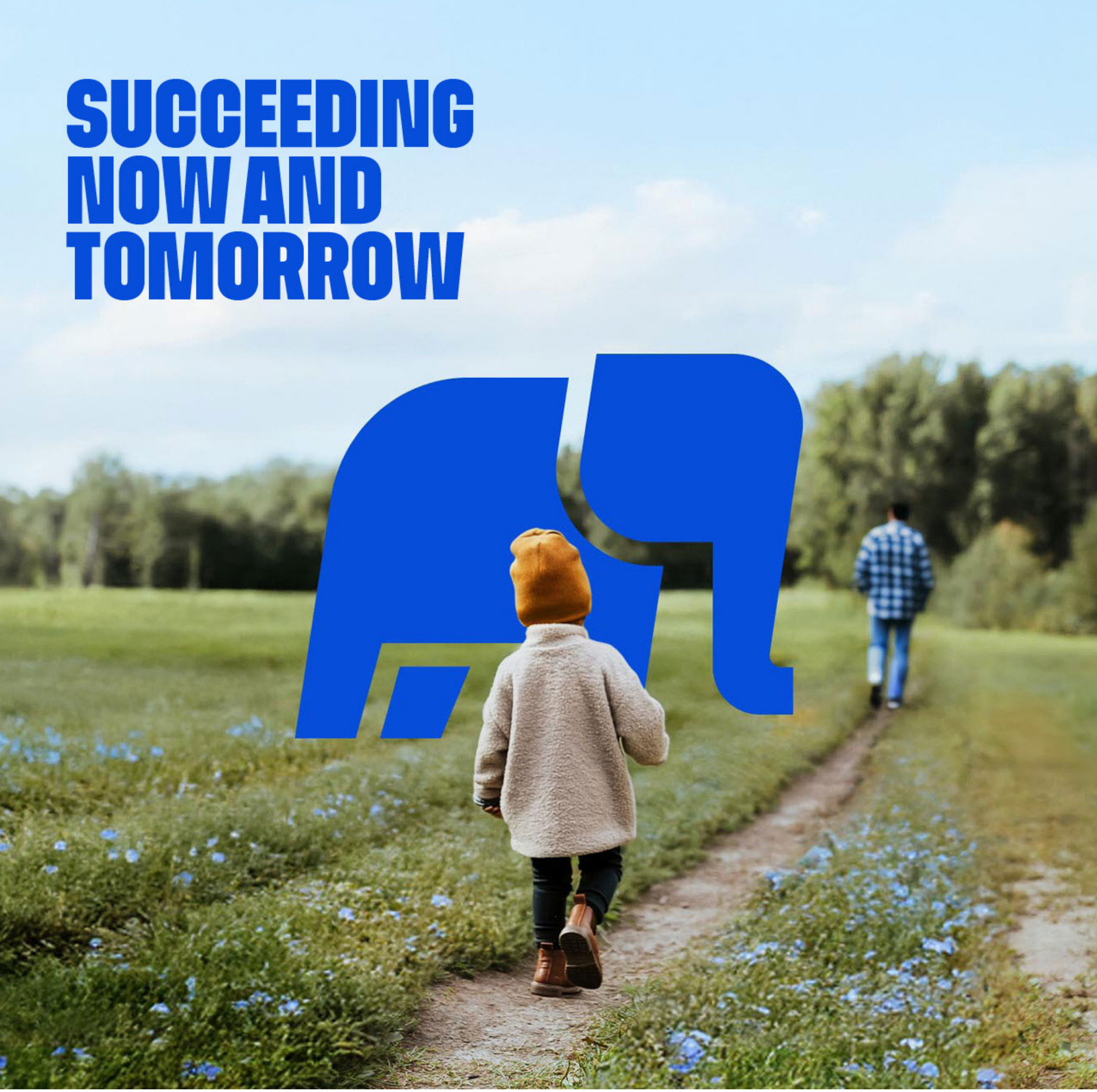
SUCCEEDING NOW AND TOMORROW



Report to Shareholders

2026 Second Quarter

For the Quarter Ended June 30, 2026

iA Financial Group

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis for iA Financial Corporation Inc. ("iA Financial Group" or the "Company") is dated August 4, 2026. This Management's Discussion and Analysis should be read in conjunction with the unaudited interim condensed consolidated financial statements for the three and six months ended June 30, 2026 and 2025. It should also be read with the Management's Discussion and Analysis and the audited consolidated financial statements for the year ended December 31, 2025. The Supplemental Information Package for the last nine quarters may contain additional data that complements the information in this Management's Discussion and Analysis and is not and should not be considered incorporated by reference into this document.

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

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

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

Insurance, Canada

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

Wealth Management

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

US Operations

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

Investment

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

Corporate

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

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

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

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A. Highlights for the Second Quarter

Profitability

	Second quarter			Year-to-date as at June 30		
	2026	2025	**Variation**	**2026**	2025	**Variation**
Net income attributed to common shareholders (in millions)	**$384**	$321	**20%**	**$521**	$507	**3%**
Core earnings† (in millions)	**$330**	$327	**1%**	**$628**	$600	**5%**
Weighted average number of common shares (diluted) (in millions)	**90**	94	**(4%)**	**91**	94	**(3%)**
Earnings per common share (EPS) (diluted)	**$4.28**	$3.43	**25%**	**$5.74**	$5.41	**6%**
Core earnings per common share (core EPS) (diluted)††	**$3.68**	$3.49	**5%**	**$6.92**	$6.40	**8%**

Return on common shareholders' equity (ROE)[1]	**June 30, 2026**	March 31, 2026	December 31, 2025	June 30, 2025
ROE (trailing 12 months)	**15.1%**	14.3%	14.9%	14.7%
Core ROE†† (trailing 12 months)	**17.5%**	17.5%	17.1%	17.0%
ROE quarter annualized	**21.6%**	7.6%	10.0%	18.3%
Core ROE†† quarter annualized	**18.5%**	16.6%	15.8%	18.6%

The Company recorded core earnings† of $330 million in the second quarter of 2026 and core diluted earnings per common share (core EPS)†† of $3.68, which is 5% higher than the same period in 2025. Core return on common shareholders' equity (ROE)†† for the trailing 12 months was 17.5% as at June 30, 2026. Quarterly annualized core ROE†† was 18.5% for the second quarter.

Net income attributed to common shareholders was $384 million and diluted earnings per common share (EPS) was $4.28, which is 25% higher than the second quarter of 2025. Return on common shareholders' equity (ROE) for the trailing 12 months was 15.1% as at June 30, 2026. Quarterly annualized ROE was 21.6% for the second quarter.

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

Business Growth

During the second quarter, sales and business retention contributed to the strong growth in net premiums,[2] premium equivalents and deposits,[2] which reached more than $6.3 billion, a 25% increase compared to the same period last year. Total assets under management[2] and assets under administration[2] exceeded $374 billion as at June 30, 2026, an increase of 37% over the last 12 months. In the Individual Wealth Management segment, total segregated and mutual fund gross sales reached nearly $3.2 billion, while combined net inflows were close to $1 billion. The Company continued to rank first for both gross and net individual segregated fund sales.[3] In Canada, Individual Insurance sales[2] remained good at $102 million and the Company maintained its leading position for the number of policies sold.[4] Employee Plans and iA Auto and Home both recorded good sales growth compared to the second quarter of 2025. In the United States, Individual Insurance sales recorded a notable 10% year-over-year increase and Dealer Services sales were broadly in line with the same quarter a year earlier.

Financial Position

The Company's solvency ratio[5] was 137% as at June 30, 2026, compared to 134% at the end of the previous quarter and 138% a year earlier. This result is well above the regulatory minimum ratio of 90%. The three-percentage-point increase during the quarter was driven by the favourable impact of the subordinated debenture issuance outlined further on in this section, and by solid organic capital generation[2] and the positive impact of macroeconomic variations. These favourable items were partially offset by the impacts of share buybacks (NCIB), investments in organic growth, dividend payments, and, to a lesser extent, other non-organic variations. The Company's financial leverage ratio†† was 18.6% as at June 30, 2026 compared to 16.4% at the end of the previous quarter. This is mainly explained by the net impact of capital management initiatives during the quarter, namely the issuance of subordinated debentures.

1 Consolidated net income attributed to common shareholders divided by the average common shareholders' equity for the period. Return on common shareholders' equity is a supplementary financial measure. Refer to the "Non-IFRS and Additional Financial Measures" section of this document for more information on return on common shareholders' equity.
2 Net premiums, premium equivalents and deposits, assets under management, assets under administration, sales and organic capital generation are supplementary financial measures. Refer to the "Non-IFRS and Additional Financial Measures" section of this document for more information.
3 According to the latest industry data from Investor Economics.
4 According to the latest Canadian data published by LIMRA.
5 The solvency ratio is calculated in accordance with the Capital Adequacy Requirements Guideline – Life and Health Insurance (CARLI) mandated by the *Autorité des marchés financiers du Québec* (AMF). This financial measure is exempt from certain requirements of Regulation 52-112 respecting Non-GAAP and Other Financial Measures Disclosure according to AMF Blanket Order No. 2021-PDG-0065. Refer to the "Non-IFRS and Additional Financial Measures" section of this document for more information.

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

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

Organic Capital Generation

The Company organically generated $180 million in capital during the second quarter compared to $200 million for the same period in 2025. After six months, $335 million has been generated.

Capital Available for Deployment

As at June 30, 2026, the capital available for deployment[6] was assessed at $1.1 billion compared to $1.2 billion at the end of the previous quarter.

Book Value

The book value per common share[7] was $80.55 as at June 30, 2026, compared to $78.90 as at March 31, 2026 and $76.02 as at June 30, 2025. During the last 12 months, it increased by 6%, reflecting higher retained earnings, mainly from the addition of the second-quarter earnings. These higher retained earnings were partly offset by the impact of the share buybacks (NCIB) and dividend payments to common shareholders.

Capital Issuance

On May 26, 2026, the Company completed an offering of $500 million aggregate principal amount of 4.158% fixed/floating unsecured subordinated debentures due on May 26, 2036.

Normal Course Issuer Bid (NCIB)

During the second quarter, the Company repurchased and cancelled a total of 1,847,300 outstanding common shares for a total value of $316 million. It also repurchased 163,100 additional shares that were cancelled on July 3, 2026 for a total value of $31 million. From the beginning of the current NCIB and up to June 30, 2026, the Company repurchased and cancelled 3,900,631 shares, or 4.2% of the outstanding shares. In May 2026, the Company obtained the necessary approvals to increase by 3% the maximum number of shares that can be repurchased and cancelled under its share buyback program, thereby raising this maximum from 5% to 8% of the Company's public float. Refer to the "Financial Position" section of this document for more information.

Dividend

The Company paid a quarterly dividend of $1.1000 per share to common shareholders in the second quarter of 2026. The Board of Directors approved a quarterly dividend of $1.1000 per share payable during the third quarter of 2026, the same amount as that announced the previous quarter. This dividend is payable on September 15, 2026 to the common shareholders of record as at August 14, 2026.

Dividend Reinvestment and Share Purchase Plan

Registered common shareholders wishing to enrol in iA Financial Group's Dividend Reinvestment and Share Purchase Plan (DRIP) so as to be eligible to reinvest the next dividend payable on September 15, 2026 must ensure that the duly completed form is delivered to Computershare no later than 4:00 p.m. on August 7, 2026. Enrolment information is provided on iA Financial Group's website at ia.ca, under *About iA,* in the *Investor Relations/Dividends* section. Common shares issued under iA Financial Group's DRIP will be purchased on the secondary market and no discount will be applicable.

Unsolicited Mini-Tender Offer

On April 8, 2026 and on May 13, 2026, iA Financial Group issued warnings regarding unsolicited mini-tender offers from Ocehan LLC to purchase up to 50,000 common shares at prices significantly below the market price. The Company is not affiliated with Ocehan and does not endorse these offers. Such mini-tender offers often circumvent standard regulatory disclosures and may mislead investors.

Residential Project Launch

iA Financial Group and Immostar announced the construction of the Alo Ste-Foy project in Quebec City, an 18-storey, 309-unit multi-residential complex representing an investment of $118 million. The project is seeking LEED certification, reflecting a focus on sustainable urban densification. Construction began in April 2026, with the first units expected to be available in June 2028. Please refer to the May 7, 2026 news release for more information.

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

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

B. Business Growth

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

Sales

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

Sales Growth by Business Segment

	Second quarter			Year-to-date as at June 30		
(In millions of dollars, unless otherwise indicated)	**2026**	2025	**Variation**	**2026**	2025	**Variation**
INSURANCE, CANADA						
Individual Insurance						
Minimum premiums	**88**	91	**(3%)**	**172**	177	**(3%)**
Excess premiums	**14**	12	**17%**	**27**	25	**8%**
Total	**102**	103	**(1%)**	**199**	202	**(1%)**
Group Insurance						
Employee Plans	**30**	8	**275%**	**38**	78	**(51%)**
Special Markets	**83**	99	**(16%)**	**187**	207	**(10%)**
Total	**113**	107	**6%**	**225**	285	**(21%)**
Dealer Services						
Creditor Insurance	**45**	50	**(10%)**	**77**	85	**(9%)**
P&C Insurance	**173**	175	**(1%)**	**315**	303	**4%**
Total	**218**	225	**(3%)**	**392**	388	**1%**
General Insurance						
iA Auto and Home	**216**	206	**5%**	**353**	335	**5%**
WEALTH MANAGEMENT						
Individual Wealth Management						
Gross sales						
Segregated funds	**2,085**	1,368	**52%**	**4,468**	3,307	**35%**
Mutual funds	**644**	442	**46%**	**1,482**	1,089	**36%**
Other savings products	**449**	428	**5%**	**943**	895	**5%**
Total	**3,178**	2,238	**42%**	**6,893**	5,291	**30%**
Net sales						
Segregated funds	**1,007**	670	**337**	**2,484**	1,843	**641**
Mutual funds	**(73)**	(165)	**92**	**(163)**	(227)	**64**
Total	**934**	505	**429**	**2,321**	1,616	**705**
Group Savings and Retirement	**1,108**	821	**35%**	**1,812**	1,662	**9%**
US OPERATIONS ($US)						
Individual Insurance	**86**	78	**10%**	**165**	146	**13%**
Dealer Services	**292**	296	**(1%)**	**565**	602	**(6%)**

INSURANCE, CANADA

Individual Insurance

Second quarter sales totalled $102 million, a result comparable to last year's strong performance. The Company maintained its leading position in the Canadian market for number of policies issued.[1] This result reflects the strength of our growing distribution networks, the excellent performance of our digital tools, as well as our comprehensive and distinctive range of products.

Group Insurance

Second quarter implemented sales of $30 million in Employee Plans were significantly higher than the $8 million recorded in the second quarter of 2025. Net premiums, premium equivalents and deposits for Employee Plans were comparable to those of the same quarter last year. Note that sales in this business unit vary considerably from one quarter to another based on the size of the contracts sold. Special Markets sales reached $83 million compared to $99 million in the same quarter a year earlier, reflecting lower sales of international student medical insurance, due to federal government measures to cap the number of international students entering Canada.

Dealer Services

Total sales ended the second quarter at $218 million, close to the result for the same period last year. P&C Insurance sales remained good in the second quarter, with total sales reaching $173 million, in line with the results reported a year ago. Creditor Insurance sales declined 10% year over year, primarily reflecting the impact of Quebec's Law 15 (also known as Bill 30), which introduced new requirements for the sale of creditor insurance through dealerships. Overall, total sales for the first six months of 2026 were slightly higher than in the same period of 2025.

General Insurance (iA Auto and Home)

Direct written premiums reached $216 million in the second quarter, an increase of 5% from a year earlier. This result reflects the increased number of policies and the favourable impact of price adjustments in the last 12 months.

WEALTH MANAGEMENT

Individual Wealth Management

Sales of segregated and mutual funds remained strong during the second quarter, with segregated fund gross sales totalling nearly $2.1 billion, a 52% year-over-year increase, and mutual fund gross sales of $644 million, a year-over-year increase of 46%. Combined net inflows of segregated and mutual funds totalled $934 million in the second quarter, compared to $505 million in the same quarter last year. Segregated fund net sales were above $1.0 billion, maintaining their strong momentum, while mutual funds recorded net outflows of $73 million. The Company continued to rank first in Canada in gross and net segregated fund sales.[2] This robust performance was notably driven by the strength of our growing distribution networks and our competitive and comprehensive product lineup. Demand for other savings products was strong, resulting in sales of $449 million in the second quarter, 5% higher than in the same period of 2025. As a result of net inflows, market growth in the last 12 months, and the addition of assets under administration from the RF Capital Group acquisition, Individual Wealth Management total assets under administration and assets under management reached $286 billion at the end of the quarter, a 47% increase over the past 12 months.

Group Savings and Retirement

Sales for the second quarter totalled $1,108 million compared to $821 million a year earlier. This performance was driven by strong accumulation product sales. Total assets under management at the end of the quarter were 15% higher than a year earlier.

US OPERATIONS

Individual Insurance

Quarterly sales reached a record US$86 million, 10% higher than the same period a year earlier. This increase was driven by growth in the final expense and middle market segments, supported by disciplined sales practices and strong engagement across our distribution network.

Dealer Services

Second quarter sales totalled US$292 million, in line with the performance recorded a year earlier. This result reflects the effectiveness and diversity of our distribution channels, supported by the quality of our products and services. Note that auto industry conditions may create quarterly variability in sales results.

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1 According to the latest Canadian data published by LIMRA.
2 According to the latest industry data from Investor Economics.

ASSETS UNDER MANAGEMENT AND ASSETS UNDER ADMINISTRATION

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

Assets Under Management and Assets Under Administration

(In millions of dollars)	**June 30, 2026**	March 31, 2026	Dec. 31, 2025	June 30, 2025
Assets under management				
General fund[3]	**62,213**	61,702	59,761	57,932
Segregated funds	**72,119**	64,150	63,047	56,547
Mutual funds	**14,835**	13,925	14,099	13,378
Other	**6,524**	6,233	6,252	6,045
Subtotal	**155,691**	146,010	143,159	133,902
Assets under administration	**218,434**	200,077	197,910	139,870
Total	**374,125**	346,087	341,069	273,772

Total assets under management and assets under administration amounted to more than $374 billion as at June 30, 2026, recording an increase of 37% over the last 12 months. This solid growth was mainly driven by strong net fund inflows, particularly for segregated funds, and by the performance of financial markets and the addition of assets under administration from the RF Capital Group acquisition completed on October 31, 2025. The Company maintained its position as the Canadian leader in segregated fund assets under management.[4]

NET PREMIUMS, PREMIUM EQUIVALENTS AND DEPOSITS

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

Net Premiums, Premium Equivalents and Deposits

	Second quarter			**Year-to-date as at June 30**		
(In millions of dollars)	**2026**	2025	**Variation**	**2026**	2025	**Variation**
Insurance, Canada						
Individual Insurance	**663**	614	**8%**	**1,291**	1,195	**8%**
Group Insurance	**522**	544	**(4%)**	**1,062**	1,075	**(1%)**
Dealer Services	**193**	203	**(5%)**	**343**	342	**—%**
General Insurance[5]	**162**	148	**9%**	**319**	289	**10%**
Wealth Management						
Individual Wealth Management	**3,178**	2,238	**42%**	**6,893**	5,291	**30%**
Group Savings and Retirement	**1,102**	817	**35%**	**1,800**	1,652	**9%**
US Operations						
Individual Insurance	**278**	253	**10%**	**546**	508	**7%**
Dealer Services	**247**	249	**(1%)**	**460**	501	**(8%)**
Total	**6,345**	5,066	**25%**	**12,714**	10,853	**17%**

Net premiums, premium equivalents and deposits amounted to more than $6.3 billion in the second quarter, which is 25% higher than the same period last year. This performance was mainly driven by the results of all business units in the Wealth Management segment.

3 All general fund assets, including insured annuities, other savings products and other accumulation contracts.
4 According to the latest industry data from Investor Economics.
5 Includes iA Auto and Home and some minor consolidation adjustments.

C. Analysis of Earnings by Business Segment

The following tables set out the core earnings† and net income attributed to common shareholders by business segment. An analysis of performance by business segment, for the second quarter and for the first six months, as well as 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)†

(In millions of dollars, unless otherwise indicated)	**Q2/2026**	**Q1/2026**	**Quarter-over-quarter variation**	Q2/2025	**Year-over-year variation**	Year-to-date as at June 30		
						2026	2025	**Variation**
Insurance, Canada	**128**	96	**33%**	133	**(4%)**	**224**	233	**(4%)**
Wealth Management	**155**	131	**18%**	113	**37%**	**286**	219	**31%**
US Operations	**24**	26	**(8%)**	36	**(33%)**	**50**	66	**(24%)**
Investment	**79**	93	**(15%)**	102	**(23%)**	**172**	187	**(8%)**
Corporate	**(56)**	(48)	**(17%)**	(57)	**2%**	**(104)**	(105)	**1%**
Total	**330**	298	**11%**	327	**1%**	**628**	600	**5%**

Net Income (Loss) Attributed to Common Shareholders

(In millions of dollars, unless otherwise indicated)	**Q2/2026**	Q1/2026	**Quarter-over-quarter variation**	Q2/2025	**Year-over-year variation**	Year-to-date as at June 30		
						2026	2025	**Variation**
Insurance, Canada	**118**	88	**34%**	130	**(9%)**	**206**	217	**(5%)**
Wealth Management	**134**	114	**18%**	105	**28%**	**248**	200	**24%**
US Operations	**12**	16	**(25%)**	55	**(78%)**	**28**	74	**(62%)**
Investment	**183**	(28)	**n.m.**	103	**78%**	**155**	138	**12%**
Corporate	**(63)**	(53)	**(19%)**	(72)	**13%**	**(116)**	(122)	**5%**
Total	**384**	137	**180%**	321	**20%**	**521**	507	**3%**

n.m.: not meaningful.

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

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

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

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

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

	Second quarter			Year-to-date as at June 30		
(In millions of dollars, unless otherwise indicated)	**2026**	2025	**Variation**	**2026**	2025	**Variation**
Net income attributed to common shareholders	**384**	321	**20%**	**521**	507	**3%**
Core earnings adjustments (post tax)						
Market-related impacts	**(104)**	1		**(17)**	64	
Interest rates and credit spreads	**14**	45		**(4)**	29	
Non-fixed income	**(112)**	(49)		**(15)**	26	
Equity (public and private) and infrastructure	**(124)**	(74)		**(37)**	(15)	
Investment properties	**12**	25		**22**	41	
CIF[1]	**(6)**	5		**2**	9	
Currency	**—**	—		**—**	—	
Assumption changes and management actions	**4**	(22)		**2**	(27)	
Charges or proceeds related to acquisition, disposition, integration or restructuring of a business	**15**	3		**18**	5	
Amortization of acquisition-related finite life intangible assets	**25**	20		**50**	41	
Non-core pension expense	**4**	4		**8**	8	
Specified items	**2**	—		**46**	2	
Total	**(54)**	6		**107**	93	
Core earnings†	**330**	327	**1%**	**628**	600	**5%**

Core earnings† of $330 million in the second quarter are derived from net income attributed to common shareholders of $384 million, reduced by total adjustments of $54 million (post tax) for:

- Market-related impacts that differ from management's expectations, which resulted in a $104 million increase in net income. This adjustment is explained by the favourable impact from non-fixed income assets of $112 million, mainly driven by the good performance of public equity, and the favourable impact of the CIF[1] ($6 million). These positive items were partially offset by the unfavourable impact of interest rate and credit spread variations ($14 million).
- The impact of assumption changes and management actions leading to a $4 million reduction in net income, resulting from a management action related to the pension plan, as disclosed in the second quarter results of 2025.[2]
- A net charge of $15 million related to acquisition, integration and restructuring of a business, mainly from RF Capital Group, Fidelity Life and eFinancial (both entities of Vericity), and Global Warranty.
- Expenses associated with the amortization of acquisition-related finite life intangible assets of $25 million.
- The impact of the non-core pension expense of $4 million.
- Specified items resulting in a $2 million decrease in net income (more details below in the US Operations segment).

[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. Q2/2026 is the final quarter impacted by this management action.

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

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

Insurance, Canada

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

Net Income and Core Earnings† Reconciliation – Insurance, Canada

	Second quarter			Year-to-date as at June 30		
(In millions of dollars, unless otherwise indicated)	**2026**	2025	**Variation**	**2026**	2025	**Variation**
Net income attributed to common shareholders	**118**	130	**(9%)**	**206**	217	**(5%)**
Core earnings adjustments (post tax)						
Market-related impacts	**—**	—		**—**	—	
Assumption changes and management actions	**2**	(6)		**4**	(6)	
Charges or proceeds related to acquisition, disposition, integration or restructuring of a business	**1**	—		**(1)**	—	
Amortization of acquisition-related finite life intangible assets	**5**	5		**10**	10	
Non-core pension expense	**2**	3		**4**	6	
Specified items	**—**	1		**1**	6	
Total	**10**	3		**18**	16	
Core earnings†	**128**	133	**(4%)**	**224**	233	**(4%)**

Results for the second quarter of 2026

- The net income attributed to common shareholders for the Insurance, Canada segment was $118 million, compared to $130 million for the same period in 2025. Net income attributed to common shareholders is composed of core earnings† as well as core earnings adjustments.
- Core earnings adjustments to net income totalled $10 million. As explained in the "Reconciliation of Net Income Attributed to Common Shareholders and Core Earnings†" section of this document, these adjustments include a charge resulting from a management action related to the pension plan ($2 million). They also include the amortization of acquisition-related finite life intangible assets ($5 million), the non-core pension expense ($2 million), and integration and restructuring costs ($1 million).
- Core earnings† for this business segment were $128 million for the second quarter compared to $133 million for the same period in 2025. The $5 million decrease in core earnings† mainly reflects the net impact of the following:
  - Core insurance service result,[3] totalling $171 million compared to $177 million a year earlier, mainly explained by:
    - Core insurance experience gains[3] of $19 million, driven by favourable mortality and morbidity experience, compared to elevated core insurance experience gains[3] of $31 million for the same period in 2025. Note that at iA Auto and Home, the impact of higher claims associated with the heavy rainfall event that occurred in June 2026 was mostly offset by lower claims overall during the period.
    - The favourable impact of the higher combined risk adjustment (RA) release[3] and CSM recognized for services provided[3] from Individual Insurance and Employee Plans.
    - The impact of new insurance business,[3] which is dependent on confirmed sales in Employee Plans, totalling $15 million this quarter compared to $14 million for the same period in 2025.
  - Core non-insurance activities,[3] totalling $17 million for the quarter compared to $19 million a year earlier, mainly due to slightly lower earnings from P&C products in Dealer Services.
  - Core income taxes[3] of $45 million for the quarter compared to $48 million a year earlier.

[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.

Results for the first six months of 2026

- The net income attributed to common shareholders was $206 million in 2026 compared with $217 million in 2025. Net income attributed to common shareholders is composed of core earnings[†] as well as core earnings adjustments.
- Core earnings adjustments to net income totalled $18 million. These adjustments include the amortization of acquisition-related finite life intangible assets ($10 million), the impact of the aforementioned management action related to the pension plan ($4 million), as well as the impact of non-core pension expenses ($4 million) and a reallocation for reporting consistency ($1 million).These items were partially offset by charges or proceeds related to acquisition, disposition, integration or restructuring of a business ($1 million), including the proceeds from the disposition of a block of business within the Dealer Services business unit in the first quarter.
- Core earnings[†] were $224 million in 2026 compared to $233 million in 2025. The decrease in core earnings[†] is mainly attributable to the fact that the comparable period in 2025 benefited from elevated core insurance experience gains[4] of $35 million compared to core insurance experience gains of $16 million in the first six months of 2026. It is also attributable to the higher impact of new insurance business,[4] which is dependent on confirmed renewals and sales in Employee Plans, and to lower core non-insurance activities this year. These negative items were partially offset by the increase in the combined RA release and CSM recognized for services provided from Individual Insurance and Employee Plans, and higher expected earnings on Premium Allocation Approach[4] (PAA) business mainly from iA Auto and Home.

[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.

Wealth Management

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

Income and Core Earnings† Reconciliation – Wealth Management

	Second quarter			Year-to-date as at June 30		
(In millions of dollars, unless otherwise indicated)	**2026**	2025	**Variation**	**2026**	2025	**Variation**
Net income attributed to common shareholders	**134**	105	**28%**	**248**	200	**24%**
Core earnings adjustments (post tax)						
Market-related impacts	**—**	—		**—**	—	
Assumption changes and management actions	**1**	—		**2**	—	
Charges or proceeds related to acquisition, disposition, integration or restructuring of a business	**7**	—		**9**	—	
Amortization of acquisition-related finite life intangible assets	**12**	7		**24**	14	
Non-core pension expense	**1**	1		**2**	2	
Specified items	**—**	—		**1**	3	
Total	**21**	8		**38**	19	
Core earnings†	**155**	113	**37%**	**286**	219	**31%**

Results for the second quarter of 2026

- The net income attributed to common shareholders for the Wealth Management segment was $134 million, compared to $105 million for the same period in 2025. Net income attributed to common shareholders is composed of core earnings† as well as core earnings adjustments.
- Core earnings adjustments to net income totalled $21 million. As explained in the "Reconciliation of Net Income Attributed to Common Shareholders and Core Earnings†" section of this document, these adjustments include a charge resulting from a management action related to the pension plan ($1 million). They also include acquisition-related items ($19 million) and the non-core pension expense ($1 million).
- Core earnings† for this business segment were $155 million for the second quarter compared with $113 million a year ago. The 37% increase in core earnings† over the same period in 2025 is mainly the result of the higher combined RA release and CSM recognized for services provided due to the impact of favourable financial markets over the 12-month period and strong net segregated fund sales. Additionally, core non-insurance activities were higher, reflecting increased net revenue on assets and a strong contribution from RF Capital Group of $13 million. Growth of core non-insurance activities was tempered by higher expenses to support business growth.

Results for the first six months of 2026

- The net income attributed to common shareholders was $248 million in 2026 compared with $200 million in 2025. Net income attributed to common shareholders is composed of core earnings† as well as core earnings adjustments.
- Core earnings adjustments to net income totalled $38 million. These adjustments include acquisition-related items ($33 million), the impact of the aforementioned management action related to the pension plan ($2 million), the impact of non-core pension expenses ($2 million) and a tax-related item from RF Capital Group for periods prior to the acquisition ($1 million).
- Core earnings† were $286 million in 2026 compared to $219 million in 2025. The 31% growth over the same period in 2025 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 market performance over the 12-month period. It was also the result of higher core non-insurance activities, mainly from higher net revenue on assets and the strong contribution of RF Capital Group.

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

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

US Operations

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

Net Income and Core Earnings† Reconciliation – US Operations

	Second quarter			Year-to-date as at June 30		
(In millions of dollars, unless otherwise indicated)	**2026**	2025	**Variation**	**2026**	2025	**Variation**
Net income attributed to common shareholders	**12**	55	**(78%)**	**28**	74	**(62%)**
Core earnings adjustments (post tax)						
Market-related impacts	**—**	—		**—**	—	
Assumption changes and management actions	**—**	(30)		**—**	(30)	
Charges or proceeds related to acquisition, disposition, integration or restructuring of a business	**2**	2		**2**	2	
Amortization of acquisition-related finite life intangible assets	**8**	8		**16**	17	
Non-core pension expense	**—**	—		**—**	—	
Specified items	**2**	1		**4**	3	
Total	**12**	(19)		**22**	(8)	
Core earnings†	**24**	36	**(33%)**	**50**	66	**(24%)**

Results for the second quarter of 2026

- The net income attributed to common shareholders for the US Operations segment was $12 million, compared to $55 million for the same period in 2025. Net income attributed to common shareholders is composed of core earnings† as well as core earnings adjustments. For more information on the factors contributing to the variations between the periods, refer to the "US Operations" sub-section of the "Analysis According to the Financial Statements" section of this document.
- Core earnings adjustments to net income totalled $12 million from acquisition-related items ($10 million) and small specified items ($2 million), including a reinsurance adjustment related to 2025 and a reallocation for reporting consistency, which sum to zero on a consolidated basis.
- Core earnings† for this business segment were $24 million, which compares to $36 million for the same period in 2025. Expected insurance earnings[5] were higher due to the increase in the combined RA release and CSM recognized for services provided, mainly driven by good business growth in Individual Insurance in the last 12 months, and higher expected earnings on PAA insurance business from Dealer Services. A core insurance experience loss of $8 million was recorded, mainly due to unfavourable mortality experience at Fidelity Life (the insurance entity of Vericity) on account of a small number of large claims. Core non-insurance activities were lower than a year ago, reflecting a sales mix in US Dealer Services weighted toward insurance products. Dealer Services core earnings† growth was tempered by less favourable U.S. auto market conditions and dealer group attrition within administration-fee-generating dealer channels.
- The results from Fidelity Life and eFinancial combined (both entities of Vericity) were neutral to core earnings† in the second quarter of 2026, without considering the experience losses that are expected to be non-recurring, and are still expected to be accretive to core earnings† in the second half of 2026.

Results for the first six months of 2026

- The net income attributed to common shareholders was $28 million in 2026 compared to $74 million in 2025. Net income attributed to common shareholders is composed of core earnings† as well as core earnings adjustments.
- Core earnings adjustments to net income totalled $22 million from acquisition-related items ($18 million) and small specified items ($4 million), including an adjustment related to 2025 and a reallocation for reporting consistency, which sum to zero on a consolidated basis.
- Core earnings† were $50 million in 2026 compared with $66 million for the same period in 2025. Expected insurance earnings[5] were higher than a year ago due to the increase in the combined RA release and CSM recognized for services provided, mainly driven by good business growth in Individual Insurance in the last 12 months, and higher expected earnings on PAA insurance business from Dealer Services. A core insurance experience loss of $17 million was recorded, mainly from unfavourable policyholder behaviour in the first quarter in Individual Insurance and unfavourable mortality experience from a small number of large claims in the second quarter. Core non-insurance activities were lower than a year ago, reflecting a sales mix in US Dealer Services weighted toward insurance products.

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

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

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

Investment

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

Net Income and Core Earnings† Reconciliation – Investment

	Second quarter			Year-to-date as at June 30		
(In millions of dollars, unless otherwise indicated)	**2026**	2025	**Variation**	**2026**	2025	**Variation**
Net income (loss) attributed to common shareholders	**183**	103	**78%**	**155**	138	**12%**
Core earnings adjustments (post tax)						
Market-related impacts	**(104)**	1		**(17)**	64	
Interest rates and credit spreads	**14**	45		**(4)**	29	
Non-fixed income	**(112)**	(49)		**(15)**	26	
Equity (public and private) and infrastructure	**(124)**	(74)		**(37)**	(15)	
Investment properties	**12**	25		**22**	41	
CIF[6]	**(6)**	5		**2**	9	
Currency	**—**	—		**—**	—	
Assumption changes and management actions	**—**	—		**(6)**	(5)	
Charges or proceeds related to acquisition, disposition, integration or restructuring of a business	**—**	—		**—**	—	
Amortization of acquisition-related finite life intangible assets	**—**	—		**—**	—	
Non-core pension expense	**—**	—		**—**	—	
Specified items	**—**	(2)		**40**	(10)	
Total	**(104)**	(1)		**17**	49	
Core earnings†	**79**	102	**(23%)**	**172**	187	**(8%)**

Results for the second quarter of 2026

- The net income attributed to common shareholders was $183 million compared to $103 million for the same period in 2025. Net income attributed to common shareholders is composed of core earnings† as well as core earnings adjustments.
- Core earnings adjustments of $104 million reflected a positive impact on net income from market-related impacts that differ from management's expectations. These adjustments are explained by the favourable impact from non-fixed income assets ($112 million), mainly driven by the good performance of public equity, and the favourable impact of the CIF[6] ($6 million). These positive items were partially offset by the unfavourable impact of interest rate and credit spread variations ($14 million).
- Core earnings† for this business segment were $79 million compared to $102 million for the same period in 2025. The decrease is explained by higher financing charges on debentures, higher distributions on other equity instruments and dividends on preferred shares, and higher core income taxes. Before accounting for these items, core earnings† were driven by a core net investment result[7] of $129 million. This result is higher than the $127 million recorded a year earlier and the $126 million recorded the previous quarter. The core net investment result is composed of expected investment earnings[7] and credit experience.[7]
    - Expected investment earnings quarter-over-quarter analysis – $119 million in the second quarter, which is similar to the result from the first quarter of 2026. The positive contributions from iA Auto Finance and from the capital issuance in May were offset by the impact of a reduction in assets, mainly from capital deployment activities (share repurchases under the NCIB).
    - Expected investment earnings year-over-year analysis – $119 million in the second quarter compared to $123 million a year earlier. This result mainly reflects the impact of a reduction in assets following the acquisition of RF Capital Group in the fourth quarter of 2025 and the impact of share repurchases (NCIB), partially offset by the favourable contribution from iA Auto Finance.
    - Credit experience – $10 million gain in the second quarter due to more upgrades than downgrades in the fixed income portfolio ($6 million) and favourable experience in the car loans portfolio of iA Auto Finance ($4 million).

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

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.

Results for the first six months of 2026

- The net income attributed to common shareholders was $155 million in 2026 compared with $138 million in 2025. Net income attributed to common shareholders is composed of core earnings† as well as core earnings adjustments.
- Core earnings adjustments had a net negative impact on net income of $17 million as a result of the following items: market-related impacts that differ from management's expectations, resulting in a $17 million increase in net income, and the positive impact of assumption changes in the first quarter of $6 million, which were more than offset by a $40 million decrease in net income consisting of tax-related adjustment for the 2025 fiscal year.
- Core earnings† totalled $172 million in 2026 compared to $187 million in 2025. Part of the decrease is explained by higher distributions on other equity instruments and dividends on preferred shares, and higher core income taxes. Before accounting for these items, core earnings† were driven by a core net investment result of $255 million. This result is higher than the $251 million recorded a year earlier and mainly reflects the favourable impacts of credit experience, the contribution of iA Auto Finance, and macroeconomic variations. These favourable items were partially offset by the impact of a reduction in assets following the acquisition of RF Capital Group, and, to a lesser extent, the impact of share repurchases (NCIB).

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

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

Corporate

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

Net Income and Core Earnings† Reconciliation – Corporate

	Second quarter			Year-to-date as at June 30		
(In millions of dollars, unless otherwise indicated)	**2026**	2025	**Variation**	**2026**	2025	**Variation**
Net income (loss) attributed to common shareholders	**(63)**	(72)	**13%**	**(116)**	(122)	**5%**
Core earnings (losses) adjustments (post tax)						
Market-related impacts	**—**	—		**—**	—	
Assumption changes and management actions	**1**	14		**2**	14	
Charges or proceeds related to acquisition, disposition, integration or restructuring of a business	**5**	1		**8**	3	
Amortization of acquisition-related finite life intangible assets	**—**	—		**—**	—	
Non-core pension expense	**1**	—		**2**	—	
Specified items	**—**	—		**—**	—	
Total	**7**	15		**12**	17	
Core earnings† (losses)	**(56)**	(57)	**2%**	**(104)**	(105)	**1%**

Results for the second quarter of 2026

- Net loss attributed to common shareholders for the Corporate segment was $63 million compared to $72 million for the same period in 2025. This item is composed of core losses† as well as core losses adjustments.
- Core losses adjustments to net loss for this business segment totalled $7 million. As explained in the "Reconciliation of Net Income Attributed to Common Shareholders and Core Earnings†" section of this document, these adjustments include a charge resulting from a management action related to the pension plan ($1 million). They also include charges related to acquisition, integration and restructuring of a business, mainly from the RF Capital Group, Fidelity Life and eFinancial (both entities of Vericity) and Global Warranty acquisitions (collectively, $5 million) and the non-core pension expense ($1 million).
- This segment recorded core losses† from after-tax expenses of $56 million compared to $57 million in the second quarter of 2025. This result reflects disciplined expense management amid inflationary pressures, supported by a strong, ongoing focus on operational efficiency and investments to enhance IT infrastructure performance. In the second quarter of 2026, before taxes, corporate core other expenses were $74 million compared to $79 million in the second quarter of 2025. Corporate core other expenses for the second quarter of 2026 are composed of core other expenses of $65 million, which were favourably impacted by the timing of certain corporate initiatives, and a higher-than-expected provision for variable compensation of $9 million before taxes.

Results for the first six months of 2026

- The net loss attributed to common shareholders for the Corporate segment was $116 million compared to $122 million for the same period in 2025. This item is composed of core losses† as well as core losses adjustments.
- Core losses adjustments to net loss for this business segment totalled $12 million. These adjustments include the impact of the aforementioned management action related to the pension plan ($2 million), as well as charges related to acquisition, integration and restructuring of a business, mainly from the RF Capital Group, Fidelity Life and eFinancial (both entities of Vericity) and Global Warranty acquisitions (collectively, $8 million). They also include the non-core pension expense ($2 million).
- This segment recorded core losses† from after-tax expenses of $104 million compared to $105 million for the same period in 2025. This result is derived from corporate core other expenses of $139 million before taxes, which compares favourably to $144 million in 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.

Consolidated items

Income taxes

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

Results for the second quarter of 2026

- The income tax expense amounted to $113 million compared to $43 million for the same period of 2025. The result for the second quarter of 2026 comprises the tax charge included in core earnings† as well as core tax adjustments. For more information on the factors contributing to the variations between the periods, refer to the "Income tax (expense) recovery" sub-section of the "Analysis According to the Financial Statements" section of this document.
- Core tax adjustments resulted in a $19 million reduction in income tax in the second quarter, mostly due to the difference between income before income taxes and core earnings† before taxes.
- Core income taxes[8] in the second quarter were $94 million compared to $86 million for the same period of 2025, corresponding to a core effective tax rate†† (ETR) of 21.2%. The core ETR†† was driven downwards by the favourable impacts of non-recurring items, mainly tax filing adjustments (true-up) for the previous year recognized annually in June.

Results for the first six months of 2026

- Income tax expense amounted to $214 million compared to $89 million for the same period of 2025. The result for the first six months of 2026 comprises the tax charge included in core earnings† as well as core tax adjustments. For more information on the factors contributing to the variations between the periods, refer to the "Income tax (expense) recovery" sub-section of the "Analysis According to the Financial Statements" section of this document.
- Core tax adjustments totalled $33 million for the first six months, mostly due to the first-quarter $40 million tax-related adjustment for the 2025 fiscal year, which was partially offset by the difference between income before income taxes and core earnings† before taxes.
- Core income taxes in the first six months were $181 million compared to $168 million for the same period of 2025, for a core ETR†† of 21.6%.

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 second quarter of 2026 compared to $6 million for the same period of 2025. The increase reflects the dividend payment on institutional preferred shares issued in the second quarter of 2025. For the year to date, the amount is $28 million compared to $15 million for the same period of 2025.

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

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

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

D. Analysis According to the Financial Statements

The analysis of the results below should be read in conjunction with the "Consolidated Income Statement" and "Segmented Information" sections included at the end of this document.

Net Income Attributed to Common Shareholders

For the second quarter of 2026, net income attributed to common shareholders totalled $384 million, compared to $321 million for the same period in 2025.

For the six months ended June 30, 2026, net income attributed to common shareholders totalled $521 million, compared to $507 million in 2025.

The breakdown of net income attributed to common shareholders by segment and the factors contributing to the variations between the periods are presented and discussed in the analysis of results below.

Segmented Results

The following tables present the Company's financial results by business segment according to the financial statements for the second quarter of 2026 and 2025, as well as for the six-month periods ended June 30, 2026 and 2025.

	Second quarter													
	Insurance, Canada		Wealth Management		US Operations		Investment		Corporate		Consolidation adjustments		Total	
(In millions of dollars)	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
Insurance service result														
Insurance revenue	**1,117**	1,077	**399**	321	**513**	483	**—**	—	**—**	—	**—**	—	**2,029**	1,881
Insurance service expenses and net expenses from reinsurance contracts	**(948)**	(900)	**(266)**	(216)	**(464)**	(425)	**—**	—	**—**	—	**—**	—	**(1,678)**	(1,541)
	169	177	**133**	105	**49**	58	**—**	—	**—**	—	**—**	—	**351**	340
Net investment result														
Net investment income	**—**	—	**43**	28	**—**	—	**1,899**	(137)	**15**	4	**—**	—	**1,957**	(105)
Finance income (expenses) from insurance and reinsurance contracts and change in investment contracts and interest on deposits	**—**	—	**(4)**	(1)	**—**	—	**(1,594)**	295	**—**	—	**—**	—	**(1,598)**	294
	—	—	**39**	27	**—**	—	**305**	158	**15**	4	**—**	—	**359**	189
Other revenues	**58**	63	**577**	378	**42**	51	**10**	9	**1**	1	**(28)**	(16)	**660**	486
Other expenses	**(67)**	(62)	**(574)**	(364)	**(76)**	(74)	**(64)**	(56)	**(101)**	(105)	**28**	16	**(854)**	(645)
Income before income taxes	**160**	178	**175**	146	**15**	35	**251**	111	**(85)**	(100)	**—**	—	**516**	370
Income tax (expense) recovery	**(42)**	(48)	**(41)**	(41)	**(3)**	20	**(49)**	(2)	**22**	28	**—**	—	**(113)**	(43)
Net income	**118**	130	**134**	105	**12**	55	**202**	109	**(63)**	(72)	**—**	—	**403**	327
Dividends on preferred shares and distributions on other equity instruments	**—**	—	**—**	—	**—**	—	**(19)**	(6)	**—**	—	**—**	—	**(19)**	(6)
Net income attributed to common shareholders	**118**	130	**134**	105	**12**	55	**183**	103	**(63)**	(72)	**—**	—	**384**	321

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

	Year-to-date as at June 30													
	Insurance, Canada		Wealth Management		US Operations		Investment		Corporate		Consolidation adjustments		Total	
(In millions of dollars)	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
Insurance service result														
Insurance revenue	**2,244**	2,126	**776**	628	**1,025**	953	**—**	—	**—**	—	**—**	—	**4,045**	3,707
Insurance service expenses and net expenses from reinsurance contracts	**(1,936)**	(1,813)	**(526)**	(427)	**(927)**	(846)	**—**	—	**—**	—	**—**	—	**(3,389)**	(3,086)
	308	313	**250**	201	**98**	107	**—**	—	**—**	—	**—**	—	**656**	621
Net investment result														
Net investment income	**—**	—	**84**	54	**—**	—	**1,778**	299	**7**	5	**—**	—	**1,869**	358
Finance income (expenses) from insurance and reinsurance contracts and change in investment contracts and interest on deposits	**—**	—	**(6)**	(1)	**—**	—	**(1,404)**	(62)	**—**	—	**—**	—	**(1,410)**	(63)
	—	—	**78**	53	**—**	—	**374**	237	**7**	5	**—**	—	**459**	295
Other revenues	**113**	115	**1,120**	768	**88**	104	**19**	18	**2**	3	**(54)**	(35)	**1,288**	973
Other expenses	**(136)**	(122)	**(1,116)**	(744)	**(150)**	(152)	**(126)**	(120)	**(166)**	(175)	**54**	35	**(1,640)**	(1,278)
Income before income taxes	**285**	306	**332**	278	**36**	59	**267**	135	**(157)**	(167)	**—**	—	**763**	611
Income tax (expense) recovery	**(79)**	(89)	**(84)**	(78)	**(8)**	15	**(84)**	18	**41**	45	**—**	—	**(214)**	(89)
Net income	**206**	217	**248**	200	**28**	74	**183**	153	**(116)**	(122)	**—**	—	**549**	522
Dividends on preferred shares and distributions on other equity instruments	**—**	—	**—**	—	**—**	—	**(28)**	(15)	**—**	—	**—**	—	**(28)**	(15)
Net income attributed to common shareholders	**206**	217	**248**	200	**28**	74	**155**	138	**(116)**	(122)	**—**	—	**521**	507

Insurance Service Result

Insurance, Canada

For the second quarter of 2026, the insurance service result in the Insurance, Canada segment totalled $169 million compared to $177 million for the same period in 2025.

The segment's insurance revenue amounted to $1,117 million in the second quarter of 2026, up 4% from $1,077 million in the same quarter last year. The increase was primarily driven by Individual Insurance, reflecting higher insurance revenue recognized to cover expected claims and other insurance service expenses, as well as higher recovery of insurance acquisition cash flows. The increase was also supported by the growth in the number of policies and by premium adjustments at iA Auto and Home to cover higher expected claims costs. These items were partially offset by lower demand for student medical insurance in Group Insurance: Special Markets, which was accompanied by a corresponding decrease in insurance service expenses.

The segment's insurance service expenses and net expenses from reinsurance contracts totalled $948 million in the second quarter of 2026 compared to $900 million in the same quarter last year. This change reflects the impact of business growth over the years, which led to higher incurred claims and other insurance service expenses, as well as higher amortization of insurance acquisition cash flows, primarily in Individual Insurance and at iA Auto and Home. Higher home insurance claims as a result of the significant rainfall event in June 2026 also contributed to the increase. These impacts were partially offset by lower demand for student medical insurance in Group Insurance: Special Markets.

For the six months ended June 30, 2026, the insurance service result for the Insurance, Canada segment was $308 million, a decrease of $5 million or 2% compared with the same period in 2025. Although several factors contributed positively to the segment's insurance revenue, particularly the recognition of CSM for services provided, insurance experience gains recorded in 2026 were lower than the elevated insurance experience gains in the same period of 2025.

Wealth Management

For the second quarter of 2026, the insurance service result in the Wealth Management segment totalled $133 million, an increase of $28 million or 27% compared with the same period in 2025.

The segment's insurance revenue amounted to $399 million in the second quarter of 2026, up 24% from $321 million in the same quarter last year. The increase was driven by strong segregated fund sales in Individual Wealth Management and favourable market performance, which resulted in a higher contractual service margin recognized for services provided during the period, higher recovery of insurance acquisition cash flows, and higher revenue recognized to cover trailer fees. The increase for the second quarter was also driven by the continued increase of the insured annuities block in Group Savings and Retirement.

†† 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 segment's insurance service expenses and net expenses from reinsurance contracts totalled $266 million in the second quarter of 2026 compared with $216 million in the same quarter last year, a 23% increase. The change was attributable 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.

For the six months ended June 30, 2026, the insurance service result for the Wealth Management segment was $250 million, an increase of $49 million or 24% compared with the same period in 2025. 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 second quarter of 2026, the insurance service result in the US Operations segment totalled $49 million compared with $58 million for the same period in 2025.

The segment's insurance revenue amounted to $513 million in the second quarter of 2026, up 6% from $483 million in the same quarter last year. The increase was primarily driven by Individual Insurance due to higher recovery of insurance acquisition cash flows, as well as higher revenue recognized to cover expected claims and other insurance service expenses, reflecting growth of in-force business in Individual Insurance.

The segment's insurance service expenses and net expenses from reinsurance contracts totalled $464 million in the second quarter of 2026 compared with $425 million in the same period of 2025. The increase was primarily driven by higher incurred claims and other insurance service expenses, reflecting growth of in-force business in Individual Insurance, and by higher mortality-related claims compared to a year ago. The increase was also attributable to higher amortization of insurance acquisition cash flows.

For the six months ended June 30, 2026, the insurance service result for the US Operations segment was $98 million, a decrease of $9 million or 8% compared with the same period in 2025. While business growth contributed positively to the segment's insurance revenue, this increase was offset by losses on contracts arising from unfavourable policyholder behaviour in Individual Insurance in the first quarter of 2026, and by higher mortality-related claims in the second quarter of 2026.

Net Investment Result

For the second quarter of 2026, the net investment result totalled $359 million, an increase of $170 million, or 90%, compared with the same period in 2025.

Net investment income amounted to $1,957 million in the second quarter of 2026, a $2,062 million increase compared with the same period in 2025. The change was mainly driven by the favourable impact of decreasing interest rates on the fair value of fixed income assets in 2026, compared with the unfavourable impact of increasing interest rates observed in 2025. Results also benefited from stronger equity markets in the second quarter of 2026 compared with the same period in 2025, and the contribution of RF Capital Group following its acquisition.

Finance expenses from insurance and reinsurance contracts and change in investment contracts and interest on deposits amounted to a $1,598 million expense in the second quarter of 2026 compared with $294 million of income in 2025. This $1,892 million decrease was mainly driven by the unfavourable impact of decreasing interest rates during the quarter compared with the impact of increasing interest rates in 2025, and by stronger equity market performance, both of which are important factors in determining the finance expenses of insurance contract liabilities.

For the six months ended June 30, 2026, the net investment result totalled $459 million compared with $295 million for the same period in 2025. This $164 million increase was primarily driven by stronger market performance in the first half of 2026 compared with the same period in 2025, and the contribution of RF Capital Group following its acquisition.

Other Revenues

Other revenues include fees earned from the management of the Company's mutual fund assets and the Company's segregated fund assets relating to investment contracts, as well as commissions from intermediary activities, administration income and administrative services only income. For the second quarter of 2026, other revenues totalled $660 million compared with $486 million in the same quarter last year. The $174 million increase is mainly attributable to the Wealth Management segment, driven by the impact of the RF Capital Group acquisition and favourable market performance, which resulted in higher commission income from distribution and advisory affiliates and higher management fee revenues in Group Savings and Retirement.

For the six months ended June 30, 2026, other revenues were $1,288 million, representing an increase of $315 million compared with the same period in 2025. As in the second quarter, this increase was primarily driven by the impact of the RF Capital Group acquisition and by favourable market performance, which resulted in higher commission income from distribution affiliates and higher management fee revenues from Group Savings and Retirement.

Other Expenses

For the second quarter of 2026, other expenses totalled $854 million compared with $645 million in the same quarter last year. The variation is primarily attributable to the Wealth Management segment, due to increased commission expenses in line with revenue growth, and to the impact of the RF Capital Group acquisition.

For the six months ended June 30, 2026, other expenses were $1,640 million, an increase of $362 million compared with the same period in 2025. The variation since the beginning of the year is attributable to higher commission expenses in the Wealth Management segment in line with revenue growth, and to the impact of the RF Capital Group acquisition.

Income Tax (Expense) Recovery

For the second quarter of 2026, the Company recorded an income tax expense of $113 million compared with $43 million in the same quarter last year. The increase was primarily attributable to higher tax expenses resulting from stronger income, as well as lower tax savings from tax-exempt investment income. The recognition of unrecognized tax losses in the second quarter of 2025 also explains the variation compared to a year ago. These impacts were partially offset by favourable adjustments related to prior years.

For the six months ended June 30, 2026, the Company recorded an income tax expense of $214 million compared with $89 million in the same period last year. The increase was primarily attributable to lower tax savings from tax-exempt investment income, higher tax expenses resulting from increased income, and an unfavourable tax-related adjustment recognized in the first quarter of 2026 arising from the adoption of new tax legislation that came into effect on January 1, 2025. The recognition of unrecognized tax losses in the second quarter of 2025 also explains the variation compared to a year ago. These impacts were partially offset by favourable adjustments related to prior years.

QUARTERLY RESULTS

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

Selected Financial Data

	2026		2025				2024	
(In millions of dollars, unless otherwise indicated)	**Q2**	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Revenues								
Insurance revenue	**2,029**	2,016	2,166	1,917	1,881	1,826	1,822	1,741
Net investment income	**1,957**	(88)	(46)	1,058	(105)	463	273	2,170
Other revenues	**660**	628	619	500	486	487	471	437
Total	**4,646**	2,556	2,739	3,475	2,262	2,776	2,566	4,348
Income before income taxes	**516**	247	237	480	370	241	269	389
Income taxes	**(113)**	(101)	(36)	(107)	(43)	(46)	(43)	(101)
Net income	**403**	146	201	373	327	195	226	288
Dividends on preferred shares and distributions on other equity instruments	**(19)**	(9)	(19)	(9)	(6)	(9)	(6)	(5)
Net income attributed to common shareholders	**384**	137	182	364	321	186	220	283
Earnings per common share								
Basic	**4.30**	1.50	1.98	3.93	3.45	1.99	2.34	3.00
Diluted	**4.28**	1.49	1.97	3.91	3.43	1.98	2.33	2.99

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

Over the last eight quarters, the Company saw a steady increase in quarterly insurance revenue as a result of favourable market performance and organic growth, in particular from the Individual Insurance, iA Auto and Home and Individual Wealth Management business units. Refinements in the revenue recognition method in US Dealer Services resulted in an adjustment to insurance revenue in the fourth quarter of 2025, which in turn explains the slight quarter-over-quarter decrease in the first quarter of 2026. Overall, these trends reflect the Company's strength and performance year over year.

Net investment income is mostly influenced by changes in the interest rate curve and corporate credit spreads. In 2024, the Bank of Canada lowered rates, affecting both short-term and long-term rates. Although long-term rates remained elevated in 2024 and negatively impacted bond values, macroeconomic factors in Canada drove robust equity and bond returns, supported by reduced credit spreads and real estate recovery. In 2025, increasing long-term interest rates lowered returns on bonds compared with 2024; however, strong financial markets in both Canada and the U.S. contributed to robust returns on equity investments. In 2026, the first quarter saw an increase in long-term interest rates, which led to lower returns on bonds and derivative financial instruments, whereas decreasing rates in the second quarter led to higher returns. Additionally, strong financial markets in the second quarter of 2026 led to solid returns on equity investments.

Other revenues increased steadily over the last eight quarters. This growth is attributed to favourable market performance, recruitment efforts, and the acquisition of RF Capital Group in the fourth quarter of 2025. These factors led to higher commission income from distribution and advisory affiliates and higher management fee revenues in the Wealth Management segment. The relative stability observed in the second quarter of 2025 is attributed to unfavourable global macroeconomic factors in March and April of 2025, which resulted in stagnation of commission revenue.

Net income attributed to common shareholders fluctuates from quarter to quarter, notably due to variations in revenues and expenses. Some significant variations observed 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 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, distributions on other equity instruments and dividends on preferred shares, as well as from other specified items, including tax-related adjustments. Net income attributed to common shareholders for the first quarter of 2026 included an unfavourable adjustment recorded for the impact on existing tax positions following the adoption of the new tax measures, which took effect January 1, 2025.

Related Party Transactions

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

Accounting Policies and Main Accounting Estimates

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

The preparation of financial statements requires management to exercise judgment and make estimates and assumptions that affect the reported amounts of assets and liabilities, net income and complementary information. Actual results could differ from management's best estimates. Management has exercised its judgment and made estimates and assumptions as outlined in Note 2 "Material Accounting Policy Information" in section b) "Important Estimates, Assumptions and Judgments" of the consolidated financial statements in the Company's 2025 Annual Report.

More information on new accounting policies applied is presented in Note 2 "Changes in Accounting Policies" of the unaudited interim condensed consolidated financial statements for the second quarter of 2026.

E. CSM Movement Analysis

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

As at June 30, 2026, the CSM totalled more than $8.2 billion, an increase of $1,092 million or 15% over the last 12 months.

The following table presents the evolution of the CSM as at June 30, 2026.

CSM Movement Analysis[3]

	Second quarter			Year-to-date as at June 30		
(In millions of dollars, unless otherwise indicated)	**2026**	2025	**Variation**	**2026**	2025	**Variation**
CSM – Beginning of period	**7,709**	6,932	**11%**	**7,650**	6,899	**11%**
Organic CSM movement						
Impact of new insurance business	**217**	195		**419**	386	
Organic financial growth	**111**	93		**225**	185	
Insurance experience gains (losses)	**26**	52		**65**	96	
CSM recognized for services provided	**(234)**	(200)		**(453)**	(395)	
Sub-total – Organic CSM movement	**120**	140	**(14%)**	**256**	272	**(6%)**
Non-organic CSM movement						
Impact of changes in assumptions and management actions	**(2)**	—		**(4)**	(3)	
Impact of markets	**394**	104		**308**	5	
Currency impact	**11**	(36)		**23**	(36)	
Acquisition or disposition of a business	**—**	—		**(1)**	3	
Sub-total – Non-organic CSM movement	**403**	68		**326**	(31)	
Total – CSM movement	**523**	208		**582**	241	
CSM – End of period	**8,232**	7,140	**15%**	**8,232**	7,140	**15%**
CSM – Net insurance contract liabilities at end	**7,758**	6,706	**16%**	**7,758**	6,706	**16%**
CSM – Net reinsurance contract liabilities at end	**474**	434	**9%**	**474**	434	**9%**
CSM – End of period	**8,232**	7,140	**15%**	**8,232**	7,140	**15%**

Results for the second quarter of 2026

During the second quarter, the CSM increased organically by $120 million. This increase was driven by the following items:

- The positive impact of new insurance business of $217 million, mainly driven by strong business growth, in particular in Individual Wealth Management;
- Organic financial growth of $111 million, mainly driven by the growing CSM level, due to the impact of segregated fund inflows and favourable market variations; and
- Net insurance experience gains of $26 million, mainly reflecting favourable policyholder behaviour experience (from new deposits and lapses) in the segregated fund portfolio.

The CSM recognized for services provided in earnings amounted to $234 million, representing an increase of 17% compared to the same period last year.

During the second quarter, non-organic items led to an increase in the CSM of $403 million, mainly due to the favourable impact of market variations of $394 million, while changes in assumptions and management actions had a minimal unfavourable impact of $2 million.

As a result of organic and non-organic items, the CSM increased by $523 million (+7%) during the second quarter of 2026 and is 15% higher than a year earlier.

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

Results for the first six months of 2026

During the first six months of 2026, the CSM increased organically by $256 million. This increase was driven by the positive impact of new insurance business of $419 million—mainly due to strong business growth, in particular in Individual Wealth Management—and by organic financial growth of $225 million and a net insurance experience gain of $65 million. The net insurance experience gain mainly reflects favourable policyholder behaviour (from new deposits and lapses) in the segregated fund portfolio and favourable mortality experience in Individual Insurance in Canada. These positive items were partially offset by CSM recognized for services provided in earnings of $453 million. During the first six months of 2026, non-organic items led to an increase in the CSM of $326 million, mainly as a result of the favourable impact of market variations. As a result of organic and non-organic items, the CSM increased by $582 million (+8%) during the first six months of 2026.

F. Financial Position

Solvency

(In millions of dollars, unless otherwise indicated)	**June 30, 2026**	March 31, 2026	December 31, 2025	June 30, 2025
Available capital				
Tier 1	**6,406**	6,325	6,234	5,185
Tier 2	**6,541**	5,720	5,534	3,824
Surplus allowance and eligible deposits	**3,228**	3,083	3,072	2,786
Total	**16,175**	15,128	14,840	11,795
Base solvency buffer	**11,848**	11,311	11,156	8,551
Solvency ratio	**137%**	134%	133%	138%

The Company ended the second quarter of 2026 with a solvency ratio of 137%, compared with 134% at the end of the previous quarter and 138% a year earlier. This result is well above the regulatory minimum ratio of 90%. The ratio increased by three percentage points during the quarter, driven by the favourable impact of the subordinated debenture issuance completed on May 26, 2026, as outlined in the "Highlights" section of this document, and by solid organic capital generation and the favourable impact of macroeconomic variations. These items were partly offset by the capital deployed for share buybacks (NCIB), investments in organic growth, dividend payments to common shareholders, and, to a lesser extent, other non-organic variations, including adjustments to the investment portfolio.

During the second quarter, the Company organically generated $180 million in additional capital, compared to $200 million during the same period in 2025. After six months, $335 million in capital has been organically generated. As at June 30, 2026, the capital available for deployment was assessed at $1.1 billion. The decrease from $1.2 billion as at March 31, 2026 is mainly due to share buybacks (NCIB), which were partly offset by solid organic capital generation and the favourable impact of macroeconomic variations.

Financial Leverage Ratio††

	June 30, 2026	March 31, 2026	December 31, 2025	June 30, 2025
Financial leverage ratio††	**18.6%**	16.4%	16.3%	16.9%

The financial leverage ratio†† was 18.6% on June 30, 2026 compared to 16.4% at the end of the previous quarter. The variation over the three-month period is mainly explained by the net impact of capital management initiatives, namely the issuance of $500 million of subordinated debentures, as outlined in the "Highlights" section of this document.

Book Value per Common Share and Market Capitalization

	June 30, 2026	March 31, 2026	December 31, 2025	June 30, 2025
Book value per common share[1]	**$80.55**	$78.90	$79.24	$76.02
Number of common shares outstanding	**88,384,892**[2]	90,117,915	91,735,121	92,795,397
Share price at close	**$195.83**	$154.38	$177.83	$149.29
Market capitalization (in millions)	**$17,308**	$13,912	$16,313	$13,853

The book value per common share increased by 2% during the quarter to $80.55 as at June 30, 2026 and by 6% during the last 12 months, reflecting higher retained earnings, mainly from the addition of the second quarter earnings. These higher retained earnings were partly offset by the impact of the share buybacks (NCIB) and dividend payments to common shareholders.

The number of common shares outstanding decreased by 1,733,023 during the quarter. This decrease is mainly due to the Company's redemption and cancellation of common shares under the NCIB program, which was partly offset by the exercise of stock options under the stock option plan for senior managers.

[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.

[2] Includes 163,100 common shares that were repurchased but not cancelled. For more information, refer to Note 10 "Common Shares" in the Q2/2026 consolidated financial statements.

† 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.

Normal Course Issuer Bid

	Number of shares	**Amount** (in millions of dollars)
Shares repurchased and cancelled		
During the second quarter of 2026	1,847,300	316
For the first six months of 2026	3,493,656	577
Since the beginning of the current program (between Nov. 14, 2025 and June 30, 2026)	3,900,631	647
Shares repurchased during the second quarter and cancelled on July 3, 2026	163,100	31
Total shares that can be purchased under the current program amended in May 2026 (until Nov. 13, 2026)	7,371,485	—
Remaining shares that can be purchased under the current program amended in May 2026 (until Nov. 13, 2026)	3,307,754	—

During the second quarter, the Company repurchased and cancelled a total of 1,847,300 outstanding common shares for a total value of $316 million. It also repurchased 163,100 additional shares that were cancelled on July 3, 2026 for a total value of $31 million.

On May 5, 2026, with the approval of the Toronto Stock Exchange and the *Autorité des marchés financiers*, the Board of Directors authorized the Company to amend its current normal course issuer bid in order to increase the maximum number of common shares that may be repurchased for cancellation thereunder from 4,607,178 common shares, representing approximately 5% of the Company's 92,143,563 common shares issued and outstanding as at October 31, 2025, to 7,371,485 common shares, representing approximately 8% of the 92,035,190 common shares that constituted the Company's public float as at October 31, 2025. No other terms of the normal course issuer bid have been amended.

Since the beginning of the current NCIB (November 14, 2025), 3,900,631 shares, or 4.2% of the outstanding shares, have been repurchased and cancelled. During the quarter, the Company also repurchased 163,100 shares that were cancelled on July 3, 2026. Therefore, the Company can repurchase up to 3,307,754 outstanding common shares between June 30, 2026 and the end of the amended program on November 13, 2026.

Unless a block purchase is made that meets the block purchase exception under TSX rules, the Company may purchase up to 66,402 common shares per trading day. The purchases are made at market price at the time of purchase through the TSX or any other Canadian trading platform, or by any other means authorized under applicable securities laws. If the Company acquires common shares by any other means permitted under securities laws, the purchase price of the common shares may differ from the market price of the common shares at the time of acquisition. The repurchased common shares are cancelled.

The Company considers that repurchasing its common shares from time to time is an appropriate and desirable use of its available funds in order to increase shareholder value. Shareholders may obtain, without charge, copies of the notice of intent related to the Company's normal course issuer bid, approved by the Toronto Stock Exchange, upon request to the Corporate Secretary at 1080 Grande Allée West, P.O. Box 1907, Station Terminus, Quebec City, Quebec, G1K 7M3.

CHANGES IN FINANCIAL POSITION ACCORDING TO THE FINANCIAL STATEMENTS

The following table presents the balances of assets, liabilities and equity in the general fund. The explanations below regarding changes in these balances should be read in conjunction with the "Consolidated Statements of Financial Position" section included at the end of this document.

(In millions of dollars)	**June 30, 2026**	December 31, 2025
General fund assets	**62,213**	59,761
General fund liabilities	**54,092**	51,495
Total equity	**8,121**	8,266

As at June 30, 2026, general fund assets totalled $62.2 billion compared to $59.8 billion as at December 31, 2025. The six-month variation was primarily attributable to a $1.3 billion increase in investment portfolio assets resulting from the favourable impact of macroeconomic variations and portfolio management activities. The variation was also due to a $0.9 billion increase in other assets, mainly driven by amounts receivable arising from investment transactions carried out in the normal course of business.

As at June 30, 2026, general fund liabilities totalled $54.1 billion compared to $51.5 billion as at December 31, 2025. The six-month variation reflects a $1.2 billion increase in other liabilities, driven by amounts payable from investment transactions carried out in the normal course of business, as well as a $1.2 billion increase in insurance contract liabilities, primarily related to insurance finance expenses. General fund liabilities also increased as a result of the issuance of $500 million of subordinated debentures completed in May 2026.

Capital Structure

(In millions of dollars)	**June 30, 2026**	March 31, 2026	December 31, 2025	June 30, 2025
Equity				
Common shares and contributed surplus	**1,480**	1,506	1,530	1,538
Preferred shares and other equity instruments	**1,000**	1,000	1,000	1,000
Retained earnings and accumulated other comprehensive income	**5,641**	5,603	5,736	5,517
Total shareholders' equity	**8,121**	8,109	8,266	8,055
Debentures	**1,994**	1,497	1,496	1,495
Total capital structure	**10,115**	9,606	9,762	9,550

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

Equity was $8.1 billion as at June 30, 2026 compared to $8.3 billion as at December 31, 2025. The six-month variation is primarily related to the:

- favourable contribution of net income, totalling $549 million, and other comprehensive income of $131 million for the first six months of 2026, partially offset by:
- the impact of dividends on common shares of $188 million; and
- the repurchase of $620 million[3] in common shares through the NCIB program.

Debentures increased to $2.0 billion as at June 30, 2026, up from $1.5 billion as at December 31, 2025, reflecting the issuance of $500 million of subordinated debentures completed in May 2026.

As a result of the items listed above, the Company's capital structure amounted to more than $10.1 billion as at June 30, 2026, an increase of $353 million from December 31, 2025.

LIQUIDITY

As at June 30, 2026, cash and short-term investments were $2,378 million compared to $2,208 million as at March 31, 2026 and $2,272 million as at the beginning of the year. The following table summarizes the source and use of the Company's funds for the second quarters of 2026 and 2025 and the six-month periods ended June 30, 2026 and June 30, 2025. The explanations below regarding changes in cash flows should be read in conjunction with the "Consolidated Cash Flows Statements" in the Company's unaudited interim condensed consolidated financial statements.

Cash Flows

	Second quarter		**Year-to-date as at June 30**	
(In millions of dollars, unless otherwise indicated)	**2026**	2025	**2026**	2025
Cash and short-term investments at beginning[4]	**2,208**	1,794	**2,272**	1,566
Cash flows from (used in):				
Operating activities	**229**	272	**630**	1,143
Investing activities	**(75)**	(52)	**(165)**	(154)
Financing activities	**11**	208	**(370)**	(334)
Foreign currency gains (losses) on cash	**5**	(15)	**11**	(14)
Increase (decrease) in cash and short-term investments	**170**	413	**106**	641
Cash and short-term investments at end	**2,378**	2,207	**2,378**	2,207

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 acquisition of businesses and purchases of fixed and intangible assets. Cash flows from financing activities change due to transactions involving equity and debentures.

[3] Includes taxes related to the redemption net of the issuance of common shares, as well as the amount related to common shares repurchased but not yet cancelled as at June 30, 2026, recognized in retained earnings.

[4] *Cash and short-term investments at beginning* for the year to date as at June 30, 2026 reflects the application of the amendment to IFRS 9 on January 1, 2026. The amount is therefore different from *Cash and short-term investments at end* previously published as at December 31, 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.

Cash flows increased by $170 million for the second quarter of 2026 compared to an increase of $413 million for the same period in 2025. The variation is mainly driven by the decrease in cash flows from financing activities between the two periods, primarily due to a higher volume of common share repurchases under the NCIB program in 2026 compared with 2025. This decrease was partially offset by the issuance of $500 million of subordinated debentures in May 2026 compared with the $400 million preferred share issuance in June 2025.

For the six months ended June 30, 2026, cash flows increased by $106 million compared with an increase of $641 million in the same period of 2025. The lower increase in 2026 mainly reflects lower cash flows from operating activities. Although total cash flows used in financing activities remained relatively consistent year over year, financing activities in 2026 featured a higher volume of common share repurchases under the NCIB program. This was partially offset by a higher amount of capital issuance between the two periods, as well as by the redemption of $400 million of debentures in 2025.

G. Investments

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

Investment Mix

(In millions of dollars, unless otherwise indicated)	**June 30, 2026**	March 31, 2026	December 31, 2025	June 30, 2025
Book value of investments	**47,286**	46,013	46,024	45,806
Allocation of investments by asset class				
Bonds	**64.9%**	65.9%	67.6%	69.0%
Stocks	**16.5%**	16.1%	14.1%	12.4%
Loans (including mortgages)	**8.1%**	8.1%	8.0%	7.4%
Investment properties	**2.9%**	3.1%	3.1%	3.3%
Cash and short-term investments	**5.0%**	4.8%	4.9%	4.8%
Other	**2.6%**	2.0%	2.3%	3.1%
Total	**100.0%**	100.0%	100.0%	100.0%

The total value of the investment portfolio was more than $47 billion as at June 30, 2026, 3% higher than a year ago.

Quality of Investments

	June 30, 2026	March 31, 2026	December 31, 2025	June 30, 2025
Bonds – Proportion rated BB or lower	**0.6%**	0.6%	0.6%	0.7%
Mortgages – Proportion of securitized and insured loans	**52.1%**	55.3%	60.1%	61.9%
Investment properties – Occupancy rate[1]	**89.2%**	87.8%	84.4%	84.7%
Car loans – Net impaired loans as a percentage of gross loans[2]	**0.34%**	0.36%	0.46%	0.43%
Car loans – Total allowance for credit losses (ACL) as a percentage of gross loans[3]	**5.02%**	5.23%	5.56%	5.73%

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

Derivative Financial Instruments

	June 30, 2026	March 31, 2026	December 31, 2025	June 30, 2025
Total notional amount ($B)	**55**	55	52	55
Company's credit risk				
AA- or higher	**100%**	100%	100%	100%
A+ or lower	**—**	—	—	—
Positive fair value ($M)	**1,106**	814	926	1,265
Negative fair value ($M)	**611**	859	734	798

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

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

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

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

For more information, refer to Note 4 and Note 6 of the Company’s unaudited interim condensed consolidated financial statements.

H. Declaration of Dividend

The Board of Directors of iA Financial Group approved a quarterly dividend of $1.1000 per share on the Company's outstanding common shares, the same as that announced in the previous quarter.

The amount, the payment date and the date of closing of registers for iA Financial Corporation common shares are indicated below.

Declaration of Dividend

	Amount	Payment date	Closing date
Common shares – iA Financial Corporation	$1.1000	September 15, 2026	August 14, 2026

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

REINVESTMENT OF DIVIDENDS

Registered common shareholders wishing to enrol in the Company's Dividend Reinvestment and Share Purchase Plan (DRIP) so as to be eligible to reinvest the next dividend payable on September 15, 2026 must ensure that the duly completed form is delivered to Computershare no later than 4:00 p.m. on August 7, 2026. Enrolment information is provided on iA Financial Group's website at ia.ca under *About iA,* in the *Investor Relations/ Dividends* section. Common shares issued under the Company's DRIP will be purchased on the secondary market and no discount will apply.

I. Risk Management and Sensitivities – Update

The "Risk Management and Sensitivities – Update" section of this Management's Discussion and Analysis (MD&A) contains certain information required under IFRS® Accounting Standards regarding the nature and scope of the risks arising from financial instruments. This information, which appears in the shaded portions of this section, is considered an integral part of the unaudited interim condensed consolidated financial statements for the period ended June 30, 2026, given that the standards permit cross-references between the Notes to the Financial Statements and the MD&A.

As at June 30, 2026, the Company updated some portions of the 2025 MD&A, "Risk Management" section. Considering that the unaudited interim condensed consolidated financial statements do not contain all the information required in complete annual financial statements, they should be read in conjunction with the consolidated financial statements for the year ended December 31, 2025 as well as the MD&A for 2025. The Company's risk profile has not changed significantly with respect to strategic risk, credit risk, liquidity risk, model risk, operational risk, or legal, regulatory and reputational risk.

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

Immediate Sensitivity

		Immediate impact				
		Net income[1]	**Equity: OCI only[2]**	**Equity: OCI[2] and net income**	**Solvency ratio**	**CSM**
(As at June 30, 2026)		*$M after tax*	*$M after tax*	*$M after tax*	*Percentage points*	*$M before tax*
Public equity[3]	Immediate +10% change in market values	100	25	125	1.0%	350
	Immediate -10% change in market values	(100)	(25)	(125)	(1.0%)	(375)
	Immediate +25% change in market values	175	75	250	2.5%	875
	Immediate -25% change in market values	(175)	(100)	(275)	(3.5%)	(950)
Private non-fixed income (NFI) assets	Immediate +10% change in market values of private equity, investment property and infrastructure	325	25	350	1.0%	N/A
	Immediate -10% change in market values of private equity, investment property and infrastructure	(325)	(25)	(350)	(1.0%)	N/A
Interest rates	Immediate parallel shift of +50 bps on all rates	(25)	25	—	(1.0%)	25
	Immediate parallel shift of -50 bps on all rates	25	(50)	(25)	0.5%	(25)
Corporate spreads	Immediate parallel shift of +50 bps	(25)	50	25	0.5%	—
	Immediate parallel shift of -50 bps	25	(75)	(50)	(0.5%)	—
Provincial government bond spreads	Immediate parallel shift of +50 bps	25	(25)	—	—%	75
	Immediate parallel shift of -50 bps	(25)	25	—	—%	(75)
	Rounding	±25	±25	±25	±0.5%	±25

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

Core Earnings† Sensitivities

(As at June 30, 2026)	Business segment	Variation	Impact on future quarter core earnings†,4 $M after tax	Description of shock
Public equity[5]	Investment	+5%	0.2	+5% change in market values
		-5%	(0.2)	-5% change in market values
	Wealth Management	+5%	6.5	+5% change in market values
		-5%	(6.7)	-5% change in market values
Private non-fixed income (NFI) assets[6]	Investment	+5%	3.7	+5% change in market values
		-5%	(3.7)	-5% change in market values
Interest rates	Investment	+10 bps	0.5	Parallel shift of +10 bps on all rates
		-10 bps	(0.6)	Parallel shift of -10 bps on all rates
	Wealth Management	+10 bps	0.6	Parallel shift of +10 bps on all rates
		-10 bps	(0.6)	Parallel shift of -10 bps on all rates
Credit and swap spreads	Investment	+10 bps	0.4	Parallel shift of +10 bps
		-10 bps	(0.5)	Parallel shift of -10 bps

Caution Regarding Immediate and 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. Sensitivities include the impact of rebalancing equity and interest rate hedges as expected with the Company's dynamic hedging program used for guarantees on segregated funds. They exclude any subsequent actions on the Company's investment portfolio.

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

Actual results can differ significantly from these estimates for a variety of reasons, including the interaction among these factors when more than one change occurs: change in business mix, change in actuarial and investment assumptions, change in investment strategies, actual experience differing from assumptions, change in regulatory requirements, the effective tax rate, market factors, the fact that sensitivities represent simplified scenarios (e.g., parallel shift of interest rates versus non-parallel movements) and limitations of our internal models. Also, changes in factors that are less than or more than the changes tested may not be linear. For these reasons, the sensitivities should only be viewed as directional estimates of the underlying sensitivities for the respective factors based on the assumptions outlined in the 2025 MD&A, "Risk Management" section.

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.

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

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

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

J. Reconciliation of Select Non-IFRS Financial Measures

RECONCILIATION OF EARNINGS ACCORDING TO THE DRIVERS OF EARNINGS ANALYSIS

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

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

	Three months ended June 30								
	Core earnings†			Core earnings adjustments[1]	Reclassifications[2]		Income per financial statements		
					Net investment result	Other			
(In millions of dollars, unless otherwise indicated)	**2026**	2025	**Variation**	**2026**	**2026**	**2026**	**2026**	2025	**Variation**
Insurance service result	**354**	341	**4%**	**(3)**	**—**	**—**	**351**	340	**3%**
Net investment result	**129**	127	**2%**	**140**	**90**	**—**	**359**	189	**90%**
Non-insurance activities or other revenues per financial statements	**104**	97	**7%**	**(14)**	**(37)**	**607**	**660**	486	**36%**
Other expenses and financing charges on debentures	**(144)**	(146)	**1%**	**(50)**	**(53)**	**(607)**	**(854)**	(645)	**(32%)**
Core earnings† or income per financial statements, before taxes	**443**	419	**6%**	**73**	**—**	**—**	**516**	370	**39%**
Income taxes or income tax (expense) recovery	**(94)**	(86)		**(19)**	**—**	**—**	**(113)**	(43)	
Distributions on other equity instruments[3]	**(19)**	(6)					**(19)**	(6)	
Core earnings† or net income attributed to common shareholders per financial statements	**330**	327	**1%**	**54**	**—**	**—**	**384**	321	**20%**
	Six months ended June 30								
Insurance service result	**661**	626	**6%**	**(5)**	**—**	**—**	**656**	621	**6%**
Net investment result	**255**	251	**2%**	**45**	**159**	**—**	**459**	295	**56%**
Non-insurance activities or other revenues per financial statements	**195**	183	**7%**	**(18)**	**(74)**	**1,185**	**1,288**	973	**32%**
Other expenses and financing charges on debentures	**(274)**	(277)	**1%**	**(96)**	**(85)**	**(1,185)**	**(1,640)**	(1,278)	**(28%)**
Core earnings† or income per financial statements, before taxes	**837**	783	**7%**	**(74)**	**—**	**—**	**763**	611	**25%**
Income taxes or income tax (expense) recovery	**(181)**	(168)		**(33)**	**—**	**—**	**(214)**	(89)	
Distributions on other equity instruments[3]	**(28)**	(15)					**(28)**	(15)	
Core earnings† or net income attributed to common shareholders per financial statements	**628**	600	**5%**	**(107)**	**—**	**—**	**521**	507	**3%**

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.†

1 For a breakdown of core earnings adjustments applied to reconcile to net income attributed to common shareholders, see "Core Earnings Adjustments" in this section.
2 These reclassifications reflect items subject to a different classification treatment between the financial statements and the drivers of earnings (DOE).
3 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.

NET INVESTMENT RESULT RECLASSIFICATIONS

Net investment result reclassifications totalled $90 million for the second quarter and $159 million for the first six months, and are broken down in the following table.

Net Investment Result

	Second quarter			Year-to-date as at June 30		
(In millions of dollars, unless otherwise indicated)	**2026**	2025	**Variation**	**2026**	2025	**Variation**
Net investment result – IFRS Income Statements	**359**	189	**170%**	**459**	295	**164%**
Investment income of wealth distribution affiliates *Income statements: Net investment result* *DOE: Non-insurance activities*	**(39)**	(27)	**(12%)**	**(78)**	(53)	**(25%)**
Investment expenses *Income statements: Other operating expenses* *DOE: Net investment result*	**(12)**	(7)	**(5%)**	**(26)**	(19)	**(7%)**
Other revenues and other operating expenses of iA Auto Finance *Income statements: Other revenues and other operating expenses* *DOE: Net investment result*	**(24)**	(24)	**—%**	**(48)**	(50)	**2%**
Income relating to the DSU hedging instrument *Income statements: Change in fair value of investment* *DOE: Other expenses*	**(15)**	(4)	**(11%)**	**(7)**	(5)	**(2%)**
Net investment result – Non-IFRS Drivers of Earnings (DOE)	**269**	127	**142%**	**300**	168	**132%**

OTHER RECLASSIFICATIONS

Other reclassifications totalled $607 million for the second quarter and $1,185 million for the first six months. 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 write-downs.

K. Non-IFRS and Additional Financial Measures

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

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

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

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

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

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

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 income (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, disposition, integration or restructuring of a business;

d) amortization of acquisition-related finite life intangible assets;

e) non-core pension expense, which represents the difference between the asset return calculated using the expected return on plan assets and the IFRS prescribed pension plan discount rate;

f) specified items which management believes are non-recurring or otherwise not representative of the performance of the Company, including (i) material legal settlements and provisions, (ii) tax-related items, (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.

[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.

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.

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 post-tax 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 post-tax 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 (net of dividends)

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: 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: Sales are defined as direct written premiums before reinsurance and cancellations.

b) Wealth Management

- Individual Wealth Management:

  Total sales: 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: 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:

  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: 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 income statements under *Other revenues*.

  Asset rollover: Asset rollover refers to the transfer of a participant's retirement savings assets from an employer-sponsored plan to a retirement or savings arrangement offered by iA Financial Group, following the cessation of participation in a group plan, including upon termination of employment or retirement.

c) US Operations

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

L. Notice and General Information

INTERNAL CONTROL OVER FINANCIAL REPORTING

No changes were made to the Company's internal control over financial reporting during the interim period ended June 30, 2026 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

FORWARD-LOOKING STATEMENTS

This document may contain statements that are predictive or otherwise forward-looking in nature, that depend upon or refer to future events or conditions, or that include words such as "may", "will", "could", "should", "would", "suspect", "expect", "anticipate", "intend", "plan", "believe", "estimate", and "continue" (or the negative thereof), as well as words such as "financial targets", "objective", "goal", "guidance", "outlook" and "forecast", or other similar words or expressions. Such statements constitute forward-looking statements within the meaning of securities laws. In this document, forward-looking statements include, but are not limited to, information concerning possible or future operating results, strategies, and financial and operational outlooks. 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.

Ongoing geopolitical tensions, including war in Ukraine and the Middle East, and 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 general uncertainty. 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.

DOCUMENTS RELATED TO THE FINANCIAL RESULTS

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

Consolidated Income Statements

(unaudited, in millions of Canadian dollars, unless otherwise indicated)	Quarters ended June 30 2026	Quarters ended June 30 2025	Six months ended June 30 2026	Six months ended June 30 2025
Insurance service result				
Insurance revenue (Note 8)	**$ 2,029**	$ 1,881	**$ 4,045**	$ 3,707
Insurance service expenses	**(1,613)**	(1,465)	**(3,235)**	(2,930)
Net income (expenses) from reinsurance contracts	**(65)**	(76)	**(154)**	(156)
	351	340	**656**	621
Net investment result				
Net investment income (Note 3)				
Interest and other investment income	**552**	506	**1,126**	1,055
Change in fair value of investments	**1,405**	(611)	**743**	(697)
	1,957	(105)	**1,869**	358
Finance income (expenses) from insurance contracts	**(1,623)**	323	**(1,427)**	(43)
Finance income (expenses) from reinsurance contracts	**63**	9	**78**	59
(Increase) decrease in investment contract liabilities and interest on deposits	**(38)**	(38)	**(61)**	(79)
	359	189	**459**	295
Investment income (expenses) from segregated funds net assets	**7,040**	2,362	**7,127**	2,246
Finance income (expenses) related to segregated funds liabilities	**(7,040)**	(2,362)	**(7,127)**	(2,246)
	—	—	**—**	—
	359	189	**459**	295
Other revenues	**660**	486	**1,288**	973
Other operating expenses	**(834)**	(628)	**(1,603)**	(1,243)
Other financing charges	**(20)**	(17)	**(37)**	(35)
Income before income taxes	**516**	370	**763**	611
Income tax (expense) recovery (Note 12)	**(113)**	(43)	**(214)**	(89)
Net income	**403**	327	**549**	522
Dividends on preferred shares and distributions on other equity instruments	**(19)**	(6)	**(28)**	(15)
Net income attributed to common shareholders	**$ 384**	$ 321	**$ 521**	$ 507
Earnings per common share (in dollars)				
Basic	**$ 4.30**	$ 3.45	**$ 5.78**	$ 5.44
Diluted	**4.28**	3.43	**5.74**	5.41
Weighted average number of common shares outstanding (in millions of units) (Note 14)				
Basic	**89**	93	**90**	93
Diluted	**90**	94	**91**	94
Dividends per common share (in dollars)	**1.10**	0.90	**2.09**	1.80

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

Consolidated Comprehensive Income Statements

	Quarters ended June 30		Six months ended June 30	
(unaudited, in millions of Canadian dollars)	**2026**	2025	**2026**	2025
Net income	**$ 403**	$ 327	**$ 549**	$ 522
Other comprehensive income, net of income taxes				
Items that may be reclassified subsequently to net income:				
Net investment hedge				
Unrealized gains (losses) on currency translation in foreign operations	**127**	(165)	**258**	(162)
Hedges of net investment in foreign operations	**(89)**	88	**(183)**	87
	38	(77)	**75**	(75)
Items that will not be reclassified subsequently to net income:				
Remeasurement of post-employment benefits	**34**	4	**56**	20
Total other comprehensive income	**72**	(73)	**131**	(55)
Comprehensive income attributed to shareholders	**$ 475**	$ 254	**$ 680**	$ 467

Income Taxes Included in Other Comprehensive Income

	Quarters ended June 30		Six months ended June 30	
(unaudited, in millions of Canadian dollars)	**2026**	2025	**2026**	2025
Income tax recovery (expense) related to:				
Items that may be reclassified subsequently to net income:				
Hedges of net investment in foreign operations	**$ 16**	$ (16)	**$ 33**	$ (16)
Items that will not be reclassified subsequently to net income:				
Remeasurement of post-employment benefits	**(13)**	(1)	**(22)**	(7)
Total income tax recovery (expense) included in other comprehensive income	**$ 3**	$ (17)	**$ 11**	$ (23)

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

Consolidated Statements of Financial Position

(unaudited, in millions of Canadian dollars)	As at June 30 2026	As at December 31 2025
Assets		
Investments (Note 3)		
Cash and short-term investments	**$ 2,378**	$ 2,262
Bonds	**30,643**	31,080
Stocks	**7,824**	6,504
Loans	**3,828**	3,687
Derivative financial instruments (Note 6)	**1,106**	926
Other investments	**126**	119
Investment properties	**1,381**	1,446
	47,286	46,024
Other assets	**6,114**	5,185
Insurance contract assets (Note 8)	**80**	80
Reinsurance contract assets (Note 8)	**3,430**	3,287
Fixed assets	**340**	333
Deferred income tax assets	**861**	775
Intangible assets	**2,271**	2,278
Goodwill	**1,831**	1,799
General fund assets	**62,213**	59,761
Segregated funds net assets (Note 7)	**72,119**	63,047
Total assets	**$ 134,332**	$ 122,808
Liabilities		
Insurance contract liabilities (Note 8)	**$ 38,484**	$ 37,317
Investment contract liabilities and deposits	**7,482**	7,620
Derivative financial instruments (Note 6)	**611**	734
Other liabilities	**5,118**	3,936
Deferred income tax liabilities	**403**	392
Debentures	**1,994**	1,496
General fund liabilities	**54,092**	51,495
Insurance contract liabilities related to segregated funds (Note 8)	**53,599**	46,365
Investment contract liabilities related to segregated funds	**18,520**	16,682
Total liabilities	**$ 126,211**	$ 114,542
Equity		
Common shares and contributed surplus	**$ 1,480**	$ 1,530
Preferred shares and other equity instruments	**1,000**	1,000
Retained earnings and accumulated other comprehensive income	**5,641**	5,736
	8,121	8,266
Total liabilities and equity	**$ 134,332**	$ 122,808

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

Consolidated Equity Statements

	As at June 30, 2026					
(unaudited, in millions of Canadian dollars)	Common shares (Note 10)	Preferred shares and other equity instruments	Contributed surplus	Retained earnings	Accumulated other comprehensive income	Total
Balance as at December 31, 2024	$ 1,524	$ 600	$ 16	$ 5,253	$ 74	$ 7,467
Net income	—	—	—	1,096	—	1,096
Other comprehensive income	—	—	—	—	(23)	(23)
Comprehensive income for the year	—	—	—	1,096	(23)	1,073
Equity transactions						
Transfer of post-employment benefits	—	—	—	47	(47)	—
Stock option plan	—	—	4	—	—	4
Stock options exercised	—	—	(4)	—	—	(4)
Issuance of common shares	22	—	—	—	—	22
Redemption of common shares	(32)	—	—	(267)	—	(299)
Issuance of preferred shares	—	400	—	(4)	—	396
Dividends on common shares	—	—	—	(350)	—	(350)
Dividends on preferred shares and distributions on other equity instruments[1]	—	—	—	(43)	—	(43)
	(10)	400	—	(617)	(47)	(274)
Balance as at December 31, 2025	**1,514**	**1,000**	**16**	**5,732**	**4**	**8,266**
Net income	**—**	**—**	**—**	**549**	**—**	**549**
Other comprehensive income	**—**	**—**	**—**	**—**	**131**	**131**
Comprehensive income for the period	**—**	**—**	**—**	**549**	**131**	**680**
Equity transactions						
Transfer of post-employment benefits	**—**	**—**	**—**	**56**	**(56)**	**—**
Stock option plan	**—**	**—**	**2**	**—**	**—**	**2**
Stock options exercised	**—**	**—**	**(2)**	**—**	**—**	**(2)**
Issuance of common shares	**11**	**—**	**—**	**—**	**—**	**11**
Redemption of common shares	**(61)**	**—**	**—**	**(559)**	**—**	**(620)**
Dividends on common shares	**—**	**—**	**—**	**(188)**	**—**	**(188)**
Dividends on preferred shares and distributions on other equity instruments[1]	**—**	**—**	**—**	**(28)**	**—**	**(28)**
	(50)	**—**	**—**	**(719)**	**(56)**	**(825)**
Balance as at June 30, 2026	**$ 1,464**	**$ 1,000**	**$ 16**	**$ 5,562**	**$ 79**	**$ 8,121**

[1] For the six months ended June 30, 2026, tax on distributions on other equity instruments was $5 ($11 for the year ended December 31, 2025).

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

Consolidated Cash Flows Statements

(unaudited, in millions of Canadian dollars)	Six months ended June 30 2026	2025
Cash flows from operating activities		
Income before income taxes	**$ 763**	$ 611
Other financing charges	**37**	35
Income taxes paid, net of refunds	**(654)**	(142)
Operating activities not affecting cash:		
Expenses (income) from insurance contracts	**617**	(734)
Expenses (income) from reinsurance contracts	**76**	97
Expenses (income) from investment contracts and interest on deposits	**61**	79
Unrealized losses (gains) on investments	**(739)**	703
Provision for credit losses	**35**	45
Other depreciation	**209**	174
Other items not affecting cash	**68**	74
Operating activities affecting cash:		
Sales, maturities and repayments on investments	**34,723**	25,023
Purchases of investments	**(35,258)**	(25,777)
Change in assets/liabilities related to insurance contracts	**406**	741
Change in assets/liabilities related to reinsurance contracts	**(132)**	(116)
Change in liabilities related to investment contracts and deposits	**(201)**	58
Other items affecting cash	**619**	272
Net cash from (used in) operating activities	**630**	1,143
Cash flows from investing activities		
Acquisition of businesses, net of cash	**(17)**	(52)
Net purchases of fixed and intangible assets	**(148)**	(102)
Net cash from (used in) investing activities	**(165)**	(154)
Cash flows from financing activities		
Issuance of common shares	**9**	8
Redemption of common shares (Note 10)	**(608)**	(102)
Issuance of preferred shares	**—**	395
Issuance of debentures (Note 9)	**497**	—
Redemption of debentures	**—**	(400)
Reimbursement of lease liabilities	**(12)**	(10)
Dividends paid on common shares	**(188)**	(168)
Dividends paid on preferred shares and distributions on other equity instruments	**(33)**	(20)
Interest paid on debentures	**(31)**	(35)
Interest paid on lease liabilities	**(4)**	(2)
Net cash from (used in) financing activities	**(370)**	(334)
Foreign currency gains (losses) on cash	**11**	(14)
Increase (decrease) in cash and short-term investments	**106**	641
Cash and short-term investments at beginning[1]	**2,272**	1,566
Cash and short-term investments at end	**$ 2,378**	$ 2,207
Supplementary information:		
Cash	**$ 1,817**	$ 1,365
Short-term investments including cash equivalents	**561**	842
Total cash and short-term investments	**$ 2,378**	$ 2,207

[1] The cash and short-term investments at the beginning of the six months ended June 30, 2026 reflects the application of the amendment to IFRS 9 on January 1, 2026, and consequently the amount differs from the cash and short-term investments at end previously published as at December 31, 2025. For information on the amendment to IFRS 9, refer to Note 2 to these Interim Condensed Consolidated Financial Statements.

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

Notes to Interim Condensed Consolidated Financial Statements

Six months ended June 30, 2026 and 2025 (unaudited) (in millions of Canadian dollars, unless otherwise indicated)

1 › General Information

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

The Company's Interim Condensed Consolidated Financial Statements (the "Financial Statements") are prepared on the basis of IFRS® Accounting Standards in accordance with IAS 34 *Interim Financial Reporting*, issued by the International Accounting Standards Board (IASB). These Financial Statements do not contain all the information required in a complete annual financial statement and should be read in conjunction with the Consolidated Financial Statements for the year ended December 31, 2025, which are included in the 2025 Annual Report. The material accounting policies used to prepare these Financial Statements are consistent with those found in the 2025 Annual Report, except for items mentioned in Note 2.

The publication of these Financial Statements was authorized by the Company's Board of Directors on August 4, 2026.

2 › Changes in Accounting Policies

New Accounting Policies Applied to Financial Statements beginning on or after January 1, 2026.

Standards or amendments	Description of the standards or amendments and impacts on financial statements of the Company
IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*	*Description:* On May 30, 2024, the IASB published an amendment to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*. *Amendments to the Classification and Measurement of Financial Instruments* introduces an accounting policy choice relating to the derecognition of financial liabilities settled through electronic payment systems, clarifies the classification and characteristics of some financial asset types and adds new disclosure requirements regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features, including environmental, social and corporate governance events. *Impact:* In accordance with the provisions of the amendment, the Company has applied it on a modified retrospective basis as at January 1, 2026, and as a result, the comparative figures are not restated. The effect is limited to the accounting treatment related to the derecognition of certain financial liabilities which led, on January 1, 2026, to an increase of $10 in *Cash and short-term investments* and an increase in *Other liabilities* of the same amount. This had no impact on the equity of the Company.
Annual Improvements to IFRS Accounting Standards 2024-2025 Cycle	*Description:* On July 18, 2024, the IASB published the Annual Improvements to IFRS Accounting Standards 2024-2025 Cycle. The Annual Improvements clarify situations specific to five standards: • IFRS 1 *First-time Adoption of International Financial Reporting Standards* related to the fact that an entity which had designated a transaction as hedge accounting before the date of transition to IFRS Accounting Standards must meet the qualifying criteria of IFRS 9 *Financial Instruments* to reflect it in its opening IFRS statement of financial position. Otherwise, the entity should discontinue the hedge accounting; • IFRS 7 *Financial Instruments: Disclosures* related to the fact that an entity which is disclosing a gain or a loss on derecognition relating to financial assets in which the entity has continuing involvement shall disclose whether the fair value measurements included significant unobservable inputs as described in the "fair value hierarchy" requirements in IFRS 13 *Fair Value Measurement*; • IFRS 9 *Financial Instruments* related to the fact that when a lease liability is derecognized by a lessee, the difference between the carrying amount of the extinguished liability and the consideration paid are recognized in profit or loss. The amendment also specifies that the initial measurement of trade receivables must be in accordance with "the amount determined by applying IFRS 15 *Revenue from Contracts with Customers*" instead of "at their transaction price", as previously mentioned in IFRS 9; • IFRS 10 *Consolidated Financial Statements* related to the fact that when assessing control, a party might be a "de facto agent" when those that direct the activities of the investor have the ability to direct that party to act on the investor's behalf; • IAS 7 *Statement of Cash Flows* related to the fact that the term "cost method" replaces the term "at cost" regarding the reporting requirements in the statement of cash flows for investments in subsidiaries, associates and joint ventures since the term "cost method" is no longer defined in IFRS Accounting Standards. The provisions of these improvements apply prospectively. *Impact:* No impact on the Company's financial statements.

Future Changes in Accounting Policies

There are no significant changes to the future accounting standards or accounting policies compared to those disclosed in the Consolidated Financial Statements for the year ended December 31, 2025.

3 › Investments and Net Investment Income

a) Carrying Value and Fair Value

	As at June 30, 2026				
(in millions of dollars)	At fair value through profit or loss	At amortized cost	Other	Total	Fair value
Cash and short-term investments	$ 480	$ 1,898	$ —	$ 2,378	$ 2,378
Bonds					
Governments	7,924	—	—	7,924	
Municipalities	914	—	—	914	
Corporate and other	21,805	—	—	21,805	
	30,643	—	—	30,643	30,643
Stocks					
Common	5,034	—	—	5,034	
Preferred	492	—	—	492	
Stock indexes	453	—	—	453	
Investment fund units	1,845	—	—	1,845	
	7,824	—	—	7,824	7,824
Loans					
Mortgages					
Insured mortgages					
Multi-residential	562	—	—	562	
Non-residential	1	—	—	1	
	563	—	—	563	
Conventional mortgages					
Multi-residential	245	—	—	245	
Non-residential	272	—	—	272	
	517	—	—	517	
	1,080	—	—	1,080	
Corporate loans	329	—	—	329	
Car loans	—	1,482	—	1,482	
Other loans	—	937	—	937	
	1,409	2,419	—	3,828	3,818
Derivative financial instruments	1,106	—	—	1,106	1,106
Other investments	47	4	75	126	126
Investment properties	—	—	1,381	1,381	1,416
Total investments	$ 41,509	$ 4,321	$ 1,456	$ 47,286	$ 47,311

	As at December 31, 2025				
(in millions of dollars)	At fair value through profit or loss	At amortized cost	Other	Total	Fair value
Cash and short-term investments	$ 308	$ 1,954	$ —	$ 2,262	$ 2,262
Bonds					
Governments	7,833	—	—	7,833	
Municipalities	1,028	—	—	1,028	
Corporate and other	22,219	—	—	22,219	
	31,080	—	—	31,080	31,080
Stocks					
Common	3,996	—	—	3,996	
Preferred	461	—	—	461	
Stock indexes	400	—	—	400	
Investment fund units	1,647	—	—	1,647	
	6,504	—	—	6,504	6,504
Loans					
Mortgages					
Insured mortgages					
Multi-residential	694	—	—	694	
Non-residential	1	—	—	1	
	695	—	—	695	
Conventional mortgages					
Multi-residential	198	—	—	198	
Non-residential	264	—	—	264	
	462	—	—	462	
	1,157	—	—	1,157	
Corporate loans	250	—	—	250	
Car loans	—	1,450	—	1,450	
Other loans	—	830	—	830	
	1,407	2,280	—	3,687	3,675
Derivative financial instruments	926	—	—	926	926
Other investments	45	4	70	119	119
Investment properties	—	—	1,446	1,446	1,480
Total investments	$ 40,270	$ 4,238	$ 1,516	$ 46,024	$ 46,046

Other investments include bonds, common stocks and short-term investments that are restricted investments, notes receivable and investments in associates and joint ventures. Bonds, common stocks and short-term investments that are restricted investments are classified at fair value through profit or loss. Notes receivable are classified at amortized cost. Investments in associates and joint ventures, accounted for according to the equity method, are presented in the *Other* column.

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

b) Investments in Associates and Joint Ventures

The Company holds interests ranging from 25% to 48% as at June 30, 2026 (25% to 29% as at December 31, 2025). The carrying value of these investments as at June 30, 2026 is $75 ($70 as at December 31, 2025). The share of net income and comprehensive income for the six months ended June 30, 2026 corresponds to a profit of $1 (profit of $2 for the six months ended June 30, 2025).

c) Net Investment Income

	Quarters ended June 30		Six months ended June 30	
(in millions of dollars)	**2026**	2025	**2026**	2025
Interest and other investment income				
Interest	**$ 465**	$ 447	**$ 934**	$ 902
Dividends	**120**	99	**254**	212
Derivative financial instruments	**(34)**	(10)	**(57)**	(27)
Net rental income	**19**	21	**35**	43
Provision for credit losses	**(18)**	(21)	**(35)**	(45)
Other income and expenses	**—**	(30)	**(5)**	(30)
	552	506	**1,126**	1,055
Change in fair value of investments				
Cash and short-term investments	**2**	3	**4**	6
Bonds	**527**	(782)	**145**	(499)
Stocks	**462**	126	**475**	67
Loans	**1**	(10)	**(4)**	4
Derivative financial instruments	**426**	72	**140**	(245)
Investment properties	**(10)**	(20)	**(14)**	(31)
Other	**(3)**	—	**(3)**	1
	1,405	(611)	**743**	(697)
Total net investment income	**$ 1,957**	$ (105)	**$ 1,869**	$ 358

4 › Fair Value of Financial Instruments and Investment Properties

Methods and assumptions used to estimate fair values of financial instruments and investment properties are disclosed in Note 6 of the Company's Consolidated Financial Statements for the year ended December 31, 2025.

Fair Value Hierarchy

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

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

Level 2 – Valuation model based on inputs other than quoted prices included in Level 1 that are observable on the market for the asset or liability, either directly or indirectly. Level 2 financial instruments are composed, among other things, of bonds and private debts.

Level 3 – Valuation model based on valuation techniques that use significant unobservable market parameters and that reflect management's best estimates. Level 3 financial instruments are composed, among other things, of private equity.

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

Fair Value of Assets

	As at June 30, 2026			
(in millions of dollars)	**Level 1**	**Level 2**	**Level 3**	**Total**
Fair value				
Cash and short-term investments	**$ —**	**$ 480**	**$ —**	**$ 480**
Bonds				
Governments	**—**	**7,924**	**—**	**7,924**
Municipalities	**—**	**914**	**—**	**914**
Corporate and other	**—**	**21,489**	**316**	**21,805**
	—	**30,327**	**316**	**30,643**
Stocks	**4,091**	**338**	**3,395**	**7,824**
Mortgages	**—**	**1,080**	**—**	**1,080**
Corporate loans	**—**	**—**	**329**	**329**
Derivative financial instruments	**269**	**836**	**1**	**1,106**
Other investments	**2**	**45**	**—**	**47**
Investment properties	**—**	**—**	**1,381**	**1,381**
General fund investments at fair value	**4,362**	**33,106**	**5,422**	**42,890**
Other assets	**—**	**28**	**—**	**28**
Segregated funds financial instruments	**61,151**	**9,547**	**1,263**	**71,961**
Total assets at fair value	**$ 65,513**	**$ 42,681**	**$ 6,685**	**$ 114,879**
Amortized cost				
Car loans and other loans	**$ —**	**$ 2,409**	**$ —**	**$ 2,409**
Total assets at amortized cost	**$ —**	**$ 2,409**	**$ —**	**$ 2,409**

	As at December 31, 2025[1]			
(in millions of dollars)	Level 1	Level 2	Level 3	Total
Fair value				
Cash and short-term investments	$ —	$ 308	$ —	$ 308
Bonds				
Governments	—	7,833	—	7,833
Municipalities	—	1,028	—	1,028
Corporate and other	—	21,894	325	22,219
	—	30,755	325	31,080
Stocks	3,189	331	2,984	6,504
Mortgages	—	1,157	—	1,157
Corporate loans	—	—	250	250
Derivative financial instruments	219	706	1	926
Other investments	3	42	—	45
Investment properties	—	—	1,446	1,446
General fund investments at fair value	3,411	33,299	5,006	41,716
Other assets	—	65	—	65
Segregated funds financial instruments	52,401	9,369	1,164	62,934
Total assets at fair value	$ 55,812	$ 42,733	$ 6,170	$ 104,715
Amortized cost				
Car loans and other loans	$ —	$ 2,268	$ —	$ 2,268
Total assets at amortized cost	$ —	$ 2,268	$ —	$ 2,268

[1] During the six months ended June 30, 2026, the Company revised the presentation of fair value hierarchy information to more accurately represent the observability of inputs used in valuation models and to better reflect practices observed on the market. Data for the year ended December 31, 2025 have been reclassified to comply with the current period's presentation. An amount of $4,223 of corporate bonds, an amount of $84 of governments bonds and an amount of $222 of segregated funds financial instruments have therefore been reclassified from Level 3 to Level 2 as at December 31, 2025. These reclassifications had no impact on the net income of the Company.

Transfers between hierarchy levels

During the six months ended June 30, 2026, there were no transfers from Level 2 to Level 3 ($11 for the year ended December 31, 2025). The transfers for the year ended December 31, 2025 were related to the fair value of bonds whose price had remained unchanged for more than 30 days which, according to the Company's internal policy, resulted in a transfer.

There were no other significant transfers between hierarchy levels during the six months ended June 30, 2026 (none for the year ended December 31, 2025).

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

The following tables present assets recognized at fair value evaluated according to Level 3 parameters:

	Six months ended June 30, 2026						
(in millions of dollars)	**Balance as at December 31, 2025**	**Gains (losses) included in net income**	**Purchases**	**Sales and settlements**	**Transfers into (out of) Level 3 and reclassifications**	**Balance as at June 30, 2026**	**Total unrealized gains (losses) included in net income on investments still held**
Bonds	**$ 325**	**$ (1)**	**$ 3**	**$ (11)**	**$ —**	**$ 316**	**$ (7)**
Stocks	**2,984**	**134**	**444**	**(167)**	**—**	**3,395**	**140**
Corporate loans	**250**	**(3)**	**94**	**(12)**	**—**	**329**	**(3)**
Derivative financial instruments	**1**	**—**	**1**	**(1)**	**—**	**1**	**—**
Investment properties	**1,446**	**(14)**	**21**	**(72)**	**—**	**1,381**	**(13)**
General fund investments recognized at fair value	**5,006**	**116**	**563**	**(263)**	**—**	**5,422**	**117**
Segregated funds financial instruments	**1,164**	**57**	**59**	**(17)**	**—**	**1,263**	**52**
Total	**$ 6,170**	**$ 173**	**$ 622**	**$ (280)**	**$ —**	**$ 6,685**	**$ 169**

	Year ended December 31, 2025[1]						
(in millions of dollars)	Balance as at December 31, 2024	Gains (losses) included in net income	Purchases	Sales and settlements	Transfers into (out of) Level 3 and reclassifications	Balance as at December 31, 2025	Total unrealized gains (losses) included in net income on investments still held
Bonds	$ 326	$ (18)	$ 38	$ (32)	$ 11	$ 325	$ (14)
Stocks	2,501	32	664	(213)	—	2,984	48
Corporate loans	—	1	249	—	—	250	1
Derivative financial instruments	—	—	1	—	—	1	—
Investment properties	1,519	(61)	46	(102)	44	1,446	(62)
General fund investments recognized at fair value	4,346	(46)	998	(347)	55	5,006	(27)
Segregated funds financial instruments	1,033	75	463	(407)	—	1,164	(44)
Total	$ 5,379	$ 29	$ 1,461	$ (754)	$ 55	$ 6,170	$ (71)

[1] During the six months ended June 30, 2026, the Company revised the presentation of fair value hierarchy information to more accurately represent the observability of inputs used in valuation models and to better reflect practices observed on the market. Consequently, data for the year ended December 31, 2025 have been reclassified to comply with the current period's presentation. These reclassifications had no impact on the net income of the Company.

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

Investment Properties

During the six months ended June 30, 2026, an amount of $13 ($46 for the year ended December 31, 2025) presented in *Purchases* for investment properties corresponds to capitalizations.

Valuation for Level 3 Assets

The main unobservable input used in valuation of bonds and corporate loans as at June 30, 2026 corresponds to credit and liquidity risk premiums ranging from 0.67% to 6.50% (0.70% to 6.50% as at December 31, 2025). The credit and liquidity risk premiums are the difference between the expected yield of an asset and the risk-free rate of return. The difference is called a spread and represents an extra compensation for the risk of default of the borrower and the lack of active markets to sell the financial assets. If all other factors remain constant, a decrease (increase) in credit and liquidity risk premiums will lead to an increase (decrease) in fair value of bonds and corporate loans.

The main unobservable input used in valuation of stocks as at June 30, 2026 corresponds to 100% of the net asset value of the shares owned by the Company (100% as at December 31, 2025), which is provided by the general partner of the limited partnership or the manager of the funds. The net asset value is the estimated fair value of the asset minus the fair value of the liability divided by the number of shares outstanding of a limited partnership or a fund.

The main unobservable inputs used in the valuation of the investment properties as at June 30, 2026 are the discount rate, which is between 6.00% and 8.75% (5.75% and 9.00% as at December 31, 2025) and the terminal capitalization rate, which is between 5.50% and 7.75% (5.25% and 7.75% as at December 31, 2025). The discount rate is based on market activity by type of building and by location and reflects the expected rate of return to be realized on investments over the next 10 years. The terminal capitalization rate is based on market activity by type of building and by location and reflects the expected rate of return to be realized on investments over the remaining life after the 10-year period. If all other factors remain constant, a decrease (increase) in the discount rate and terminal capitalization rate will lead to an increase (decrease) in fair value of investment properties.

Fair Value of Financial Liabilities

	As at June 30, 2026			
(in millions of dollars)	**Level 1**	**Level 2**	**Level 3**	**Total**
Fair value				
Other liabilities				
Short-selling securities	**$ 1**	**$ 497**	**$ —**	**$ 498**
Securities sold under repurchase agreements	**—**	**2,291**	**—**	**2,291**
Securitization liabilities	**—**	**6**	**—**	**6**
Derivative financial instruments	**94**	**517**	**—**	**611**
Investment contract liabilities and deposits	**—**	**1,178**	**—**	**1,178**
Total liabilities at fair value	**$ 95**	**$ 4,489**	**$ —**	**$ 4,584**
Amortized cost				
Other liabilities				
Mortgage debt	**$ —**	**$ 2**	**$ —**	**$ 2**
Debentures	**—**	**2,022**	**—**	**2,022**
Investment contract liabilities and deposits	**—**	**6,240**	**—**	**6,240**
Investment contract liabilities related to segregated funds	**—**	**18,520**	**—**	**18,520**
Total liabilities at amortized cost	**$ —**	**$ 26,784**	**$ —**	**$ 26,784**

	As at December 31, 2025			
(in millions of dollars)	Level 1	Level 2	Level 3	Total
Fair value				
Other liabilities				
Short-selling securities	$ —	$ 452	$ —	$ 452
Securities sold under repurchase agreements	—	988	—	988
Securitization liabilities	—	6	—	6
Derivative financial instruments	65	669	—	734
Investment contract liabilities and deposits	—	1,101	—	1,101
Total liabilities at fair value	$ 65	$ 3,216	$ —	$ 3,281
Amortized cost				
Other liabilities				
Mortgage debt	$ —	$ 2	$ —	$ 2
Debentures	—	1,524	—	1,524
Investment contract liabilities and deposits	—	6,435	—	6,435
Investment contract liabilities related to segregated funds	—	16,682	—	16,682
Total liabilities at amortized cost	$ —	$ 24,643	$ —	$ 24,643

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

Effective risk management rests on identifying, assessing, measuring, understanding, managing, monitoring and communicating the risks to which the Company is exposed to in the course of its operations. Risk management is comprised of a series of objectives, policies and procedures that are approved by the Board of Directors and enforced by managers. The main risk management policies and procedures are subject to review annually, or more frequently when deemed relevant. More information regarding the principles, responsibilities, key measures and management practices of the Company's risk management of financial instruments is provided in the shaded portion of the "Risk Management" section of the 2025 Management's Discussion and Analysis, and any relevant updates are presented in the "Risk Management and Sensitivities – Update" section of the Management's Discussion and Analysis for the Second Quarter of 2026. Those shaded portions are considered an integral part of these financial statements.

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.

Allowance for Credit Losses by Stage

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

	As at June 30, 2026			
	Non-impaired		**Impaired**	
(in millions of dollars)	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Gross carrying amount	**$ 1,319**	**$ 225**	**$ 17**	**$ 1,561**
Allowance for credit losses	**46**	**21**	**12**	**79**
Carrying amount	**$ 1,273**	**$ 204**	**$ 5**	**$ 1,482**

	As at December 31, 2025			
	Non-impaired		Impaired	
(in millions of dollars)	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	$ 1,278	$ 237	$ 20	$ 1,535
Allowance for credit losses	45	28	12	85
Carrying amount	$ 1,233	$ 209	$ 8	$ 1,450

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

6 › Derivative Financial Instruments

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

The notional amount represents the amount to which a rate or price is applied to determine the cash flows to be exchanged periodically and does not represent direct credit exposure. Maximum credit risk is the estimated cost of replacing derivative financial instruments that have a positive value should the counterparty default. The maximum credit risk of derivative financial instruments as at June 30, 2026 is $1,106 ($926 as at December 31, 2025). The Company's exposure at the end of each reporting period is limited to the risk that a counterparty does not honour the terms of a derivative financial instrument.

	As at June 30, 2026		
		Fair value	
(in millions of dollars)	**Notional amount**	**Positive**	**Negative**
Equity contracts	**$ 10,501**	**$ 386**	**$ (171)**
Currency contracts	**16,080**	**307**	**(171)**
Interest rate contracts	**28,447**	**412**	**(269)**
Other derivative contracts	**2**	**1**	**—**
Total	**$ 55,030**	**$ 1,106**	**$ (611)**

	As at December 31, 2025		
		Fair value	
(in millions of dollars)	Notional amount	Positive	Negative
Equity contracts	$ 8,942	$ 254	$ (99)
Currency contracts	16,722	458	(102)
Interest rate contracts	25,869	213	(533)
Other derivative contracts	2	1	—
Total	$ 51,535	$ 926	$ (734)

The following tables present derivative financial instruments according to whether or not they are used as hedging instruments:

	As at June 30, 2026		
		Fair value	
(in millions of dollars)	**Notional amount**	**Positive**	**Negative**
Derivative financial instruments not designated as hedge accounting	**$ 48,892**	**$ 991**	**$ (564)**
Net investment hedge	**6,130**	**109**	**(47)**
Cash flow hedge			
Market risk	**8**	**6**	**—**
Total of derivative financial instruments	**$ 55,030**	**$ 1,106**	**$ (611)**

	As at December 31, 2025		
		Fair value	
(in millions of dollars)	Notional amount	Positive	Negative
Derivative financial instruments not designated as hedge accounting	$ 48,396	$ 871	$ (734)
Net investment hedge	3,131	50	—
Cash flow hedge			
Market risk	8	5	—
Total of derivative financial instruments	$ 51,535	$ 926	$ (734)

7 › Segregated Funds Net Assets

The table below comprises the underlying items for insurance contracts with direct participation features related to segregated funds as well as those for investment contracts related to segregated funds, which is the segregated funds net assets, and shows the composition. The fair value of the underlying items for insurance contracts with direct participation features, which are calculated under the variable fee approach, is equivalent to the *Insurance contract liabilities related to segregated funds* in Note 8 "Insurance Contracts and Reinsurance Contracts", and the fair value of the underlying items for investment contracts related to segregated funds, which are accounted for at amortized cost, is equivalent to the *Investment contract liabilities related to segregated funds* in the Statement of Financial Position.

(in millions of dollars)	**As at June 30, 2026**	As at December 31, 2025
Assets		
Cash and short-term investments	**$ 844**	$ 1,745
Bonds	**8,109**	7,679
Stocks and investment funds	**63,107**	54,264
Mortgages	**103**	86
Derivative financial instruments	**—**	1
Other assets	**1,613**	697
	73,776	64,472
Liabilities		
Accounts payable and accrued expenses	**1,654**	1,425
Derivative financial instruments	**3**	—
	1,657	1,425
Net assets	**$ 72,119**	$ 63,047

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

	Quarters ended June 30		**Six months ended June 30**	
(in millions of dollars)	**2026**	2025	**2026**	2025
Balance at beginning	**$ 64,150**	$ 53,640	**$ 63,047**	$ 52,575
Add:				
Amounts received from policyholders	**3,632**	2,366	**7,318**	5,576
Interest, dividends and other investment income	**562**	259	**963**	574
Change in fair value of investments	**6,478**	2,103	**6,164**	1,672
	10,672	4,728	**14,445**	7,822
Less:				
Amounts withdrawn by policyholders	**2,366**	1,562	**4,723**	3,333
Operating expenses	**337**	259	**650**	517
	2,703	1,821	**5,373**	3,850
Balance at end	**$ 72,119**	$ 56,547	**$ 72,119**	$ 56,547

8 › Insurance Contracts and Reinsurance Contracts

A) Insurance Contract and Reinsurance Contract Balances

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

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

	As at June 30, 2026			
(in millions of dollars)	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
Balance at beginning				
Insurance contract liabilities	$ 23,692	$ 4,116	$ 6,927	$ 34,735
Insurance contract assets	(376)	35	261	(80)
Insurance contract liabilities related to segregated funds	46,365	—	—	46,365
Net insurance contract liabilities (assets) at beginning	69,681	4,151	7,188	81,020
Insurance service result				
Changes that relate to current services				
Contractual service margin recognized for services provided	—	—	(433)	(433)
Change in risk adjustment for non-financial risk for risk expired	—	(182)	—	(182)
Experience adjustments	(23)	—	—	(23)
Changes that relate to future services				
Contracts initially recognized in the period	(606)	246	394	34
Changes in estimates that adjust the contractual service margin	(546)	5	541	—
Changes in estimates that result in losses and reversal of losses on onerous contracts	10	2	—	12
Changes that relate to past services				
Changes to liabilities for incurred claims	—	(24)	—	(24)
	(1,165)	47	502	(616)
Finance expenses (income) from insurance contracts	6,707	116	46	6,869
Amounts recognized in net income	5,542	163	548	6,253
Effect of change in exchange rates	24	18	22	64
Cash flows	1,984	—	—	1,984
Net insurance contract liabilities (assets) at end	$ 77,231	$ 4,332	$ 7,758	$ 89,321
Balance at end				
Insurance contract liabilities	$ 24,022	$ 4,296	$ 7,484	$ 35,802
Insurance contract assets	(390)	36	274	(80)
Insurance contract liabilities related to segregated funds	53,599	—	—	53,599
Net insurance contract liabilities (assets) at end	$ 77,231	$ 4,332	$ 7,758	$ 89,321

(in millions of dollars)	As at December 31, 2025 Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
Balance at beginning				
Insurance contract liabilities	$ 24,336	$ 3,896	$ 6,130	$ 34,362
Insurance contract assets	(492)	32	355	(105)
Insurance contract liabilities related to segregated funds	38,149	—	—	38,149
Net insurance contract liabilities (assets) at beginning	61,993	3,928	6,485	72,406
Insurance service result				
Changes that relate to current services				
Contractual service margin recognized for services provided	—	—	(782)	(782)
Change in risk adjustment for non-financial risk for risk expired	—	(350)	—	(350)
Experience adjustments	(110)	—	—	(110)
Changes that relate to future services				
Contracts initially recognized in the year	(1,126)	457	721	52
Changes in estimates that adjust the contractual service margin	(859)	87	772	—
Changes in estimates that result in losses and reversal of losses on onerous contracts	40	(5)	—	35
Changes that relate to past services				
Changes to liabilities for incurred claims	19	(28)	—	(9)
	(2,036)	161	711	(1,164)
Finance expenses (income) from insurance contracts	5,718	84	22	5,824
Amounts recognized in net income	3,682	245	733	4,660
Effect of change in exchange rates	(36)	(23)	(33)	(92)
Cash flows	4,028	—	—	4,028
Contracts acquired in the year	14	1	3	18
Net insurance contract liabilities (assets) at end	$ 69,681	$ 4,151	$ 7,188	$ 81,020
Balance at end				
Insurance contract liabilities	$ 23,692	$ 4,116	$ 6,927	$ 34,735
Insurance contract assets	(376)	35	261	(80)
Insurance contract liabilities related to segregated funds	46,365	—	—	46,365
Net insurance contract liabilities (assets) at end	$ 69,681	$ 4,151	$ 7,188	$ 81,020

As at June 30, 2026, the amount of net insurance contract liabilities (assets) measured under the PAA is $2,682 ($2,582 as at December 31, 2025).

b) Net Reinsurance Contract Assets (Liabilities) by Measurement Component

The following tables disclose the net reinsurance contract assets (liabilities) by measurement component for reinsurance contracts not measured under the PAA:

(in millions of dollars)	**As at June 30, 2026** **Estimates of present value of future cash flows**	**Risk adjustment for non-financial risk**	**Contractual service margin**	**Total**
Reinsurance contract assets	**$ 1,016**	**$ 1,128**	**$ (474)**	**$ 1,670**
Reinsurance contract liabilities	**—**	**—**	**—**	**—**
Net reinsurance contract assets (liabilities)	**$ 1,016**	**$ 1,128**	**$ (474)**	**$ 1,670**

(in millions of dollars)	As at December 31, 2025 Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
Reinsurance contract assets	$ 1,042	$ 1,084	$ (514)	$ 1,612
Reinsurance contract liabilities	(61)	9	52	—
Net reinsurance contract assets (liabilities)	$ 981	$ 1,093	$ (462)	$ 1,612

As at June 30, 2026, the amount of net reinsurance contract assets (liabilities) measured under the PAA is $1,760 ($1,675 as at December 31, 2025).

B) Insurance Revenue

	Quarters ended June 30		Six months ended June 30	
(in millions of dollars)	**2026**	2025	**2026**	2025
Contracts not measured under the PAA				
Changes in liabilities for remaining coverage				
Contractual service margin recognized for services provided	**$ 223**	$ 191	**$ 433**	$ 377
Change in risk adjustment for non-financial risk for risk expired	**99**	93	**198**	186
Expected incurred claims and other insurance service expenses	**966**	905	**1,935**	1,779
Recovery of insurance acquisition cash flows	**206**	161	**403**	308
	1,494	1,350	**2,969**	2,650
Contracts measured under the PAA	**535**	531	**1,076**	1,057
Total	**$ 2,029**	$ 1,881	**$ 4,045**	$ 3,707

9 › Debentures

Issuance

On May 26, 2026, the Company issued subordinated debentures with a nominal value of $500 maturing May 26, 2036, bearing interest of 4.158%, payable semi-annually from November 26, 2026 to May 26, 2031, and variable interest equal to the daily compounded CORRA, increased by 1.15%, payable quarterly, starting August 26, 2031, for a net cash amount of $497 after deduction of transaction costs. These subordinated debentures are redeemable by the Company, in whole or in part, from May 26, 2031, subject to prior approval by the Autorité des marchés financiers (AMF).

10 › Common Shares

The following table presents the change in common shares issued by the Company:

	As at June 30, 2026		As at December 31, 2025	
(in millions of dollars, unless otherwise indicated)	**Number (in thousands)**	**Amount**	Number (in thousands)	Amount
Common shares				
Balance at beginning	**91,735**	**$ 1,514**	93,403	$ 1,524
Shares issued on exercise of stock options	**144**	**11**	300	22
Shares redeemed and cancelled	**(3,494)**	**(58)**	(1,968)	(32)
Common shares outstanding	**88,385**	**1,467**	91,735	1,514
Shares redeemed but not cancelled[1]	**(163)**	**(3)**	—	—
Balance at end	**88,222**	**$ 1,464**	91,735	$ 1,514

[1] These shares were cancelled on July 3, 2026.

Normal Course Issuer Bid

With the approval of the Toronto Stock Exchange and the AMF, the Board of Directors authorized the Company, on May 5, 2026, to increase the maximum number of shares that can be repurchased for cancellation under its 2025 normal course issuer bid. The Company can repurchase for cancellation, in the normal course of its activities, between November 14, 2025 and November 13, 2026, up to 7,371,485 common shares, representing approximately 8% of the 92,035,190 common shares that constituted the Company's "public float" as at October 31, 2025 (4,694,894 common shares, representing approximately 5% of its common shares issued and outstanding in the normal course issuer bid of 2024). For the six months ended June 30, 2026, common shares were repurchased and cancelled as well as repurchased but not cancelled for a net cash amount of $608 ($294 as at December 31, 2025), of which $61 was recorded against common shares ($32 as at December 31, 2025) and $547 against retained earnings ($262 as at December 31, 2025). Tax related to the redemption net of the issuance of common shares for a total of $12 was recognized in *Retained earnings* ($5 as at December 31, 2025).

Dividend Declared and Not Recognized on Common Shares

A dividend of 1.1000 dollars per share was approved by the Board of Directors of the Company on August 4, 2026. This dividend was not recorded as a liability in these Financial Statements. This dividend will be paid on September 15, 2026 to the shareholders of record as of August 14, 2026, date on which it will be recognized in the retained earnings of the Company.

11 › Capital Management

Regulatory Requirements and Solvency Ratio

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

An updated version of CARLI, applicable prospectively, came into effect on January 1, 2026. As at December 31, 2025, the Company anticipated the application, as authorized by the AMF, of the sections related to exposure to domestic infrastructure, whether in the form of debt or equity.

As at June 30, 2026, the Company maintains a ratio that satisfies the regulatory requirements.

(in millions of dollars, unless otherwise indicated)	**As at June 30, 2026**
Available capital	
Tier 1 capital	**$ 6,406**
Tier 2 capital	**6,541**
Surplus allowance and eligible deposits	**3,228**
Total	**$ 16,175**
Base solvency buffer	**$ 11,848**
Total ratio	**137%**

As at December 31, 2025, the solvency ratio was 133% and the Company maintained a ratio that satisfied the regulatory requirements.

12 › Income Taxes

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

	Quarters ended June 30		**Six months ended June 30**	
(in millions of dollars, unless otherwise indicated)	**2026**	2025	**2026**	2025
Current income tax expense (recovery)	**$ 158**	$ 146	**$ 284**	$ 262
Deferred income tax expense (recovery)	**(45)**	(103)	**(70)**	(173)
	$ 113	$ 43	**$ 214**	$ 89

Effective Income Tax Rates

The effective income tax rate for the quarter ended June 30, 2026 differs from the Company's statutory income tax rate of 28% due to savings from tax-exempt investment income and favourable adjustments related to prior years. The effective income tax rate for the six months ended June 30, 2026 is consistent with the Company's statutory income tax rate.

For the quarter ended June 30, 2026, the effective income tax rate was 22% in comparison to 12% for the quarter ended June 30, 2025. This increase is explained by lower savings related to tax-exempt investment income. The recognition of previously unrecognized tax losses for the quarter ended June 30, 2025 also explains the variation relative to the comparative period. These impacts were partially offset by an income tax recovery related to adjustments related to prior years.

For the six months ended June 30, 2026, the effective income tax rate was 28% in comparison to 15% for the six months ended June 30, 2025. This increase is explained by lower savings related to tax-exempt investment income combined with unfavourable impact of tax legislation changes enacted during the period. The recognition of previously unrecognized tax losses for the six months ended June 30, 2025 also explains the variation relative to the comparative period. These impacts were partially offset by an income tax recovery related to adjustments related to prior years.

13 › Segmented Information

Segmented Results

(in millions of dollars)	Insurance, Canada	Wealth Management	US Operations	Investment	Corporate	Consolidation adjustments	Total
	Quarter ended June 30, 2026						
Insurance service result							
Insurance revenue	**$ 1,117**	**$ 399**	**$ 513**	**$ —**	**$ —**	**$ —**	**$ 2,029**
Insurance service expenses and net expenses from reinsurance contracts	**(948)**	**(266)**	**(464)**	**—**	**—**	**—**	**(1,678)**
	169	**133**	**49**	**—**	**—**	**—**	**351**
Net investment result							
Net investment income	**—**	**43**	**—**	**1,899**	**15**	**—**	**1,957**
Finance income (expenses) from insurance and reinsurance contracts and change in investment contract liabilities and interest on deposits	**—**	**(4)**	**—**	**(1,594)**	**—**	**—**	**(1,598)**
	—	**39**	**—**	**305**	**15**	**—**	**359**
Other revenues	**58**	**577**	**42**	**10**	**1**	**(28)**	**660**
Other expenses	**(67)**	**(574)**	**(76)**	**(64)**	**(101)**	**28**	**(854)**
Income before income taxes	**160**	**175**	**15**	**251**	**(85)**	**—**	**516**
Income tax (expense) recovery	**(42)**	**(41)**	**(3)**	**(49)**	**22**	**—**	**(113)**
Net income	**118**	**134**	**12**	**202**	**(63)**	**—**	**403**
Dividends on preferred shares and distributions on other equity instruments	**—**	**—**	**—**	**(19)**	**—**	**—**	**(19)**
Net income attributed to common shareholders	**$ 118**	**$ 134**	**$ 12**	**$ 183**	**$ (63)**	**$ —**	**$ 384**

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

(in millions of dollars)	Insurance, Canada	Wealth Management	US Operations	Investment	Corporate	Consolidation adjustments	Total
	Six months ended June 30, 2026						
Insurance service result							
Insurance revenue	**$ 2,244**	**$ 776**	**$ 1,025**	**$ —**	**$ —**	**$ —**	**$ 4,045**
Insurance service expenses and net expenses from reinsurance contracts	**(1,936)**	**(526)**	**(927)**	**—**	**—**	**—**	**(3,389)**
	308	**250**	**98**	**—**	**—**	**—**	**656**
Net investment result							
Net investment income	**—**	**84**	**—**	**1,778**	**7**	**—**	**1,869**
Finance income (expenses) from insurance and reinsurance contracts and change in investment contract liabilities and interest on deposits	**—**	**(6)**	**—**	**(1,404)**	**—**	**—**	**(1,410)**
	—	**78**	**—**	**374**	**7**	**—**	**459**
Other revenues	**113**	**1,120**	**88**	**19**	**2**	**(54)**	**1,288**
Other expenses	**(136)**	**(1,116)**	**(150)**	**(126)**	**(166)**	**54**	**(1,640)**
Income before income taxes	**285**	**332**	**36**	**267**	**(157)**	**—**	**763**
Income tax (expense) recovery	**(79)**	**(84)**	**(8)**	**(84)**	**41**	**—**	**(214)**
Net income	**206**	**248**	**28**	**183**	**(116)**	**—**	**549**
Dividends on preferred shares and distributions on other equity instruments	**—**	**—**	**—**	**(28)**	**—**	**—**	**(28)**
Net income attributed to common shareholders	**$ 206**	**$ 248**	**$ 28**	**$ 155**	**$ (116)**	**$ —**	**$ 521**

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

14 › Earnings Per Common Share

Reconciliation of the weighted average number of shares used in the calculation of basic and diluted earnings per common share

	Quarters ended June 30		Six months ended June 30	
(in millions of units)	**2026**	2025	**2026**	2025
Weighted average number of outstanding common shares	**89**	93	**90**	93
Add: dilutive effect of stock options granted and outstanding	**1**	1	**1**	1
Weighted average number of outstanding common shares on a diluted basis	**90**	94	**91**	94

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

15 › Comparative Figures

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

Conference Call

Management held a conference call to present its results on Wednesday. August 5, 2026 at 11:00 a.m. (ET). You can listen to a replay of the conference call until 11:00 p.m. (ET) on Wednesday, September 16, 2026 on the Company's website at ia.ca, under *About iA,* in the *Investor Relations/Financial Reports* section.

About iA Financial Group

iA Financial Group is one of the largest insurance and wealth management groups in Canada, with operations in the United States. Founded in 1892, it is one of Canada's largest public companies and is listed on the Toronto Stock Exchange under the ticker symbol IAG (common shares).

Shareholder Information

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

For questions regarding your shares and the Dividend Reinvestment and Share Purchase Plan:

Computershare Investor Services Inc.

Telephone: 514 982-7555

1 877 684-5000 (toll free)

Email: ia@computershare.com

To obtain financial information about Industrial Alliance, contact the Investor Relations Department:

Investor Relations Department

Industrial Alliance Insurance and Financial Services Inc.

Telephone: 418 684-5000, extension 105862

1 800 463-6236, extension 105862 (toll free)

Fax: 418 684-5192

Email: investors@ia.ca

Website: www.ia.ca

For questions regarding Industrial Alliance products and services, contact your agent. If you don't have an agent, contact Industrial Alliance at:

Industrial Alliance Insurance and Financial Services Inc.

1080 Grande Allée West

PO Box 1907, Station Terminus

Quebec City, QC G1K 7M3

Telephone: 418 684-5000

1 800 463-6236 (toll free)

Website: www.ia.ca