

**Growth oriented,
excellence driven**



iA Financial Corporation Inc.

Management's Discussion and Analysis for 2025

February 17, 2026



2025 Management's Discussion and Analysis

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Notice and General Information

Legal Constitution and General Information

iA Financial Corporation Inc. (“iA Financial Corporation” or the “Company”) is a stock company constituted on February 20, 2018 under the *Business Corporations Act* (Quebec). At the time of its constitution, it was a wholly-owned subsidiary of Industrial Alliance Insurance and Financial Services Inc. (“iA Insurance”) and had no business operations. On January 1, 2019, the plan of arrangement previously approved by the shareholders of iA Insurance and endorsed by the court was completed and put into place. Consequently, on January 1, 2019, a certificate of arrangement was issued by the Quebec Enterprise Registrar, and iA Financial Corporation became the parent company of the iA group, holding all common shares of iA Insurance. Until December 31, 2018, iA Insurance was the parent company of the iA group.

As a result, iA Financial Corporation is a “successor issuer” of iA Insurance as defined in securities regulations with respect to the common shares previously issued by iA Insurance. As of July 29, 2024, iA Insurance ceased to be a reporting issuer in accordance with an order granted under the securities legislation of Quebec and Ontario.

iA Financial Corporation is not regulated under the *Insurers Act* (Quebec). However, it will maintain the ability to supply capital, if it considers it necessary, to iA Insurance so that the latter meets the capital adequacy requirements of the *Insurers Act* (Quebec). Pursuant to an amended and restated undertaking dated January 1, 2026 (to which the Autorité des marchés financiers (“AMF”) is an intervening party), iA Financial Corporation undertakes to comply with the principles set out in the Capital Management Guideline issued by the AMF and to disclose its capital position on a quarterly basis. The Corporation also undertakes to maintain, at a minimum, the Total CARLI Ratio and the Core CARLI Ratio, calculated in accordance with the AMF Capital Adequacy Requirements Guideline – Life and Health Insurance (“CARLI”), as well as the Solo Ratio, calculated in accordance with the AMF Stand-Alone Capital Adequacy Requirements Guideline – Life and Health Insurance (“Solo”).

iA Financial Corporation is governed by the *Act respecting Industrial-Alliance Life Insurance Company* (Quebec) (the “1999 Private Bill”), as amended by the *Act to amend the Act respecting Industrial-Alliance Life Insurance Company* (Quebec) (the “2018 Private Bill,” and, together with the 1999 Private Bill, the “Private Bill”). The 1999 Private Bill was enacted by the Quebec National Assembly on November 26, 1999, and its amendment, the 2018 Private Bill, was enacted on June 15, 2018. The Private Bill prohibits any person and his/her affiliates from acquiring, either directly or indirectly, voting shares of iA Financial Corporation if the acquisition results in the person and his/her affiliates holding 10% or more of the voting rights related to the shares. The Private Bill further provides that in the event that an acquisition is made in contravention of the foregoing, an individual on behalf of whom the shares are acquired cannot exercise the voting rights attached to the aggregate of his/her shares for as long as they are in contravention of this provision. In addition, under this Private Bill, iA Financial Corporation must directly or indirectly hold 100% of the common shares of iA Insurance.

Unless otherwise indicated, all information presented in this Management’s Discussion and Analysis is established as at December 31, 2025, or for the year ended on that date.

Unless otherwise indicated, all amounts that appear in this Management’s Discussion and Analysis are denominated in Canadian dollars. 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.

Documents Related to the Financial Results

All documents related to iA Financial Corporation’s financial 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 be found on the SEDAR+ website at sedarplus.ca, as well as in the Annual Information Form for iA Financial Corporation, which can be found on the iA Financial Group website or the SEDAR+ website. The information found in the various documents and reports published by iA Financial Group and the information available on iA Financial Group’s website and mentioned herein is not and should not be considered incorporated by reference into this document, unless expressly stated otherwise. In addition, internal surveys, industry forecasts, market research and other publicly available information, while believed to be reliable, have not been independently verified, and the Company does not make any representation as to the accuracy or completeness of such information. Any estimates and forecasts involve risks and uncertainties and are subject to change based on various factors, including those discussed below under “Forward-Looking Statements.”

iA Financial Group is a business name and trademark of **iA Financial Corporation Inc.**

This Management’s Discussion and Analysis is dated February 17, 2026.

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 revised CARLI guideline, including 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. 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;
- 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;

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.

- 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 items; 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:

- 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.

Drivers of earnings (DOE)

Components of the DOE analysis constitute supplementary 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. New insurance business refers to confirmed sales, whether or not they have been implemented. 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 and intangible asset and goodwill writedowns.
- 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 for 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 for 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.

Combined ratio

Combined ratio is a supplementary financial measure defined as the sum of the net loss ratio—including the net insurance finance expenses—and the expense ratio, excluding investment results. The net loss ratio represents the net claims incurred excluding attributable expenses divided by the premium-related insurance income. The expense ratio represents other income and expenses as well as attributable expenses divided by the premium-related insurance income. While combined ratios are commonly used across the industry, they do not have standardized meanings prescribed by IFRS and may not be comparable to similar measures used by other companies in our industry.

Core effective tax rate (core ETR)

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 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, also referred to as implemented sales, are defined as annualized premiums of contracts for new groups becoming effective during the period. 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 (net premiums) 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 exchange traded funds (ETFs).

Net fund 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 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 12 months divided by the net income attributed to common shareholders over the last 12 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 12-month period.

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. 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 December 31								
	Core earnings [†]			Core earnings adjustments ²	Reclassifications		Income per financial statements		
	2025	2024	Variation		Net investment result ³	Other ³	2025	2024	Variation
(In millions of dollars, unless otherwise indicated)	2025	2024	Variation	2025	2025	2025	2025	2024	Variation
Insurance service result	315	309	2%	(96)	—	—	219	236	(7%)
Net investment result	127	120	6%	19	77	—	223	239	(7%)
Non-insurance activities or other revenues per financial statements	92	90	2%	20	(31)	538	619	471	31%
Other expenses and financing charges on debentures	(154)	(154)	—	(86)	(46)	(538)	(824)	(677)	(22%)
Core earnings [†] or income per financial statements, before taxes	380	365	4%	(143)	—	—	237	269	(12%)
Income taxes or income tax (expense) recovery	(74)	(72)		38	—	—	(36)	(43)	
Dividends/distributions on other equity instruments ⁴	(19)	(6)					(19)	(6)	
Core earnings[†] or net income attributed to common shareholders per financial statements	287	287	—	(105)	—	—	182	220	(17%)

	Year ended December 31								
	2025	2024	Variation	2025	2025	2025	2025	2024	Variation
Insurance service result	1,259	1,113	13%	(103)	—	—	1,156	1,040	11%
Net investment result	510	448	14%	45	263	—	818	819	—
Non-insurance activities or other revenues per financial statements	372	336	11%	17	(103)	1,806	2,092	1,744	20%
Other expenses and financing charges on debentures	(563)	(519)	(8%)	(209)	(160)	(1,806)	(2,738)	(2,374)	(15%)
Core earnings [†] or income per financial statements, before taxes	1,578	1,378	15%	(250)	—	—	1,328	1,229	8%
Income taxes or income tax (expense) recovery	(325)	(284)		93	—	—	(232)	(267)	
Dividends/distributions on other equity instruments ⁴	(43)	(20)					(43)	(20)	
Core earnings[†] or net income attributed to common shareholders per financial statements	1,210	1,074	13%	(157)	—	—	1,053	942	12%

² For a breakdown of core earnings adjustments applied to reconcile core earnings and net income attributed to common shareholders, see “Core Earnings Adjustments” below.

³ These reclassifications reflect items subject to a different classification treatment between the financial statements and the drivers of earnings (DOE).

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 \$77 million for the fourth quarter and \$263 million for 2025, and are broken down in the following table.

Net investment result

(In millions of dollars, unless otherwise indicated)	Fourth quarter			Year ended December 31		
	2025	2024	Variation	2025	2024	Variation
Net investment result – IFRS Income Statements	223	239	(16)	818	819	(1)
Investment income of wealth distribution and advisory affiliates						
<i>Income statements: Net investment result</i>						
<i>DOE: Non-insurance activities</i>	(33)	(31)	(2)	(110)	(125)	15
Investment expenses						
<i>Income statements: Other operating expenses</i>						
<i>DOE: Net investment result</i>	(13)	(7)	(6)	(39)	(28)	(11)
Other revenues and other operating expenses of iA Auto Finance						
<i>Income statements: Other revenues and other operating expenses</i>						
<i>DOE: Net investment result</i>	(25)	(24)	(1)	(100)	(95)	(5)
Income relating to the DSU hedging instrument						
<i>Income statements: Change in fair value of investment</i>						
<i>DOE: Other expenses</i>	(6)	(6)	—	(14)	(12)	(2)
Net investment result – Non-IFRS Drivers of Earnings (DOE)	146	171	(25)	555	559	(4)

OTHER RECLASSIFICATIONS

Other reclassifications totalled \$538 million for the fourth quarter and \$1,806 million for the full year 2025. Other reclassifications relate mainly to expenses that are subject to a different classification treatment in the financial statements and the drivers of earnings (DOE). In the DOE, non-insurance activities 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. Other expenses in the DOE are those not attributable to either insurance contracts or non-insurance activities. They include, but are not limited to, corporate expenses, amortization of acquisition-related intangible assets and intangible asset and goodwill writedowns.

[†] 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.

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 outlooks and statements regarding the anticipated impacts of the revised CARLI guideline that took effect on January 1, 2026. 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, including artificial intelligence; 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 (or variations or withdrawals in respect of anticipated changes); 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 2025 that could influence the Company’s performance or results.

Escalating trade tensions between the U.S. and Canada, including tariffs, continue to disrupt supply chains and raise costs, contributing to economic uncertainty. Global equity markets could face increased volatility due to ongoing tariff risks, evolving interest rate expectations and elevated equity valuations. These factors may reduce consumer and investor confidence, increase financial instability and constrain growth prospects.

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 2025, 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, 2025, 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 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 revised CARLI guideline been implemented 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.

Highlights

In 2025, the Company delivered solid operating and financial performance, reflecting the disciplined execution of its strategic approach, *The iA way*. Record profitability was achieved with core earnings[†] of \$1,210 million and net income attributed to common shareholders of \$1,053 million. Strong business growth was recorded in nearly all business units in Canada and the U.S., and the Company maintained a robust financial position throughout the year.

Aligned with long-term priorities, capital was strategically deployed to support organic growth, drive the digital transformation and complete two targeted acquisitions as well as active share buybacks under the Normal Course Issuer Bid (NCIB). The Company ended the year 2025 with ample capital available for deployment¹ to support future growth initiatives and value creation.

The investment portfolio maintained its high quality and the adequacy of the Company's actuarial provisions was reaffirmed with the annual year-end actuarial review process. Credit ratings were also reaffirmed by Standard & Poor's, DBRS Morningstar and A.M. Best, underscoring the Company's strong financial fundamentals.

Profitability

The Company recorded net income attributed to common shareholders of \$1,053 million in 2025, an increase of 12% compared to 2024. Diluted earnings per common share (EPS) of \$11.29 in 2025 was 16% higher than the previous year. Return on common shareholders' equity (ROE)² was 14.9% compared to 13.9% in 2024.

The Company recorded core earnings[†] of \$1,210 million in 2025, an increase of 13% compared to 2024. Core diluted earnings per common share (core EPS)^{††} of \$12.96 in 2025 was 16% higher than in 2024. Core return on common shareholders' equity (Core ROE)^{††} reached 17.1% for 2025 compared to 15.9% a year earlier.

Refer to the "Profitability" section of this document for more information on the Company's profitability in 2025.

Profitability

(In millions of dollars, unless otherwise indicated)	2025	2024	Variation
Net income attributed to common shareholders	1,053	942	12%
Earnings per common share (EPS) (diluted) (in dollars)	\$11.29	\$9.77	16%
Core earnings [†]	1,210	1,074	13%
Core earnings per common share (core EPS) ^{††} (diluted) (in dollars)	\$12.96	\$11.16	16%
Return on common shareholders' equity (ROE)	14.9%	13.9%	
Core ROE ^{††}	17.1%	15.9%	

Business Growth

Sales¹ momentum remained strong in 2025 across both Canada and the U.S., with almost all business units recording good growth. This reflects the strength of the Company's distribution networks, the performance of its digital tools for advisors, clients and employees, as well as its extensive and distinctive range of products. Strong sales and business retention drove net premiums,¹ premium equivalents and deposits¹ to more than \$22.0 billion, an 8% increase compared to 2024. Also, total assets under management¹ and assets under administration¹ totalled \$341.1 billion at year end, a substantial increase of 31% over the last 12 months, reflecting high segregated fund inflows, favourable market conditions and the addition of assets from the RF Capital acquisition completed on October 31, 2025. Refer to the sections that follow for additional insights on business growth by business unit.

Net Premiums, Premium Equivalents and Deposits

(In millions of dollars, unless otherwise indicated)	2025	2024	Variation
Total	22,017	20,424	8%

Assets Under Management and Assets Under Administration

(As at December 31, in millions of dollars, unless otherwise indicated)	2025	2024	Variation
Assets under management	143,159	128,730	11%
Assets under administration	197,910	132,576	49%
Total	341,069	261,306	31%

¹ Capital available for deployment, sales, net premiums, premium equivalents and deposits, 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.

² 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.

[†] 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.

Sales by Business Segment

(In millions of dollars, unless otherwise indicated)	2025	2024	Variation
INSURANCE, CANADA			
<u>Individual Insurance</u>			
Minimum premiums	362	347	4%
Excess premiums	53	45	18%
Total	415	392	6%
<u>Group Insurance</u>			
Employee Plans	159	84	89%
Special Markets	393	412	(5%)
<u>Dealer Services</u>	785	715	10%
<u>iA Auto and Home (iAAH)</u>	661	600	10%
WEALTH MANAGEMENT			
<u>Individual Wealth Management</u>			
Segregated funds	6,934	5,443	27%
Mutual funds	2,391	1,936	24%
Other savings products	1,724	2,039	(15%)
Total	11,049	9,418	17%
<u>Group Savings and Retirement</u>	3,120	4,514	(31%)
US OPERATIONS			
<u>Individual Insurance (\$US)</u>	304	227	34%
<u>Dealer Services (\$US)</u>	1,183	1,087	9%

Financial Strength

The Company's solvency ratio³ remained well above the regulatory minimum ratio of 90% throughout the year, ending at 133% at December 31, 2025. On a pro forma basis, at December 31, 2025, the solvency ratio is at 137%, taking into account the expected impact of the measures of the AMF-revised CARLI Guideline that took effect January 1, 2026, as described below. This level compares to 139% a year earlier. The variation in the last 12 months mainly reflects the impact of capital deployment activities, including investments to support organic growth, the completion of two acquisitions, the payment of dividends and active share buybacks under the NCIB. These items were partially offset by the positive impact of strong organic capital generation as well as organic contractual service margin (CSM) and risk adjustment (RA) growth.

Organic capital generation⁴ was very strong throughout the year, with the Company organically generating \$665 million in additional capital in 2025.

The capital available for deployment was assessed at \$1.1 billion at December 31, 2025. On a pro forma basis, at December 31, 2025, the capital available for deployment is at \$1.4 billion, taking into account the expected impact of the measures of the AMF-revised CARLI Guideline that took effect January 1, 2026, as explained below. This level is similar to a year earlier, reflecting the strong organic capital generation and the positive impact from the 2025 AMF-revised CARLI guideline on segregated funds being offset by strategic capital deployment initiatives, which included investments in organic growth, the completion of two acquisitions, dividend payments and active share buybacks under the NCIB.

At December 31, 2025, the Company's financial leverage ratio^{††} was 16.3% compared to 17.3% at December 31, 2024.

For detailed comments on financial strength, refer to the "Financial Position" section of this Management's Discussion and Analysis.

Financial Strength

(As at December 31)	2025	2024
Solvency ratio	133%	139%
Financial leverage ratio ^{††}	16.3%	17.3%

Book Value

The book value per common share⁵ was \$79.24 at the end of 2025, up 8% during the year.

³ 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.

⁴ Organic capital generation is a supplementary financial measure. Refer to the "Non-IFRS and Additional Financial Measures" section of this document for more information.

⁵ 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.

Dividends

The dividend paid in 2025 totalled \$3.7800 per common share compared to \$3.3600 per common share in 2024, an increase of 13%. This change is the result of the 10% increase in the Company's quarterly dividend per common share in the third quarter, from \$0.9000 to \$0.9900. The core dividend payout ratio^{††} was 29% for the year. Lastly, the Board of Directors approved a quarterly dividend per share of \$0.9900, payable in the first quarter of 2026, on the outstanding common shares of the Company. This dividend is payable on March 16, 2026 to the shareholders of record at February 27, 2026.

Dividend

	2025	2024
Dividend to common shareholders	\$3.7800	\$3.3600

Normal Course Issuer Bid

In 2025, the Company repurchased and cancelled 1,968,075 shares for a total value of \$294 million. Under the Normal Course Issuer Bid (NCIB) in force between November 14, 2024 and November 13, 2025, a total of 1,561,100 shares, or approximately 1.66% of the issued and outstanding common shares as at October 31, 2024, were repurchased and cancelled. On November 4, 2025, the Company announced the renewal of its NCIB, effective since November 14, 2025. Through its renewed NCIB, the Company can repurchase up to 4,607,178 common shares, representing approximately 5% of the outstanding common shares of the Company as at October 31, 2025, between November 14, 2025 and November 13, 2026.

Quality of Investment Portfolio

The Company's investment portfolio continued to be of excellent quality in 2025, reflecting its composition of high-quality assets with diversified exposures and prudent positioning. As presented in the table below, bonds rated BB and lower represented only 0.6% of the bond portfolio. The occupancy rate of the investment properties⁶ portfolio remained relatively stable at 84.4%, which compares favourably with the Canadian office market.⁷ Also, 60.1% of the mortgage portfolio is insured and the quality of the car loans portfolio remained very good. For detailed comments on investments, refer to the "Investments" section of this document.

Investment Portfolio Quality

(As at December 31)	2025	2024
Bonds – Proportion rated BB and lower	0.6%	0.7%
Investment properties – Occupancy rate	84.4%	85.5%
Mortgages – Proportion of insured loans	60.1%	65.0%
Car loans – Total allowance for credit losses (ACL) as a percentage of gross loans ⁸	5.56%	5.61%

Sensitivity Analysis

The analysis of the Company's sensitivity to macroeconomic variations was updated at the end of 2025. The main results of this analysis are shown under "Market Risk" in the "Risk Management" section of this Management's Discussion and Analysis.

2025 Federal Budget

On November 4, 2025, the federal government of Canada released its budget. The measures proposed in this budget have not yet been enacted. Should they be adopted as announced, certain tax-related measures could negatively affect the Company's results, including measures that may apply retroactively to January 1, 2025. The potential impacts of all proposed measures, whose final form remains subject to change, are currently being assessed. The Company will continue to proactively maintain an effective tax structure, in accordance with applicable tax regulations.

AMF Capital Adequacy Requirements Guidelines

On January 1, 2026, a revised CARLI guideline became effective. This revised guideline modified, among other things, the treatment of excess capital recognition for property and casualty subsidiaries. The effect was positive for our U.S. Dealer Services business unit, leading to the following favourable impacts on January 1, 2026:

- Solvency ratio: +3.5 percentage points
- Capital available for deployment: +\$325 million

This new version also revises the capital requirements related to exposure to domestic infrastructure, whether in the form of debt or equity, applicable as of December 31, 2025 and resulting in a favourable impact of 0.5 percentage point.

Effective January 1, 2026, the Company will also be required to calculate a Solo Ratio in accordance with the AMF Stand-Alone Capital Adequacy Requirements Guideline – Life and Health Insurance ("Solo").

⁶ 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.

⁷ Source: CBRE Report: Canada Office Figures Q4 2025 dated January 7, 2026.

⁸ 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.

[†] 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.

Acquisitions and Dispositions

On February 4, 2025, the Company completed the acquisition of Global Warranty, a group of companies that are important independent warranty providers and administrators in the pre-owned vehicle market in Canada. At the time of acquisition, Global Warranty served a network of over 1,500 automotive dealerships and more than 400 authorized repair centres across the country. The acquisition increases the Company's presence in the used vehicle warranty market.

On October 31, 2025, the Company completed the acquisition of RF Capital Group Inc., a leading independent wealth management company based in Canada, operating under the Richardson Wealth brand.⁹ It is renowned for providing comprehensive, client-focused financial advisory services tailored to the high-net-worth market. This acquisition added \$43.6 billion in assets under administration as at September 30, 2025, and 142 advisor teams as at October 31, 2025, significantly expanding iA Financial Group's presence in the high-net-worth segment.

For more information on these acquisitions of businesses, refer to Note 4 of the Company's 2025 consolidated financial statements entitled "Acquisition of Businesses" hereby incorporated by reference.

No notable dispositions occurred in 2025.

Sustainability

iA Financial Group's sustainability approach is to contribute to the sustainable growth and wellbeing of its clients, employees, partners, investors and communities. The Company aims to ensure sustainability by supporting its communities and by combining its financial success with a positive impact on the environment and society.

Following a materiality assessment carried out in 2023, iA Financial Group identified five strategic priorities: the decarbonization strategy; talent attraction, development and retention; diversity, equity and inclusion; corporate governance; and business risk management.

To operationalize these priorities, the Company has prioritized three levers of action that echo its business model and that will help ensure a significant positive impact as it executes its strategy:

1. Physical, mental and financial health
2. Education and learning
3. A sustainable future

Below is a summary of the 2025 results, which discuss the five strategic priorities according to environmental, social and governance factors.

Environmental

In 2025, iA Financial Group continued the implementation of its climate transition plan. The Company's concrete achievements for the year included fine-tuning the decarbonization trajectory for its Canadian real estate holdings through feasibility studies, enabling it to better identify future actions. In terms of investments, the public corporate bond portfolio exposure was analyzed and mapped in greater detail to support the decarbonization process. The Company also continued to integrate climate risk into its overall risk taxonomy, and some subsidiaries took part in internal and regulatory climate scenario exercises, thereby strengthening their ability to anticipate and manage climate risk.

Social

In 2025, iA Financial Group continued to develop its learning organization and expand its programs to support employees' personal and professional development. Highlights of the year included strengthening the learning culture, implementing new mentoring initiatives and continuing to put key equity, diversity and inclusion measures in place such as optimizing policies, practices and procedures for the talent management systems. The Company also continued to strengthen its awareness-raising and training initiatives on diversity as well as occupational health, safety and wellness.

In addition, the third phase of the Partnership Accreditation in Indigenous Relations (PAIR) program created by the Canadian Council for Indigenous Business (CCIB) was submitted to the CCIB for review at the end of 2025.

The Company also continued to enhance its product offer by launching new inclusive products and services, such as the Women's Health and Weight Management offers.

Lastly, the Company continued its philanthropic efforts in 2025 by donating a total of \$11.4 million to various charities in Canada and the United States.

Sustainability Governance

Sustainability governance remained a top priority for iA Financial Group in 2025. The Company continued to strengthen its structures and practices to ensure rigorous, integrated oversight of sustainability issues. Sustainability governance is supported by a robust structure that includes the Board of Directors, the Risk, Governance and Ethics Committee, as well as executive and steering committees dedicated to sustainability. This structure helps to ensure accountability, consistency of the strategic orientations and team mobilization around sustainability objectives.

iA Financial Group's Sustainability Policy provides a framework for its sustainability governance and practices. In particular, it specifies the roles and responsibilities of the organization's different internal entities. In terms of sustainable finance, the Sustainable Investment Policy of iA Global Asset

⁹ Richardson Wealth Limited is a subsidiary of iA and is not affiliated with James Richardson & Sons, Limited. "Richardson Wealth" is a trademark of James Richardson & Sons, Limited and Richardson Wealth Limited is a licensed user of the mark.

Management,¹⁰ iA Financial Group's primary portfolio and asset manager, provides a framework and orientations for the consistent integration of ESG considerations in investment management and engagement activities. In addition, climate risk management is governed by the Climate Risk Management Corporate Policy, which is part of iA Financial Group's sustainability framework and takes into account the scope, nature and complexity of its operations, but also the unique nature of climate risk, whose impacts may be manifested over the short, medium or long term.

For an overview of the social and governance initiatives, as well as the detailed results, please refer to our most recent Sustainability Report. For more details on the Company's long-term climate strategy and objectives, please refer to our most recent Climate Change Performance Report.

Changes in Accounting Policies in 2025 and Future Changes in Accounting Policies

The International Accounting Standards Board (IASB) issued an amendment that took effect on January 1, 2025. The amendment had no impact on the Company's financial statements as at December 31, 2025. For more information on the amendment and on future changes in accounting policies resulting from the publication of amendments or new standards, refer to Note 3 "Changes in Accounting Policies" of the Company's consolidated financial statements hereby incorporated by reference.

¹⁰ "iA Global Asset Management" and "iA GAM" are tradenames and trademarks under which Industrial Alliance Investment Management Inc. and iA Global Asset Management Inc. operate.

Business Segments

The Company categorizes business operations into five segments, including three operating business segments: Insurance, Canada; Wealth Management; and US Operations, and two supporting business segments: Investment and Corporate.

The Insurance, Canada segment offers insurance products to meet all the protection needs of individuals, from group insurance to individual life and health insurance to P&C or ancillary products offered with the purchase of a motor vehicle. The Wealth Management segment offers a diversified range of savings and retirement products, including segregated and mutual funds, which are also offered to individuals and groups. Both segments have extensive and diversified distribution networks. The US Operations segment conducts business through two divisions: Individual Insurance, which offers life insurance products, and Dealer Services, which provides extended warranties, all for the U.S. market.

To sustain the Group's overall performance, the Company relies on two supporting business segments. The Investment segment strategically supports the operating business segments and oversees total portfolio management. Meanwhile, the Corporate segment manages all supporting corporate functions.

Three operating business segments

Insurance, Canada	Wealth Management	US Operations
<ul style="list-style-type: none">— Individual Insurance— Group Insurance— Dealer Services— iA Auto and Home— Retail distribution	<ul style="list-style-type: none">— Individual Wealth Management— Group Savings and Retirement— Retail distribution	<ul style="list-style-type: none">— Individual Insurance— Dealer Services

Two supporting business segments

Investment	Corporate
Total portfolio management	Corporate functions

Insurance, Canada

Individual Insurance

The Individual Insurance business unit offers a comprehensive and distinctive range of insurance products through its extensive distribution networks.

The business unit aims to stand out in the Canadian market by delivering a best-in-class client and distributor experience that seamlessly blends digital innovation and human guidance. It continues to enhance its digital tools, broaden its suite of insurance solutions, and simplify and accelerate both underwriting and new business processes.

With sustained sales growth and a diversified, high-performing distribution network, iA Financial Group is the Canadian insurer that issues the most individual insurance policies annually, representing more than one in four policies issued nationwide.¹ The business unit is also the industry leader in living benefit products and in the mass market segment.¹

Business Growth

(In millions of dollars, unless otherwise indicated)	2025	2024	Variation
Sales			
Minimum premiums ²	362	347	4%
Excess premiums ²	53	45	18%
Total	415	392	6%
Net premiums	2,418	2,160	12%

Total sales amounted to \$415 million in 2025, which represents 6% growth compared to 2024. This good sales growth is attributable to the strength of the Company's extensive distribution networks, notably the increase in its number of active advisors, the performance of its digital tools, and the comprehensive and competitive range of its products.

In 2025, the Company continued to modernize its operations by completing the transformation of its sales illustration system, which advisors use to show clients how insurance products perform, from a desktop application to a fully web-based platform. New digital self-service capabilities were also introduced in 2025, allowing advisors and clients to independently update banking information, modify payment dates and change beneficiary designations, among other features. Together, these advancements strengthened operational efficiency, reduced processing times and enhanced the overall experience for advisors and clients.

Net premiums of more than \$2.4 billion in 2025 were 12% higher than during the previous year. Note that net premiums are a key long-term profitability driver for the business unit, as sustained premium growth increases the in-force block of business, provides a stable source of recurring revenue to support future claims and expenses, and enhances scale.

In terms of the Company's performance in the industry, Canadian data published by LIMRA for the first nine months of the year indicate that:

- iA Financial Group is the company that insures the most Canadians, with a market share of 27% for policies sold. It ranks third for premium sales, with a market share of 13% (life, critical illness and disability insurance combined).
- iA Financial Group ranks first for living benefit premium sales, with a market share of 24%.
- iA Financial Group ranks second for critical illness insurance premium sales, with a market share of 28%.
- iA Financial Group ranks second for disability insurance premium sales, with a market share of 19%.

In addition, the Company's Career network continued to perform very well in 2025, with sales growth in excess of 10% for the fifth consecutive year.

Outlook and Business Focus

The business unit aims to focus on seizing opportunities to strengthen its leading position in 2026. Providing the best hybrid experience for distributors and clients continues to be central to its evolution. To this end, it plans to continue capitalizing on the strength and diversity of all distribution networks to meet the needs of Canadians. Upcoming initiatives will deliver a compelling hybrid experience that empowers distributors and clients with self-service tools and digital resources.

¹ According to the latest Canadian data published by LIMRA.

² Minimum premiums are the portion of the premium used to cover the insurance risks under an individual insurance contract and are an important way to measure the sector's performance. Excess premiums include all deposits to accumulation funds available under Universal Life policies, as well as contributions to the additional deposit option for the participating life insurance product.

The business unit is committed to remaining proactive in offering the most comprehensive range of high-quality products in the Canadian market, while continuing to streamline and accelerate both the underwriting and new business processes. Further enhancements to underwriting automation should strengthen the Company's leadership in instant point-of-sale approval. The business unit aims to continue distinguishing itself through intuitive digital solutions while supporting advisors as they strive to improve the efficiency of their operations and to offer the most engaging hybrid digital and human experience to their clients. The business unit intends to continue actively promoting its Large Case Solutions program, which offers customized, simple, high-performance solutions to help advisors meet the specific needs of affluent clients, professionals and business owners. Rigorously managing the product offering and maintaining high service standards for clients and distributors are key to iA Financial Group's continued leadership position.

Products and Services	Manufacturers and Subsidiaries	Distribution Affiliates and Networks
<ul style="list-style-type: none"> ▪ Life insurance (universal, participating, permanent and term) ▪ Critical illness insurance ▪ Short- and long-term disability insurance ▪ Mortgage insurance ▪ Accidental death and dismemberment (AD&D) insurance ▪ Creditor insurance (life and disability) ▪ Travel insurance 	<ul style="list-style-type: none"> ▪ iA Insurance ▪ PPI Management ▪ Michel Rhéaume et associés 	<ul style="list-style-type: none"> ▪ Career network (iA) (2,700 advisors) ▪ Managing General Agents network³ (31,000 representatives) ▪ National Accounts network (600 representatives) ▪ PPI Management (6,400 representatives) ▪ Michel Rhéaume et associés

³ Managing General Agents network, including the WFG network.

Group Insurance: Employee Plans

The Employee Plans business unit supports organizations of all sizes through a comprehensive portfolio of group insurance solutions designed to promote total wellbeing. With a team of nearly 800 employees, the business unit serves approximately 900 groups across Canada and provides coverage to nearly 600,000 plan members. Working in close collaboration with group benefits advisors through whom its offering is distributed, the business unit ensures that organizations and their people receive solutions tailored to their needs.

To help plan sponsors and plan members effectively manage their insurance benefits and total wellbeing, the business unit delivers an integrated suite of services. This suite includes health and wellness programs, telemedicine, employee assistance services, and specialized disability and drug management support. These offerings are accessible through modern digital platforms—My Client Space and the iA Mobile app—that provide simple, intuitive and convenient access to the resources users need.

In 2025, the business unit further advanced the inclusivity of its coverage by introducing two significant enhancements. The introduction of a dedicated women's health offering recognizes the specific health needs women may experience throughout their career and promotes more equitable and supportive workplace environments. At the same time, the expanded weight-management program provides comprehensive, evidence-based support designed to help plan members achieve sustainable wellbeing. Together, these enhancements demonstrate the business unit's commitment to providing plan sponsors and plan members with coverage that adapts to their diverse and evolving needs.

Business Growth

(In millions of dollars, unless otherwise indicated)	2025	2024	Variation
Sales	159	84	89%
Premiums	1,498	1,403	7%
Premium equivalents ¹	276	266	4%
Investment contracts ²	—	—	—
Total	1,774	1,669	6%

Total premiums, premium equivalents and investment contract deposits reached nearly \$1.8 billion in 2025, an increase of 6% over 2024.

Premium growth in 2025 was driven primarily by organic growth from higher premiums on in-force business, as well as by sales totalling \$159 million, significantly higher than the \$84 million in sales recorded the previous year.

Outlook and Business Focus

Looking ahead to 2026 and beyond, the Employee Plans business unit aims to continue to advance its strategic priorities by accelerating the delivery of value to clients. Targeted investments in technology, artificial intelligence and data-driven tools are expected to enhance the client experience by streamlining interactions, increasing responsiveness and strengthening its ability to support positive financial, physical, social and mental wellbeing outcomes. These initiatives are expected to reinforce the business unit's commitment to helping organizations achieve meaningful returns on their investments in wellbeing.

The business unit also intends to maintain its disciplined approach to profitable growth by driving operational efficiency. Ongoing process enhancements, automation initiatives and increased digital transactions are expected to streamline operations, reduce administrative complexity and support the business unit's long-term competitiveness.

In parallel, strengthening advisor engagement and further differentiating the offered solutions, particularly in total wellbeing, are expected to broaden market opportunities and deepen relationships with plan sponsors and plan members. These efforts should position the business unit to sustain growth, enhance value delivery and further support the achievement of the Company's long-term strategic objectives.

Products and Services	Manufacturers and Subsidiaries	Distribution Affiliates and Networks
<ul style="list-style-type: none"> ▪ Life and health, accidental death and dismemberment (AD&D), dental care, short- and long-term disability, critical illness and home care insurance ▪ Voluntary benefits (life, AD&D and critical illness) ▪ Disability and drug management programs ▪ Health and wellness program (including women's health and weight management offerings) ▪ Inclusive coverage (fertility, surrogacy, adoption, gender affirmation) 	<ul style="list-style-type: none"> ▪ iA Insurance 	<ul style="list-style-type: none"> ▪ Aggregators ▪ Group benefits brokers ▪ Actuarial consulting firms

¹ Premium equivalents are income from administrative services only (ASO) contracts.

² Premiums from Hold Harmless Agreements.

Group Insurance: Special Markets

Special Markets is focused on niche insurance markets that are underserved by traditional group insurance carriers. The business unit primarily offers accidental death & dismemberment (AD&D), critical illness (CI) and term life protection and specialized insurance products to employers, professional associations and affinity groups. Travel medical and health insurance products are also offered through various distribution partners.

Special Markets has contracts with over 5,000 groups and associations. Through these contracts, Special Markets insures, protects and provides peace of mind to millions of Canadians.

Business Growth

(In millions of dollars, unless otherwise indicated)	2025	2024	Variation
Sales (gross premiums) ¹	393	412	(5%)
Net sales	360	379	(5%)

Special Markets' sales growth was strong in 2025, notably for critical illness. However, overall sales declined by 5% following the federal government's measures to cap the number of international students entering Canada, which reduced sales of international student medical insurance.

Outlook and Business Focus

In 2026, supported by an enhanced sales structure, the Special Markets business unit is prioritizing growth across core product lines, which are: AD&D (accidental death and dismemberment), CI (critical illness) and life insurance. Special Markets intends to conduct a comprehensive review of divisional processes to identify opportunities and improve efficiencies through modernized solutions. This strategic initiative is designed to support business growth while elevating both client and employee experiences. Additionally, the business unit aims to focus on travel medical claims management, while continuing to look for ways to increase operating efficiency.

Products and Services	Manufacturers and Subsidiaries	Distribution Affiliates and Networks
<ul style="list-style-type: none"> Accidental death & dismemberment (AD&D), critical illness and life insurance Travel medical insurance Health insurance and other specialized products 	<ul style="list-style-type: none"> iA Insurance 	<ul style="list-style-type: none"> Distribution partners Specialized insurance brokers Third-party administrators

¹ Sales (gross premiums) are before reinsurance.

Dealer Services

Dealer Services distributes creditor insurance products and property and casualty (P&C) products related to vehicle purchase and financing. Creditor insurance products include life, disability, loss of employment and critical illness protections, while P&C products include extended warranties, replacement insurance, guaranteed asset protection and a full range of ancillary products. This suite of products represents one of the broadest offerings in the Canadian market.

This business unit has more than 550 employees and insures about 400,000 individuals and over one million vehicles. Its products are offered through a Canada-wide direct distribution network of over 5,000 automobile and other motor vehicle dealers, original equipment manufacturers (OEMs) and preferred partnerships.

Business Growth

(In millions of dollars, unless otherwise indicated)	2025	2024	Variation
Sales			
Creditor	175	193	(9%)
P&C	610	522	17%
Total	785	715	10%

Dealer Services sales totalled \$785 million in 2025, up 10% from the previous year. Sales growth is driven by P&C sales, which increased by 17% in 2025. This solid growth is the result of the business unit's continued efforts to expand its presence across Canada by signing deals with OEMs and dealer groups, and by developing new products and partnerships.

In 2025, iA Financial Group acquired Global Warranty, a group of companies that are important independent warranty providers and administrators in the used vehicle market in Canada. This acquisition, combined with expanding partnerships with OEMs, strongly contributed to sales growth in 2025.

Outlook and Business Focus

In 2026, Dealer Services aims to continue its business initiatives to optimize and modernize its products, systems and processes, fostering its agility to adapt to the ever-evolving regulatory environment. At the same time, the business unit intends to build on its strategy to leverage OEM, wholesale and independent dealer distribution channels through organic growth, new partnerships and expanded integrations. Dealer Services plans to prioritize strategic initiatives to deliver the best partner and customer experience, which includes pursuing internal business opportunities within iA Financial Group.

Products and Services	Manufacturers and Subsidiaries	Distribution Affiliates and Networks
<ul style="list-style-type: none"> ▪ Creditor insurance ▪ P&C products 	<ul style="list-style-type: none"> ▪ iA Insurance ▪ SAL Marketing ▪ National Warranties MRWW Limited ▪ Industrial Alliance Pacific General Insurance Corporation ▪ WGI Service Plan Division ▪ WGI Manufacturing Inc. ▪ Lubrico Warranty ▪ iA Advantages Damage Insurance ▪ Global Warranty (acquired on Feb. 4, 2025) 	<ul style="list-style-type: none"> ▪ Direct distribution through automobile and other motor vehicle dealers (4,000 dealers) ▪ Original equipment manufacturers (OEMs) ▪ Preferred partnerships

iA Auto and Home

iA Auto and Home (iAAH) is a subsidiary of the Company and markets auto and home insurance products in the province of Quebec.

One advantage that sets iAAH apart is the referral of clients by the Company's distribution networks, providing a business development opportunity that is unique in the industry. A significant portion of its clients are referred by Career Network advisors and distributors from the Dealer Services business unit. iAAH also operates through a subsidiary—Prysm General Insurance (Prysm)—that creates strategic partnerships, allowing preferred distributors to offer the subsidiary's products. Prysm also distributes its products through brokers.

Business Growth

(In millions of dollars, unless otherwise indicated)	2025	2024	Variation
Direct written premiums	661	600	10%

Direct written premiums totalled \$661 million in 2025, up 10% from the previous year. iAAH's strong competitive positioning and superior customer satisfaction enabled it to generate good premium growth through rate increases and strong growth in number of policies. The five-year compound annual growth rate for iAAH's direct written premiums is 11%.

Combined Ratio

(%)	2025	2024	2023	2022	2021
Combined ratio ^{1,2}	89.9	89.5	97.3	94.9	78.0

The combined ratio, calculated as the sum of the net loss ratio, including net insurance finance expenses, and the expense ratio, was 89.9% in 2025. Its favourable level and relative stability between 2024 and 2025 primarily reflect beneficial weather conditions in both years, higher premium rates, and lower auto theft frequency compared to 2023 and 2022. Catastrophic losses were particularly low in 2025, and in 2024 the financial impact of the August 2024 tropical storm was largely mitigated through reinsurance, leaving iAAH's results largely unaffected. By comparison, the combined ratio in 2021 was considerably lower due to temporary changes in client behaviour during the COVID-19 pandemic.

Outlook and Business Focus

For 2026, the business unit intends to focus on generating growth, primarily organic, driven by various marketing and client experience (CX) initiatives and by the gradual expansion of its distribution network. In the coming years, iAAH plans to continue its digital transformation, which is a key enabler of future growth. These efforts aim to enhance the client, employee and partner experience by improving customer journeys and integration between communication channels, while incorporating automation and data analytics into key business processes. The Company's diverse business mix is also expected to lead to synergy opportunities.

Products and Services	Manufacturers and Subsidiaries	Distribution Affiliates and Networks
<ul style="list-style-type: none"> Auto and home insurance 	<ul style="list-style-type: none"> iA Auto and Home Insurance Prysm General Insurance Surex 	<ul style="list-style-type: none"> Direct sales from advertising Preferred partner distribution Referrals from iA Financial Group networks Brokers

Surex

Surex is an online general insurance broker. By combining online self-serve capabilities with experienced advisors, Surex has become a leading player in digital property and casualty (P&C) insurance distribution in Canada. Surex's 160 employees serve about 67,000 clients and process about 49,000 policies annually, representing premium volume of about \$159 million. Despite challenging market conditions in some markets in 2025, Surex's resiliency and commitment to innovation resulted in another profitable year. Surex and iA Financial Group remain focused on projects with high synergy potential to drive both growth and enhanced client service.

¹ For 2022 and prior years, the combined ratios are calculated under IFRS 4 in the table.

² Combined ratio is a supplementary financial measure. Refer to the "Non-IFRS and Additional Financial Measures" section of this document for more information.

Wealth Management

Individual Wealth Management

In the Individual Wealth Management business unit, the Company offers a broad range of retail savings, investment and retirement products. It is the Canadian leader in the development and distribution of segregated funds.¹ Through its iA Clarington Investments subsidiary, a mid-tier Canadian investment management firm, it offers a comprehensive line of mutual funds. The products offered by Individual Wealth Management include 14 Socially Responsible Investment (SRI) solutions.

Clients can invest in the Company's products through registered retirement savings plans (RRSPs), registered education savings plans (RESPs), tax-free savings accounts (TFSA), first home savings accounts (FHSAs), registered retirement income funds (RRIFs) and non-registered plans.

The business unit is also supported by three distribution dealers that offer wealth management solutions and services through a Canada-wide network of independent investment advisors and mutual fund advisors: iA Private Wealth, Investia Financial Services and RF Capital Group (acquired in October 2025).

Business Growth

(In millions of dollars, unless otherwise indicated)	2025	2024	Variation
Gross sales			
Segregated funds	6,934	5,443	27%
Mutual funds	2,391	1,936	24%
Other savings products	1,724	2,039	(15%)
Total	11,049	9,418	17%
Net sales			
Segregated funds	4,001	2,937	1,064
Mutual funds	(189)	(533)	344
Total	3,812	2,404	1,408

Total gross sales exceeded \$11.0 billion in 2025, an increase of 17% over 2024. This solid result was driven by the strength of the Company's extensive distribution networks and its competitive and comprehensive product lineup. In 2025, key initiatives included refining and simplifying the segregated fund offering and advancing our technology to deliver a more streamlined, seamless digital experience. In addition, Investia introduced its Elite Program, featuring 11 pooled funds and 5 portfolios.

Clients also benefit from being able to combine segregated funds, guaranteed interest funds and high-interest savings accounts under one contract, offering flexibility in all market conditions. In the current environment of strong equity markets and declining interest rates credited on guaranteed investments, clients are increasingly favouring asset classes offering higher return potential. This shift contributed to the decrease in sales of other savings products.

Segregated fund gross sales surpassed \$6.9 billion in 2025, a 27% increase over 2024, while net segregated fund sales remained robust at more than \$4.0 billion. The Company continued to rank first in Canada for both gross and net segregated fund sales.¹

Gross mutual fund sales totalled close to \$2.4 billion in 2025, a 24% increase from \$1.9 billion in 2024. Outflows in 2025 were lower than the previous year, totalling \$189 million.

(In millions of dollars, unless otherwise indicated)	2025	2024	Variation
Funds under management			
Segregated funds	42,323	34,294	23%
Mutual funds	14,099	13,290	6%
Other savings products (general fund)	4,136	4,603	(10%)
Subtotal	60,558	52,187	16%
Funds under administration ^{2,3}	197,816	132,479	49%
Total	258,374	184,666	40%

¹ Source: Investor Economics, January 2026.

² Primarily consists of assets administered by distribution and advisory affiliates.

³ In Q2/2025, the 2024 funds under administration figures were adjusted to reflect refinements in consolidation adjustments between the Company and one of its subsidiaries.

Total assets amounted to \$258.4 billion at December 31, 2025, a 40% increase compared to \$184.7 billion a year earlier. This is the result of strong sales, favourable market conditions, advisor recruitment at our affiliated distribution dealers and the addition of assets from the RF Capital acquisition completed on October 31, 2025. As of July 1, 2025, iA Financial Group is a Canadian leader in segregated fund assets under management. Growth in assets under management, which is reliant on gross and net sales, in-force business persistency and return on assets, remains the key long-term profitability driver for the business unit.

Outlook and Business Focus

In 2026, Individual Wealth Management plans to continue to advance its digital transformation and streamline operational processes to provide the best experience for distribution partners and clients. These initiatives, combined with the desire to offer competitive products to mass and middle-market clients and future retirees, aim to support business growth. In addition, these commitments are expected to attract new distribution partners and increase the retention of assets under management, which is an important factor in the unit's profitability. The business unit also plans to focus on realizing the revenue and cost synergies identified as part of the RF Capital acquisition. The unit is committed to continuing to actively promote its Large Case Solutions program, providing advisors with customized, high-performance solutions designed to meet the needs of affluent clients, professionals and business owners. Rigorous management of the product offering and high service standards for clients and distributors remains key to iA Financial Group's continuing leadership.

For the affiliated distribution dealers, a continued focus on digital transformation combined with a desire to offer the best advisor and client experience is expected to strengthen iA Financial Group's position as a leader among independent investment and mutual fund dealers in Canada.

Products and Services	Manufacturers and Subsidiaries	Distribution Affiliates and Networks
<ul style="list-style-type: none"> ▪ Segregated funds ▪ Mutual funds ▪ Securities ▪ Life and fixed-term annuities ▪ Registered savings and disbursement plans (RRSPs, RESPs, TFSAs, FHSAs and RRIFs) ▪ Investment advice ▪ Private wealth management 	<ul style="list-style-type: none"> ▪ iA Insurance ▪ iA Clarington ▪ iA Private Wealth ▪ Investia Financial Services ▪ iA Trust ▪ iA Global Asset Management ▪ RF Capital Group 	<ul style="list-style-type: none"> ▪ Career network (iA) (2,700 advisors) ▪ Managing General Agents network (31,000 representatives) ▪ National Accounts network (600 representatives) ▪ PPI Management (6,400 representatives) ▪ Distribution and advisory affiliates (iA Private Wealth and Investia) (2,600 advisors)

RF Capital Group Inc.

On October 31, 2025, iA Financial Group announced the closing of the RF Capital Group acquisition for a total price of \$691 million,⁴ which includes the cost of the advisor retention strategy. This acquisition adds \$43.6 billion in assets under administration as at September 30, 2025, and 142 advisor teams as at October 31, 2025, significantly expanding iA Financial Group's presence in the high-net-worth segment. Execution of the synergy plan is already underway, with strategic initiatives aimed at driving both revenue growth and cost efficiencies.

⁴ The RF Capital Group acquisition price was estimated at \$693 million at November 4, 2025. This amount was revised to \$691 million as the final advisor retention costs were determined.

Group Savings and Retirement

The Group Savings and Retirement business unit provides companies, organizations and their people with a comprehensive suite of solutions designed to help individuals build and protect their long-term financial security. Its offering includes accumulation solutions, such as defined contribution and defined benefit plans and institutional investment management services, as well as decumulation solutions, primarily delivered through insured annuities.

The business unit's products and services are distributed through group benefits and retirement aggregators, brokers, and actuarial consulting firms.

Supported by a team of more than 320 employees, the business unit collaborates with over 14,400 accumulation and decumulation groups and serves more than 637,000 plan members. This includes approximately 77,000 insured annuitants who rely on its solutions for stable and predictable retirement income.

In 2025, the business unit strengthened its value proposition by extending access to personalized financial advice for all plan members within the standard offer, enabling more individuals to benefit from expert guidance tailored to their unique financial situations and goals.

Business Growth

(In millions of dollars, unless otherwise indicated)	2025	2024	Variation
Premiums (sales)			
Accumulation Products			
Recurring premiums	1,963	1,838	7%
Transfers	572	833	(31%)
Subtotal	2,535	2,671	(5%)
Insured Annuities	585	1,843	(68%)
Total	3,120	4,514	(31%)
New plan sales¹	1,281	2,032	(37%)

Recurring premiums for accumulation products play a crucial role in ensuring sustainable business growth and remain fundamental to the business unit's strategic approach. These premiums represent contributions made by plan members from existing accumulation groups. In 2025, recurring premiums totalled nearly \$2.0 billion, an increase of 7% over the previous year.

Sales of insured annuities declined in 2025, reflecting low market activity, increased competitive pressure and the absence of very large transactions during the year. The year-over-year comparison is also impacted by the strong results in 2024, when the business unit completed a record single sale of nearly \$1.0 billion. As a result, new plan sales totalled approximately \$1.3 billion in 2025, compared to \$2.0 billion in 2024.

Accumulation Products – Net Fund Sales^{2,3}

(In millions of dollars, unless otherwise indicated)	2025	2024	Variation
Entries (gross sales)	2,535	2,671	(5%)
Disbursements	2,066	1,615	28%
Net sales¹	469	1,056	(587)

Funds Under Management

(As at December 31, In millions of dollars, unless otherwise indicated)	2025	2024	Variation
Accumulation Products	21,066	18,619	13%
Insured Annuities	7,735	7,437	4%
Total	28,801	26,056	11%

Net sales of accumulation products totalled \$469 million in 2025. Funds under management reached \$28.8 billion at the end of 2025, an 11% increase compared to the end of 2024. This growth was largely driven by favourable market conditions and, to a lesser extent, positive net fund sales.

¹ New plan sales are measured by the sum of first-year annualized premiums (which correspond to the total of the initial asset fund transfer and recurring first-year annualized premiums) plus insured annuities.

² Net fund sales for Group Savings and Retirement is a supplementary financial measure. Refer to the "Non-IFRS and Additional Financial Measures" section of this document for more information.

³ The change in funds under management is important because it determines the management fees recorded in the consolidated financial statements under *Other revenues*.

Outlook and Business Focus

Looking ahead to 2026 and beyond, the Group Savings and Retirement business unit aims to continue to advance its strategic priorities by accelerating the delivery of value to clients. Targeted investments in technology, artificial intelligence and data-driven tools are expected to enhance the client experience by streamlining interactions, increasing responsiveness and strengthening the business unit’s ability to support positive financial, physical, social and mental wellbeing outcomes. These initiatives are expected to reinforce the business unit’s commitment to helping organizations achieve meaningful returns on their investments in wellbeing.

The business unit also intends to maintain its disciplined approach to profitable growth by driving operational efficiency. Ongoing process enhancements, automation initiatives and increased digital transactions are expected to streamline operations, reduce administrative complexity and support the business’s long-term competitiveness.

In parallel, strengthening advisor engagement and further differentiating offered solutions, particularly in total wellbeing, are expected to broaden market opportunities and deepen relationships with plan sponsors and plan members. These efforts are also expected to support sustained growth, enhance value delivery and contribute to the achievement of the Company’s long-term strategic objectives.

Products and Services	Manufacturers and Subsidiaries	Distribution Affiliates and Networks
<ul style="list-style-type: none"> ▪ Capital accumulation products (including defined contribution and defined benefit plans, RRSPs, TFSA’s and FHSAs) ▪ Decumulation products (insured annuities, RRIFs and LIFs) ▪ Financial wellness program ▪ Financial education and advice (including My Financial Insight) 	<ul style="list-style-type: none"> ▪ iA Insurance 	<ul style="list-style-type: none"> ▪ Aggregators ▪ Group benefits and retirement brokers ▪ Actuarial consulting firms

US Operations

US Operations: Individual Insurance

iA Financial Group's U.S. individual insurance operations are conducted through iA American Life Insurance Company and its subsidiaries located in Waco, Texas and Chicago, Illinois.

The iA American group of companies distributes its life insurance products through independent marketing organizations (IMOs) and eFinancial (digital distribution entity of Vericity), a fully-owned direct-to-consumer digital agency. Together these channels support more than 28,500 independent agents under contract with the business unit.

These companies operate primarily in the simplified issue marketplace, where final expense and family protection term life products account for more than 90% of new business sales. They also offer Universal Life and other specialty life products in the government and worksite markets. Their ability to customize products for larger marketing organizations has been a key contributor to their success.

Digital enhancements designed to streamline the sales process for both agents and clients have been an important driver of the companies' competitive performance. Point-of-sale underwriting technology significantly simplifies and accelerates the sales process and is used for most of the business unit's sales. In addition, strong remote-selling capabilities have further supported their sales performance.

Business Growth

(In millions of US dollars, unless otherwise indicated)	2025	2024	Variation
Total sales	304	227	34%
Sales — excluding Fidelity Life (insurance entity of Vericity)	236	200	18%
Sales — Fidelity Life (insurance entity of Vericity) only	68	27 ¹	152%
Total net premiums	746	632	18%
Net premiums — excluding Fidelity Life (insurance entity of Vericity)	634	577	10%
Net premiums — Fidelity Life (insurance entity of Vericity) only	112	55 ¹	104%

U.S. Individual Insurance achieved record sales of US\$304 million in 2025, a 34% increase over the previous year. This growth was mainly driven by higher sales in both the final expense and middle markets, as well as a full year of sales contribution from Fidelity Life (insurance entity of Vericity), which was acquired in mid-2024. Strong organic growth was driven by the performance of leading IMOs, the onboarding of new IMOs, and sustained demand for the direct-to-consumer offerings.

Total net premiums reached US\$746 million in 2025, representing an 18% increase over 2024. This result reflects the strong growth in the number of policies issued in 2025, good retention of in-force business and the additional contribution from Fidelity Life (insurance entity of Vericity).

The sales mix by product remained relatively constant in 2025. Whole life sales declined slightly from 73% of total sales in 2024 to 67% in 2025, while term insurance sales held relatively steady at 22%, compared to 23% the prior year.

The sales mix by market shifted slightly in 2025, with final expense sales decreasing from 66% in 2024 to 63% in 2025 and middle market sales rising from 27% to 32% over the same period. This movement was driven by Fidelity Life's (insurance entity of Vericity) planned expansion of its relationships with independent distribution groups.

Outlook and Business Focus

In 2025, the business unit strengthened the leadership and governance of its U.S. life insurance operations, enabling a more coordinated approach and opportunities for synergies. Solid business growth performance in 2025 indicates the Company's strong growth potential in the U.S. life insurance market.

Looking forward, the business unit aims to continue expanding distribution, with a strong emphasis on middle market growth. Key priorities include enhancing the agent and client experience through additional digital point-of-sale capabilities and immediate underwriting decisions, as well as broadening the product portfolio.

Products and Services	Manufacturers and Subsidiaries	Distribution Affiliates and Networks
<ul style="list-style-type: none"> Life (universal, whole life and term) Critical illness Accidental death Group life 	<ul style="list-style-type: none"> iA American Life Insurance Company American-Amicable Life Insurance Company of Texas Occidental Life Insurance Company of North Carolina Pioneer American Insurance Company Pioneer Security Life Insurance Company Fidelity Life (insurance entity of Vericity) 	<ul style="list-style-type: none"> Independent marketing organizations (28,500 agents) eFinancial (digital distribution entity of Vericity)

¹ Represents figures for the period beginning on July 1, 2024 and ended on December 31, 2024 as the acquisition of Vericity (Fidelity Life and eFinancial) was completed on June 28, 2024.

US Operations: Dealer Services

iA American Warranty Group (iAAWG) and its affiliates offer consumer products such as vehicle service contracts (extended warranties), along with a broad selection of ancillary products that cover various risks associated with vehicle ownership. This business unit also provides support services, including contract liability insurance policies, training, income development, data mining, digital solutions and marketing services to help dealerships improve profitability and enhance customer value. The company benefits from vertical integration by managing insurance, administration and reinsurance services internally, making it one of the few full-service providers in the United States. Its products are distributed through a broad network that includes general agents, automobile dealers, finance companies, financial institutions and third-party administrators.

The business unit employs approximately 600 people and administers products for more than 7,000 dealerships throughout the U.S. Products are often customized for larger producers, and this flexibility has played a key role in the success of iAAWG.

Business Growth

(In millions of US dollars, unless otherwise indicated)	2025	2024	Variation
Sales	1,183	1,087	9%

Sales in 2025 totalled nearly US\$1.2 billion, representing 9% growth compared to 2024. This increase was driven primarily by strong results in the Dealers Assurance Company (DAC) third-party channel, where certain partners allocated a greater share of their extended warranty business to iAAWG, as well as by the addition of new accounts during the year. Sales also benefited from the favourable impact of pricing adjustments implemented during the year. Retaining and onboarding high-performing dealer groups remains a priority, and their continued engagement reflects the strength and quality of our products and services.

Sales by Market

(%)	2025	2024
Dealer, Agent and National Accounts channels	66	71
DAC third-party channel	34	29
Total	100	100

The DAC third-party channel recorded strong sales growth in 2025, increasing its proportion of iAAWG sales from 29% in 2024 to 34% in 2025.

Outlook and Business Focus

The U.S. auto market is expected to be stable or experience slightly declining sales in 2026 compared to 2025. Affordability pressures and policy uncertainty are expected to continue shifting demand toward pre-owned vehicles, where inventory levels are healthy and wholesale values are normalizing. Given the expected car sales softness, dealers are likely to place greater emphasis on supplementary (F&I) products.

In 2026, U.S. Dealer Services plans to continue to focus on profitable growth, supported by disciplined pricing actions and ongoing expense management. The business unit aims to continue to expand its distribution network by adding new dealerships and to increase the number of products sold within existing dealerships. The business unit also aims to continue delivering a comprehensive solution to its distribution partners, including training, consulting, marketing services and seamless contract administration. The Company believes iAAWG products and services remain key to dealership profitability, and partners rely on its support to grow their F&I departments.

Products and Services	Manufacturers and Subsidiaries	Distribution Affiliates and Networks
<ul style="list-style-type: none"> Vehicle services contracts (extended warranties) Guaranteed asset protection Ancillary vehicle protection Training services Marketing services 	<ul style="list-style-type: none"> Dealers Assurance Company Dealers Alliance Company iA American Warranty Corp. iA American Warranty, L.P. First Automotive Service Corporation Dealer Wizard, LLC 	<ul style="list-style-type: none"> General agents Direct sales (automobile dealers and finance companies) Third-party administrators Financial institutions

Profitability

Highlights

The Company recorded net income attributed to common shareholders of \$1,053 million in 2025, representing an increase of 12% compared to 2024. Diluted earnings per common share (EPS) of \$11.29 in 2025 was 16% higher than in 2024. Return on common shareholders' equity (ROE) was 14.9%, which is higher than 13.9% in 2024.

The Company recorded core earnings[†] of \$1,210 million in 2025, representing an increase of 13% compared to 2024. Core diluted earnings per common share (core EPS)^{††} of \$12.96 in 2025 was 16% higher than in 2024. Core return on common shareholders' equity (core ROE)^{††} of 17.1% for 2025 compares favourably with 15.9% a year earlier.

Profitability

(In millions of dollars, unless otherwise indicated)	IFRS 17 and IFRS 9			IFRS 4	
	2025	2024	2023	2022	2021
Net income	1,096	962	789	842	852
Distributions on other equity instruments and dividends on preferred shares	(43)	(20)	(20)	(25)	(22)
Net income attributed to common shareholders	1,053	942	769	817	830
Core earnings[†]	1,210	1,074	956	945	896
Earnings per common share (EPS)					
Basic	\$11.36	\$9.81	\$7.51	\$7.68	\$7.73
Diluted	\$11.29	\$9.77	\$7.48	\$7.65	\$7.70
Diluted, core ^{††}	\$12.96	\$11.16	\$9.31	\$8.85	\$8.31
Return on common shareholders' equity (ROE)	14.9%	13.9%	11.6%	12.3%	13.2%
Core ROE ^{††}	17.1%	15.9%	14.4%	14.2%	14.2%

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 for the full year 2025 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 (Losses)[†]

(As at December 31, in millions of dollars)	2025	2024	Variation
Insurance, Canada	451	420	7%
Wealth Management	471	411	15%
US Operations	128	98	31%
Investment	383	359	7%
Corporate	(223)	(214)	(4%)
Total	1,210	1,074	13%

Net Income (Loss) Attributed to Common Shareholders

(As at December 31, in millions of dollars)	2025	2024	Variation
Insurance, Canada	355	316	12%
Wealth Management	428	379	13%
US Operations	102	28	264%
Investment	421	440	(4%)
Corporate	(253)	(221)	(14%)
Total	1,053	942	12%

[†] 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

(As at December 31, in millions of dollars, unless otherwise indicated)	2025	2024	Variation
Net income attributed to common shareholders	1,053	942	12%
Core earnings adjustments (post tax)			
Market-related impacts	(15)	(32)	
Interest rates and credit spreads	7	7	
Equity	(107)	(117)	
Investment properties	72	65	
CIF ¹	13	13	
Currency	—	—	
Assumption changes and management actions	21	13	
Charges or proceeds related to acquisition, disposition or restructuring of a business, including acquisition, integration and restructuring costs	17	25	
Amortization of acquisition-related finite life intangible assets	84	72	
Non-core pension expense	21	15	
Specified items	29	39	
Total	157	132	
Core earnings†	1,210	1,074	13%

Core earnings† of \$1,210 million in 2025 are derived from net income attributed to common shareholders of \$1,053 million, after applying a total adjustment of \$157 million (post tax) for:

- market-related impacts that differ from management's expectations, which resulted in a \$15 million increase in net income. This adjustment is explained by the favourable impact from equity variations of \$107 million, mainly driven by the good performance of public equity. This positive item was partially offset by the unfavourable impacts of interest rate and credit spread variations (\$7 million), investment properties (\$72 million, mostly driven by market value adjustments), and the CIF (\$13 million);
- the impact of assumption changes and management actions leading to a \$21 million reduction in net income. This adjustment is mainly attributable to the unfavourable net impact of the year-end actuarial review (see the "Assumption Changes and Management Actions" section of this document for more details) and to a charge from a management action related to the pension plan as disclosed in the second quarter results.² These charges were partially offset by a favourable adjustment to eFinancial's (digital distribution entity of Vericity) deferred tax assets related to tax losses incurred prior to the acquisition;
- a total charge of \$17 million related to the acquisition and integration of RF Capital and the integration of Vericity (Fidelity Life and eFinancial) and Global Warranty;
- expenses associated with acquisition-related intangible assets of \$84 million;
- the impact of non-core pension expenses of \$21 million; and
- specified items resulting in a \$29 million decrease in net income. This adjustment mainly consists of software writedowns totalling \$29 million incurred as part of the Company's digital transformation and primarily related to one IT project within the Insurance, Canada segment. The net impact of the other smaller specified items during the year offset one another.

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

² The charge 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 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.

Analysis of Earnings – 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 Attributed to Common Shareholders and Core Earnings[†] Reconciliation – Insurance, Canada

(As at December 31, in millions of dollars, unless otherwise indicated)	2025	2024	Variation
Net income attributed to common shareholders	355	316	12%
Core earnings adjustments (post tax)			
Market-related impacts	—	—	
Assumption changes and management actions	29	37	
Charges or proceeds related to acquisition or disposition of a business, including acquisition, integration and restructuring costs	—	9	
Amortization of acquisition-related finite life intangible assets	20	17	
Non-core pension expense	15	11	
Specified items	32	30	
Total	96	104	
Core earnings[†]	451	420	7%

- Net income attributed to common shareholders for the Insurance, Canada segment was \$355 million in 2025, which is 12% higher than \$316 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 \$96 million due to assumption changes and management actions (\$29 million), mainly as a result of the year-end actuarial review, acquisition-related items (\$20 million), the non-core pension expense (\$15 million) and specified items (\$32 million), mainly consisting of a software writedown as part of the Company's digital transformation primarily related to one IT project.
- Core earnings[†] for this business segment were \$451 million in 2025 compared to \$420 million in 2024. The 7% growth in core earnings[†] is mainly the result of a 7% increase in expected insurance earnings,³ mainly reflecting higher expected earnings on Premium Allocation Approach (PAA)³ business from iA Auto and Home, and an increase in the combined risk adjustment (RA) release³ and CSM recognized for services provided.³ Additionally, core insurance experience gains³ of \$29 million were recorded during the year, mainly due to favourable mortality experience, favourable morbidity experience and lower claims at iA Auto and Home. Core non-insurance activities³ were 44% higher than a year earlier, mainly driven by good earnings growth from Dealer Services. These favourable items were partially offset by the impact of new insurance business³ from Employee Plans due to higher confirmed sales compared to a year ago.

³ 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.

Analysis of Earnings – 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 Attributed to Common Shareholders and Core Earnings[†] Reconciliation – Wealth Management

(As at December 31, in millions of dollars, unless otherwise indicated)	2025	2024	Variation
Net income attributed to common shareholders	428	379	13%
Core earnings adjustments (post tax)			
Market-related impacts	—	—	
Assumption changes and management actions	1	—	
Charges or proceeds related to acquisition or disposition of a business, including acquisition, integration and restructuring costs	2	—	
Amortization of acquisition-related finite life intangible assets	31	25	
Non-core pension expense	6	4	
Specified items	3	3	
Total	43	32	
Core earnings[†]	471	411	15%

- The net income attributed to common shareholders for the Wealth Management segment was \$428 million in 2025, which is 13% higher than \$379 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 \$43 million. These include acquisition-related items (\$33 million), non-core pension expenses (\$6 million), the impact of a non-recurring distribution arrangement that occurred during the first quarter of 2025 (\$3 million) and assumption changes and management actions (\$1 million).
- Core earnings[†] for this business segment were \$471 million in 2025 compared with \$411 million in 2024. The 15% increase in core earnings[†] over 2024 is mainly the result of an increase in the combined RA release and CSM recognized for services provided due to strong net segregated fund sales and the impact of favourable financial markets over the last 12 months. Additionally, core non-insurance activities were higher, mainly reflecting higher net revenue on assets and the contribution from the RF Capital acquisition. Core insurance experience gains of \$3 million were recorded in 2025, mainly due to favourable longevity experience. These favourable items were partially offset by the impact of new insurance business from Group Savings and Retirement due to higher confirmed sales compared to a year ago.

[†] 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.

Analysis of Earnings – 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 Attributed to Common Shareholders and Core Earnings[†] Reconciliation – US Operations

(As at December 31, in millions of dollars, unless otherwise indicated)	2025	2024	Variation
Net income attributed to common shareholders	102	28	264%
Core earnings adjustments (post tax)			
Market-related impacts	—	—	
Assumption changes and management actions	(16)	15	
Charges or proceeds related to acquisition or disposition of a business, including acquisition, integration and restructuring costs	6	9	
Amortization of acquisition-related finite life intangible assets	33	30	
Non-core pension expense	—	—	
Specified items	3	16	
Total	26	70	
Core earnings[†]	128	98	31%

- The net income attributed to common shareholders for the US Operations segment was \$102 million in 2025, which is higher than \$28 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 \$26 million from acquisition-related items (\$39 million) and specified items (\$3 million), consisting mainly of reallocations for reporting consistency, which sum to zero on a consolidated basis. These items were partially offset by the net favourable impact of assumption changes and management actions (\$16 million), which includes a favourable adjustment in the second quarter to eFinancial's (digital distribution entity of Vericity) deferred tax assets related to tax losses incurred prior to the acquisition, and the unfavourable impact of the year-end actuarial review.
- Core earnings[†] for this business segment were \$128 million in 2025 compared with \$98 million in 2024. The 31% growth in core earnings[†] is mainly the result of the higher combined RA release and CSM recognized for services provided, driven by good business growth in the last 12 months. Core earnings[†] growth is also attributable to core insurance experience gains of \$5 million due to favourable mortality, the lower impact of new insurance business and higher core non-insurance activities, with earnings growth in Dealer Services being partially offset by losses from eFinancial (digital distribution entity of Vericity). Lastly, core other expenses⁴ were higher, mainly due to the addition of Vericity (Fidelity Life and eFinancial) expenses.

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.

Analysis of Earnings – Investment

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

Net Income Attributed to Common Shareholders and Core Earnings[†] Reconciliation – Investment

(As at December 31, in millions of dollars, unless otherwise indicated)

	2025	2024	Variation
Net income attributed to common shareholders	421	440	(4%)
Core earnings adjustments (post tax)			
Market-related impacts	(15)	(32)	
Interest rates and credit spreads	7	7	
Equity	(107)	(117)	
Investment properties	72	65	
CIF ⁵	13	13	
Currency	—	—	
Assumption changes and management actions	(10)	(39)	
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	—	—	
Specified items	(13)	(10)	
Total	(38)	(81)	
Core earnings[†]	383	359	7%

- The net income attributed to common shareholders was \$421 million in 2025 compared to \$440 million in 2024. Net income attributed to common shareholders is composed of core earnings[†] as well as core earnings adjustments.
- Core earnings adjustments reflected a net positive impact on net income of \$38 million as a result of the following items:
 - Market-related impacts that differ from management's expectations, which resulted in a \$15 million increase in net income. This adjustment is explained by the favourable impact from equity variations of \$107 million, mainly driven by the good performance of public equity. This positive item was partially offset by the unfavourable impacts of interest rate and credit spread variations (\$7 million), investment properties (\$72 million, mostly driven by unfavourable market value adjustments) and the CIF (\$13 million);
 - The net favourable impact of assumption changes and management actions of \$10 million, mainly from the update of credit assumptions used to develop the interest rate scale in the first quarter of 2025, and the favourable impact of the year-end actuarial review; and
 - Positive specified items of \$13 million consisting of tax-related items and reallocations for reporting consistency, which sum to zero on a consolidated basis.
- Core earnings[†] for this business segment totalled \$383 million in 2025, which is 7% higher than \$359 million in 2024. Prior to taxes, financing charges on debentures and dividends, core earnings[†] were driven by a core net investment result⁶ of \$510 million. This result compares favourably with \$448 million recorded in 2024 due to higher expected investment earnings⁶ and favourable credit experience.⁶
 - Expected investment earnings totalled \$499 million in 2025, which is 8% higher than in 2024. This result mainly reflects the favourable impact of macroeconomic variations, in part due to the steepening of the interest yield curve, partially offset by the unfavourable impact of a reduction in assets following the acquisition of RF Capital Group.
 - Credit experience resulted in an \$11 million gain in 2025 due to positive credit experience in both the fixed income portfolio and the car loans portfolio of iA Auto Finance.

Lastly, the growth in core earnings was tempered by higher financing charges on debentures, distributions on other equity instruments and dividends on preferred shares.

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.

Analysis of Earnings – 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 Attributed to Common Shareholders and Core Earnings[†] Reconciliation – Corporate

(As at December 31, in millions of dollars, unless otherwise indicated)	2025	2024	Variation
Net income (net loss) attributed to common shareholders	(253)	(221)	(14%)
Core earnings (losses) adjustments (post tax)			
Market-related impacts	—	—	
Assumption changes and management actions	17	—	
Charges or proceeds related to acquisition or disposition of a business, including acquisition, integration and restructuring costs	9	7	
Amortization of acquisition-related finite life intangible assets	—	—	
Non-core pension expense	—	—	
Specified items	4	—	
Total	30	7	
Core earnings (losses)[†]	(223)	(214)	(4%)

- The net loss attributed to common shareholders for the Corporate segment was \$253 million compared to \$221 million 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 \$30 million. These adjustments include charges from a management action related to the pension plan (\$17 million), as explained in the “Reconciliation of Net Income Attributed to Common Shareholders and Core Earnings[†]”, as well as acquisition-related charges from the RF Capital, Vericity (Fidelity Life and eFinancial) and Global Warranty acquisitions (\$9 million) and software writedowns in the context of the Company’s digital transformation (\$4 million).
- This segment recorded core losses[†] from after-tax expenses of \$223 million compared to \$214 million in 2024. Before taxes, Corporate core other expenses were \$301 million. This amount is composed of \$277 million before taxes in core other expenses and \$24 million before taxes for a higher-than-expected provision for variable compensation related to the Company’s performance in 2025. This result is consistent with the Company’s growth and reflects the disciplined approach to expenses, with a strong, ongoing emphasis on ensuring operational efficiency while enhancing the performance of IT infrastructures.

[†] 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.

- The income tax expense amounted to \$232 million compared to \$267 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 \$93 million, mostly due to the difference between income before income taxes and core earnings[†] before taxes and the favourable adjustment to eFinancial's (digital distribution entity of Vericity) deferred tax assets in the second quarter related to tax losses incurred prior to the acquisition in US Operations.
- Core income taxes[‡] totalled \$325 million in 2025 compared to \$284 million for 2024, reflecting a core effective tax rate^{††} (ETR) of 20.6%. The core ETR^{††} was favourably impacted by a larger portion of tax-exempt investment income.

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 \$43 million in 2025 compared to \$20 million in 2024. The increase reflects the dividend payment on institutional preferred shares issued in the second quarter of 2025. Refer to the "Equity and Financing" section of this document for more information on dividends and distributions made during the periods.

⁷ 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.

Analysis of Earnings by Business Segment for the Fourth Quarter

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 for the fourth quarter 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 (Losses)[†]

	Q4/2025	Q3/2025	Quarter-over-quarter variation	Q4/2024	Year-over-year variation
(In millions of dollars, unless otherwise indicated)					
Insurance, Canada	105	113	(7%)	116	(9%)
Wealth Management	127	125	2%	112	13%
US Operations	30	32	(6%)	26	15%
Investment	91	105	(13%)	102	(11%)
Corporate	(66)	(52)	(27%)	(69)	4%
Total	287	323	(11%)	287	—

Net Income (Loss) Attributed to Common Shareholders

	Q4/2025	Q3/2025	Quarter-over-quarter variation	Q4/2024	Year-over-year variation
(In millions of dollars, unless otherwise indicated)					
Insurance, Canada	35	103	(66%)	41	(15%)
Wealth Management	112	116	(3%)	101	11%
US Operations	7	21	(67%)	(13)	154%
Investment	104	179	(42%)	163	(36%)
Corporate	(76)	(55)	(38%)	(72)	(6%)
Total	182	364	(50%)	220	(17%)

[†] 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.

Fourth Quarter 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

(In millions of dollars, unless otherwise indicated)	Fourth quarter		
	2025	2024	Variation
Net income attributed to common shareholders	182	220	(17%)
Core earnings adjustments (post tax)			
Market-related impacts	(6)	(16)	
Interest rates and credit spreads	—	21	
Equity	(17)	(31)	
Investment properties	14	(3)	
CIF	(3)	(3)	
Currency	—	—	
Assumption changes and management actions	47	17	
Charges or proceeds related to acquisition or disposition of a business, including acquisition, integration and restructuring costs	8	4	
Amortization of acquisition-related finite life intangible assets	23	19	
Non-core pension expense	6	4	
Specified items	27	39	
Total	105	67	
Core earnings[†]	287	287	—

Core earnings[†] of \$287 million in the fourth quarter are derived from net income attributed to common shareholders of \$182 million, after applying a total adjustment of \$105 million (post tax) for:

- market-related impacts that differ from management's expectations, which resulted in a \$6 million increase in net income. This adjustment is explained by the favourable impact from equity variations (\$17 million), mainly driven by the good performance of public equity, and by the favourable impact of the CIF (\$3 million). These positive items were partially offset by the unfavourable impact from investment properties (\$14 million), mostly driven by market value adjustments;
- the impact of assumption changes and management actions leading to a \$47 million reduction in net income. This adjustment is mostly attributable to the year-end actuarial review (\$43 million post tax; see the "Assumption Changes and Management Actions" section of this document), and, to a lesser extent, the impact of a management action (\$4 million) related to the pension plan, as disclosed in the second quarter results;⁸
- a total charge of \$8 million related to the acquisition and integration of RF Capital and the integration of Vericity (Fidelity Life and eFinancial) and Global Warranty;
- expenses associated with acquisition-related finite life intangible assets of \$23 million;
- the impact of non-core pension expenses of \$6 million; and
- specified items resulting in a \$27 million decrease in net income. This adjustment mainly consists of software writedowns totalling \$29 million incurred as part of the Company's digital transformation, primarily related to one IT project within the Insurance, Canada segment. This impact was slightly offset by a favourable legal case settlement in the US Operations segment.

⁸ The charge 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 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.

Analysis of Earnings for the Fourth Quarter – Insurance, Canada

Net Income and Core Earnings[†] Reconciliation – Insurance, Canada

(In millions of dollars, unless otherwise indicated)	Fourth quarter		
	2025	2024	Variation
Net income attributed to common shareholders	35	41	(15%)
Core earnings adjustments (post tax)			
Market-related impacts	—	—	
Assumption changes and management actions	35	37	
Charges or proceeds related to acquisition or disposition of a business, including acquisition, integration and restructuring costs	—	1	
Amortization of acquisition-related finite life intangible assets	5	4	
Non-core pension expense	4	3	
Specified items	26	30	
Total	70	75	
Core earnings[†]	105	116	(9%)

Analysis of earnings for the fourth quarter

- Net income attributed to common shareholders for the Insurance, Canada segment was \$35 million compared to \$41 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 \$70 million. This adjustment includes the unfavourable impact of assumption changes and management actions (\$35 million), mostly from the year-end actuarial review, and to a lesser extent, from the impact of a management action related to the pension plan as explained in the “Fourth Quarter Reconciliation of Net Income Attributed to Common Shareholders and Core Earnings^{††}” section of this document. The adjustment also includes acquisition-related items (\$5 million), the non-core pension expense (\$4 million) and specified items (\$26 million), mainly consisting of a software writedown as part of the Company’s digital transformation, primarily related to one IT project.
- Core earnings[†] for this business segment were \$105 million compared to \$116 million for the same period in 2024. The \$11 million decrease in core earnings[†] mainly reflects the net impact of the following:
 - The fact that the comparable period in 2024 benefited from elevated core insurance experience gains of \$15 million, whereas the fourth quarter of 2025 recorded core insurance experience losses of \$4 million, driven by unfavourable morbidity experience in Special Markets, partially offset by favourable mortality;
 - Higher expected insurance earnings driven by an increase in the combined risk adjustment (RA) release and CSM recognized for services provided from Individual Insurance and Employee Plans;
 - Higher expected earnings on PAA insurance, mainly from iA Auto and Home;
 - Higher core non-insurance activities, totalling \$16 million compared to \$14 million a year earlier, mainly driven by the performance of Dealer Services; and
 - Core other expenses of \$17 million compared to \$16 million for the same period in 2024.

[†] 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.

Analysis of Earnings for the Fourth Quarter – Wealth Management

Net Income and Core Earnings[†] Reconciliation – Wealth Management

(In millions of dollars, unless otherwise indicated)	Fourth quarter		
	2025	2024	Variation
Net income attributed to common shareholders	112	101	11%
Core earnings adjustments (post tax)			
Market-related impacts	—	—	
Assumption changes and management actions	1	—	
Charges or proceeds related to acquisition or disposition of a business, including acquisition, integration and restructuring costs	2	—	
Amortization of acquisition-related finite life intangible assets	10	7	
Non-core pension expense	2	1	
Specified items	—	3	
Total	15	11	
Core earnings[†]	127	112	13%

Analysis of earnings for the fourth quarter

- The net income attributed to common shareholders for the Wealth Management segment was \$112 million, which is 11% higher than \$101 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 \$15 million consisting of acquisition-related items (\$12 million), the unfavourable impact of assumption changes and management actions (\$1 million), mainly due to the year-end actuarial review, and the impact of non-core pension expenses (\$2 million).
- Core earnings[†] for this business segment were \$127 million for the period compared with \$112 million a year earlier. The 13% growth in core earnings[†] is mainly the result of the higher combined RA release and CSM recognized for services provided due to strong net segregated fund sales and the impact of favourable financial markets over the last 12 months. These favourable variations were tempered by the higher impact of new insurance business in Group Savings and Retirement from sales of insured annuities. Core non-insurance activities were similar to the same period in 2024. This is the result of higher net revenue on assets due to market performance and the strong contribution from RF Capital of \$8 million being offset by lower net interest income, consistent with a 100-basis-point cut in the Bank of Canada policy rate in 2025, as well as non-recurring expenses in the other distribution and advisory affiliates and other miscellaneous items. Lastly, core insurance experience gains of \$2 million were recorded during the quarter, mainly due to favourable longevity experience.

[†] 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.

Analysis of Earnings for the Fourth Quarter – US Operations

Net Income and Core Earnings[†] Reconciliation – US Operations

(In millions of dollars, unless otherwise indicated)	Fourth quarter		
	2025	2024	Variation
Net income (loss) attributed to common shareholders	7	(13)	not meaningful
Core earnings adjustments (post tax)			
Market-related impacts	—	—	
Assumption changes and management actions	14	15	
Charges or proceeds related to acquisition or disposition of a business, including acquisition, integration and restructuring costs	2	—	
Amortization of acquisition-related finite life intangible assets	8	8	
Non-core pension expense	—	—	
Specified items	(1)	16	
Total	23	39	
Core earnings[†]	30	26	15%

Analysis of earnings for the fourth quarter

- The net income attributed to common shareholders for the US Operations segment was \$7 million compared to a loss of \$13 million for the same period in 2024. Net income or loss attributed to common shareholders is composed of core earnings[†] as well as core earnings adjustments.
- Core earnings adjustments to net income totalled \$23 million. These adjustments include the unfavourable impact of assumption changes and management actions from the year-end actuarial review (\$14 million) and acquisition-related items (\$10 million). These items were partially offset by the net favourable impact of specified items (\$1 million), which mainly reflects a favourable legal case settlement.
- Core earnings[†] for this business segment were \$30 million, which compares to \$26 million for the same period in 2024. The increase of 15% in core earnings[†] is the result of the higher combined RA release and CSM recognized for services provided, mainly driven by good business growth in the last 12 months, and lower core other expenses from both Dealer Services and Individual Insurance. The increase in core earnings[†] was tempered by core insurance experience losses of \$2 million due to unfavourable insurance lapses, compared to core insurance experience gains recorded in the same period in 2024. Core non-insurance activities of \$15 million were similar to the same period in 2024, primarily due to a sales mix in US Dealer Services weighted toward insurance products for which earnings emerge over time. Core non-insurance activities also include the results of eFinancial (digital distribution entity of Vericity), which performed as expected.

[†] 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.

Analysis of Earnings for the Fourth Quarter – Investment

Net Income and Core Earnings[†] Reconciliation – Investment

(In millions of dollars, unless otherwise indicated)	Fourth quarter		
	2025	2024	Variation
Net income attributed to common shareholders	104	163	(36%)
Core earnings[†] adjustments (post tax)			
Market-related impacts	(6)	(16)	
Interest rates and credit spreads	—	21	
Equity	(17)	(31)	
Investment properties	14	(3)	
CIF	(3)	(3)	
Currency	—	—	
Assumption changes and management actions	(5)	(35)	
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	—	—	
Specified items	(2)	(10)	
Total	(13)	(61)	
Core earnings[†]	91	102	(11%)

Analysis of earnings for the fourth quarter

- The net income attributed to common shareholders for the Investment segment was \$104 million compared to \$163 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 reflected a positive impact on net income of \$13 million as a result of the following items:
 - Market-related impacts that differ from management's expectations, which resulted in a \$6 million increase in net income. This adjustment is explained by the favourable impacts from equity variations (\$17 million), mainly driven by the good performance of public equity, and by the favourable impact of the CIF (\$3 million). These positive items were partially offset by the unfavourable impact of \$14 million from investment properties, mostly driven by market value adjustments;
 - The net favourable impact of assumption changes and management actions of \$5 million from the year-end actuarial review; and
 - Positive specified items of \$2 million, consisting mostly of a reallocation for reporting consistency, which sum to zero on a consolidated basis.
- Core earnings[†] for this business segment were \$91 million compared to \$102 million a year earlier. Prior to taxes, financing charges on debentures and dividends, core earnings[†] were driven by a core net investment result of \$127 million. This result compares with \$120 million recorded a year earlier and \$132 million the previous quarter. The core net investment result is composed of the expected investment earnings and credit experience.
 - Expected investment earnings quarter-over-quarter analysis – \$124 million in the fourth quarter compared to \$129 million in the third quarter. This result mainly reflects the impact of a reduction in assets following the acquisition of RF Capital Group.
 - Expected investment earnings year-over-year analysis – \$124 million in the fourth quarter compared to \$127 million a year earlier. This result mainly reflects the impact of a reduction in assets following the acquisition of RF Capital Group, partially offset by the favourable impact of macroeconomic variations, in part due to the steepening of the interest yield curve.
 - Credit experience – Favourable credit experience resulted in a \$3 million gain for the quarter due to positive credit experience in the car loans portfolio of iA Auto Finance, while credit experience in the fixed income portfolio had no impact on results this 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.

Analysis of Earnings for the Fourth Quarter – Corporate

Net Income and Core Earnings[†] Reconciliation – Corporate

(In millions of dollars, unless otherwise indicated)	Fourth quarter		
	2025	2024	Variation
Net income (loss) attributed to common shareholders	(76)	(72)	(6%)
Core earnings (losses) adjustments (post tax)			
Market-related impacts	—	—	
Assumption changes and management actions	2	—	
Charges or proceeds related to acquisition or disposition of a business, including acquisition, integration and restructuring costs	4	3	
Amortization of acquisition-related finite life intangible assets	—	—	
Non-core pension expense	—	—	
Specified items	4	—	
Total	10	3	
Core earnings (losses)[†]	(66)	(69)	4%

Analysis of earnings for the fourth quarter

- The net loss attributed to common shareholders for the Corporate segment was \$76 million compared to \$72 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 \$10 million. This adjustment includes the unfavourable impact of assumption changes and management actions (\$2 million), specifically a management action related to the pension plan as explained in the “Fourth Quarter Reconciliation of Net Income Attributed to Common Shareholders and Core Earnings^{††}” section of this document. Also, there were charges (\$4 million) related to the acquisitions of Vericity (Fidelity Life and eFinancial), Global Warranty and RF Capital, and specified items (\$4 million) reflecting software writedowns in the context of the Company’s digital transformation.
- This segment recorded core losses[†] from after-tax expenses of \$66 million compared to \$69 million in the fourth quarter of 2024. Before taxes, Corporate core other expenses were \$87 million. This amount is composed of \$74 million before taxes in core other expenses and \$13 million before taxes for a higher-than-expected provision for variable compensation related to the Company’s performance in 2025. This result is consistent with the Company’s growth and reflects the disciplined approach to expenses, with a strong, ongoing emphasis on ensuring operational efficiency while enhancing the performance of IT infrastructures.

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.

- The income tax expense amounted to \$36 million for the fourth quarter compared to \$43 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 \$38 million, essentially due to the difference between income before income taxes and core earnings[†] before tax.
- Core income taxes totalled \$74 million for the fourth quarter compared to \$72 million for the same period in 2024, reflecting a core effective tax rate^{††} (ETR) of 19.5%. The core ETR^{††} was favourably impacted by a larger portion of tax-exempt investment income.

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 \$19 million in the fourth quarter compared to \$6 million for the same period in 2024. The increase reflects the dividend payment on institutional preferred shares issued in the second quarter of 2025.

[†] 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.

Assumption Changes and Management Actions

At the end of each quarter, the Company updates its liabilities to reflect the current economic environment and ensures their adequacy, which could lead to some changes in its methodologies and assumptions. In addition, at the end of each year, the Company carries out a thorough review of most of its methodologies and assumptions to take into account the Company's own experience, and industry experience when applicable, in terms of mortality, morbidity, lapse rates, expenses and other factors.

Under the IFRS 17 accounting standard, the result of the assumption changes and management actions impacts, directly or indirectly, the contractual service margin (CSM) and risk adjustment (RA), in addition to the net income and solvency ratio. In some situations, a change in the RA will trigger an opposite change in the CSM, therefore having no impact on immediate and future earnings. Changes in assumptions and methodologies will have an impact on the net income or CSM based on three main factors: 1) the type of change (financial or non-financial), 2) the presence of a CSM for the contracts targeted by the change, and 3) the type of measurement model for the contracts targeted by the change. The most common situations are the following:

- Impacts of non-financial changes in methodologies and assumptions flow directly through the CSM when attributable to insurance contracts that have a CSM and directly to net income if they do not have a CSM. For insurance contracts measured under the general measurement model (GMM), the impacts on the CSM are measured at locked-in discount rates. For insurance contracts measured under the variable fee approach (VFA), the impacts on the CSM are measured at current discount rates.
- Impacts of financial changes in methodologies and assumptions flow directly through net income for insurance contracts measured under the GMM. For contracts measured under the VFA, this impact, measured at current discount rates, flows directly through the CSM when attributable to insurance contracts that have a CSM and directly to net income if they do not have a CSM.

Changes to the Company's assumptions and methodologies, as well as management actions in 2025, including the year-end annual review, resulted in a near-neutral combined impact on the pre-tax net income, CSM and RA of -\$1 million. More specifically, the changes and actions had a negative impact of \$70 million pre-tax on the 2025 net income and a positive impact of \$69 million pre-tax on future profit from the combined impacts on the CSM and the risk adjustment (RA).

The result of the process was positive for mortality and morbidity assumptions, expense study updates, financial impact arising from changes in discount rates, management actions and several other assumptions. The impacts of policyholder behaviour assumptions and model refinements in operating segments were negative.

2025 Assumption Changes and Management Actions – Impacts on Income, CSM and RA

(In millions of dollars, pre-tax)	Main items	Total impact	Impact on Income	Impact on CSM	Impact on RA
Mortality & morbidity	<ul style="list-style-type: none"> ▪ Mortality assumption review: Favourable ▪ Morbidity assumption review: Favourable 	41	(3)	45	(1)
Policyholder behaviour	<ul style="list-style-type: none"> ▪ Lapse assumption review: Unfavourable, mainly for a specific Individual Life Insurance product 	(111)	(21)	(37)	(53)
Financial	<ul style="list-style-type: none"> ▪ Minor impact arising from changes in discount rates 	8	8	—	—
Expenses	<ul style="list-style-type: none"> ▪ Expense study updates: Favourable, primarily due to lower unit costs across individual business units, reflecting increased operational efficiency 	25	8	28	(11)
Management actions	<ul style="list-style-type: none"> ▪ Mainly favourable 	19	15	4	—
Other	<ul style="list-style-type: none"> ▪ Model refinements: Unfavourable P&L impact in operating segments ▪ Risk adjustment diversification factor update: Favourable impact on RA 	28	(70)	4	94
Q4 total		10	(63)	44	29
Q1, Q2 and Q3		(11)	(7)	(4)	—
2025 total		(1)	(70)	40	29

For more details, refer to Note 14 to the financial statements, entitled "Insurance Contracts and Reinsurance Contracts" hereby incorporated by reference.

Analysis According to the Financial Statements

Consolidated Income Statements

The following table presents the Company's financial results according to the financial statements for the years ended December 31, 2025, 2024 and 2023.

(Years ended December 31, in millions of dollars)	2025	2024	2023
Insurance service result			
Insurance revenue	7,790	6,802	5,740
Insurance service expenses	(6,278)	(5,587)	(4,893)
Net income (expenses) from reinsurance contracts	(356)	(175)	6
	1,156	1,040	853
Net investment result			
Net investment income			
Interest and other investment income	2,216	2,310	1,946
Change in fair value of investments	(846)	(192)	2,037
	1,370	2,118	3,983
Finance income (expenses) from insurance contracts	(556)	(1,190)	(3,307)
Finance income (expenses) from reinsurance contracts	145	126	155
(Increase) decrease in investment contract liabilities and interest on deposits	(141)	(235)	(151)
	818	819	680
Investment income (expenses) from segregated funds net assets	7,248	7,769	4,697
Finance income (expenses) related to segregated funds liabilities	(7,248)	(7,769)	(4,697)
	818	819	680
Other revenues	2,092	1,744	1,537
Other operating expenses	(2,669)	(2,307)	(2,003)
Other financing charges	(69)	(67)	(66)
Income before income taxes	1,328	1,229	1,001
Income tax (expense) recovery	(232)	(267)	(212)
Net income	1,096	962	789
Dividends on preferred shares and distributions on other equity instruments	(43)	(20)	(20)
Net income attributed to common shareholders	1,053	942	769

Net income attributed to common shareholders

For the year ended December 31, 2025, net income attributed to common shareholders totalled \$1,053 million, up 12% from \$942 million in 2024. The increase was primarily driven by:

- sustained business growth across Insurance, Canada, Wealth Management and US Operations, positively impacting the insurance service result and other revenues; partly offset by
- higher expenses related to revenue growth, as well as other factors having an impact on other expenses and income tax expense as described in the analysis of segmented results below.

Segmented Results

The following table presents the Company's financial results by business segment according to the financial statements for the years ended December 31, 2025 and 2024. The analysis of these results is presented below and should be read in conjunction with Note 25 "Segmented Information" in the Company's annual consolidated financial statements hereby incorporated by reference.

(Years ended December 31, in millions of dollars)	Insurance, Canada		Wealth Management		US Operations		Investment		Corporate		Consolidation adjustments		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Insurance service result														
Insurance revenue	4,310	3,975	1,357	1,137	2,123	1,690	—	—	—	—	—	—	7,790	6,802
Insurance service expenses and net expenses from reinsurance contracts	(3,756)	(3,449)	(930)	(776)	(1,948)	(1,537)	—	—	—	—	—	—	(6,634)	(5,762)
	554	526	427	361	175	153	—	—	—	—	—	—	1,156	1,040
Net investment result														
Net investment income	—	—	114	127	—	—	1,242	1,979	14	12	—	—	1,370	2,118
Finance income (expenses) from insurance and reinsurance contracts and change in investment contracts and interest on deposits	—	—	(4)	(2)	—	—	(548)	(1,297)	—	—	—	—	(552)	(1,299)
	—	—	110	125	—	—	694	682	14	12	—	—	818	819
Other revenues	225	189	1,688	1,407	215	174	36	33	4	6	(76)	(65)	2,092	1,744
Other expenses	(283)	(264)	(1,633)	(1,371)	(296)	(291)	(240)	(213)	(362)	(300)	76	65	(2,738)	(2,374)
Income before income taxes	496	451	592	522	94	36	490	502	(344)	(282)	—	—	1,328	1,229
Income tax (expense) recovery	(141)	(135)	(164)	(143)	8	(8)	(26)	(42)	91	61	—	—	(232)	(267)
Net income	355	316	428	379	102	28	464	460	(253)	(221)	—	—	1,096	962
Dividends on preferred shares and distributions on other equity instruments	—	—	—	—	—	—	(43)	(20)	—	—	—	—	(43)	(20)
Net income attributed to common shareholders	355	316	428	379	102	28	421	440	(253)	(221)	—	—	1,053	942

Insurance service result

Insurance, Canada

For the year ended December 31, 2025, the insurance service result in the Insurance, Canada segment totalled \$554 million, an increase of \$28 million or 5% compared to 2024.

The segment's insurance revenue amounted to \$4,310 million in 2025, up 8% from \$3,975 million in 2024, with most business units reporting year-over-year revenue growth. The increase was primarily driven by business growth, particularly in Individual Insurance, P&C insurance in Dealer Services and Group Insurance: Employee Plans, which resulted in higher revenue recognized to cover expected incurred claims and insurance service expenses, as well as higher recovery of insurance acquisition cash flows. The increase is also explained by the impact of pricing adjustments at iA Auto and Home in 2024, combined with a rise in its number of policies. For additional details regarding business growth, refer to the "Business Segments" section of this document, under the Insurance, Canada segment.

The segment's insurance service expenses and net expenses from reinsurance contracts totalled \$3,756 million in 2025 compared to \$3,449 million in 2024, a 9% increase year over year. This change was due to higher incurred claims and other insurance service expenses, and higher amortization of insurance acquisition cash flows, in line with normal business growth, primarily in Individual Insurance, iA Auto and Home and P&C insurance in Dealer Services.

Wealth Management

For the year ended December 31, 2025, the insurance service result in the Wealth Management segment totalled \$427 million, an increase of \$66 million or 18% compared to 2024.

The segment's insurance revenue amounted to \$1,357 million in 2025, up 19% from \$1,137 million in 2024. This increase was primarily driven by higher sales of segregated funds in Individual Wealth Management and favourable market performance, resulting in a higher contractual service margin recognized for services provided during the year, higher recovery of insurance acquisition cash flows, and higher revenue recognized to cover trailer fees. The increase was also driven by new sales of insured annuities contracts in Group Savings and Retirement, outpacing the impact of the reduction in in-force business due to mortality. For additional details regarding business growth, refer to the "Business Segments" section of this document, under the Wealth Management segment.

The segment's insurance service expenses and net expenses from reinsurance contracts totalled \$930 million in 2025 compared to \$776 million in 2024, representing a 20% year-over-year increase. The change was due to higher trailer fees from the increased sale of segregated funds and higher amortization of insurance acquisition cash flows in Individual Wealth Management. It was also due to higher retirement benefits paid in relation to rising insured annuities contracts in Group Savings and Retirement.

US Operations

For the year ended December 31, 2025, the insurance service result in the US Operations segment totalled \$175 million, an increase of \$22 million or 14% compared to 2024.

The segment's insurance revenue amounted to \$2,123 million in 2025, up 26% from \$1,690 million in 2024. The increase was driven by business growth in both Individual Insurance—including Fidelity Life (insurance entity of Vericity), whose results contributed throughout 2025 compared to only two quarters in 2024—and Dealer Services, which resulted in higher revenue recognized to cover expected claims and other insurance service expenses, and higher recovery of insurance acquisition cash flows. For details regarding business growth, refer to the "Business Segments" section of this document, under the US Operations segment. The increase was also driven by refinements in the recognition method for insurance contracts in the fourth quarter.

The segment's insurance service expenses and net expenses from reinsurance contracts totalled \$1,948 million in 2025 compared to \$1,537 million in 2024. The year-over-year variation was in part due to a normal increase in incurred claims and other insurance service expenses in Individual Insurance—including Fidelity Life (insurance entity of Vericity), whose results contributed throughout 2025 compared to only two quarters in 2024—and Dealer Services, which aligns with the business growth. The change was also driven by refinements in the recognition method for insurance contracts in the fourth quarter.

Net investment result

For the year ended December 31, 2025, net investment income totalled \$1,370 million compared to \$2,118 million in 2024. The year-over-year variation comes almost entirely from the Investment segment and is mainly explained by increasing long-term interest rates, which led to a decrease in fair value of fixed income and derivative financial instruments. Conversely, the finance expenses from insurance and reinsurance contracts and change in investment contracts and interest on deposits decreased by \$747 million, also due to the increase in interest rates, which are an important factor in determining the finance expenses of the insurance contract liabilities.

Other revenues

Other revenues include fees earned from the management of the Company's mutual fund assets, the management of its segregated fund assets relating to investment contracts, and commissions from intermediary activities, administration income and administrative services only income. For the year ended December 31, 2025, other revenues totalled \$2,092 million compared to \$1,744 million in 2024. The increase of \$348 million, or 20%, is mainly attributable to the Wealth Management segment. This was primarily driven by favourable market performance, which resulted in higher commission from the distribution and advisory affiliates and higher management fee revenues from Group Savings and Retirement, and by the impact of the RF Capital acquisition.

Other expenses

For the year ended December 31, 2025, other expenses totalled \$2,738 million compared to \$2,374 million in 2024. The variation of \$364 million primarily comes from the Wealth Management segment due to increased commission expenses in line with revenue growth, and from the impact of the RF Capital acquisition. The variation is also attributable to a one-time charge in the second quarter of 2025, in the Corporate segment, 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.

Income tax (expense) recovery

For the year ended December 31, 2025, the Company recorded an income tax expense of \$232 million compared to \$267 million in 2024. The decrease is mainly explained by increased savings from tax-exempt investment income and the recognition of unrecognized tax losses in the second quarter of 2025. These positive tax effects were partially offset by higher tax expenses resulting from higher income and unfavourable prior-year adjustments.

Fourth Quarter Results

For the fourth quarter of 2025, net income attributed to common shareholders totalled \$182 million, compared to \$220 million for the same period in 2024.

The following table presents the Company's financial results by business segment for the fourth quarter of 2025 and 2024. The analysis of these results is presented below.

(Quarters ended December 31, in millions of dollars)	Insurance, Canada		Wealth Management		US Operations		Investment		Corporate		Consolidation adjustments		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Insurance service result														
Insurance revenue	1,104	1,028	381	317	681	477	—	—	—	—	—	—	2,166	1,822
Insurance service expenses and net expenses from reinsurance contracts	(1,012)	(927)	(268)	(218)	(667)	(441)	—	—	—	—	—	—	(1,947)	(1,586)
	92	101	113	99	14	36	—	—	—	—	—	—	219	236
Net investment result														
Net investment income	—	—	34	31	—	—	(86)	236	6	6	—	—	(46)	273
Finance income (expenses) from insurance and reinsurance contracts and change in investment contracts and interest on deposits	—	—	(1)	—	—	—	270	(34)	—	—	—	—	269	(34)
	—	—	33	31	—	—	184	202	6	6	—	—	223	239
Other revenues	59	49	507	381	65	45	10	9	1	2	(23)	(15)	619	471
Other expenses	(103)	(77)	(498)	(372)	(72)	(94)	(64)	(55)	(110)	(94)	23	15	(824)	(677)
Income before income taxes	48	73	155	139	7	(13)	130	156	(103)	(86)	—	—	237	269
Income tax (expense) recovery	(13)	(32)	(43)	(38)	—	—	(7)	13	27	14	—	—	(36)	(43)
Net income	35	41	112	101	7	(13)	123	169	(76)	(72)	—	—	201	226
Dividends on preferred shares and distributions on other equity instruments	—	—	—	—	—	—	(19)	(6)	—	—	—	—	(19)	(6)
Net income attributed to common shareholders	35	41	112	101	7	(13)	104	163	(76)	(72)	—	—	182	220

Insurance service result

Insurance, Canada

For the fourth quarter of 2025, the insurance service result for the Insurance, Canada segment was \$92 million, a \$9 million decrease compared to the same period in 2024. Business growth was observed in most business units, most notably in Individual Insurance and Employee Plans, resulting in a higher contractual service margin recognized for services provided during the period. However, two factors contributed to the decrease in the segment's result: higher than expected claims resulted in an experience loss and lower insurance service results in Group Insurance: Special Markets, and favourable weather conditions in 2024 resulted in fewer claims at iA Auto and Home that year compared to 2025.

Wealth Management

For the fourth quarter of 2025, the insurance service result for the Wealth Management segment was \$113 million, an increase of \$14 million or 14% compared to the same period in 2024. The increase is primarily the result of a higher contractual service margin recognized for services provided during the period due to higher segregated fund sales in Individual Wealth Management and favourable financial market performance.

US Operations

For the fourth quarter of 2025, the insurance service result for the US Operations segment was \$14 million, a \$22 million decrease compared to the same period in 2024. The changes in insurance revenue and insurance service expenses and net expenses from reinsurance contracts were primarily driven by refinements in the recognition method for insurance contracts in the fourth quarter. The remainder of the change in the insurance service result is mostly explained by the unfavourable impact of changes in methodologies and assumptions in Dealer Services.

Net investment result

For the fourth quarter of 2025, net investment income resulted in a loss of \$46 million compared to income of \$273 million for the same period in 2024. The year-over-year variation comes almost entirely from the Investment segment and is mainly explained by increasing long-term interest rates, which led to a decrease in fair value of fixed income and derivative financial instruments. Conversely, the Company recorded finance income from insurance and reinsurance contracts and change in investment contracts and interest on deposits of \$269 million compared to \$34 million in expenses for the same period in 2024. This change was also due to the increase in interest rates, which are an important factor in determining the finance income (expenses) of the insurance contract liabilities.

The net investment result for the fourth quarter decreased by \$16 million compared to the same period in 2024. Despite higher returns on equity financial instruments in 2025, the net investment result growth was reduced by the impact of changes in methodologies and assumptions.

Other revenues

For the fourth quarter of 2025, other revenues totalled \$619 million compared to \$471 million in 2024. The increase of \$148 million mainly comes from the Wealth Management segment, with an increase of \$126 million year over year. This is due to higher commission from the distribution and advisory 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 favourably by positive market performance and the acquisition of RF Capital. The increase also originates, to a lesser extent, from the US Operations segment due to a non-recurring adjustment to administrative revenues related to improvements in the recognition method.

Other expenses

For the fourth quarter of 2025, other expenses totalled \$824 million compared to \$677 million in 2024. The variation of \$147 million primarily originates from the Wealth Management segment due to increased commission expenses in line with revenue growth, and from the impact of the RF Capital acquisition. This increase is also explained by a software writedown in the context of the Company's digital transformation, primarily related to one IT project in the Insurance, Canada segment. This is partially offset by a provision for outstanding balances related to accounts receivable in 2024 in the US Operations segment.

Income tax (expense) recovery

For the fourth quarter of 2025, the Company recorded an income tax expense of \$36 million compared to \$43 million for the same period in 2024. The variation is in line with the amount calculated under the applicable statutory tax rate and favourable prior-year adjustments. These positive tax effects were partially offset by lower savings from tax-exempt investment income.

Quarterly results

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

(In millions of dollars, unless otherwise indicated)	2025				2024			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenues								
Insurance revenue	2,166	1,917	1,881	1,826	1,822	1,741	1,644	1,595
Net investment income	(46)	1,058	(105)	463	273	2,170	225	(550)
Other revenues	619	500	486	487	471	437	432	404
Total	2,739	3,475	2,262	2,776	2,566	4,348	2,301	1,449
Income before income taxes	237	480	370	241	269	389	266	305
Income taxes	(36)	(107)	(43)	(46)	(43)	(101)	(52)	(71)
Net income	201	373	327	195	226	288	214	234
Dividends on preferred shares and distributions on other equity instruments	(19)	(9)	(6)	(9)	(6)	(5)	(8)	(1)
Net income attributed to common shareholders	182	364	321	186	220	283	206	233
Earnings per common share								
Basic	1.98	3.93	3.45	1.99	2.34	3.00	2.13	2.35
Diluted	1.97	3.91	3.43	1.98	2.33	2.99	2.12	2.34

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, primarily due to favourable market performance and the Company's organic growth, in particular from the Individual Insurance, iA Auto and Home and Individual Wealth Management business units. The acquisition of Fidelity Life (insurance entity of Vericity) and 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. Refinements in the revenue recognition method in US Dealer Services resulted in an adjustment to insurance revenue in the fourth quarter of 2025. 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. Although higher long-term rates negatively impacted bond values in 2024, macroeconomic factors in Canada drove robust equity and bond returns, supported by reduced credit spreads and real estate recovery. In 2025, the steepening of the yield curve led to lower returns on bonds; however, strong financial markets in both Canada and the U.S. have contributed to robust returns on equity investments.

Other revenues increased steadily over the last eight quarters. This growth is attributed to favourable market performance, recruitment efforts and business acquisitions, which led to higher commissions from the distribution and advisory affiliates, higher management fee revenues in the Wealth Management segment, and higher revenues from distribution operations in the US Operations segment since the acquisition of eFinancial (digital distribution entity of Vericity) at the end of the second quarter of 2024. The relative stability seen 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 during the first quarter of 2025. The fourth quarter of 2025 saw a larger increase in other revenues from the contribution of RF Capital, which was acquired during the quarter.

Net income fluctuates from quarter to quarter notably due to variations in revenues and expenses. Some significant variations observed in the net income attributed to common shareholders can be explained in part by market-related impacts in the Investment segment, including 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. Variations may also arise from the Company's periodic review of methodologies and assumptions regarding insurance and reinsurance contracts, as well as from other specified items. For detailed information, refer to the quarterly and annual Management's Discussion and Analysis documents from 2024 and 2025.

CSM Movement Analysis

The contractual service margin, or CSM, is a metric that gives an indication of future profits and that is factored as available capital in the calculation of the solvency ratio. However, this metric is not comprehensive as it does not consider non-insurance business, PAA¹ insurance business, required capital 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 2025.

CSM Movement Analysis² – Consolidated

(As at December 31, in millions of dollars, unless otherwise indicated)	2025	2024	Variation
CSM – Beginning of period	6,899	5,925	16%
Organic CSM movement			
Impact of new insurance business	796	706	
Organic financial growth	384	323	
Insurance experience gains (losses)	199	51	
CSM recognized for services provided	(820)	(709)	
Sub-total – Organic CSM movement	559	371	51%
Non-organic CSM movement			
Impact of changes in assumptions and management actions	40	(9)	
Impact of markets	182	360	
Currency impact	(33)	52	
Acquisition or disposition of a business	3	200	
Sub-total – Non-organic CSM movement	192	603	
Total – CSM movement	751	974	
CSM – End of period	7,650	6,899	11%
CSM – Net insurance contract liabilities at end	7,188	6,485	11%
CSM – Net reinsurance contract liabilities at end	462	414	12%
CSM – End of period	7,650	6,899	11%

At December 31, 2025, the CSM totalled nearly \$7.7 billion, an increase of 11% over the last 12 months.

In 2025, the CSM increased organically by \$559 million and was driven by the following items:

- The positive impact of new insurance business of \$796 million, mainly from sales of individual insurance in Canada and segregated funds;
- Organic financial growth of \$384 million, an increase from \$323 million in 2024, driven by business growth in Individual Insurance as well as segregated funds; and
- Net insurance experience gains of \$199 million, mainly reflecting favourable policyholder behaviour experience in the segregated fund portfolio.

The CSM recognized for services provided in earnings amounted to \$820 million, an increase of 16% compared to the same period last year.

During the 12-month period of 2025, non-organic items led to a CSM increase of \$192 million, mostly due to the favourable impacts of market variations of \$182 million and changes in assumptions and management actions of \$40 million, which were partly offset by the unfavourable impact of currency variation of \$33 million.

As a result of organic and non-organic items, the total CSM increased by \$751 million in 2025.

¹ PAA: Premium Allocation Approach.

² 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.

Financial Position

Solvency

iA Financial Group follows the Capital Adequacy Requirements for Life and Health Insurance (CARLI) Guideline issued by the Autorité des marchés financiers (AMF).

The Company's solvency ratio was 133% at December 31, 2025. On a pro forma basis, at December 31, 2025, the solvency ratio is 137%, taking into account the expected impact of the measures of the AMF-revised CARLI Guideline that took effect January 1, 2026, as explained in the "Highlights" section of this document. This level compares to 139% a year earlier. The decrease in the last 12 months mainly reflects the impact of capital deployment activities, including investments to support organic growth, the completion of two acquisitions, dividend payments and active share buybacks under the NCIB. These items were partially offset by the positive impact of strong organic capital generation and the organic CSM and RA growth.

The Company's solvency ratio remained well above the regulatory minimum ratio of 90% throughout 2025.

Solvency Ratio

(As at December 31, in millions of dollars, unless otherwise indicated)	2025	2024
Available capital	11,768	8,823
Surplus allowance and eligible deposits	3,072	2,758
Base solvency buffer	11,159	8,337
Solvency ratio	133%	139%

Organic Capital Generation

Organic capital generation was very strong throughout the year, with the Company organically generating an additional \$665 million in capital in 2025.

Capital Available for Deployment

The capital available for deployment was assessed at \$1.1 billion on December 31, 2025. On a pro forma basis, at December 31, 2025, the capital available for deployment is \$1.4 billion, taking into account the expected impact of the measures of the AMF-revised CARLI Guideline that took effect January 1, 2026, as explained in the "Highlights" section of this document. This level is similar to a year earlier, reflecting strong organic capital generation and the positive impact from the AMF-revised CARLI guideline on segregated funds that took effect on January 1, 2025, which were offset by the impact of strategic capital deployment activities, including investments to support organic growth, the completion of two acquisitions, dividend payments and active share buybacks under the NCIB.

Financial Leverage Ratio

As at December 31, 2025, the financial leverage ratio^{††} was 16.3% compared to 17.3% at the end of the previous year. The variation is mainly explained by the increase in shareholders' equity from higher retained earnings, and by an increase in post-tax CSM.

Financial Leverage Ratio

As at December 31	2025	2024
Financial leverage ratio ^{††}	16.3%	17.3%

[†] 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.

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

(As at December 31, in millions of dollars)	2025	2024	2023
General fund assets	59,761	57,286	52,009
General fund liabilities	51,495	49,819	44,971
Total equity	8,266	7,467	7,038

At December 31, 2025, general fund assets totalled \$59.8 billion compared to \$57.3 billion at December 31, 2024 and \$52.0 billion at December 31, 2023. The change between 2024 and 2025 is primarily attributable to the acquisition of RF Capital (+\$2.0 billion), which resulted in higher other assets, intangible assets and goodwill.

The two-year variation is also explained by the increase in investment portfolio assets, which grew by \$3.4 billion between 2023 and 2025. This increase reflects net purchases of investments in the normal course of business, effective management of the investment portfolio, and the addition of Fidelity Life's (insurance entity of Vericity) investment portfolio in 2024. There was also a significant increase in reinsurance contract assets of \$1.1 billion between 2023 and 2024, mainly due to a new contract in the Group Savings and Retirement business unit, the impact of changes in exchange rates, and the addition of the Fidelity Life (insurance entity of Vericity) acquisition in the US Operations segment.

At December 31, 2025, general fund liabilities totalled \$51.5 billion compared to \$49.8 billion at December 31, 2024 and \$45.0 billion at December 31, 2023. The change between 2024 and 2025 is mainly attributable to the acquisition of RF Capital (+\$1.2 billion), which primarily increased investment contract liabilities and deposits, but also resulted in higher other liabilities. The increase in general fund liabilities was partly offset by the impact of the \$400 million redemption of subordinated debentures in February 2025.

The two-year variation is primarily related to the increase in insurance contract liabilities, which grew by \$3.7 billion, mainly between 2023 and 2024. This was mainly explained by insurance finance expenses, net cash inflows and the addition of the Fidelity Life (insurance entity of Vericity) acquisition, partially offset by the insurance service result.

Capital Structure

(As at December 31, in millions of dollars)	2025	2024
Equity		
Common shares and contributed surplus	1,530	1,540
Preferred shares and other equity instruments	1,000	600
Retained earnings and accumulated other comprehensive income	5,736	5,327
Total shareholders' equity	8,266	7,467
Debentures	1,496	1,894
Total capital structure	9,762	9,361

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

Equity was \$8.3 billion at December 31, 2025 compared to \$7.5 billion at December 31, 2024. The one-year variation is primarily related to the:

- contribution of net income to retained earnings, totalling \$1,096 million for 2025;
- increase in preferred shares as a result of the \$400 million Non-Cumulative 5-Year Rate Reset Class A Preferred Shares – Series C issuance in June 2025;
- impact of dividends on common shares of \$350 million; and
- redemption and cancellation of common shares for \$299 million through the NCIB.

Debentures were \$1.5 billion at December 31, 2025 compared to \$1.9 billion at December 31, 2024. The year-over-year variation is due to the redemption of subordinated debentures of \$400 million in February 2025.

As a result of the items listed above, the Company's capital structure amounted to nearly \$9.8 billion at December 31, 2025, an increase of \$401 million from December 31, 2024.

Liquidity

At December 31, 2025, cash and short-term investments were \$2,262 million compared to \$1,566 million at December 31, 2024. The following table summarizes the source and use of the Company's funds for the years ended December 31, 2025 and 2024.

Cash Flows

(Years ended December 31, in millions of dollars)	2025	2024
Cash and short-term investments at beginning	1,566	1,379
Cash flows from (used in):		
Operating activities	2,339	1,041
Investing activities	(854)	(491)
Financing activities	(778)	(397)
Foreign currency gains (losses) on cash	(11)	34
Increase (decrease) in cash and short-term investments	696	187
Cash and short-term investments at end	2,262	1,566

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 \$696 million for the year ended December 31, 2025 compared to an increase of \$187 million in 2024. The larger increase in 2025 compared to 2024 was primarily attributable to higher cash flows from operating activities between the two periods. This amount was partly offset by cash flows used in investing activities, which increased in 2025, mainly driven by the acquisitions of RF Capital and Global Warranty, resulting in higher cash outflows compared to the Vericity (Fidelity Life and eFinancial) acquisition in 2024. Cash flows used in financing activities were also higher in 2025 than in 2024, mainly due to higher capital issuances in the prior year, combined with higher debenture redemptions in 2025 than preferred share redemptions in 2024. Conversely, the volume of common share repurchases under the NCIB was lower in 2025, which resulted in an increase in financing activities.

Equity and Financing

Issuance of Financial Instruments

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 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 period from June 23, 2025 to June 30, 2030, exclusively. Thereafter, the dividend rate of the shares will reset every five years at an annual rate equal to the prevailing 5-year Government of Canada Yield, plus 3.40%.

Redemption of Financial Instruments

On February 21, 2025, iA Financial Group completed the redemption of all of its 2.400% Subordinated Debentures of \$400 million principal amount due February 21, 2030. The subordinated debentures were redeemed at the price of \$1,012.00 for each \$1,000 principal amount of Debentures, being equal to the aggregate of (i) \$1,000 and (ii) all accrued and unpaid interest.

Debentures

The Company had four series of debentures on its balance sheet at December 31, 2025, with a total book value of \$1,496 million. These four series, which are detailed in the table later in this section, were classified as financial liabilities at amortized cost. The debentures represent direct unsecured obligations of the Company that are subordinate to those of the Company's policyholders and other creditors. In 2025, the financing expense, made up of interest on debentures and the amortization of transaction costs, amounted to \$68 million compared to \$63 million in 2024.

Limited Recourse Capital Notes

The Company had two Limited Recourse Capital Notes on its balance sheet at December 31, 2025, with a total book value of \$600 million. These notes, which are detailed in the table later in this section, were classified as other equity instruments at cost. The notes represent direct unsecured limited recourse obligations of the Company. As such, recourse of the noteholder is limited to that holder's proportionate share of the Limited Recourse Trust's assets, which consist of non-cumulative 5-year rate reset Class A Preferred Shares – Series A and Series B. In 2025, distributions amounted to \$41 million (\$30 million after tax) compared to \$23 million (\$17 million after tax) in 2024 and were recognized directly to retained earnings.

Preferred Shares

The Company had one class of preferred shares outstanding at December 31, 2025, the Class A Series C preferred shares, with a book value of \$400 million. In 2025, the Company paid \$13 million (after tax) in dividends to preferred shareholders.

Outstanding Common Shares

The Company has only one class of common shares and all common shares carry a single voting right. In addition, no shareholder may acquire, directly or indirectly, 10% or more of the voting shares of iA Financial Group, and iA Financial Group must directly or indirectly hold 100% of the common shares of iA Insurance. iA Financial Group's common shares are traded on the Toronto Stock Exchange under the ticker symbol IAG. (See the "Notice" at the beginning of this Management's Discussion and Analysis for more information about the legal constitution of iA Financial Group.)

The number of issued and outstanding common shares at December 31, 2025 was 91,735,121, a decrease of 1,720,576 compared to December 31, 2024. This decrease is mainly due to the repurchase and cancellation of common shares under the Normal Course Issuer Bid (NCIB), which was marginally offset by the exercise of stock options under the Stock Option Plan for executives.

Common Shares

(As at December 31, in millions)	2025	2024	2023	2022	2021
Number of common shares outstanding	91.7	93.5	99.6	104.8	107.6

Stock Price and Market Capitalization

iA Financial Group became a publicly traded stock company in February 2000. The Company's stock began trading on the Toronto Stock Exchange on February 3, 2000, at a price of \$7.875, taking into account the two-for-one split of the Company's common shares, which took place on May 16, 2005. With a 33% increase in its share price in 2025, the Company's stock price closed the year at \$177.83, ending 2025 with a \$16.3 billion market capitalization.

Stock Price and Market Capitalization

(As at December 31, in millions of dollars, unless otherwise indicated)	2025	2024	2023	2022	2021
Stock price	\$177.83	\$133.32	\$90.33	\$79.27	\$72.38
Market capitalization	16,313	12,460	9,001	8,305	7,785

[†] 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.

Book Value per Common Share

The book value per common share¹ was \$79.24 at the end of 2025, up 8% during the year. This increase is mostly attributable to the increase in retained earnings, which was partly offset by dividend payments to common shareholders and share buybacks (NCIB).

Book Value per Common Share

(As at December 31)	IFRS 17 and IFRS 9			IFRS 4	
	2025	2024	2023	2022	2021
Book value per common share	\$79.24	\$73.44	\$66.90	\$63.00	\$62.01

Dividends

In the third quarter of 2025, the Company increased its quarterly dividend per common share by 10%, from \$0.9000 to \$0.9900. As a result, the dividend for 2025 totalled \$3.7800 per common share, an increase of 13%, compared to \$3.3600 per common share in 2024. In total, the Company paid out \$350 million in dividends to common shareholders in 2025. The core dividend payout ratio^{††} for the year was 29%.

Dividends

	2025	2024	2023	2022	2021
Dividends paid per common share	\$3.78	\$3.36	\$2.97	\$2.60	\$2.08
Core dividend payout ratio ^{††}	29%	30%	32%	29%	25%

Declaration of Fourth Quarter Dividends

The Board of Directors approved a quarterly dividend of \$0.9900 per share payable on March 16, 2026 to the shareholders of record at February 27, 2026. For the purposes of the *Income Tax Act* (Canada) and any corresponding provincial and territorial tax legislation, all dividends paid by iA Financial Group on its common shares are eligible dividends.

Stock Option Plan

In accordance with the Stock Option Plan adopted by the Board of Directors in 2001, the Human Resources and Compensation Committee granted 162,000 stock options in 2025. These new options, which will expire in 2035, were granted at \$134.17. The issue, net of the options exercised and cancelled during the year, brings the number of shares underlying options outstanding to 1,149,634 or 1.25% of the number of issued and outstanding shares at December 31, 2025.

Dividend Reinvestment and Share Purchase Plan for Common Shareholders

The Dividend Reinvestment and Share Purchase Plan for Common Shareholders allows participants to have their dividends automatically reinvested in iA Financial Group common shares and to make cash purchases of additional iA Financial Group common shares. Shares issued under the plan are currently acquired on the secondary market.

Normal Course Issuer Bid

A total of 1,968,075 shares were repurchased and cancelled in 2025, representing a cumulative amount of \$294 million. On November 4, 2025, the Company announced the renewal of its Normal Course Issuer Bid (NCIB), in effect since November 14, 2025. Through this NCIB, the Company can redeem, in the normal course of its activities, between November 14, 2025 and November 13, 2026, up to 4,607,178 common shares representing approximately 5% of the issued and outstanding common shares as at October 31, 2025. Since the beginning of the current NCIB, 406,975 shares, or 0.4% of the outstanding shares, have been repurchased and cancelled. Therefore, the Company may repurchase up to 4,200,203 outstanding common shares until the end of the current program.

(As at December 31, 2025)	Number of shares repurchased	Amount (in millions of dollars)
Shares repurchased and cancelled		
During the year, under the 2024-2025 program (expired November 13, 2025)	1,561,100	225
Since the beginning of the 2025-2026 program (expiring November 13, 2026)	406,975	69
Total for the year ended December 31, 2025	1,968,075	294
Total shares that can be purchased under the current program (expiring November 13, 2026)	4,607,178	—
Remaining shares that can be purchased under the current program (expiring November 13, 2026)	4,200,203	—

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.

[†] 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.

Debentures, Preferred Shares and Other Equity Instruments – iA Financial Corporation Inc.

Subordinated debentures issued on September 24, 2019 and maturing on September 24, 2031	
Principal amount:	\$400 million
Book value:	\$400 million
Interest:	3.072% until September 24, 2026. After that date, the interest rate will be a variable annual rate equal to the 3-month CDOR bankers' acceptance alternative rate (as defined in the Trust Indenture dated September 24, 2019, between iA Financial Corporation Inc. and Computershare Trust Company of Canada), payable quarterly.
Redemption and repayment:	Redeemable by the Company on or after September 24, 2026, in whole or in part, subject to prior approval by the regulatory bodies.
Subordinated debentures issued on February 25, 2022 and maturing on February 25, 2032 (Sustainability Bonds)	
Principal amount:	\$300 million
Book value:	\$300 million
Interest:	3.187% until February 25, 2027. After that date, the interest rate will be at a floating rate equal to the 3-month CORRA (Canadian Overnight Repo Rate Average), plus 0.91%, payable quarterly commencing May 25, 2027 and ending on February 25, 2032.
Redemption and repayment:	Redeemable by the Company on or after February 25, 2027, in whole or in part, subject to prior approval by the regulatory bodies.
Subordinated debentures issued on June 20, 2023 and maturing on June 20, 2033	
Principal amount:	\$400 million
Book value:	\$398 million
Interest:	5.685% until June 20, 2028. After that date, the interest rate will be a variable rate equal to the to Daily Compounded CORRA (Canadian Overnight Repo Rate Average), plus 1.96%, payable quarterly commencing September 20, 2028 and ending on June 20, 2033.
Redemption and repayment:	Redeemable by the Company on or after June 20, 2028, in whole or in part, subject to prior approval by the regulatory bodies. The book value of these debentures includes the amortized transaction costs of \$2 million.
Subordinated debentures issued on December 5, 2024 and maturing on December 5, 2034	
Principal amount:	\$400 million
Book value:	\$398 million
Interest:	4.131% until December 5, 2029. After that date, the interest rate will be a variable rate equal to the to Daily Compounded CORRA (Canadian Overnight Repo Rate Average), plus 1.35%, payable quarterly, commencing March 5, 2030 and ending on December 5, 2034.
Redemption and repayment:	Redeemable by the Company on or after December 5, 2029, in whole or in part, subject to prior approval by the regulatory bodies. The book value of these debentures includes the amortized transaction costs of \$2 million.
Class A Preferred Shares – Series C (Institutional preferred shares) issued on June 23, 2025	
Number:	400,000
Principal amount:	\$400 million
Book value:	Shares recognized at their acquisition value
Dividend:	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, but excluding, June 30, 2030. Starting on June 30, 2030 and every 5 years thereafter, the dividend rate of the Preferred Shares will be reset at a rate per annum equal to the prevailing 5-year Government of Canada Yield, plus 3.40%.
Voting rights:	No voting rights
Conversion	Not convertible into common shares
Redemption:	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, commencing in 2035, by the payment of an amount in cash for each Series C Preferred Share so redeemed of \$1,000.00 plus all declared and unpaid dividends up to, but excluding, the date fixed for redemption, subject to approval by the AMF.
Limited Recourse Capital Notes issued on June 1, 2022 and maturing on June 30, 2082	
Principal amount:	\$250 million
Book value:	\$250 million
Interest:	6.611% until June 30, 2027. On June 30, 2027 and every 5 years thereafter until June 30, 2077, the interest rate will be reset at an interest rate equal to the 5-year Government of Canada Yield plus 4.00%.
Redemption and repayment:	Redeemable by the Company on June 30, 2027, and every 5 years thereafter from May 31 to June 30, in whole or in part, subject to prior approval by the regulatory bodies.
Class A Preferred Shares – Series A issued on May 25, 2022 in connection with the Limited Recourse Capital Notes (“Notes”) issuance on June 1, 2022	
Number:	250,000
Held by:	The Limited Recourse Trustee, Computershare Trust Company of Canada, as trust assets (the “Limited Recourse Trust”). In the event of non-payment of interest or principal of the Notes when due, the recourse of each noteholder will be limited to that holder's proportionate share of the Limited Recourse Trust's assets, which will consist of the Series A Shares, except in certain limited circumstances.
Principal amount:	\$250 million
Book value:	Held within the Limited Recourse Trust and therefore is eliminated on the Company's Consolidated Statements of Financial Position.
Dividend:	Until revoked, the Limited Recourse Trust has waived its right to receive any and all dividends on the Class A Preferred Shares – Series A.
Voting rights:	No voting rights
Conversion:	None
Redemption and repayment:	The Series A Shares do not have a fixed maturity date and are not redeemable at the option of the holders of Series A Shares. The ability of a holder to liquidate its holdings of Series A Shares may be limited.

Limited Recourse Capital Notes issued on June 25, 2024 and maturing on September 30, 2084	
Principal amount:	\$350 million
Book value:	\$350 million
Interest:	6.921% from the date of issue to, but excluding, September 30, 2029. Starting September 30, 2029 and every 5 years thereafter, the interest rate on these notes will be reset at an interest rate per annum equal to the 5-year Government of Canada Bond Yield plus 3.60%.
Redemption and repayment:	Redeemable by the Company from August 31, 2029 to and including September 30, 2029, and every 5 years thereafter from August 31 to September 30, in whole or in part, subject to prior approval by the regulatory bodies.
Class A Preferred Shares – Series B issued on June 25, 2024 in connection with the Limited Recourse Capital Notes (“Notes”) issuance on June 25, 2024	
Number:	350,000
Held by:	The Limited Recourse Trustee, Computershare Trust Company of Canada, as trust assets (the “Limited Recourse Trust”). In the event of non-payment of interest on or principal of the Notes when due, the recourse of each noteholder will be limited to that holder’s proportionate share of the Limited Recourse Trust’s assets, which will consist of the Series B Shares, except in certain limited circumstances.
Principal amount:	\$350 million
Book value:	Held within the Limited Recourse Trust and therefore is eliminated on the Company’s Consolidated Statements of Financial Position.
Dividend:	Until revoked, the Limited Recourse Trust has waived its right to receive any and all dividends on the Class A Preferred Shares – Series B.
Voting rights:	No voting rights
Conversion:	None
Redemption and repayment:	The Series B Shares do not have a fixed maturity date and are not redeemable at the option of the holders of Series B Shares. The ability of a holder to liquidate its holdings of Series B Shares may be limited.

Controls and Procedures

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all material information is gathered and reported in a timely fashion to senior management, in particular the President and Chief Executive Officer and the Executive Vice-President, Chief Financial Officer and Chief Actuary, in order that appropriate decisions may be made regarding disclosure. These controls and procedures are also designed to ensure that the information is gathered, recorded, processed, condensed and reported within the time frames prescribed by Canadian securities regulations.

The Company’s President and Chief Executive Officer and the Executive Vice-President, Chief Financial Officer and Chief Actuary are responsible for establishing and maintaining the controls and procedures for disclosing the Company’s information. Following an evaluation carried out by these senior officers as at December 31, 2025, the Company’s disclosure controls and procedures were deemed to be effective.

Internal Control Over Financial Reporting

The Company’s internal control over financial reporting is designed to provide reasonable assurance that the Company’s financial reporting is reliable and that, for the purposes of publishing its financial information, the financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

The Company’s President and Chief Executive Officer and the Executive Vice-President, Chief Financial Officer and Chief Actuary are responsible for establishing and maintaining the Company’s internal control over financial reporting as defined in Regulation 52-109 (respecting Certification of Disclosure in Issuers’ Annual and Interim Filings). As at December 31, 2025, they evaluated the effectiveness of the internal control over financial reporting using the framework and criteria established in the Internal Control – Integrated Framework report published by the Committee of Sponsoring Organizations of the Treadway Commission. Following this evaluation, they concluded that the internal control over financial reporting was effective. During the year, no changes had, or are reasonably likely to have had, a material impact on internal control over financial reporting.

Management has limited the scope of the design of disclosure controls and procedures and internal controls over financial reporting to exclude the controls, policies and procedures of RF Capital Group Inc., acquired on October 31, 2025. In accordance with Section 3.3 of Regulation 52-109 respecting Certification of Disclosure in Issuers’ Annual and Interim Filings, the Corporation is applying the permitted scope limitation for businesses acquired not more than 365 days before the end of the relevant reporting period. Additional information on this transaction, including the purchase accounting and key terms, is provided in Note 4 “Acquisition of Businesses” of the Company’s audited consolidated financial statements as at December 31, 2025, hereby incorporated by reference.

RF Capital’s contribution and integration are discussed in the relevant sections of this Management’s Discussion and Analysis, notably “Acquisitions and Dispositions” regarding the \$43.6 billion in assets under administration as at September 30, 2025, and “Financial Position” regarding the increase of approximately \$2 billion in general fund assets and \$1.2 billion in general fund liabilities. Readers should refer to these sections and “Analysis of Earnings for the Fourth Quarter – Wealth Management” for a qualitative discussion of RF Capital’s impact during the period while the scope limitation remains in effect.

Material Accounting and Actuarial Policies

The consolidated financial statements are prepared in accordance with IFRS Accounting Standards.

For more information on material accounting policies, refer to Note 2 of the Company’s consolidated financial statements hereby incorporated by reference.

The preparation of the financial statements requires that management make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, net income and additional information. Actual results may differ from management’s estimates. The estimates and assumptions are

revised periodically based on changes in relevant facts and circumstances. The changes are then accounted for in the period in which the revisions are made and in all subsequent periods affected by the revisions. The most significant estimates and judgments pertain to the classification of contracts and the determination of policy liabilities.

Other Items

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 also 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.

Related party transactions are described in Note 29 of the Company's consolidated financial statements hereby incorporated by reference.

Guarantees, Commitments and Contingencies

In the normal course of business, the Company frequently signs various types of contracts or agreements which, in certain cases, can be considered to be guarantees, commitments or contingencies.

As at December 31, 2025, the Company's contractual obligations and commitments were as follows:

Contractual Obligations – Payments Due by Period

(In millions of dollars)	As at December 31, 2025			
	Total	Less than 1 year	1 year to 5 years	More than 5 years
Debentures	1,496	—	—	1,496
Lease liabilities	139	26	69	44
Purchasing commitments	550	215	335	—
Other long-term commitments ²	141,807	8,598	911	132,298
Total of contractual obligations	143,992	8,839	1,315	133,838

For more information on guarantees, commitments and contingencies, refer to Note 7c) "Liquidity Risk" and Note 30 of the consolidated financial statements hereby incorporated by reference.

² Other long-term commitments include insurance contract liabilities, investment contract liabilities and deposits, derivative financial instruments, other financial liabilities, securitization liabilities and mortgage debt. Refer to Note 7c) "Liquidity Risk" of the Company's consolidated financial statements, hereby incorporated by reference, for detailed information on the maturities of each of these commitments.

Credit Ratings

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

In 2025, the credit ratings assigned by Standard & Poor's, DBRS Morningstar and A.M. Best remained unchanged, with a stable outlook for all ratings of iA Financial Group and its related entities, including iA Insurance.

Credit Ratings

Agency	Type of evaluation	Rating
iA Financial Corporation Inc.		
Standard & Poor's	Issuer Credit Rating	A
	Subordinated Debentures	A-
	Limited Recourse Capital Notes	BBB+
DBRS Morningstar	Issuer Rating	A
	Subordinated Debentures	A (low)
	Limited Recourse Capital Notes	BBB (high)
Industrial Alliance Insurance and Financial Services Inc.		
Standard & Poor's	Issuer Credit Rating	AA-
	Financial Strength Rating	AA-
	Preferred Shares – Canadian scale	P-1 (low)
	Preferred Shares – Global scale	A
DBRS Morningstar	Financial Strength	AA (low)
	Issuer Rating	AA (low)
	Preferred Shares	Pfd-1 (low)
A.M. Best	Financial Strength	A+ (Superior)
	Issuer Credit Rating	aa- (Superior)
IA American Life Group Entities (IA American Life Insurance Company, American-Amicable Life Insurance Company of Texas, Pioneer Security Life Insurance Company, Pioneer American Insurance Company, Occidental Life Insurance Company of North Carolina)		
A.M. Best	Financial Strength	A (Excellent)
	Issuer Credit Rating	a (Excellent)
Industrial Alliance Pacific General Insurance Corporation		
A.M. Best	Financial Strength	A (Excellent)
	Issuer Credit Rating	a+ (Excellent)
Dealers Assurance Company		
A.M. Best	Financial Strength	A (Excellent)
	Issuer Credit Rating	a (Excellent)

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.

Investments

Description of Sector

The Investments sector of iA Financial Group has two main functions: managing the assets in the Company's general fund and managing the investment funds offered to its clients. All of iA Financial Group's investment activities, including those associated with its U.S. operations, are combined under a single authority and share a common philosophy. Professionals working in the sector have a diverse range of responsibilities, from working with the general fund and for a number of segregated and mutual funds to overseeing all external managers. The sector's management structure is described below.

The general fund team is responsible for balancing risk, return, liability matching and regulatory capital requirements while considering market trends and economic indicators to optimize the general fund portfolio.

The general fund experts manage a diverse range of investments, including fixed income, non-fixed income and derivatives. Fixed income investments include, among other things, corporate bonds, governments, municipalities, mortgages and short-term investments. Non-fixed income investments include, among other things, infrastructure, private equity, public equity and real estate. The general fund experts also utilize derivatives, primarily to manage risk.

The risk monitoring team is responsible for developing a global vision for the control and monitoring of the various investment risks (interest rate, stock market, exchange rate, credit, liquidity, etc.). It is also responsible for analyzing and monitoring active risk and risks related to investment funds and general funds. In addition to quantifying the risks, the team helps develop strategies for managing these risks effectively.

Sustainable Investment Approach

The [Sustainable Investment Policy](#), [Sustainability Policy](#) and [Proxy Voting Policy](#) provide guidance on how our investment teams incorporate ESG considerations into investment management and stewardship activities in a consistent and comprehensive manner.

When assets are managed internally, portfolio managers and analysts of iA Global Asset Management ("iAGAM"), which includes Industrial Alliance Investment Management Inc. and iA Global Asset Management Inc., are expected to adhere to the guiding principles of the Sustainable Investment Policy, in particular the incorporation of ESG considerations into the investment process. iAGAM regularly assesses the application of this Policy across its investment portfolios. When assets are managed by an external manager, we review their sustainable investment policy and practices as part of the selection process, as well as on a regular, ongoing basis.

Also, the general fund is pursuing decarbonization efforts with greenhouse gas (GHG) reduction targets for its public corporate bond portfolio and investment property holdings. As a major property owner, iA Financial Group measures its environmental performance with a methodology aligned with industry standards.

Assets Under Management and Assets Under Administration

At December 31, 2025, iA Financial Group reached \$341.1 billion in total assets under management and assets under administration, an increase of 31% during the year, mainly driven by high net fund inflows, growth in financial markets and the addition of assets under administration from the RF Capital acquisition completed on October 31.

Assets Under Management and Assets under Administration

(As at December 31, in millions of dollars)	IFRS 17 AND IFRS 9			IFRS 4	
	2025	2024	2023	2022	2021
Assets under management					
General fund	59,761	57,286	52,009	47,094	55,082
Segregated funds	63,047	52,575	41,837	37,334	39,577
Mutual funds	14,099	13,290	12,204	11,611	13,955
Other	6,252	5,579	4,485	3,670	2,862
Subtotal	143,159	128,730	110,535	99,709	111,476
Assets under administration	197,910	132,576	109,669	97,717	109,687
Total	341,069	261,306	220,204	197,426	221,163

Assets under management, consisting of amounts in the general fund, segregated funds and mutual funds, as well as certain assets managed for third parties (classified as *Other*), increased 11% compared to the previous year, amounting to \$143.2 billion at December 31, 2025. This performance was driven by high segregated fund inflows and favourable market conditions.

Assets under administration exceeded \$197.9 billion at December 31, 2025, reflecting an increase of 49% over the last 12 months. This performance was driven by the addition of assets from the RF Capital acquisition completed on October 31, 2025 and favourable market conditions. Assets under administration primarily consist of third-party assets administered through the mutual fund brokerage company (Investia Financial Services), the securities brokerage company (iA Private Wealth), the trust company (iA Trust) and the independent wealth management firm RF Capital Group.

General Fund

General Fund Investments

The Company primarily uses two key investment strategies for its general fund: the Total Portfolio Management (TPM) strategy and the Universal Life, PAR and Others strategy.

For the TPM strategy, iA Financial Group advocates an investment management strategy designed to optimize long-term returns on the assets while maintaining strict asset/liability replicating criteria. The strategy takes into account the constraints imposed by the investment policies as well as the Risk Appetite and Tolerance Statement, which include interest rate risk, credit spread risk, equity risk and credit risk limits. Diversification is a key principle and belief guiding the overall asset allocation and exposure limits.

The TPM strategy aligns the Company's investment strategy for most of its general fund insurance contract liabilities (assets) and investment contract liabilities and deposits, including individual and group insurance products, annuities, and guaranteed interest accounts.

Under the TPM strategy, the Company uses high-quality assets, primarily made up of long-term fixed income securities (such as bonds) and non-fixed income assets (such as stocks), to optimize the risk and return of this liability category. Derivative financial instruments can also be utilized to improve the portfolio's asset/liability positioning or its risk-adjusted return. The asset allocation aims to achieve an optimal return, taking into account capital requirements, expectations regarding the interest rate structure and the long-term capital market assumption for non-fixed income assets.

The Universal Life, PAR and Others strategy relates mainly to the Company's general fund insurance contract liabilities (assets) linked to Universal Life policy accounts, as well as participating and pass-through products.

For more information about these two investment strategies, refer to the "Risk Management" section of this document.

Composition of General Fund Investments

The total value of the investment portfolio was \$46.0 billion at the end of 2025, an increase of 1% over the last 12 months. At the end of 2025, 68% of the Company's investments were invested in bonds and 8% in loans (including mortgages), for a total of 76% in fixed-income securities. The proportion of fixed-income securities has fluctuated between 76% and 80% over the last five years, while the proportion of stocks has varied between 9% and 14%.

General Fund Investments

(As at December 31, in millions of dollars)	2025	2024
Bonds	31,080	32,690
Stocks	6,504	5,130
Loans (including mortgages)	3,687	3,444
Investment properties	1,446	1,519
Cash and short-term investments	2,262	1,566
Other	1,045	1,231
Total	46,024	45,580

Investments by Asset Category

(As at December 31)	2025	2024
Portfolio	\$46.0B	\$45.6B
Bonds	68%	72%
Stocks	14%	11%
Loans (including mortgages)	8%	8%
Investment properties	3%	3%
Cash and short-term investments	5%	3%
Other	2%	3%
Total	100%	100%

Bond Portfolio

The Company's bond portfolio is of high quality, totalling \$31.1 billion at December 31, 2025.

In accordance with the rules defined in the investment policies, the Company largely invests in bonds whose credit rating from a recognized rating agency is BBB low or higher at the time of acquisition. In the event no evaluation is available from a recognized rating agency, the Company uses an in-house method to evaluate the quality of the bonds in question.

The proportion of bonds rated A or higher made up 68% of the bond portfolio at the end of 2025, a level consistent with that observed at the end of 2024. At December 31, 2025, bonds rated BB and lower (high-yield bonds) totalled \$201 million (0.6% of the bond portfolio), compared to \$220 million at December 31, 2024 (0.7% of the bond portfolio).

Bonds by Credit Rating

(As at December 31)	2025	2024
Portfolio	\$31.1B	\$32.7B
AAA	5%	6%
AA	27%	27%
A	36%	35%
BBB	31%	31%
BB and lower	1%	1%
Total	100%	100%

In addition to investing in bonds issued through public placements (government bonds and bonds of public corporations), the Company also invests in bonds issued through private placements. These bonds offer investment opportunities that are generally not available on the public market, and offer performance and risk features that are suitable for the operations of a life insurance company. They also provide greater access to information from issuers. However, bonds issued through private placements do not have the same level of liquidity and could be impacted by changing credit conditions in the market. At December 31, 2025, private issue bonds totalled \$6.2 billion, accounting for 20% of the bond portfolio (\$6.1 billion or 19% of the portfolio at December 31, 2024).

Bond Portfolio

(As at December 31)	IFRS 17 and IFRS 9			IFRS 4	
	2025	2024	2023	2022	2021
Book value of the portfolio (\$M)	31,080	32,690	29,940	26,117	32,892
Distribution by category of issuer (%)					
Governments	25	28	30	30	40
Municipalities	3	3	3	3	4
Corporates – Public issues	52	50	48	47	38
Corporates – Private issues	20	19	19	20	18
Total	100	100	100	100	100

Loans Portfolio

The loans portfolio amounted to nearly \$3.7 billion at December 31, 2025, remaining relatively stable compared to the end of the previous year. This portfolio is composed of mortgages, corporate loans, car loans and other loans.

Mortgages

The mortgage portfolio alone, made up of multi-residential and non-residential mortgages, totalled nearly \$1.2 billion and remained of excellent quality at December 31, 2025, with insured mortgages representing 60% of the total mortgage portfolio, as shown in the table below.

At December 31, 2025, the proportion of multi-residential mortgage properties was 77% and had remained at or above that level for several years.

At the end of 2025, 3% of the mortgage portfolio (\$29 million) was securitized through the Canada Mortgage and Housing Corporation (CMHC) Canada Mortgage Bond (CMB) program.

Corporate Loans

The corporate loans portfolio amounted to \$250 million as at December 31, 2025. This asset class was introduced in the first quarter of 2025, therefore no such investments were held at the end of 2024. Corporate loans held within the general fund are rated BB or lower.

Car Loans and Other Loans

The car loans and other loans portfolio, which includes personal loans, totalled nearly \$2.3 billion at the end of 2025, the same as at the end of 2024. The indicators in the table below confirm the quality of the car loans portfolio, with total allowance for credit losses (ACL) as a percentage of gross sales at 5.56%.

Loans Portfolio

(As at December 31)	2025	2024
Book value of loans portfolio (\$M)		
Mortgages	1,157	1,193
Corporate loans	250	—
Car loans and other loans	2,280	2,251
Total	3,687	3,444
Distribution of mortgages by type of loan (%)		
Insured loans	60	65
Conventional loans	40	35
Total	100	100
Quality measure		
Car loans – Net impaired loans as a percentage of gross loans ¹	0.46%	0.49%
Car loans – Total allowance for credit losses (ACL) as a percentage of gross loans ²	5.56%	5.61%

¹ Net impaired loans as a percentage of gross loans is the 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.

² 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. It provides a measure of the expected credit experience of the loan portfolio.

Mortgages by Type of Property

(As at December 31)	2025	2024
Portfolio	\$1.2B	\$1.2B
Multi-residential	77%	80%
Non-residential – Industrial	8%	6%
Non-residential – Retail	9%	9%
Non-residential – Office	6%	5%
Non-residential – Other	—	—
Total	100%	100%

In addition to mortgages, corporate loans and other loans, the Company also manages mortgages for third parties. In total, the Company's portfolio of mortgages and other loans plus mortgages managed for third parties amounted to \$9.5 billion at December 31, 2025 (\$8.6 billion at December 31, 2024).

Stock Portfolio

At December 31, 2025, investments in equity securities amounted to \$6.5 billion, or 14% of the Company's total investments, compared to \$5.1 billion or 11% a year earlier. The increase is mainly due to market variations and organic growth of business.

Investments in equity securities, including preferred shares, are used in both the Total Portfolio Management (TPM) and Universal Life, PAR and Others strategies described above in the "General Fund Investments" section. The stock portfolio used in the TPM strategy delivered a return of 8% in 2025. Private equities continued to occupy a large part of the stock portfolio in 2025, as this category offers opportunities in terms of diversification, returns and matching of very long-term commitments.

Stock Portfolio by Type of Strategy

(As at December 31)	2025	2024
Strategy³	\$6.5B	\$5.1B
Universal Life, PAR and Others	50%	44%
Total Portfolio Management	50%	56%

The management strategy used for the stock portfolio aims to optimize return through investments in preferred shares, common shares, market indices, private equities and investment funds. The Company favours a policy of diversification by industrial sector and by issuer to limit its exposure to concentration risk and to participate in the growth of all primary economic sectors.

Stock Portfolio

(As at December 31)	IFRS 17 AND IFRS 9			IFRS 4	
	2025	2024	2023	2022	2021
Book value of the portfolio (\$M)	6,504	5,130	4,069	4,028	3,906
Distribution by category of stock (%)					
Common shares and investment fund units	43	35	31	27	30
Preferred shares	7	10	11	12	18
Market indices	6	6	7	7	5
Private equities	44	49	51	54	47
Total	100	100	100	100	100

Investment Properties Portfolio

The Company recognizes investment properties at fair value. The book value of investment properties as per the financial statements decreased by \$73 million in 2025 to \$1.4 billion at December 31, 2025. Changes in the book value are normally due to the net amount of acquisitions and dispositions, the change in the fair value of investment properties that were reappraised during the year and any capital expenses on the properties. Investment property exposure represented 3% of the total investment portfolio at December 31, 2025.

The occupancy rate⁴ on investment properties as per the financial statements was 84.4% at December 31, 2025, compared to 85.5% at December 31, 2024. This occupancy rate continues to compare favourably with office properties in large Canadian cities.⁵ The weighted average lease term (WALT) of the investment properties portfolio is 9.1 years, ensuring stable long-term revenues for the Company.

³ In Q4/2025, a reclassification was made to better reflect the current distribution by use of the stocks, and prior periods have been restated accordingly.

⁴ 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.

⁵ Source: CBRE Report: Canada Office Figures Q4 2025 dated January 7, 2026.

Office buildings account for 78.0% of the Company's investment property exposure. The rest of the portfolio is invested in other types of property such as retail, industrial, land and multi-residential.

Investment Properties

(As at December 31, in millions of dollars, unless otherwise indicated)	IFRS 17 AND IFRS 9			IFRS 4	
	2025	2024	2023	2022	2021
Investment properties as per financial statements	1,446	1,519	1,611	1,804	1,870
Investment property exposure	1,565	1,606	1,689	2,158	2,214
Occupancy rate on investment properties as per financial statements	84.4%	85.5%	86.7%	88.3%	91.5%

Distribution of Investment Property Exposure by Type of Properties

(As at December 31)	2025	2024
Portfolio	\$1,565	\$1,606
Office	78%	79%
Retail	7%	7%
Industrial	8%	4%
Land	4%	4%
Multi-residential	3%	5%

The figures do not always add up exactly due to rounding differences.

Derivative Financial Instruments

The Company primarily uses derivative financial instruments in the normal course of managing the risk arising from fluctuations in interest rates, equity markets, currencies and credit. These instruments are primarily made up of interest rate, equity and foreign exchange swaps, as well as options, futures and forward contracts.

Derivative financial instruments are used as part of the Company's hedging program. This program aims to alleviate the sensitivity of the capital guarantees on certain segregated fund products to interest rate and stock market fluctuations.

Derivative financial instruments are also used to hedge its exposure to currency risk when investing in assets not denominated in the same currency as the liabilities backed by these assets. Lastly, derivatives are used in the implementation of strategies to mitigate interest rate risk arising from asset/liability mismatch and to hedge the risk associated with the Universal Life policy funds.

The Company has an investment strategy that uses options to obtain synthetic stock market exposure while reducing its macroeconomic risk profile.

The table below presents certain values pertaining to the Company's financial instruments. For more information, refer to Note 8 of the Company's consolidated financial statements hereby incorporated by reference.

Derivative Financial Instruments – Fair Value and Exposure

(As at December 31, in millions of dollars)	2025	2024
Net fair value	192	6
Notional amount	51,535	47,728

Other Invested Assets

The *Other invested assets* category is made up of cash and cash equivalents, derivatives, short-term investments and other investments. These investments totalled \$3.3 billion at December 31, 2025 (\$2.8 billion at December 31, 2024).

Quality of Investment Portfolio

The overall quality of the investment portfolio remained very good in 2025, reflecting its composition of high-quality assets with diversified exposures and prudent positioning. The indicators in the table below summarize several quality measures that confirm the overall quality of the investments.

(As at December 31)	2025	2024
Bonds – Proportion rated BB or lower	0.6%	0.7%
Mortgages – Proportion of insured loans	60.1%	65.0%
Investment properties – Occupancy rate	84.4%	85.5%
Car loans – Net impaired loans as a percentage of gross loans	0.5%	0.5%
Car loans – Total allowance for credit losses (ACL) as a percentage of gross loans	5.6%	5.6%

Investment Funds: Segregated Funds and Mutual Funds

Investment Fund Assets

Investment fund assets for iA Financial Group totalled \$77.1 billion at December 31, 2025 (\$63.0 billion in segregated funds and \$14.1 billion in mutual funds), an increase of \$11.2 billion from the previous year. This significant increase is mostly explained by positive net sales as well as favourable financial markets.

Segregated Fund and Mutual Fund Assets

(As at December 31, in billions of dollars)	2025	2024	2023	2022	2021
Segregated funds	63.0	52.6	41.8	37.3	39.6
Mutual funds	14.1	13.3	12.2	11.6	14.0

Range of Funds

iA Financial Group offers a broad and diverse range of investment funds. As at December 31, 2025, the Company offered its clients more than 280 funds, with approximately half of the assets in these funds being managed by internal investment teams.

The Company continued to adjust its segregated fund offering in 2025 to increase its diversity and complementarity and to respond to client demand. In the individual segregated fund segment, the Company optimized its fund platform by closing funds that had similar objectives to other funds or that were less popular investment options. iA Clarington Investments extended offerings with a key fund manager with the addition of US dollar versions of two funds as well as an ETF series of an existing fund. Eleven asset class pools and five portfolio solutions were also launched to embed into iA Wealth dealer programs. Lastly, in the Group Savings and Retirement segment, the Company adjusted its lineup, with additions and improvements to its life cycle product offering as well as new global fixed income and equity funds.

iA Financial Group's Investment Funds

	As at December 31, 2025	
	Assets (\$billion)	Distribution of assets
Segregated funds	63.0	82%
Mutual funds	14.1	18%
Total	77.1	100%

[†] 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.

Risk Management

The “Risk Management” section of the Management’s Discussion and Analysis contains certain information required under IFRS 7 *Financial Instruments: Disclosures* of the IFRS Accounting Standards (IFRS) regarding the nature and scope of the risks arising from financial instruments. This information, which appears in the shaded sections, is an integral part of the audited consolidated financial statements for the year ended December 31, 2025, given that the standard permits 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 a financial group, the Company must take and manage a variety of risks arising from its business activities in order to create long-term value and ensure its sustainability.

Risk Management Principles and Responsibilities

iA Financial Group defines risk as the possibility of an event occurring that will have an adverse impact on its business, financial condition and achievement of objectives. Sound and effective risk management therefore involves identifying, assessing, measuring, understanding, managing, monitoring and communicating the risks to which the Company is exposed in the course of its operations, and the effectiveness of the controls in place to mitigate them.

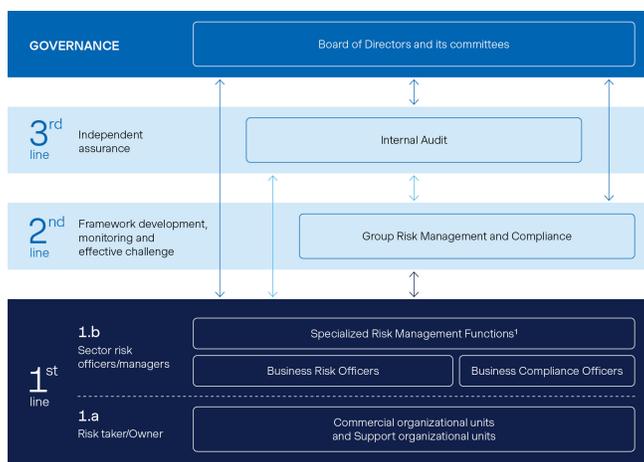
To this end, iA Financial Group has implemented an integrated risk management framework that is continually applied and taken into account in the Company’s business strategies and in all its operations. The risk management framework enables the Company to conduct sound and prudent risk management by promoting an approach that balances the achievement of strategic objectives with risk taking. This approach is characterized by the consideration of risks in decision-making, alignment of strategic orientations, and compliance with the Company’s risk appetite and tolerance. The framework defines the Company’s risk appetite as the type and level of risk the Company is willing to accept in pursuing its strategic objectives and long-term value creation.

To maximize the benefits of integrated risk management, iA Financial Group considers the interrelationships and interdependencies between risks and controls, and ensures that strategies, tools and resources are aligned to provide holistic risk management across the Company. The risk management framework allows the Company to monitor its risk profile and increase its ability to act effectively and quickly when necessary. A better understanding of its risks helps iA Financial Group achieve its strategic and business objectives, prevent losses and allocate resources more effectively, while promoting the Company’s resilience. By providing sufficient and relevant information on the effectiveness of risk management, the risk management framework also provides senior management and the Board of Directors with a reasonable level of confidence and reassurance that all categories of risk are understood and managed in relation to the achievement of iA Financial Group’s objectives. It contributes to ensuring that the Company can meet its commitments to policyholders, clients, creditors, shareholders and regulatory bodies.

The Company’s risk management process is supported by a strong governance structure, a sound risk management culture and an effective framework that adapts to the evolution of the Company, its activities, its level of maturity and its environment. As part of this process, the Company continuously reviews and improves its risk management framework based on its financial and non-financial situation; the nature, size and complexity of its activities; its risk profile; its long-term strategic plan; and the internal and external environment in which it operates.

The framework is governed by corporate policies that set out the principles guiding the Company’s decisions and actions in all its activities, allowing it to classify, define and adequately manage the risks to which it is exposed. The policies outline the risk management governance and organizational structure, including the roles and responsibilities of the various people involved in the risk management process. They also describe the key steps in the process, particularly in terms of identifying risks, defining risk appetite and tolerance, and assessing, managing, monitoring and reporting of risks. Compliance with and application of the framework allow for a sound risk management culture to be maintained and promoted within the Company.

The diagram that follows illustrates the responsibility levels with respect to integrated risk management within the Company.



¹ Specialized risk management functions include the CISO, CDO, CIO, Investment Risk, and Finance and Actuarial teams.

Supported by a strong risk culture, the Company's risk management approach is based on the three lines of defence governance model. This approach is premised on the implementation of coordinated risk management and control systems throughout the Company.

The first line of defence consists of the risk-takers (line 1.a) as well as business risk officers and business compliance officers (line 1.b) for the sectors. As risk owners, they are responsible for establishing and executing the business strategies to comply with the Company's defined risk appetite and tolerance, and ensuring a long-term balance between risk and return. They are also responsible for applying the principles, frameworks, policies, guidelines, standards, tools and methodologies developed by the second line of defence and for identifying, communicating and managing risks that could prevent them from achieving the objectives in their respective areas of responsibility. They must ensure that proper controls are in place and functional, and that they are integrated into their sector's systems and processes.

The second line of defence refers to the function responsible for establishing and maintaining the risk management and compliance framework in an objective and impartial manner. It comprises the Group Risk Management and Compliance sector, headed up by the Executive Vice-President and Chief Risk Officer, and the compliance function, headed up by the Vice-President and Chief Compliance Officer, who reports to the Chief Risk Officer. It also includes certain corporate sectors in their role of surveillance, quality assurance and compliance. The second line of defence is responsible for objectively and impartially monitoring and critically analyzing the risks and controls implemented by the first line of defence. It is also responsible for developing and maintaining the principles, policies, guidelines, standards, tools, and methodologies to identify, measure, assess, aggregate, manage, track, monitor and report on current and emerging risks. To this end, it guides and supports the first line of defence in the rigorous assessment of significant risks to which the Company is exposed.

These two lines of defence work together to ensure prudent and disciplined management in protecting the Company's reputation and long-term sustainability. The Chief Risk Officer and their team work closely with the first line of defence to promote a culture of sound risk management across the organization. Based on a holistic view of risks and considering the interrelationships that may exist between them, the Chief Risk Officer communicates any pertinent information to senior management and the Board of Directors about the Company's main risks and the steps taken to manage them.

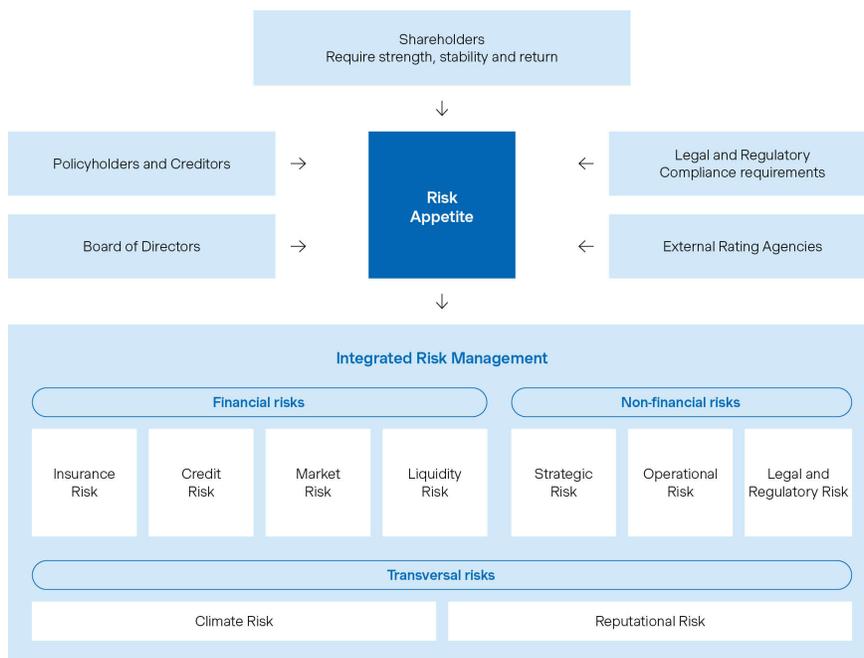
As the third line of defence, Internal Audit provides objective and independent assurance as well as risk-based advice to senior management and to the Board of Directors regarding the adequacy and effectiveness of governance, risk management and internal control processes. It recommends improvements and reports to the Board of Directors' Audit Committee.

The Board of Directors, supported by the Risk, Governance and Ethics Committee, approves the policies governing the risk management framework, as well as any changes that are made to it. It also approves the overall level of risk the Company is willing to accept, as well as the associated tolerances and limits, in order to achieve its business objectives and support long-term value creation.

The risk management framework applies to the Company's subsidiaries. A functional relationship, including communication and reporting protocols, takes place between the corporate risk management and compliance team and those responsible for risk management and compliance in the subsidiaries.

The boards of directors of the subsidiaries, which are made up of members renowned for their expertise in their respective fields as well as senior executives from the parent company, also play an important role in monitoring risks and approving relevant policies.

Integrated Risk Management Framework



The diagram above illustrates the categories of risk the Company is exposed to while pursuing its strategic objectives. The risk taxonomy is a comprehensive, common and stable set of risk categories used in the integrated risk management process. It contributes to the strengthening of culture and optimal integration of the Company's risk management approach.

A summary of these risks and the processes for managing them is outlined in the following pages. Each of these risk categories can include current and emerging risks, and the way in which they are taken into account across the organization is adjusted accordingly.

Risk management is a process designed to ensure that risks are properly managed and that they comply with iA Financial Group's Risk Appetite and Tolerance Statement. The process is composed of five steps performed in an iterative and continuous manner. These steps are illustrated in the diagram below.



Although the steps in the process are common to all risk categories, each category requires a tailored approach for risk identification, assessment and management that is adapted and relevant to its specificities. In addition, the management of these risks is supported by a strong risk management culture across the organization. This culture can be defined as the behaviours adopted by Company employees, who observe and apply the principles of the integrated risk management framework to their day-to-day activities. These behaviours are also governed by respect for ethics and transparency in decision-making. The culture constitutes the solid common foundation for the Company's risk management activities.

Insurance Risk

Insurance risk is the risk of financial loss due to unexpected changes in pricing or reserving assumptions such as severity, frequency, trend, volatility or level of occurrence rates. This category includes, among other things, the following risk factors:

Policyholder Behaviour – Risk that policyholders' actions, including lapses and surrenders, differ adversely from what was expected.

Mortality – Risk that mortality rates deviate adversely from what was expected.

Morbidity – Risk of actual disability, sickness and medical expense benefit amounts being higher than the expected benefits.

Expenses – Risk of an increase in future expenses for insurance business related to the administration of in-force contracts, renewal commissions, general expenses and taxes.

Other Insurance Risks – The Company is also exposed to other insurance risks, which do not have a significant impact on the Company's financial statements.

Insurance risk can occur at different stages in a product's life, either during product design and pricing, during underwriting or claims settlement, or when calculating the net insurance contract liabilities (assets). The Company has implemented controls and processes at each of these stages to ensure appropriate management of insurance risk.

Every year, the Appointed Actuary of Industrial Alliance Insurance and Financial Services Inc., a subsidiary of the Company, values the policy liabilities for the Company's financial statements prepared in accordance with IFRS Accounting Standards. The Appointed Actuary also ensures that the valuation conforms to accepted actuarial practice in Canada and that the Company's financial statements fairly present the results of the valuation.

Sensitivity Analysis – The significant assumptions used in the valuation of insurance contracts are policyholder behaviour, mortality, morbidity and expenses. The following sensitivity analysis shows the immediate impact on net income and equity, as well as on the contractual service margin, of a reasonably possible permanent deterioration in these assumptions, which have the greatest impact on the estimates of future cash flows with all other assumptions unchanged. This analysis presents the sensitivities both before and after risk mitigation by reinsurance contracts. An improvement of the same percentage in those assumptions would have a similar impact, but in the opposite direction.

Immediate Sensitivity of Significant Assumptions Used For the Valuation of Insurance Contract Liabilities (Assets) Gross and Net of Reinsurance¹

(In millions of dollars)	As at December 31, 2025			
	Net income and Equity		Contractual service margin	
	Gross	Net	Gross	Net
Policyholder behaviour				
Impact of 10% deterioration ²	(45)	(65)	(615)	(640)
Mortality				
Impact of 2% deterioration for insurance products ³	(65)	(20)	(295)	(135)
Impact of 2% deterioration for annuity products ⁴	—	—	(45)	(40)
Morbidity				
Impact of 5% deterioration ⁵	(40)	(45)	(105)	(65)
Expenses				
Impact of 5% deterioration ⁶	(5)	(5)	(110)	(110)

(In millions of dollars)	As at December 31, 2024			
	Net income and Equity		Contractual service margin	
	Gross	Net	Gross	Net
Policyholder behaviour				
Impact of 10% deterioration ²	(45)	(60)	(560)	(580)
Mortality				
Impact of 2% deterioration for insurance products ³	(65)	(10)	(275)	(140)
Impact of 2% deterioration for annuity products ⁴	—	—	(50)	(45)
Morbidity				
Impact of 5% deterioration ⁵	(40)	(45)	(105)	(65)
Expenses				
Impact of 5% deterioration ⁶	(5)	(5)	(115)	(115)

For more information on the management of insurance risk, notably on controls and processes to manage insurance risk, refer to Note 13 “Management of Insurance Risk” of the Company’s audited financial statements as at December 31, 2025 hereby incorporated by reference.

Market Risk

The Company is exposed to market risk, which is the risk of financial loss due to unexpected changes in the level or volatility of market prices of assets and liabilities. This category includes, among other things, interest rate risk, credit spread risk, basis risk, equity risk and exchange rate risk.

The Company has established a Risk Appetite and Tolerance Statement along with investment policies that contain a variety of quantitative measures designed to limit the impact of these risk factors. The statement and policies are reviewed periodically, and any modifications are submitted to the Board of Directors for approval. Investment management policy and investment policy compliance are monitored regularly, and the results are reported to the Board of Directors’ Investment Committee at least quarterly.

¹ These sensitivities are rounded to the nearest 5 million dollars and represent immediate impacts of a change in assumptions. They are also adjusted to reflect the adjustability of products, when applicable.

² Assuming 90% of the expected lapse rates for lapse-supported products and 110% of the expected lapse rates for other products.

³ Assuming 102% of expected mortality rates for products where an increase in mortality rates increases insurance contract liabilities (assets).

⁴ Assuming 98% of expected mortality rates for products where a decrease in mortality rates increases insurance contract liabilities (assets).

⁵ Assuming 95% of the expected termination rate when the insured is or becomes disabled and 105% of the expected occurrence rate when the insured is active.

⁶ Assuming 105% of expected expenses for servicing and maintaining in-force policies.

Interest Rate Risk and Credit Spread Risk – One of an insurer's fundamental activities is to invest client premiums for the purpose of paying future benefits, whose maturity date may be uncertain and potentially a long time in the future, such as death benefits and annuity payments. Interest rate risk is the risk of mismatch between the impact of interest rates on assets and liabilities. Credit spread risk is the risk of changes in the value of investments and other assets resulting from a change in the credit spread. These can occur if the asset cash flows cannot be reinvested at high enough interest rates compared to the interest rates and implied credit spreads on the corresponding liabilities, or if an asset needs to be liquidated in order to replicate the liability cash flows and therefore a loss in market value of the liquidated asset occurs due to rising interest rates or rising credit spreads. These risks depend on the Company's asset allocation, asset/liability positioning, as well as external factors that have a bearing on the markets, the nature of the built-in product guarantees and the policyholder options.

To mitigate these risks, the Company has developed a liability replicating process that considers the characteristics of the financial liabilities associated with each type of annuity and insurance product. Some of the important factors considered in the replicating process include the structure of projected cash flows and the degree of certainty with regard to their maturity, the type of return (fixed or variable), the existence of options or guarantees inherent in the assets and liabilities, and the availability of appropriate assets in the marketplace. This replication process then allows the Company to determine and select investment strategies to meet its overall risk-adjusted return objectives within its various risk appetite and tolerance limits.

Investment strategies are defined based on the characteristics of the financial liabilities associated with each product. Two of the Company's key strategies are described below.

1) Total Portfolio Management (TPM) Strategy

This strategy relates to the vast majority of the Company's general fund insurance contract liabilities (assets) and investment contract liabilities and deposits. It encompasses, among other things, individual and group insurance products, annuities, and guaranteed interest accounts. It mainly covers liabilities of all maturity types and liability cash flow structures. For this category, the Company advocates an investment management strategy designed to optimize the long-term returns on the assets while maintaining strict asset/liability replicating criteria. Among other things, liability replicating portfolio techniques are used and combined with key rate and credit spread duration replicating limits to mitigate overall risk exposures. The Company has established interest rate risk and credit spread risk limits in its Risk Appetite and Tolerance Statement. Diversification is a key principle guiding the overall asset allocation and exposure limits.

The Company uses high-quality assets, primarily made up of long-term fixed income securities (government, corporate and private debt) and non-fixed income assets (private equity, investment property, infrastructure, common and preferred shares, market indices, market index options and investment fund units), to optimize the risk and return of this liability category. Derivative financial instruments can also be utilized to improve the portfolio's asset/liability positioning or its risk-adjusted return. The asset allocation aims to achieve an optimal return, taking into account capital requirements, expectations regarding the interest rate structure and performance of the stock markets. At the same time, the strategy takes into account the constraints imposed by the Risk Appetite and Tolerance Statement and investment policies.

2) Universal Life, PAR and Others

This strategy relates mainly to the pass-through and participating products and to the Company's general fund insurance contract liabilities (assets) linked to Universal Life policy accounts. The returns on these liabilities are determined on the basis of a market or portfolio index. For these liabilities, the replicating process is carried out using assets whose characteristics correspond to those of the liabilities, or to those of the benchmark index, to strictly replicate the returns credited to the underlying accounts.

For managed index accounts and managed accounts where the return varies based on a fund or an index, the impact on net income of a change in the stock markets applied to the assets would be negligible, since an equivalent change would be applied to the corresponding liabilities.

The Company estimates interest rates beyond 30 years since ultimate discount rates are not observable on the market. To establish a discount rate curve, an ultimate discount rate is set and a grading methodology is applied between the last point of the observable data and the ultimate discount rate. An ultimate discount rate represents the sum of two assumptions: an ultimate risk-free rate and an ultimate illiquidity premium. Both assumptions may change from time to time and such variations have an effect on the net income of the Company.

Equity Risk – Equity risk represents the risk of changes in the value of investments and other assets due to fluctuations in stock market parameters. The Company is exposed to this risk in various ways as part of its regular operations, through the income on assets held in the general fund, the effects on insurance contract liabilities (assets), and net revenues on assets under management and on assets under administration.

In order to ensure sound management of the market exposure, the investment policies define quantitative and qualitative limits for the use of non-fixed income assets (public equity, private equity, investment properties and infrastructure). The target asset mix in the form of non-fixed income assets is designed to maximize the Company's risk-adjusted returns.

The investment policies allow the Company to use derivative financial instruments. The use of these instruments, however, must comply with the investment policy limits, including a minimum credit rating for the counterparty financial institution.

During the year ended December 31, 2025, derivative financial instruments were used as part of yield enhancement strategies. The use of market index options allows the Company to maintain exposure to stock markets while limiting potential financial losses. They were also used as part of the dynamic hedging program for segregated fund guarantees and to hedge the risk associated with Universal Life policy funds.

[†] 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.

Segregated Funds – Segregated funds expose the Company to significant equity risk, interest rate risk, credit spread risk and, to a lesser extent, exchange rate risk.

A segregated fund is a type of investment similar to a mutual fund, but which generally includes a guarantee in the event of death and a guarantee at maturity. Some products may also offer a guarantee for partial withdrawals. Due to volatility mainly from stock markets, interest rates and credit spreads, the Company is exposed to the risk that the market value of the segregated funds will be lower than their guaranteed minimum value at the time the guarantee comes into effect and that it will then have to compensate the investor for the difference in the form of a benefit. In order to get an overview of its exposure to the risk associated with the segregated fund guarantees, the Company monitors the net amount at risk, which is the amount, at a given point in time, by which the guaranteed minimum value exceeds the market value for all contracts in this situation. The net amount at risk does not constitute a payable benefit as such but rather an estimate of the amount at risk. This is because benefits that might have to be paid in the future will depend on various eventualities, including market performance, policyholder longevity and behaviour.

The following table provides information on risk exposure from segregated fund assets under management in the Individual Wealth Management business unit. The risk exposure from segregated fund assets under management in the Group Savings and Retirement business unit do not have a significant impact on the Company's financial statements.

Individual Wealth Management Segregated Fund Assets Under Management

(As at December 31, in millions of dollars)

	2025	2024
Assets under management	42,323	34,294
Guaranteed minimum value	29,698	25,000
Value of assets underlying significant guarantees ⁷	6,351	6,256
Value of assets underlying minimum guarantees ⁸	35,972	28,038

In order to mitigate some of the risk associated with this exposure, the Company has set up a dynamic hedging program. All contracts with significant guarantees are covered under the hedging program. For some of these contracts issued before the hedging program was in place, the Company assumes 10% of the risk for the guarantees at maturity. There is limited risk for guarantees at death and minimum guarantees, so the Company has decided not to include them in its dynamic hedging program.

The dynamic hedging program involves short selling futures contracts on market indices traded on stock exchanges, as well as concluding agreements for forward exchange contracts for currencies traded on stock exchanges, forward contracts for provincial bonds, interest rate swaps and internal total-rate-of-return swaps for indices traded on stock exchanges. This program is used to hedge a significant portion of the sensitivity of net income to the performance of the bond and equity funds and to the interest rate fluctuations arising from the segregated fund guarantees. In order for the Company's strategy to adequately cover the risks related to the hedged guarantees, a dynamic rebalancing of the hedging instruments is carried out based on changes in financial market conditions.

Under the dynamic hedging program, the value of the liabilities associated with the guarantees is updated several times per day to reflect differences between expected experience and actual results. In the process of calculating expected experience, the Company uses certain assumptions regarding policyholder longevity and future redemptions. The redemption assumption, however, has certain limitations. The timing and size of the withdrawals and fund transfers cannot be hedged using derivative financial instruments since these are factors decided by the contract holder, and adverse deviation from expected experience can alter the quality of the hedge.

The dynamic hedging program is not designed to completely eliminate the risks associated with the hedged guarantees. A number of factors can alter the quality of the hedge and potentially lead to a gain or loss on the income statement. The hedging program itself entails certain risks that may limit the program's effectiveness, in particular:

- The program is based on dynamic rebalancing of the derivative hedging instruments. A decrease in the liquidity of these instruments would have an adverse impact on the effectiveness of the program.
- The use of derivative hedging instruments entails a counterparty risk, which is mitigated by the presence of collateral agreements whose net settlement is carried out on a daily basis.
- There may be a favourable or unfavourable variance between the returns realized on the segregated funds and those realized on the hedge positions held to cover the guarantees associated with these funds.

The variations in the economic worth of the liabilities are largely offset by variations in assets held under the hedging program. In the last eight quarters, the quarterly effectiveness of our dynamic hedging program has fluctuated between 90% and 95.6% depending on the volatility of the financial markets. In addition, it has had an excellent effectiveness rate of 93.0% since it was implemented in October 2010.

Exchange Rate Risk – Exchange rate risk represents the risk of changes in the value of investments and other assets due to unexpected changes in the level or volatility of currency exchange rates. The Company is exposed to this risk in various ways as part of its regular operations, through its investments and other assets held or exposed to, denominated in foreign currency; its revenues and expenses denominated in foreign currency; and its insurance contract liabilities (assets) denominated in foreign currency.

⁷ Represents the value of assets underlying guarantees at maturity with a significant level of risk, or withdrawal guarantees.

⁸ Represents the value of assets for which the risk of the guarantees is limited and which the Company has decided not to include in the dynamic hedging program.

[†] 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.

The Company has adopted a policy to avoid exposing itself to material exchange rate risk. To this end, liabilities are generally replicated with assets expressed in the same currency; otherwise, derivative financial instruments are used to reduce net currency exposure.

To protect itself against exchange rate risk, the Company also uses hedge accounting to limit the impact of changes in equity, primarily with respect to net investment in foreign operations that have a different functional currency from the Company's functional currency. Disclosure on hedge accounting is presented in Note 8 "Derivative Financial Instruments" of the Company's audited consolidated financial statements hereby incorporated by reference. Residual exchange rate risk does not have a significant impact on the Company's financial statements and can be assessed in the consolidated comprehensive income statements.

Market Risk Immediate Sensitivities

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 (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, 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 below.

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.

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.

Immediate Impact of an Immediate Parallel Shift of Interest Rates

(In millions of dollars, unless otherwise indicated)	As at December 31, 2025		As at December 31, 2024	
	50 basis point decrease	50 basis point increase	50 basis point decrease	50 basis point increase
Net income ⁹	—	(25)	—	(25)
Equity ^{9,10}	(25)	—	(25)	25
Contractual service margin ^{9,11}	(50)	25	(25)	25
Solvency ratio ¹²	0.5%	(0.5%)	0.5%	(0.5%)

Immediate Impact of an Immediate Parallel Shift of Corporate Bond Credit Spreads

(In millions of dollars, unless otherwise indicated)	As at December 31, 2025		As at December 31, 2024	
	50 basis point decrease	50 basis point increase	50 basis point decrease	50 basis point increase
Net income ⁹	—	(25)	—	—
Equity ^{9,10}	(50)	50	(75)	50
Contractual service margin ^{9,11}	—	—	—	—
Solvency ratio ¹²	(0.5%)	0.5%	(1.0%)	0.5%

⁹ These sensitivities are rounded to the nearest 25 million dollars.

¹⁰ The impact on equity includes the impact on net income and the remeasurement impact of post-employment benefits.

¹¹ The impact on contractual service margin is before tax.

¹² These sensitivities are rounded to the nearest 0.5 percentage point.

Immediate Impact of an Immediate Parallel Shift of Provincial Government Bond Credit Spreads

(In millions of dollars, unless otherwise indicated)	As at December 31, 2025		As at December 31, 2024	
	50 basis point decrease	50 basis point increase	50 basis point decrease	50 basis point increase
Net income ¹³	(25)	25	(25)	25
Equity ^{13,14}	—	—	—	—
Contractual service margin ^{13,15}	(75)	75	(100)	75
Solvency ratio ¹⁶	—	—	0.5%	(0.5%)

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.

Immediate Impact of an Immediate Change in Ultimate Discount Rate Assumption Used For the Valuation of Insurance Contract Liabilities (Assets)

(In millions of dollars, unless otherwise indicated)	As at December 31, 2025		As at December 31, 2024	
	10 basis point decrease	10 basis point increase	10 basis point decrease	10 basis point increase
Net income ¹⁷	(50)	50	(50)	50
Equity ¹⁷	(50)	50	(50)	50
Contractual service margin ^{15,17}	—	—	—	—

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.

Immediate Impact of an Immediate Change in Public Equity Market Values¹⁸

(In millions of dollars, unless otherwise indicated)	As at December 31, 2025			
	25% decrease	10% decrease	10% increase	25% increase
Net income ¹³	(175)	(100)	100	175
Equity ^{13,14}	(250)	(125)	125	250
Contractual service margin ^{13,15}	(825)	(325)	300	750
Solvency ratio ¹⁶	(3.5%)	(1.0%)	1.0%	2.5%
(In millions of dollars, unless otherwise indicated)	As December 31, 2024			
	25% decrease	10% decrease	10% increase	25% increase
Net income ¹³	(150)	(100)	100	150
Equity ^{13,14}	(250)	(125)	125	225
Contractual service margin ^{13,15}	(675)	(275)	250	600
Solvency ratio ¹⁶	1.0%	1.0%	(1.0%)	(1.0%)

In order to measure its public equity sensitivity, the Company examined the impact of a 10% market variance at the end of the year, 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.

¹³ These sensitivities are rounded to the nearest 25 million dollars.

¹⁴ The impact on equity includes the impact on net income and the remeasurement impact of post-employment benefits.

¹⁵ The impact on contractual service margin is before tax.

¹⁶ These sensitivities are rounded to the nearest 0.5 percentage point.

¹⁷ These sensitivities are rounded to the nearest 10 million dollars.

¹⁸ Preferred shares are excluded from the scope of these sensitivities' analysis.

[†] 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.

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.

Immediate Impact of an Immediate Change in Private Non-Fixed Income Assets’ Market Values (Private Equity, Investment Property and Infrastructure)

	As at December 31, 2025		As at December 31, 2024	
	10% decrease	10% increase	10% decrease	10% increase
(In millions of dollars, unless otherwise indicated)				
Net income ¹⁹	(300)	300	(275)	275
Equity ^{19,20}	(325)	325	(300)	300
Solvency ratio ²¹	(1.0%)	1.0%	(1.0%)	1.0%

Market Risk Core Earnings[†] Sensitivities

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, 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 below.

Market Risk Core Earnings[†] Sensitivities – An analysis of the Company’s sensitivity to an immediate change in various factors is presented below. Each sensitivity assumes that all other assumptions and factors remain unchanged.

Impacts estimated below are mainly attributable to the following revenues and expenses that are directly impacted by the level of market indicators:

- Expected return on non-fixed income asset investments;
- CSM recognition in earnings for segregated fund products;
- Net revenues on assets under management (mutual funds) and on assets under administration (wealth management distribution and advisory affiliates); and
- Expected return on fixed income assets and on expected liability finance expense.

¹⁹ These sensitivities are rounded to the nearest 25 million dollars.

²⁰ The impact on equity includes the impact on net income and the remeasurement impact of post-employment benefits.

²¹ These sensitivities are rounded to the nearest 0.5 percentage point.

[†] 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.

Impacts of Future Quarter Core Earnings[†] as at December 31, 2025

Core Earnings [†] Sensitivities				
(As at December 31, 2025)	Business segment	Variation	Impact on future quarter core earnings ^{1,22} \$M after tax	Description of shock
Public equity ²³	Investment	+5%	0.2	Immediate +5% change in market values
		-5%	(0.2)	Immediate -5% change in market values
	Wealth Management	+5%	5.7	Immediate +5% change in market values
		-5%	(6.1)	Immediate -5% change in market values
Private non-fixed income (NFI) assets ²⁴	Investment	+5%	3.4	Immediate +5% change in market values
		-5%	(3.4)	Immediate -5% change in market values
Interest rates ²⁵	Investment	+10 bps	0.7	Immediate parallel shift of +10 bps on all rates
		-10 bps	(0.8)	Immediate parallel shift of -10 bps on all rates
	Wealth Management	+10 bps	0.7	Immediate parallel shift of +10 bps on all rates
		-10 bps	(0.7)	Immediate parallel shift of -10 bps on all rates
Credit and swap spreads ²⁵	Investment	+10 bps	0.5	Immediate parallel shift of +10 bps
		-10 bps	(0.6)	Immediate parallel shift of -10 bps

These impacts represent impacts on core earnings[†] for the next quarter. Impacts on the level of core earnings[†] will be similar for future quarters if future equity market returns are as expected and if interest rates are stable. Moreover, core earnings[†] for the current quarter would also be impacted by market movements during the current quarter, but only for these two effects: effect on CSM recognition in earnings for segregated fund products and effect on net revenues on assets under management (mutual funds) and on assets under administration (wealth distribution and advisory affiliates).

These core earnings[†] sensitivities should be used with caution to estimate impacts of market movements as they do not reflect diversification between these risk factors, potential future management actions and investment portfolio re-optimization.

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. This risk originates mainly from credit granted in the form of loans and corporate bonds, but also from exposure to derivative financial instruments and to reinsurers that share the Company's policyholder commitments.

Credit risk can also occur when there is a concentration of investments in entities with similar characteristics or that operate in the same sector or the same geographic region, or when a major investment is made in one entity. More information about concentration risk is presented in Note 7 "Management of Financial Risks Associated with Financial Instruments and Insurance Contracts" of the Company's audited consolidated financial statements as at December 31, 2025 hereby incorporated by reference.

The Company's investment policies aim to mitigate concentration risk by promoting the sound diversification of investments, limiting exposure to any one issuer and seeking a relatively high quality of issuers. Portfolio construction criteria also include limits by groups of related issuers, by activity sector and by geographic region. These limits depend on the credit quality of the issuers.

The Company also has a risk management guideline and a credit risk policy that stipulate the management of impaired loans and the assignment of internal credit ratings for investments that do not have a credit rating assigned by a recognized rating agency. The policies and procedures in place establish certain selection criteria and define the credit authorization limits based on the scope and degree of risk. In order to manage the credit risk associated with these investments, the Company may require collateral, particularly for loans or commercial mortgages.

Derivative financial instruments used expose the Company to credit risk due to the presence of counterparties involved. As indicated earlier, the counterparties for derivative financial instruments must meet certain well-defined criteria, and collateral exchange agreements to offset daily variation margins have been reached with these institutions in accordance with industry norms and standards, in order to minimize and control the credit risk.

Lastly, although reinsurance agreements provide for the recovery of claims arising from the liabilities ceded, the Company retains primary responsibility to its policyholders, and is therefore exposed to the credit risk associated with the amounts ceded to reinsurers. This risk category includes residual insurance risk, legal risk, counterparty risk and liquidity risk resulting from reinsurance operations. To limit this risk, the Company applies the processes and criteria prescribed in its reinsurance risk management corporate policy, such as conducting due diligence on the selected reinsurers and limiting the concentration of risks. The Company's reinsurance agreements are diversified, so that the Company is not dependent on a single reinsurer and the Company's operations are not substantially dependent upon any single reinsurance contract.

²² Impacts on core earnings[†] for the next quarter.

²³ Excluding preferred shares.

²⁴ Private equity, investment property and infrastructure.

²⁵ As part of the annual year-end review, modelling enhancements were implemented in Q4 2025 to improve the precision of the sensitivity calculations for the Investment segment. These enhancements refine how future quarter core earnings[†] respond to immediate parallel shifts in interest rates and credit and swap spreads.

[†] 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.

Liquidity Risk

Liquidity risk represents the risk of not being able to release its investments and other assets in a timely manner to meet its financial obligations, including collateral requirements, as they come due. The Company is exposed to this risk mainly through benefits payable under the insurance contracts in force or through its wealth management activities; cash outflows needed for the acquisition or during the holding period of its investments; the amounts of collateral to be paid to its counterparties in respect of its derivatives contracts; and other corporate needs related to the Company's capital structure or its strategic and business objectives. The non-availability (total or partial) of liquidity sources is also a component of this risk.

The Company has established a liquidity risk management corporate policy that contains multiple metrics, time horizons, and concentration measures, to ensure sound and prudent management of its liquidity risk and to monitor its liquidity position under different market conditions. In order to maintain an appropriate level of liquidity, the Company ensures that it holds a good proportion of its assets in highly liquid securities. In addition, a number of scenarios are analyzed to ensure that the Company will be able to meet its commitments in various extreme situations. The policy is reviewed periodically, and any modifications are submitted to the Board of Directors for approval. Compliance with the policy is monitored regularly, and the results are reported to the Board of Directors' Investment Committee at least quarterly.

The risk associated with benefits payable under insurance contracts is managed through replicating assets with financial liabilities as well as strict cash flow management.

The use of derivatives requires that securities be sent as collateral to clearing houses and derivative counterparties in order to mitigate the credit risk. Stress testing is carried out to measure the liquidity needs that could arise due to different scenarios such as interest rate and stock market turmoil in order to assess the liquidity that needs to be maintained to meet those requirements.

Given the quality of its investment portfolio, and despite financial market volatility, the Company is confident that its current liquidity level is adequate.

Strategic Risk

Strategic risk is the risk that internal or external decisions or events will prevent the Company from achieving its business plan and strategically important initiatives including mergers, acquisitions and divestitures, thereby hindering the achievement of its strategic objectives. It can arise from challenges in executing the strategic plan or from the inability to fulfill mandate and achieve strategic objectives.

Strategic risk may result from external factors such as competitive pressures, economic volatility, regulatory changes, political or social developments and technological disruption, as well as internal factors including misalignment between strategy and execution, resource constraints and ineffective governance of strategic initiatives.

Risk Associated with the Business Environment – Several business units operate in highly competitive sectors. There is a risk that competitive pressures or changes in client needs and spending habits could lead to increased pressure on the business model and have an adverse effect on the Company's results if it doesn't adapt accordingly. The business planning and related strategic objectives are reassessed annually through a rigorous and robust process that ensures the Company considers potential changes in the business environment.

Risk Associated with the Economic Environment – Economic changes, such as a deterioration in financial market conditions, could increase pressure on the business model or adversely affect the Company's profitability, financial strength and access to capital. Stress testing with various economic scenarios, periodic revision of credit and market risk appetite and tolerance limits, and credit risk monitoring are examples of processes the Company has in place to ensure its resilience to the economic environment.

Risk Associated with the Legal or Regulatory Environment – The Company is subject to a vast number of laws and regulations. As a result, legislative and regulatory changes, and increased regulatory scrutiny, could mobilize significant resources. The Company is continuously monitoring its legal and regulatory environment to guarantee ongoing compliance.

Risk Associated with the Political and Social Environment – Political events or decisions could have an adverse impact on the relevance of the Company's products or its profitability. Ongoing surveillance of macroeconomic indicators and geopolitical events is conducted to ensure the Company can adapt to its political and social environment.

Risk Associated with the Technological Environment – Not adapting well to changes in the technological environment could impact the integrity of the Company's information systems and technology infrastructure or generally disrupt its business plan. The Company continuously explores the potential introduction of innovative technological solutions, such as artificial intelligence, to enhance operational efficiency and the organization's relevance in its competitive environment. The information technology governance and controls framework allows oversight of risks underlying the information technology strategy. By its nature, strategic risk is impacted by both external factors related to the impact of unanticipated external events on the Company, and internal factors related to poor handling of external impacts or poor execution of the business plan. All segments of the Company keep informed of and monitor changes in the competitive, economic, technological, legal or regulatory environment, in order to anticipate potential impacts on their activities and to consider potential responses should these changes occur.

The Company manages strategic risk through a structured process that includes annual strategic planning and periodic reassessment of emerging risks, as well as pre-implementation risk assessments for major initiatives such as acquisitions and divestitures to ensure alignment with the Risk Appetite and Tolerance Statement and solvency ratio targets. Strategic initiatives are monitored throughout their lifecycle using key risk indicators and escalation protocols; and risk assessments are reported to senior management and appropriate governance bodies on a periodic basis. Oversight is reinforced by independent challenge and assurance functions, ensuring timely adaptation to external changes and disciplined execution of strategic priorities.

In addition, senior management reassesses current and emerging strategic risks annually or more frequently when required. As part of the annual strategic planning exercise, these risks are analyzed to evaluate their potential impact on the Company's strategy and, conversely, to determine whether additional strategies may be needed to manage or mitigate them.

During the 2025 review of strategic and emerging risks, the following key risks were confirmed and the strategies in place to manage them were reassessed.

Cybersecurity, Data Protection and Readiness – Information security risks continue to be driven by the evolution of sophisticated cyber threats and longer-term risks linked to emerging technologies that could challenge current security practices. These developments heighten exposure to potential service disruptions, data loss and reputational impacts. The Company continues to invest in cybersecurity capabilities and IT modernization to strengthen its protection and overall resilience.

Operational Efficiency Amid Rapidly Evolving External Conditions – The accelerating pace of technological innovations, the growing number of new regulatory requirements and scrutiny, as well as market changes, continue to put pressure on the Company's ability to adapt and execute effectively. To support sustainable performance, the Company continues to prioritize disciplined execution, organizational agility and operational efficiency to ensure strategic objectives are met. Additionally, it must deploy capital for acquisitions, integrate these acquisitions and realize the expected synergies from new subsidiaries, all while adapting to its environment. In this context, operational efficiency and close monitoring of strategic risks will be pivotal in ensuring that revenues outpace expenses and that strategic objectives are achieved.

Economic and Financial Instability Amid Geopolitical Tensions – Global economic and financial conditions continue to be influenced by ongoing geopolitical tensions including the war in Ukraine, conflicts in the Middle East, U.S.–China strategic rivalry and instability in regions such as Venezuela alongside elevated trade barriers, Canada–United States–Mexico Agreement (CUSMA) renegotiations and supply chain disruptions. These factors combined with slowing global growth and fragmented trade policies could continue to pressure markets. Collectively these dynamics could heighten financial market volatility and constrain growth opportunities.

Operational Risk

Operational risk is the risk of loss arising from deficiencies or errors attributable to processes, people, systems or external events.

This risk is present in all the Company's activities and is organized around the following risk categories: financial reporting, human resources, physical security, fraud, technology, data and information security, processing, third parties, business continuity, model, and ethical risk related to the use of artificial intelligence. The impact of one of these risks occurring can take the form of financial losses from regulatory fines and penalties, legal costs, missed financial gains, or additional expenses, for example, as well as commercial relationship or reputational damage, diversion of resources or additional regulatory scrutiny.

To manage operational risk, the Company emphasizes proactive management practices by ensuring that appropriate and effective internal controls are in place and by utilizing competent, well-trained employees at all levels. The Company also makes it a priority to revise its policies and develop stricter standards, when appropriate, to account for changes in its operations and environment.

In addition, through its enterprise and operational risk management frameworks, the Company has developed standard tools to identify, assess, manage, monitor, and report operational risks.

Financial Reporting – This risk refers to the risk of not preparing internal and external financial reports that fully and accurately reflect financial results. The Company maintains an ongoing control evaluation program in order to issue the certification required by the regulatory authorities with respect to the financial information presented in the Company's annual and interim filings (certification under Regulation 52-109). Under this program, the managers of each business sector evaluate and test the controls in their sector, following which a designated team verifies the quality of the controls and the conclusion of the managers' evaluation. Any identified material weakness or significant deficiency must be documented and communicated promptly, with corrective actions monitored until resolution. A summary report is submitted quarterly to the CEO and CFO as well as to the Audit Committee, which then reports the results of the evaluation to the Board of Directors. The certification of the financial information presented in the annual and interim filings is submitted quarterly in the prescribed format. This certification is available on SEDAR+ and on the Company's website.

Human Resources – Human resources are an essential component in the execution of the Company’s strategic plan and the implementation of business and operational risk management strategies. Human resources risk is the risk of loss resulting from a shortage of competent, motivated, and engaged resources (due to capacity, employment practices and the working environment, respectively) to carry out the operational activities needed to support the Company’s growth. In this regard, the Company follows best practices and has a code of business conduct in addition to well-defined policies and procedures with respect to compensation, recruitment, training, employment equity, diversity, and occupational health and safety. These policies are continually kept up to date to attract and retain the best candidates at every level of the Company. The Company shows its concern for its employees’ quality of life by offering programs that promote a healthy lifestyle and adopting various measures designed to improve the work environment.

Physical Security – Physical security risk is the risk of failure in the protection and physical security of goods and people (employees, customers, or others) when they are in or around the Company’s premises or during the Company’s activities. iA Financial Group has several measures in place in corporate buildings to reduce exposure to this risk, such as video surveillance, motion detection, alarms and electronic access control systems, as well as sensors to detect fire, water, humidity, and heat.

Fraud – Fraud risk is the risk of dishonest conduct resulting in the Company suffering financial loss, disposing of property, or providing a service as a result of deception, deceit, breach of trust or similar fraudulent means. Benefits may be in the form of cash, cash equivalents, or physical assets. To mitigate this risk and promote a culture of integrity, the Company has implemented a corporate policy and enforces a mandatory continuous training program for all employees to strengthen awareness and understanding of fraud risks. We also maintain a monitoring program to identify and address potential fraud situations. More broadly, our fraud risk management framework incorporates preventive, detective, and corrective controls to effectively manage both internal and external fraud threats.

Technology, Data and Information Security – Technology, Data, and Information Security (TDIS) risks involve potential disruptions to system availability, data integrity and confidentiality. These risks can stem from system failures, cyber threats or insider leaks. Given the integral role of technology and data in business operations, any compromise can lead to financial losses, reputational damage and legal issues. Moreover, as the Company handles vast amounts of sensitive personal and financial data, robust information security and data governance frameworks are essential to ensure data accuracy, privacy and compliance with evolving regulations.

In 2025, the Company continued to operate in a rapidly evolving risk environment, requiring attention within the TDIS governance framework. The growing integration of artificial intelligence (AI) across business processes created new opportunities to enhance efficiency and decision-making, while simultaneously introducing risks related to data integrity, model reliability and responsible use of personal information. At the same time, the cybersecurity landscape continued to intensify, driven by increasingly sophisticated threats amplified by advances in AI and broader geopolitical and market volatility. In response to these developments, the Company continued to strengthen its AI and cybersecurity governance practices, reinforced technical controls and expanded training and awareness programs.

The Company’s Chief Information Officer (CIO) plays a pivotal role in managing these TDIS risks on a daily basis. They are responsible for overseeing the IT infrastructure, ensuring system reliability and driving digital transformation initiatives. By fostering a culture of innovation and resilience, the CIO ensures that technology investments align with business objectives and risk management strategies. Working with the CIO, the Chief Information Security Officer (CISO) provides oversight and expertise in information security. The CISO is tasked with developing and implementing robust cybersecurity frameworks and ensuring compliance with security standards. By fostering a proactive security posture, the CISO helps safeguard the organization’s digital assets against emerging threats. The Chief Data Officer (CDO) plays a crucial role in data governance, ensuring that data is managed as a strategic asset. The CDO is responsible for establishing data governance policies, ensuring data quality, and promoting data-driven decision-making. By aligning data management practices with regulatory requirements and business goals, the CDO enhances the organization’s ability to leverage data for competitive advantage. The Chief Risk Officer oversees the risk management function, which spans the entire organization, ensuring oversight and comprehensive coverage of technology, data and information security risks.

Processing – Processing risk is the risk of error, omission, or failure when processing a transaction. This risk is linked to the day-to-day processing of transactions and is mitigated by various measures such as employee training on their activities, peer validation and quality control. In addition, the implementation of key performance indicators enables the Company to monitor compliance with processing deadlines.

Third-Party – Third-party risk is the risk of third parties failing to provide goods, business activities or services and therefore exposing the Company to multiple negative outcomes. The third-party risk scenarios may include insolvency, operational disruption of the third party, geopolitical tensions, breaches or loss of data or corruption.

Business Continuity – This risk refers to the inability to maintain prioritized activities, through inaccessibility to workplaces, loss of key employees, unavailability of systems, applications or connectivity, loss of critical third-party providers, or interruption of processes and services. The Company’s business continuity management framework considers all potential risks it may be exposed to through a consequence-based approach. The Company has also adopted a hybrid operating model that combines remote with onsite work. Business continuity plans have been implemented throughout business units to ensure continued service delivery at acceptable predefined levels following events that may disrupt activities. Business continuity plans and related procedures are reviewed and tested on a regular basis.

With respect to disruption management, a structure and processes are in place within the Company to ensure that events that could impact its activities are quickly identified and managed. Depending on the significance of these events, a multidisciplinary, management-level committee oversees the response and ensures consistency throughout the Company.

Model – The Company is exposed to model risk, which is the risk of inappropriate design, implementation and/or use of a model. While the use of data and models generates value for the Company and offers significant opportunities for the future based on business and artificial intelligence, it also introduces the risk that a loss might occur or inappropriate decisions might be made due to modelling deficiencies or limitations, improper implementation or utilization, inaccurate or inappropriate data or incorrect assumptions. To reduce this risk, the Company has developed a Model Risk Governance Framework and created a model inventory in order to identify the risk level of models across the Company. As the framework is being deployed across the Company, awareness and training are in progress and independent validation is being performed on models in accordance with their levels of risk.

Ethical Risk Related to the Use of Artificial Intelligence – Recent advancements in artificial intelligence provide significant opportunities, while having the potential to increase existing risks and introduce new ones. Ethical risk related to the use of artificial intelligence systems has been introduced into the Risk Taxonomy. It is defined as the risk of making decisions or executing processes in a manner that is morally controversial, unethical or in violation of social norms or values, resulting from the use of artificial intelligence systems. To make sure the Company benefits from this technology while adequately measuring the risks involved, an Artificial Intelligence Risk Management and Governance Framework has been implemented. All these measures aim to enable the Company to leverage this technological advancement while proactively fostering a culture that promotes the responsible use of artificial intelligence.

Legal and Regulatory Risk

The Company operates amid a complex and continually evolving legal and regulatory environment that ensues from the provinces and territories of Canada and the various U.S. states where it conducts business. It is overseen by various regulatory bodies and must ensure compliance with all applicable laws and regulations.

Legal and regulatory risk arises from the possibility that the Company will be negatively impacted by a change in legislation or regulations, or will fail to comply with applicable laws and regulations in the jurisdictions where it operates.

The Company has adopted a Regulatory Risk Management Corporate Policy that is an integral part of the risk management framework and is used as the foundation for a compliance framework. It aims to ensure that the Company carries out its activities while meeting the applicable regulatory requirements, based on its level of tolerance for legal and regulatory risks. Other policies have also been adopted within the compliance framework to address specific regulatory risks such as anti-money laundering, sound commercial practices and privacy in order to provide tailored governance and monitoring.

The Company has implemented a compliance function which falls under the responsibility of the Chief Compliance Officer. The Chief Compliance Officer is responsible for deploying the compliance framework within the Company and ensuring that it is implemented and enforced in all business units. Business compliance officers are responsible for ensuring that corporate compliance standards are implemented within their business units. They are also responsible for developing and implementing a regulatory risk management strategy specific to their business unit.

To ensure the sound management of legal and regulatory risk, the Company uses a methodology that focuses on identifying, assessing, and quantifying risk and putting effective, efficient and appropriate controls in place in its day-to-day activities. The Company's assessment of legal and regulatory risk includes the potential impacts on its operations and reputation, among other things.

The Company monitors new regulatory risks and communicates them to the appropriate business units to ensure that any controls required to comply with new laws or guidelines are put in place in a timely manner. More generally, the Company emphasizes ongoing communication to remind employees of the importance of legal and regulatory compliance issues.

Climate Risk

Climate change, and the vulnerabilities it entails, could have direct or indirect adverse impacts on all risk categories of the taxonomy. Climate risk encompasses physical risks and transition risks. Physical risks refer to risks arising from extreme weather events such as floods, forest fires, drought, or severe storms (high or acute physical hazards) or longer-term climate changes such as sustained temperature rises (chronic physical hazards), while transition risks refer to risks related to the process of adjusting to a low carbon economy. As a transversal risk, climate risk is likely to amplify the probability of occurrence and/or the impact of all risk categories, for example by increasing the frequency and cost of claims, causing property damage or critical business interruption, creating exposure to litigation or legal disputes, or increasing volatility or decreasing the value of portfolio investments in carbon-intensive sectors. The Company has incorporated climate risk in its Risk Appetite and Tolerance Statement, with governance oversight by the board and senior management.

The Company has also formalized its climate-related risk management framework in its Climate Risk Management Corporate Policy, fostering the alignment of risk identification, assessment and management methods through a consistent and proportionate approach relative to other risks. In addition to being signatory of the United Nations-supported Principles for Responsible Investment (PRI), the Company, through its subsidiary iA Investment Management Inc., has adopted a Sustainable Investment Policy, which shows the Company's commitment to integrating climate-related risks and opportunities into the investment process. More information on the climate-related risk management and governance framework is available in the 2025 Sustainability Report and the 2025 Climate Change Report.

Reputational Risk – The Company is also exposed to reputation risk. This risk is defined as the risk that events, decisions by a regulatory authority or public perception will have a negative impact on the public's perception of the Company and potentially lead to fewer clients, lost revenues or considerable litigation costs.

The Company has adopted a detailed communication plan designed to protect its corporate image during a crisis and to reassure the public about its ability to manage this kind of situation. The plan outlines the communication strategies to use in a crisis in order to notify the public of its causes and consequences, the procedures in place to resolve it and the measures taken to reduce the risk of recurrence. In addition, the Company continually monitors social media for elements that could have a negative impact on the Company.



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