36)	(36)	(1)	6	15	—	(52)
Net income	97	91	8	71	(53)	—	214
Dividends on preferred shares issued by a subsidiary and distribution on other equity instruments	—	—	—	(8)	—	—	(8)
Net income attributed to common shareholders	$ 97	$ 91	$ 8	$ 63	$ (53)	$ —	$ 206

	Six months ended June 30, 2025						
(in millions of dollars)	**Insurance, Canada**	**Wealth Management**	**US Operations**	**Investment**	**Corporate**	**Consolidation adjustments**	**Total**
Insurance service result							
Insurance revenue	**$ 2,126**	**$ 628**	**$ 953**	**$ —**	**$ —**	**$ —**	**$ 3,707**
Insurance service expenses and net expenses from reinsurance contracts	**(1,813)**	**(427)**	**(846)**	**—**	**—**	**—**	**(3,086)**
	313	**201**	**107**	**—**	**—**	**—**	**621**
Net investment result							
Net investment income	**—**	**54**	**—**	**299**	**5**	**—**	**358**
Finance income (expenses) from insurance and reinsurance contracts and change in investment contract liabilities and interest on deposits	**—**	**(1)**	**—**	**(62)**	**—**	**—**	**(63)**
	—	**53**	**—**	**237**	**5**	**—**	**295**
Other revenues	**115**	**768**	**104**	**18**	**3**	**(35)**	**973**
Other expenses	**(122)**	**(744)**	**(152)**	**(120)**	**(175)**	**35**	**(1,278)**
Income before income taxes	**306**	**278**	**59**	**135**	**(167)**	**—**	**611**
Income tax (expense) recovery	**(89)**	**(78)**	**15**	**18**	**45**	**—**	**(89)**
Net income	**217**	**200**	**74**	**153**	**(122)**	**—**	**522**
Distribution on other equity instruments	**—**	**—**	**—**	**(15)**	**—**	**—**	**(15)**
Net income attributed to common shareholders	**$ 217**	**$ 200**	**$ 74**	**$ 138**	**$ (122)**	**$ —**	**$ 507**

	Six months ended June 30, 2024						
(in millions of dollars)	Insurance, Canada	Wealth Management	US Operations	Investment	Corporate	Consolidation adjustments	Total
Insurance service result							
Insurance revenue	$ 1,944	$ 536	$ 759	$ —	$ —	$ —	$ 3,239
Insurance service expenses and net expenses from reinsurance contracts	(1,660)	(368)	(695)	—	—	—	(2,723)
	284	168	64	—	—	—	516
Net investment result							
Net investment income	—	63	—	(387)	(1)	—	(325)
Finance income (expenses) from insurance and reinsurance contracts and change in investment contract liabilities and interest on deposits	—	(2)	—	665	—	—	663
	—	61	—	278	(1)	—	338
Other revenues	94	673	81	17	4	(33)	836
Other expenses	(131)	(654)	(121)	(108)	(138)	33	(1,119)
Income before income taxes	247	248	24	187	(135)	—	571
Income tax (expense) recovery	(67)	(69)	(4)	(15)	32	—	(123)
Net income	180	179	20	172	(103)	—	448
Dividends on preferred shares issued by a subsidiary and distribution on other equity instruments	—	—	—	(9)	—	—	(9)
Net income attributed to common shareholders	$ 180	$ 179	$ 20	$ 163	$ (103)	$ —	$ 439

17 › Earnings Per Common Share

Basic Earnings Per Share

Basic earnings per share are calculated by dividing the net income attributed to common shareholders by the weighted average number of outstanding common shares during the period.

	Quarters ended June 30		Six months ended June 30	
(in millions of dollars, unless otherwise indicated)	**2025**	2024	**2025**	2024
Net income attributed to common shareholders	**$ 321**	$ 206	**$ 507**	$ 439
Weighted average number of outstanding shares (in millions of units)	**93**	97	**93**	98
Basic earnings per share (in dollars)	**$ 3.45**	$ 2.13	**$ 5.44**	$ 4.48

Diluted Earnings Per Share

Diluted earnings per share are calculated by adjusting the weighted average number of outstanding common shares to take into account the conversion of all potentially dilutive common shares.

The dilutive effect of stock options considers the number of shares presumed issued without consideration, calculated as the difference between the number of shares deemed to have been issued (by assuming the outstanding stock option grants are exercised) and the number of shares that would have been issued at the average market price for the period (the number of shares that would have been issued using the issuance proceeds, using the average market price of the Company's common shares for the period). For the quarter ended June 30, 2025 and for the six months ended June 30, 2025, an average of 23,825 and 27,599 antidilutive stock options respectively (52,581 options for the quarter ended June 30, 2024 and 51,946 options for the six months ended June 30, 2024) were excluded from the calculation.

	Quarters ended June 30		Six months ended June 30	
(in millions of dollars, unless otherwise indicated)	**2025**	2024	**2025**	2024
Net income attributed to common shareholders	**$ 321**	$ 206	**$ 507**	$ 439
Weighted average number of outstanding shares (in millions of units)	**93**	97	**93**	98
Add: dilutive effect of stock options granted and outstanding (in millions of units)	**1**	—	**1**	—
Weighted average number of outstanding shares on a diluted basis (in millions of units)	**94**	97	**94**	98
Diluted earnings per share (in dollars)	**$ 3.43**	$ 2.12	**$ 5.41**	$ 4.47

There was no transaction on common shares that could affect these calculations after the closing date and before the date of authorization for issue of these Financial Statements.

18 › Commitments

Investment Commitments

In the normal course of the Company's business, various outstanding contractual commitments related to offers for commercial loans, private placements, joint ventures and real estate are not reflected in the financial statements and may not be fulfilled. There were $1,465 ($1,169 as at December 31, 2024) of outstanding commitments as at June 30, 2025, of which the estimated disbursements will be $96 ($75 as at December 31, 2024) in 30 days, $366 ($328 as at December 31, 2024) in 31 to 365 days and $1,003 ($766 as at December 31, 2024) in more than one year.

19 › Event After the Reporting Period

Commitment related to Acquisition of Business

On July 28, 2025, the Company announced that it entered into a definitive agreement to acquire RF Capital Group Inc. ("RF Capital") for cash consideration of $597. The consideration comprises $370 for all of the issued and outstanding common shares of RF Capital and the termination of share-based compensation plans, and $227 for preferred shares and settlement of revolving debt. RF Capital is a leading independent wealth management company based in Canada, operating under the Richardson Wealth brand. It is renowned for providing comprehensive, client-focused financial advisory services tailored to the high-net-worth market. The closing of the transaction, expected to occur in the fourth quarter of 2025, is subject to the receipt of the required approval from RF Capital's common shareholders as well as court and regulatory approvals, and may therefore not be completed.

20 › Comparative Figures

Certain comparative figures have been reclassified to comply with the current period's presentation. The reclassifications had no impact on the net income of the Company.

Management held a conference call to present its results on Tuesday, August 6, 2025, at 11:00 a.m. (ET). You can listen to a replay of the conference call until September 17, 2025 on the Company's website at ia.ca, under *About iA,* in the *Investor Relations/ Financial Reports* 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 one of Canada's largest public companies and is listed on the Toronto Stock Exchange under the ticker symbol IAG (common shares).

Shareholder Information

There are three ways to reach us, depending on the type of information you want to obtain:

For questions regarding your shares and the Dividend Reinvestment and Share Purchase Plan:
Computershare Investor Services Inc.
Telephone: 514 982-7555
1 877 684-5000 (toll free)
Email: ia@computershare.com

To obtain financial information about Industrial Alliance, contact the Investor Relations Department:
Investor Relations Department
Industrial Alliance Insurance and Financial Services Inc.
Telephone: 418 684-5000, extension 105862
1 800 463-6236, extension 105862 (toll free)
Fax: 418 684-5192
Email: investors@ia.ca
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For questions regarding Industrial Alliance products and services, contact your agent. If you don't have an agent, contact Industrial Alliance at:
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