Diversified Funds

Diversified Income

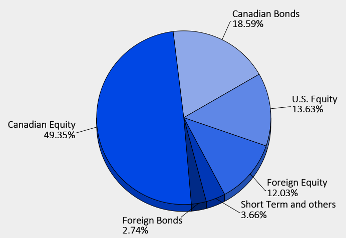
Net assets: 318.7 million

As at September 30, 2021

Risk level

Low	Low to moderate	Moderate	Moderate to high	High
	■			

Asset mix of the Fund



Characteristics of the Fund

Bond and short term Portfolios

Average rating - Bonds	AA-
Average term	9.4 years
Modified duration	6.9 years
Average coupon	2.2%
Yield at market value	1.7%

Top 10 holdings of the Fund

Industrial Alliance Canadian Equity (iAIM)	18.60%
Industrial Alliance Dividend Fund	14.10%
Industrial Alliance Canadian Equity All Cap Value	10.29%
Industrial Alliance Thematic Innovation Fund	7.17%
Industrial Alliance International Equity Fund	6.53%
Industrial Alliance Canadian Equity Small Cap Fund	6.36%
Industrial Alliance Canadian Corporate Bond Fund	5.22%
IA Clarington U.S. Dividend Growth Fund, Series I	4.24%
Industrial Alliance Global True Conviction Fund	4.01%
Government of Canada, 0.182%, 2021-11-25	2.62%
	79.14%

Investment limits

Industrial Alliance Fund	Min.	Max.
Short term	0%	25%
Bonds	5%	55%
Canadian equity securities	20%	60%
Foreign equity securities	5%	45%

Commentary

The investment strategy of the Fund focuses primarily on a judicious allocation between Canadian and foreign equities and fixed income securities, while focusing on the income generated by these investments. Given the importance of this allocation, a Committee is responsible for making these decisions in accordance with their views on the economy and the markets. In addition, to further diversify the portfolio, stock selection is entrusted to multiple managers with different management styles. As such, the Committee also allocates assets across the different management styles, based on market conditions.

Fund Code: 501

Investment Advisor

iA Investment Management

Tej Rai, B. Sc. Econ., BSE Eng
Sébastien Mc Mahon, M. Sc. écon., PRM, CFA

Inception date of the Fund: October 2003
IAG Savings and Retirement Plan first offering: January 2011
My Education+ first offering: June 2016

Guarantee Option	MER[2]	Fund Fee Rate %
Classic Series 75/75[4-6]	2.67%	-
Classic Series 75/75 Prestige[5-6]	2.21%	-
Series 75/100[6]	2.87%	0.10
Series 75/100 Prestige[6]	2.49%	0.10
Ecoflex Series 100/100[6]	3.13%	0.50
FORLIFE Series	3.13%	0.40

Objectives of the Fund

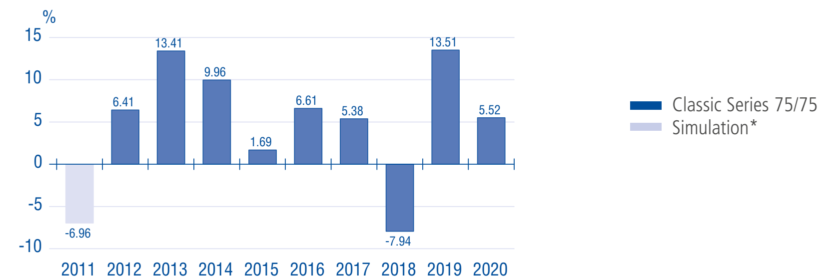
- Preservation of capital
- Diversification of the risk between the asset classes and investment style
- Active allocation of investments by asset classes and by investment style
- Oriented toward current income
- Moderate long term capital growth
- Conforms to a medium to long term investment horizon

Investment style

Asset mix favouring current income

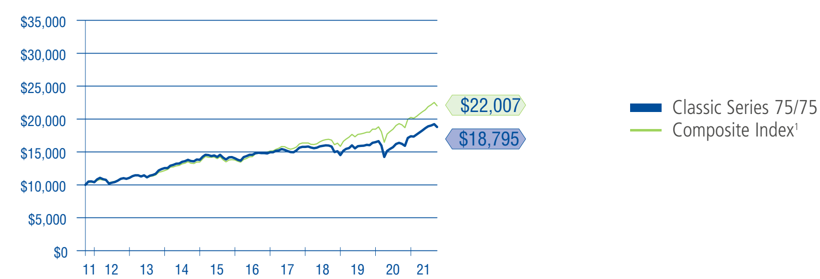
Year By Year Returns

This chart shows the annual performance for each calendar year for the fund starting at its inception date for a policyholder who chose the Classic Series 75/75 guarantee option and the annual performance that would have resulted if the fund had existed before that date and the assets held at its inception date had been held throughout the earlier period shown.



Past Performance

This graph shows you how a $10,000 investment in the fund would have changed in value for a policyholder who chose the Classic Series 75/75 guarantee option compared with the reference index using the year by year returns shown above.



Annual Compound Returns

This table shows the simple returns for the monthly period and the historical annual compound total returns calculated for the fund as described above compared to the corresponding returns for the reference index.

	Since first offering	10 years	5 years	3 years	2 years	1 year	6 months	3 months	1 month	YTD
Classic Series 75/75	4.9	6.5	4.9	5.9	8.1	15.8	4.7	(0.6)	(2.3)	8.1
Series 75/100	4.7	6.2	4.6	5.7	7.9	15.5	4.6	(0.6)	(2.3)	7.9
Other Series[3]	4.6	6.1	4.4	5.5	7.7	15.3	4.5	(0.7)	(2.3)	7.7
Composite Index[1]		8.2	8.2	9.4	10.6	15.1	6.0	0.5	(2.3)	8.6

[1] FTSE Canada Universe Bond Index (30%), FTSE Canada 91 Day T-Bill Index (5%), S&P/TSX Composite Index (40%), MSCI - World (Can. $) (net ret.) (25%). Please refer to the Legal Notices at the end of this publication for more information about these Indexes.
[2] Management expense ratio (GST and HST included).
[3] The Other Series do not include Prestige Series
[4] The fees applicable to the IAG Savings and Retirement Plan's Classic Series 75/75 are also applicable to My Education+.
[5] The fees applicable to the IAG Savings and Retirement Plan's Classic Series 75/75 Prestige are also applicable to My Education+ Prestige Preferential Pricing.
[6] F-Class funds are available, please refer to the IAG Savings and Retirement Plan Fund Facts or Information Folder and Individual Variable Annuity Contract for more information.
[*] Simulation of past returns as if the Fund or series had been in effect for these periods.

Important: Past returns are not indicative of future returns.

Legal Notices

This publication contains information provided by companies not affiliated with iA Financial Group ("Third Party Content Providers"), including, but not limited to, ratings, stock indexes and company-classification systems ("Third Party Content"). Third Party Content is the property of and trademarked by the relevant Third Party Content Provider and has been licensed for use by iA Financial Group.

The information presented in this publication is provided for informational purposes only. iA Financial Group and Third Party Content Providers make no representations or warranties as to the information contained herein and do not guarantee its accuracy, timeliness, completeness or usefulness. iA Financial Group and Third Party Content Providers shall have no liability related to the use or misuse of the information provided herein.

The investment funds offered by iA Financial Group ("Funds") are not sponsored, endorsed, issued, sold or promoted by Third Party Content Providers. The latter shall bear no liability whatsoever with respect to any such Funds. Third Party Content Providers make no express or implied warranties with respect to the Funds, nor do they make any representation regarding the advisability of investing in the Funds.

Financial and economic publications of iA Financial Group are not written, reviewed or approved by Third Party Content Providers.

Any information contained herein may not be copied, used, or distributed without the express consent in writing of iA Financial Group and/or the relevant Third Party Content Provider.

FTSE

Where FTSE indexes are used, or referenced: FTSE International Limited ("FTSE") © FTSE [2021]. FTSE® is a trademark of the London Stock Exchange Group companies and is used by FTSE under licence. "NAREIT®" is a trade mark of the National Association of Real Estate Investments Trusts and "EPRA®" is a trademark of the European Public Real Estate Association and all are used by FTSE under licence.

NASDAQ

Nasdaq®, OMX™, NASDAQ-100®, and NASDAQ-100 Index®, are registered trademarks of NASDAQ, Inc. and are licensed for use by iA Financial Group.

GICS Classification

Where the Global Industry Classification Standard ("GICS") is used, or referenced: the GICS was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's Financial Services LLC ("S&P") and is licensed for use by iA Financial Group.

MSCI

The International Equity Index Fund, the Global Equity Index ACWI Fund, the Global Stock Account, the European Stock Account and the International Stock Account are each indexed to an MSCI index. MSCI indexes are licenced for use by iA Financial Group.

For more information about the MSCI indexes, visit https://www.msci.com/indexes.