

Guiding to solid growth

NBF 12th Annual Quebec Conference

Investor presentation

June 9, 2022



PRESENT AND STRONG.
More than ever.



Forward-looking statements

- This document may contain statements relating to strategies used by iA Financial Group or statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “may”, “will”, “could”, “should”, “would”, “suspect”, “expect”, “anticipate”, “intend”, “plan”, “believe”, “estimate”, and “continue” (or the negative thereof), as well as words such as “objective”, “goal”, “guidance”, “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 assumed future operating results. These statements are not historical facts; they represent only expectations, estimates and projections regarding future events and are subject to change.
- 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: insurance, market, credit, liquidity, strategic and operational risks, such as: general business and economic conditions; level of competition and consolidation; changes in laws and regulations, including tax laws and changes made to capital and liquidity guidelines; risks associated with the regional or global political and social environment; risks related to climate change including the transition to a low-carbon economy and iA Financial Group’s ability to satisfy stakeholder expectations on environmental, social and governance issues; data and cyber risks; risks related to human resources; hedging strategy risks; liquidity of iA Financial Group, including the availability of financing to meet existing financial commitments on their expected maturity dates when required; accuracy of information received from counterparties and the ability of counterparties to meet their obligations; the occurrence of natural or man-made disasters, international conflicts, pandemic diseases (such as the current COVID-19 pandemic) and acts of terrorism.
 - Material factors and assumptions used in the preparation of financial outlooks include, but are not limited to: accuracy of accounting policies and best estimate actuarial and economic assumptions used by the Company such as mortality, morbidity, longevity and policyholder behaviour; different business growth rates per business unit; no unexpected material changes in the economic, competitive, insurance, legal or regulatory environment; risks and conditions; and the Company’s recent performance and results, as discussed elsewhere in this document.
- Potential impacts of the COVID-19 pandemic – Since March 2020, the COVID-19 pandemic has had major, unprecedented implications for both society and the economy. The overall impact of the COVID-19 pandemic is still uncertain and depends on many factors, such as the progression of the virus, the emergence of new variants, the duration of the pandemic, potential treatments and therapies, the availability of vaccines, the effectiveness of government measures to slow the virus’s spread and the impact of those measures on the economy. As a result, we cannot accurately predict the total bearing the pandemic will have, but the impact on iA Financial Group’s business and financial results could be material. However, despite the short-term negative impacts of the pandemic on its results, iA Financial Group remains financially solid. In addition, iA Financial Group’s business continuity protocol has continued, ensuring that the quality of service clients receive is similar to or better than before the pandemic and enabling employees and advisors to continue to work safely and securely.
- Potential impact of geopolitical conflicts – Since February 2022, Russia’s military invasion of Ukraine and the related sanctions and economic fallout have had several impacts on global financial markets, exacerbating the volatility already present since the beginning of the year. The outlook for financial markets over the short and medium term remains highly uncertain and vulnerable, in part due to continued geopolitical tensions. The Company continues to monitor potential impacts of the conflict. These impacts could negatively affect the Company’s financial outlook, results and operations.
- 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 2021, the “Management of Risks Associated with Financial Instruments” note to the audited consolidated financial statements for the year ended December 31, 2021, and elsewhere in iA Financial Group’s filings with the Canadian Securities Administrators, which are available for review at [sedar.com](https://www.sedar.com).
- The forward-looking statements 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.

Non-IFRS and Additional Financial Measures

iA Financial Corporation and iA Insurance report their financial results and statements in accordance with International Financial Reporting Standards (“IFRS”). They also publish certain financial measures or ratios that are not based on IFRS (“non-IFRS”). A financial measure is considered a non-IFRS measure for Canadian securities law purposes if it is presented other than in accordance with the generally accepted accounting principles (“GAAP”) used for the Company’s audited financial statements. The Company uses non-IFRS measures when evaluating its results and measuring its performance. The Company believes that non-IFRS 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 non-IFRS measures do not have standardized definitions and meaning, they may differ from the non-IFRS financial measures used by other institutions and should not be viewed as an alternative to measures of financial performance determined in accordance with IFRS. 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. These non-IFRS measures are often accompanied by and reconciled with IFRS financial measures. For certain non-IFRS measures, there are no directly comparable amounts under IFRS.

This document presents non-IFRS measures used by the Company when evaluating its results and measuring its performance.

These measures are: Return on common shareholders’ equity (ROE); core earnings; core earnings per common share (core EPS); core return on common shareholders’ equity (core ROE); components of the sources of earnings (SOE), on a reported and core basis; car loan measure – loan originations; car loan measure – finance receivables; car loan measure – average credit loss rate on car loans; dividend payout ratio; core dividend payout ratio; organic capital generation; potential capital deployment; total payout ratio (trailing 12 months); capitalization; solvency ratio; financial leverage measure – debentures/capital; Individual Wealth Management mutual funds deposits; Group Savings and Retirement deposits; US Operations Dealer Services premium equivalents; Group Insurance Employee Plans ASO, Investment contracts and premium equivalents and deposits; Individual Insurance minimum and excess premium sales; Individual Wealth Management gross and net mutual fund sales; Group Insurance Employee Plans sales; US Operations Individual Insurance sales; Group Insurance Special Markets sales; Group Insurance Dealer Services P&C sales; Group Savings and Retirement sales of accumulation contracts and insured annuities; US Operations Dealer Services sales and General Insurance sales; Group Insurance Dealer Services creditor insurance sales; financial leverage measure – debentures + preferred shares issued by a subsidiary/capital; financial leverage measure – coverage ratio; sensitivity measures; assets under administration (AUA); assets under management (AUM).

iA Financial Group
is one of the largest insurance
and wealth management
groups in Canada, with
operations in the United States

OUR PURPOSE

To assure that our clients feel
confident and secure about
their future

OUR MISSION

To ensure the financial wellbeing
of our clients by offering them
personal insurance coverage and
investment solutions to help them
achieve their personal goals

Foundation
1892

\$8.2B
market
cap.

IAG on TSX
IPO in 2000

\$76.01
stock price

4M+
clients

\$85.25
all-time
high

8,500+
employees

25%-35%
dividend
payout ratio
target range

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2021 – One of the strongest years in IAG history

- Very strong sales momentum – iA sold 1 in 4 ind. insurance policies in Canada
- Core EPS and core ROE above guidance and robust capital position
- Shareholder value creation: Book value up 12%, dividend up 29% and NCIB

Superior employee, client and advisor experience

- Employer of choice that offers support, flexibility and a rewarding career
- Superior client satisfaction based on our net promoter score surveys
- #1 for overall company rating in Advisor Perception Survey

Key success drivers for continued strong sales momentum

2022 – Solid foundation for continued growth

- Core ROE guidance increased to 13-15%, one year early
- Strong capital generation – Targeting \$450M to \$525M
- Solid capital position with solvency ratio at 132% as at March 31, 2022

2023 – Favourable outlook for IFRS 17 and IFRS 9 transition

- Already managing business with new regime in mind
- Expected near-neutral to favourable impacts on several key metrics:
book value, core EPS and ROE, solvency ratio and capital for deployment



BOOK VALUE – Strong and steady record of value creation

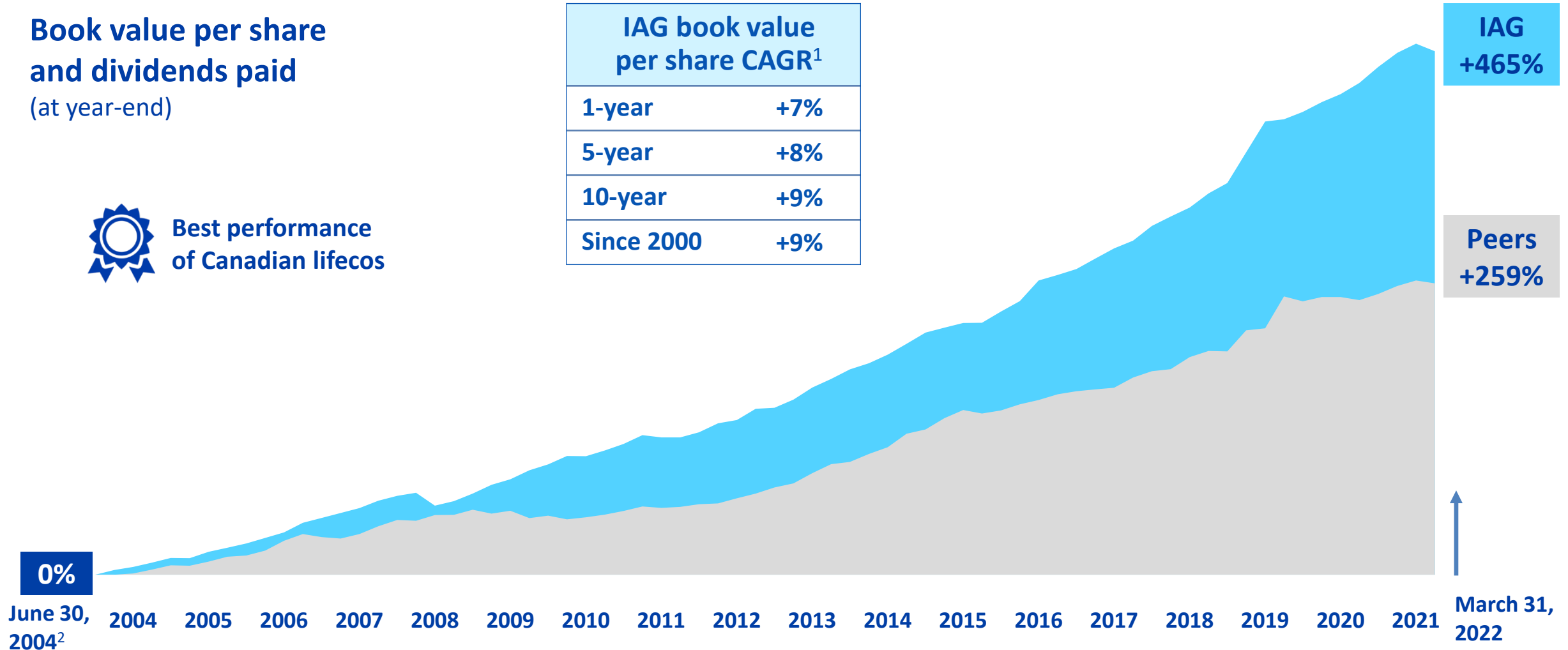
IFRS 9 & 17 expected impact on book value: near-neutral to favourable

**Book value per share
and dividends paid**
(at year-end)



Best performance
of Canadian lifecos

IAG book value per share CAGR ¹	
1-year	+7%
5-year	+8%
10-year	+9%
Since 2000	+9%

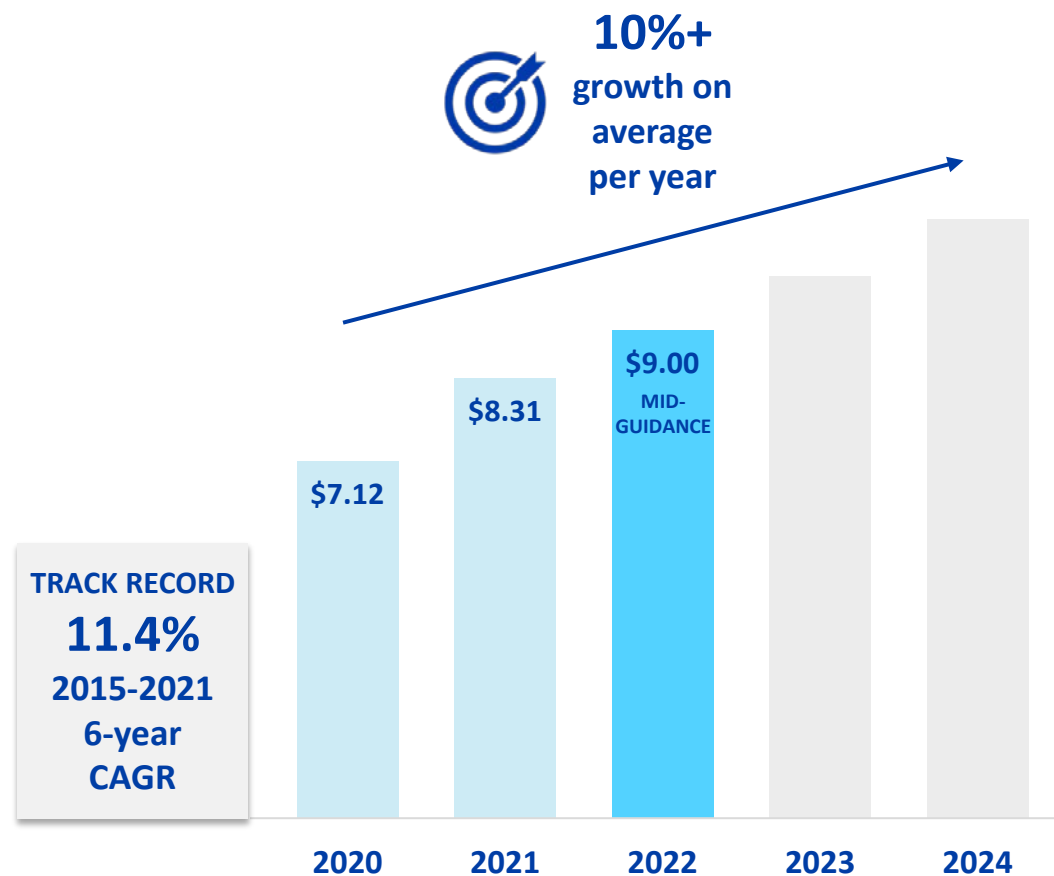


¹ At March 31, 2022. ² Taken as the earliest relevant comparison date.

Strong earnings targets built on solid track record

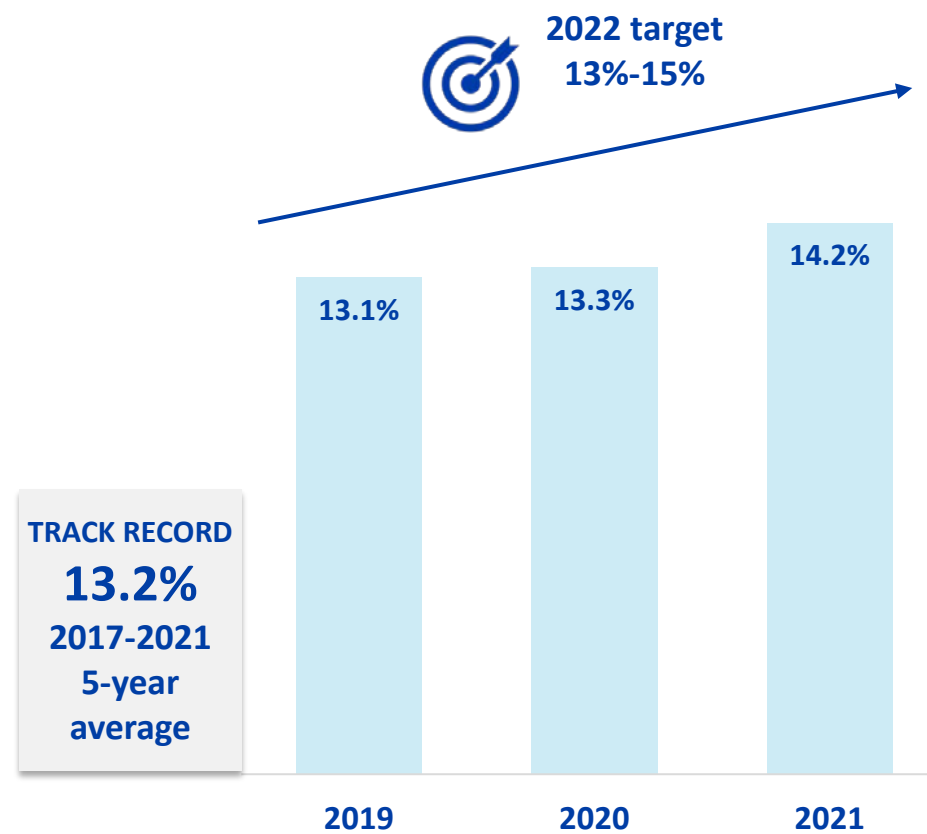
Core EPS[†]

(diluted)



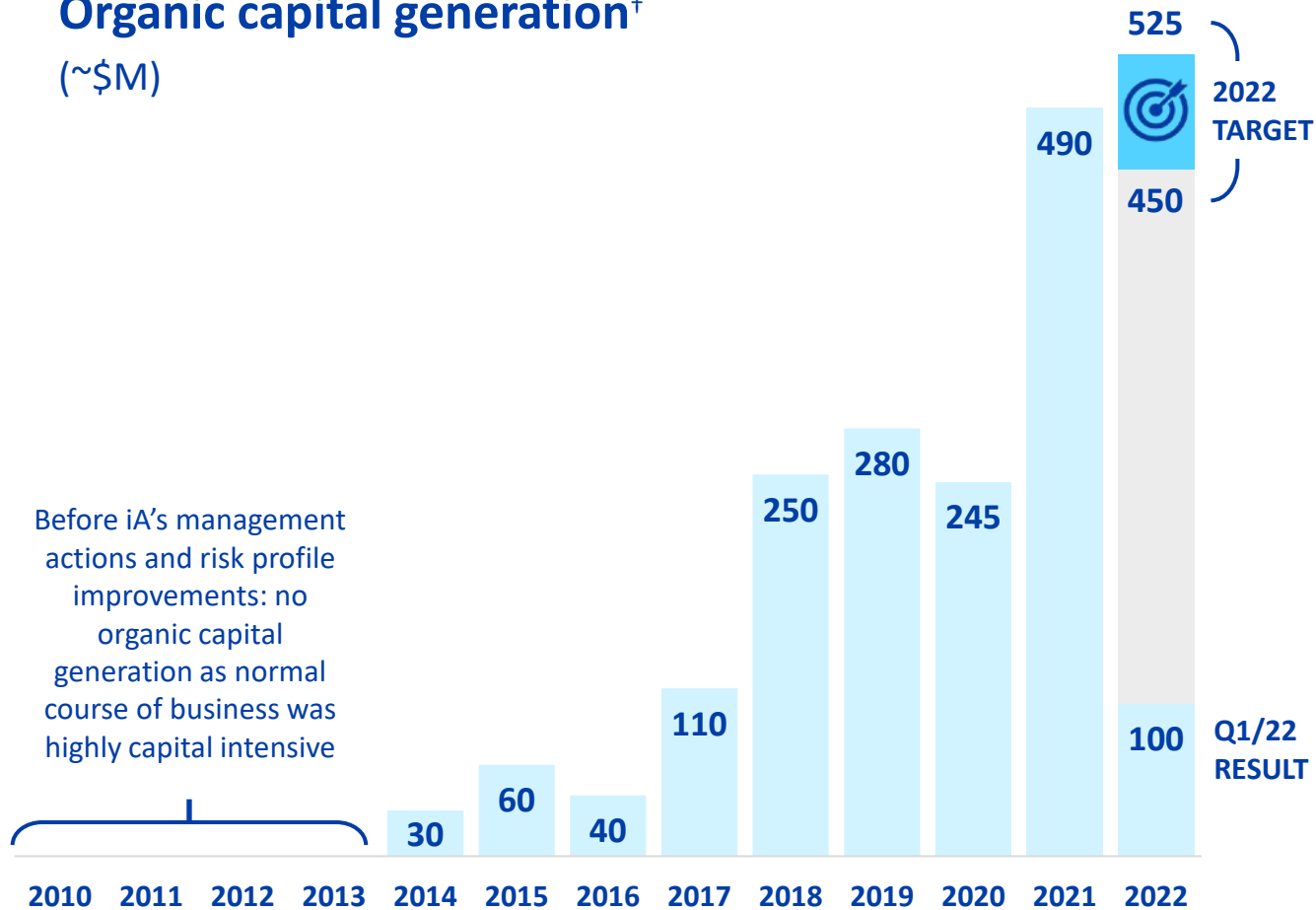
Core ROE[†]

(diluted)



Strong and ongoing organic capital generation resulting from reduced risk profile

Organic capital generation[†] (~\$M)



Organic capital generation growth drivers looking forward

- Pricing discipline to improve return on equity
- Increase capital-light proportion of new business
- Continue to improve risk management practices
- Rising interest rates and financial markets

Organic capital generation calculation

- = Core net income to common shareholders
- Dividends paid to common shareholders
- Required capital increase in normal course of business

CAPITAL ALLOCATION – FOCUSED ON GROWTH

Potential capital deployment[†] of ~\$700M, as at March 31, 2022



Organic growth

Investing in digital evolution to propel growth



Acquisitions

To strengthen strategic positioning



Dividends

25%-35% payout ratio target range
Based on core earnings



NCIB

Active program to buy back up to 5% of outstanding shares



MAIN GROWTH DRIVERS

Our key actions for success

SALES

EARNINGS



Remain at the leading edge of digital tools



Leverage full range of products to meet clients' needs



Build on our extensive relationships with distributors



Optimize synergies between business units



Maintain pricing discipline



Continue growing sales and revenues faster than expenses



Digital and Lean initiatives for more operational efficiencies



Develop expansion businesses by leveraging leading expertise



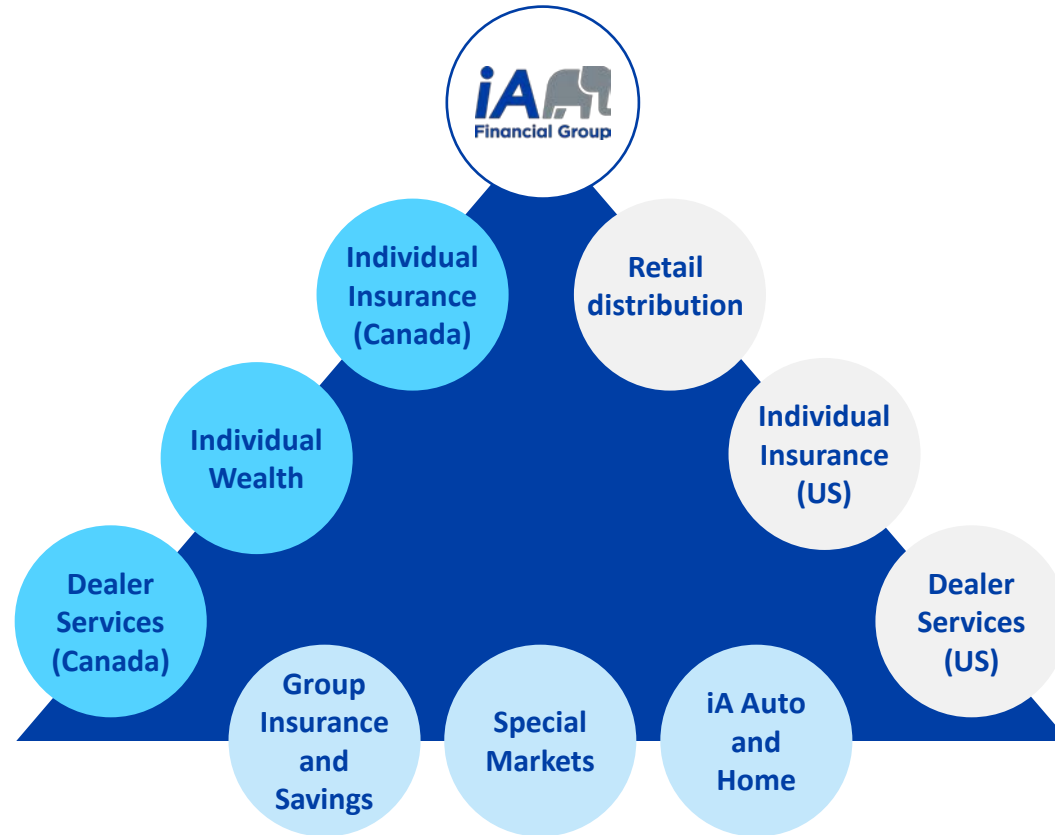
DIVERSIFIED BUSINESS MIX



Foundation

Long-established businesses in which iA excels and is already a leader

- iA is already a leader and seeks to strengthen position
- Long-established businesses
- Strong management expertise



Expansion

High-growth distinctive businesses in which iA seeks to become a leader

- iA is seeking to become a leader
- High growth opportunity in capital-light businesses
- Leveraging acquired distinctive expertise



Support

Businesses supporting branding and delivering synergies and competitive advantages to other iA businesses

- iA seeks to maximize synergies
- Deliver competitive advantages to other iA businesses
- Businesses that support iA's branding



Already a leader in foundation businesses

Individual Insurance (Canada)

- #1 in number of policies sold
- Targeting mid/mass market

Individual Wealth

- #1 in gross and net seg fund sales
- One of Canada's leading investment management firms

Dealer Services (Canada)

- Leader in product suite and number of dealers
- Top-of-mind provider in Canada



Expansion businesses

Individual Insurance (US)

Retail distribution

Dealer Services (US)

Becoming a leader
in businesses targeted
for strong expansion



by leveraging acquired
distinctive expertise
in long-established
businesses

Q1/22 SALES – Continued momentum to start the year

(\$M, unless otherwise indicated)

	First quarter		
	2022	2021	YoY variation
▶ Individual Insurance	101	58	74%
▶ Individual Wealth Management			
General fund - sales	239	229	4%
Segregated funds - net sales	1,009	972	37
Mutual funds - net sales	83	378	(295)
▶ Group Insurance			
Employee Plans	11	87	(87%)
Dealer Services (Creditor, P&C and car loan orig.)	298	231	29%
Special Markets	74	47	57%
▶ Group Savings and Retirement	625	693	(10%)
▶ US Operations (\$US)			
Individual Insurance	33	31	6%
Dealer Services - P&C	243	233	4%
▶ iA Auto and Home	88	84	5%



Foundation

- Very strong sales growth in Individual Insurance
- Record segregated fund inflows of more than \$1.0B in Q1
- Positive net sales for mutual funds in a difficult industry environment
- Strong sales in Q1 for Dealer Services despite low vehicle inventories



Expansion

- Good sales growth from US Individual Insurance
- Growing sales from US Dealer Services despite low vehicle inventories
- Good contributions from wealth distribution affiliates



Support

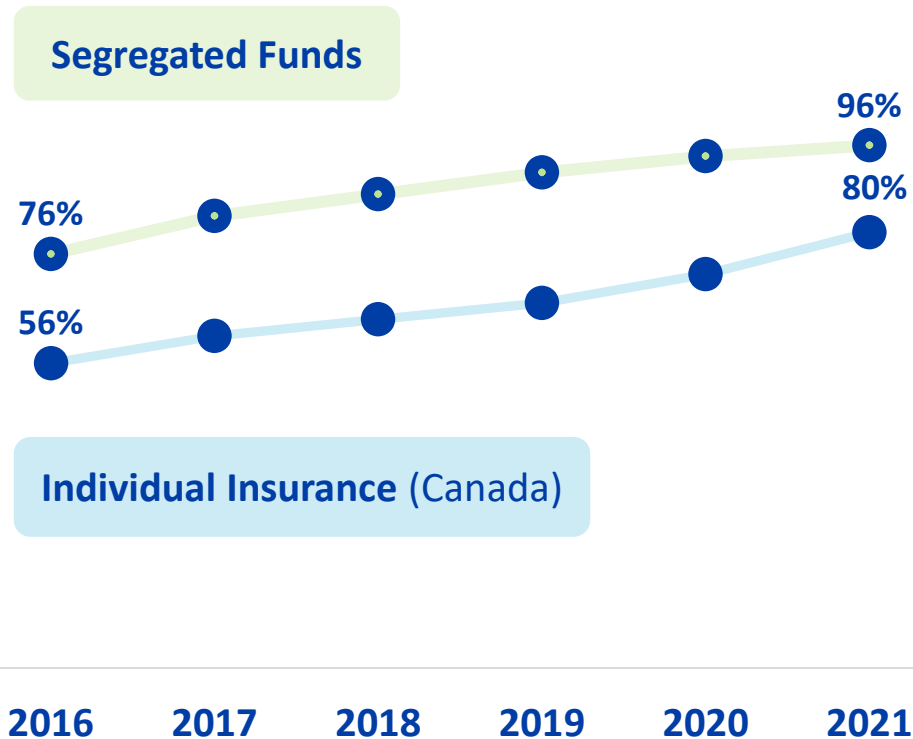
- Good sales for iA Auto and Home
- Good retention of in-force business led to strong premium¹ increase in Employee Plans division
- Very strong sales for Special Markets

¹ Net premiums and premium equivalents.

[†] This item is a non-IFRS measure; see the “Non-IFRS and Additional Financial Measures” section at the end of this document for relevant information about such measures.

Shift to capital-light products

% of new sales in low-guarantee products



Expansion in capital-light businesses in the last decade, such as Dealer Services, Wealth Management and Distribution, has contributed to an improvement in the Company's risk profile.

Supports
a higher ROE

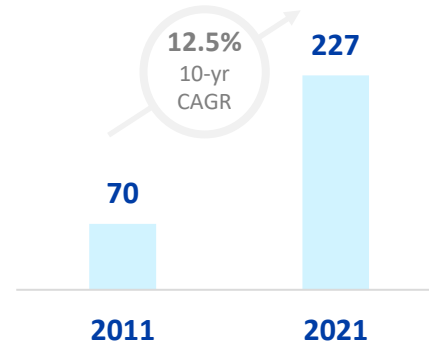
Favours organic
capital generation

Lower capital
requirement per sale

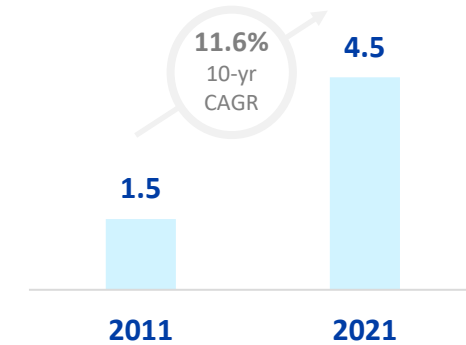


Wealth management businesses

Individual Wealth – Net income (\$M)



Individual Wealth – Net fund entries[†] (\$B)



Segregated funds

- ✓ #1 in the industry with a record \$3.3B net sales in 2021
- ✓ High-performance digital tools, complete product line and extensive distribution networks

Mutual funds

- ✓ A record \$1.2B net sales[†] in 2021
- ✓ Strong performance from enhanced fund lineup and contribution of all distribution networks

Distribution affiliates

- ✓ Distribution is the backbone of iA's retail strategy and promotes iA's products
- ✓ Leading Canadian independent advisor network with iA Private Wealth and Investia

Group Savings and Retirement

- ✓ Delivers cross-line synergies with retail business units
- ✓ Provides visibility for the corporate brand and exploits "one-stop benefit provider" with Employee Plans division

Individual Wealth Management

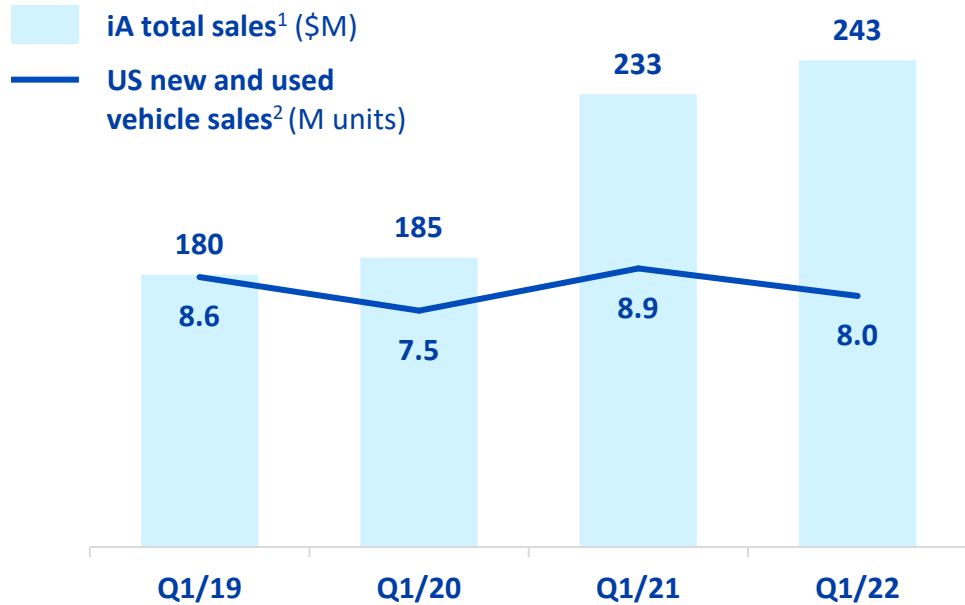
[†] This item is a non-IFRS measure; see the "Non-IFRS and Additional Financial Measures" section at the end of this document for relevant information about such measures.

US DEALER SERVICES

iA is a US leader in a large and highly fragmented industry, ripe for further consolidation
 High growth potential for iA through organic expansion and bolt-on acquisitions
 Leveraging full suite of products and services and optimizing synergies

Resilient sales outpacing US vehicle sales

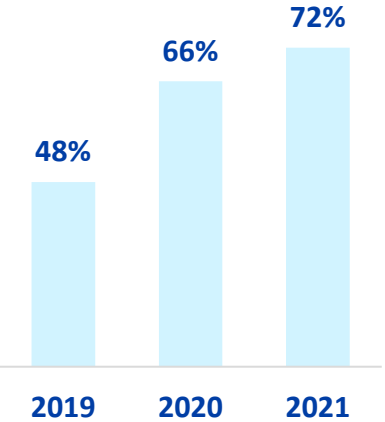
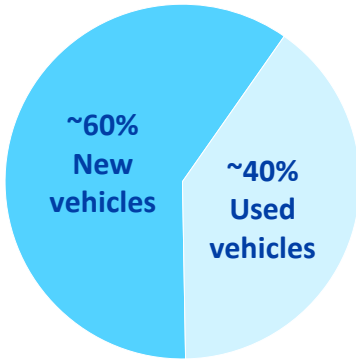
- Since 2019, US vehicle sales have remained mostly flat while iA sales have increased significantly due to organic and acquisition growth
- Good sales performance in Q1/22 in the context of vehicle inventory shortages: +4% YoY
- Expecting iA sales to remain strong but relatively stable in 2022 from very low vehicle inventory



Profitable and diversified revenue streams

Good diversification of sales between new and used vehicles

Both administration and insurance fees received on 72% of 2021 sales



- **Timing of profit:** Administration fee is mostly earned upfront, having a more immediate impact on profitability
- **Inflation:** Marginal impact due to the business model: regular pricing adjustment and reinsured risks

IFRS 17 and IFRS 9 transition outlook

Expected impact at Jan 1, 2023 from near-neutral to favourable for:

Core EPS level

Core EPS growth

Core ROE

Book value

Solvency ratio

Capital available for deployment

IFRS 17 TRAINING VIDEO

Available on ia.ca



Q1/22 EVOLUTION ADDED CONFIDENCE IN OUR TRANSITION OUTLOOK

Non-finalized or uncertain items

ECONOMIC ENVIRONMENT: Renewed outlook

- Preliminary estimates suggest Q1/22 macroeconomic variations would have been favourable on all key metrics under IFRS 17
- Investment strategies managed with economic and IFRS 17 regime in mind

TAXES: Renewed outlook

- CSM treatment according to proposal from April 2022 federal budget doesn't alter our outlook

CAPITAL FORMULA: Renewed outlook

- Final capital formula still outstanding
- We are confident in our outlook

Based on economic environment as at March 31, 2022.

ESG ambition

To contribute to sustainable growth and wellbeing for our clients, employees, partners, investors and communities

Our targets

- Reduction of our GHG emissions by **20%** per employee by 2025
- Now and in the future, achieve increased gender equity of **between 40% and 60%** in iA Financial Group senior leadership positions and appointments

Commitment to five United Nations Sustainable Development Goals



CONCRETE ACTIONS FOR A SUSTAINABLE FUTURE

OUR CONTRIBUTION TO SUSTAINABLE FINANCE

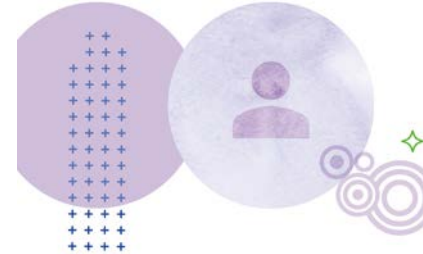
- Signatory of United Nations Principles for Responsible Investment (PRI)
- Publication of *Responsible Investment Policy* in 2021
- Enhanced lineup of socially responsible investment funds for a total of 18 funds
- Participation in the *Statement by the Quebec Financial Centre for a Sustainable Finance*
- Publication of our first *Sustainability Bond Framework* in February 2022
- Support for the International Sustainability Standards Board (ISSB)

ENVIRONMENT



- Continue to be carbon neutral by offsetting GHG emission and reducing our emissions
- Climate change task force to achieve and improve reduction targets
- *Climate Change Position Statement* through which we commit to become a leader on climate change in North America
- Majority of our 30+ properties in Canada are BOMA BEST or LEED certified
- Work From Anywhere model estimated to result in the reduction of 3,500 tonnes in GHG equivalents

SOCIAL



- Diversity and Inclusion program, including a three-year action plan
- Offering our clients products and services that provide access to quality health care and health services
- Continued effort to harmonize and further implement NPS metrics across the Company
- 2021 donations of \$7.5M to different social and community organizations
- Commitment to obtain the Progressive Aboriginal Relations (PAR) certification of the Canadian Council for Aboriginal Business
- Efforts to support employees' wellbeing promoting global health

GOVERNANCE



- Best governance practices reinforced with a formalized *Governance Framework*
- Use of the TCFD and SASB reporting frameworks to guide ESG disclosure
- Integration of sustainable development in our governance structure through several committees
- ESG criteria included in executive compensation for 2021
- Publication of several policies, practices and statements to support our governance

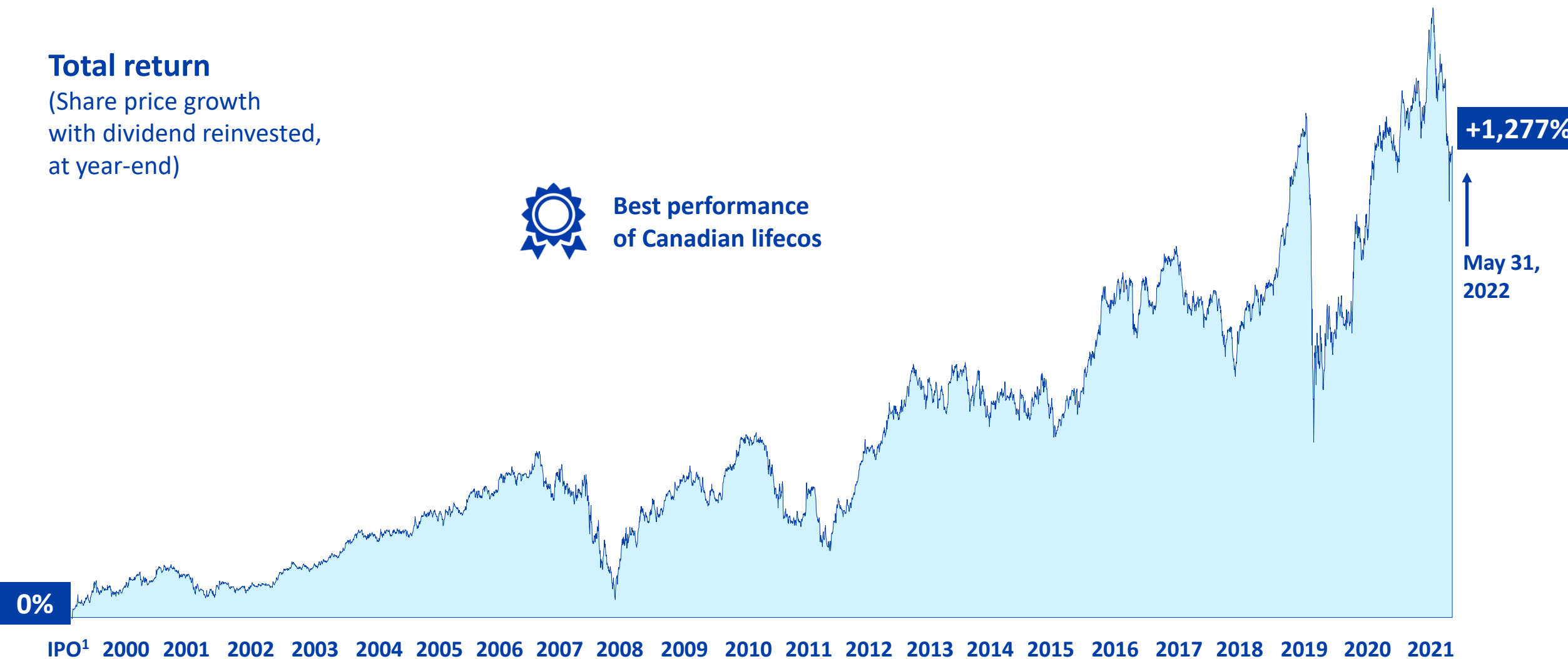
Industry leader for share price growth

Total return

(Share price growth with dividend reinvested, at year-end)



Best performance of Canadian lifecos



0%

+1,277%

↑
May 31,
2022

IPO¹ 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021

¹ Feb. 3, 2000, when iA became a public company.

Appendices



Impressive profit growth since IPO in 2000

Net income attributed to common shareholders

(\$M)



Q1/2022 RESULTS VS. GUIDANCE

All metrics in-line or better than guidance, with the exception of core EPS

	2022 guidance	Q1/2022 result
Core EPS^{1†}	\$1.85 to \$2.00 in Q1	\$1.79
Core ROE^{1†} (trailing 12 months)	13.0% to 15.0%	14.1%
Impact of new business[†] (strain)	-5% to 10%	7%
Solvency ratio[†]	110% to 116%	132%
Capital generation[†]	\$450M to \$525M in 2022	~\$100M
Effective tax rate	21% to 23%	18.7%
Dividend payout ratio[†]	25% to 35% (mid-range)	35%

¹ See “Reported and core earnings reconciliation” in this slide package.

[†] This item is a non-IFRS measure; see the “Non-IFRS and Additional Financial Measures” section at the end of this document for relevant information about such measures.

The road to reach earnings targets



6%

Organic growth

A strong base from expected profit on in-force and business diversification



2%+

Organic growth initiatives

Supported by digital initiatives¹



1%+

Distribution

Supported by digital initiatives¹



1%+

Capital deployment

Acquisitions and NCIB



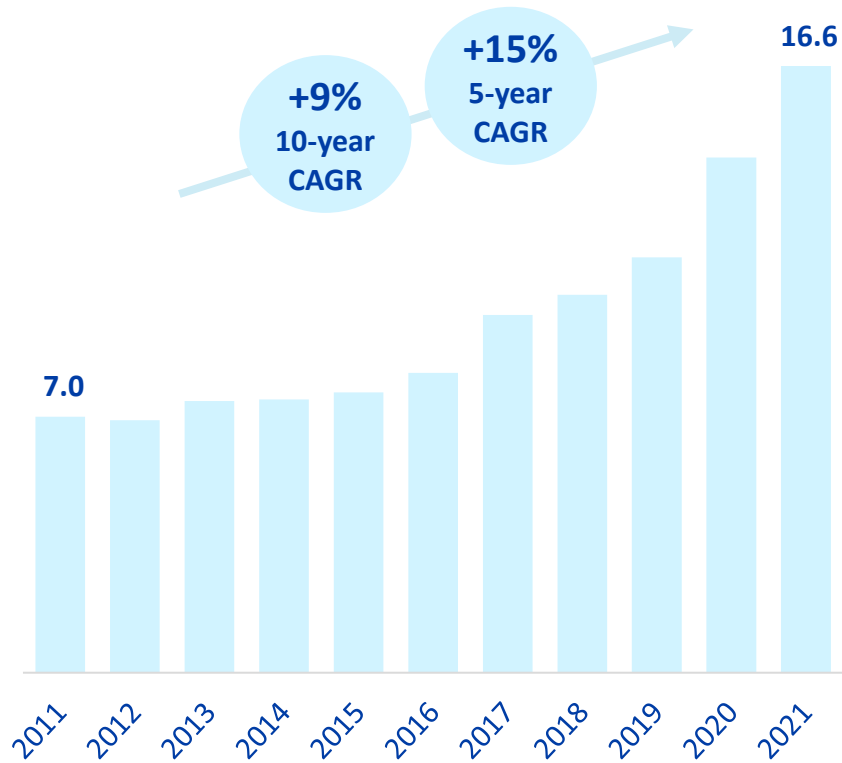
10%+

Core EPS[†]
growth
on average
per year

¹ Digital initiatives to contribute to 1%+ of annual core EPS growth

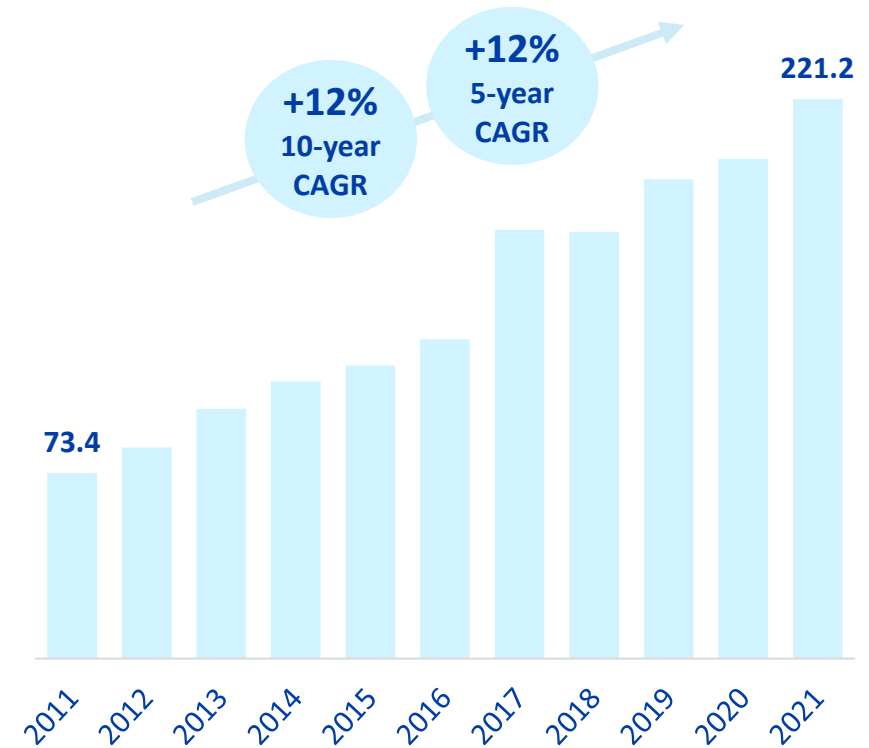
Proven strategy, continued momentum

Net premiums, premium equivalents and deposits[†] (\$B)



AUM/AUA[†]

(Assets under management and administration, end of period, \$B)



[†] This item is a non-IFRS measure; see the “Non-IFRS and Additional Financial Measures” section at the end of this document for relevant information about such measures.

STRONG BALANCE SHEET

Ratios (March 31, 2022) [†]	Leverage ratio of 23.4% and coverage ratio [†] of 15.6x
Distinctive macroeconomic protections	Embedded in reserving process, iA's distinctive macroeconomic protections decrease net income and solvency ratio [†] volatility and support iA's 110% to 116% solvency ratio target. Protections that are not recognized in regulatory capital formula are worth more than 8 percentage points of solvency ratio (as at March 31, 2022).
Capital sensitivity[†]	Low sensitivity to macroeconomic variations
Capital flexibility	Potential capital deployment [†] of ~\$700M, as at March 31, 2022
NCIB	The Company's NCIB program was reinstated in December 2021 as regulators lifted their restrictions. From Dec. 6, 2021 to Dec. 5, 2022, up to 5,382,503 common shares can be redeemed (~5% of shares ¹). During Q1/22, 108,200 shares were redeemed and cancelled for a total value of \$8 million.

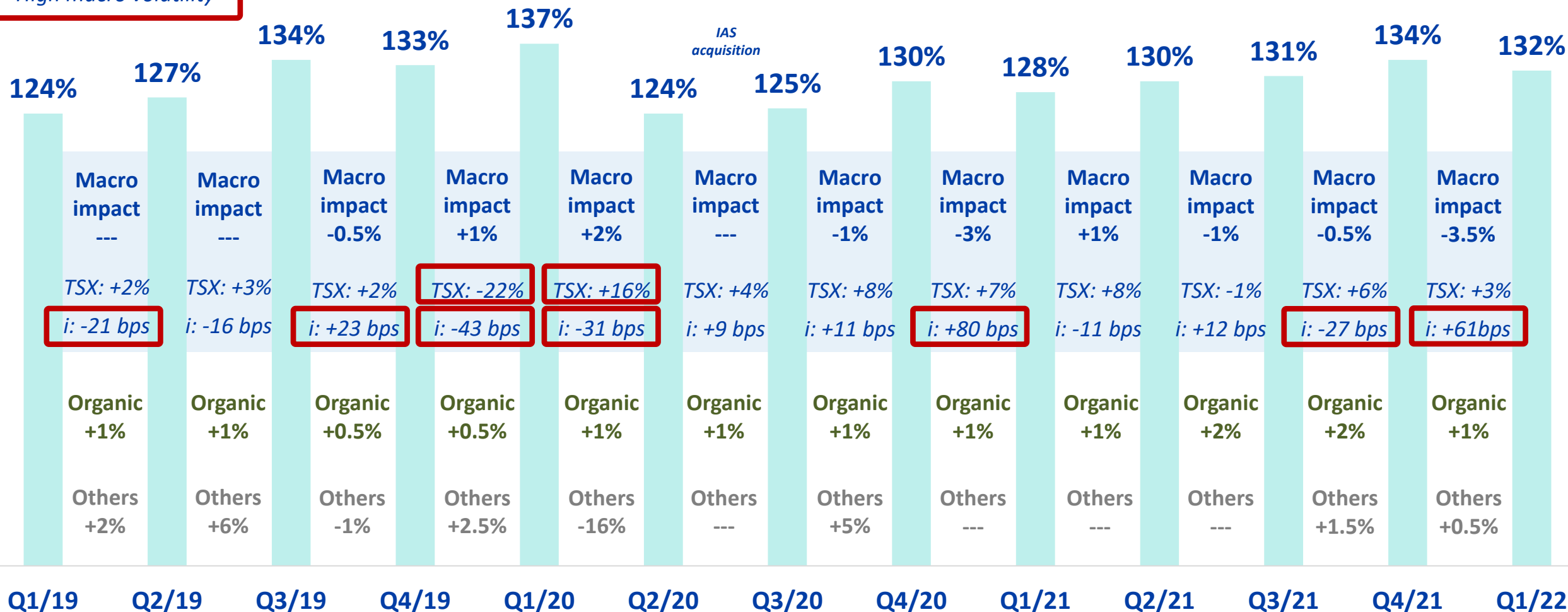
¹ Common shares issued and outstanding at Nov. 23, 2021.

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

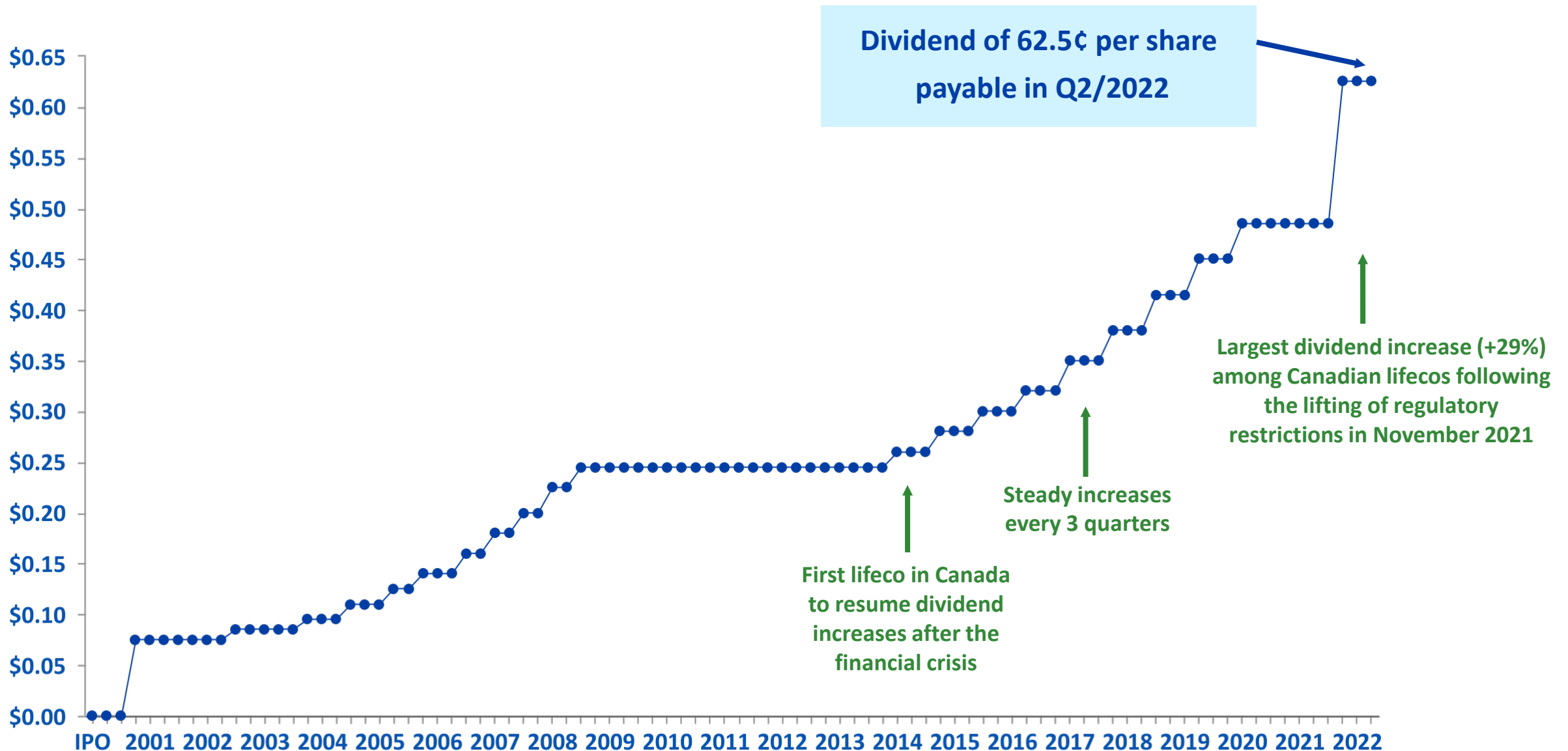
SOLVENCY RATIO[†] VARIATIONS

Impact from macro variations has been relatively minimal despite macro volatility

High macro volatility



DIVIDEND TO COMMON SHAREHOLDERS



2022 GUIDANCE

As disclosed on February 16, 2022

Core EPS [†]			
Q1	\$1.85	to	\$2.00
Q2	\$2.20	to	\$2.35
Q3	\$2.30	to	\$2.45
Q4	\$2.35	to	\$2.50
2022	\$8.70	to	\$9.30

Non-core items [†]	
	(EPS)
Charges or proceeds related to acquisition or disposition of a business	\$0.19 ¹
Amortization of intangible assets	\$0.59
Non-core pension expense	\$0.20
Total	\$0.98

Core ROE [†]	13.0% to 15.0%
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Impact of new business (strain) [†]	0% annual target (quarterly range from -5% to 10%)
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Solvency ratio [†]	110% to 116%
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Capital generation [†]	\$450M to \$525M
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Effective tax rate	21% to 23%
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Dividend payout ratio [†]	25% to 35% (mid-range, based on core earnings)
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Note: The market guidance provided above is a forecast. Please refer to the “Forward-looking statements” section in this document for more information.

¹ \$0.19 = \$0.10 IAS acquisition charges + \$0.03 Surex acquisition charges + \$0.06 increase in book value of Surex minor shareholders’ sell option

[†] This item is a non-IFRS measure; see the “Non-IFRS and Additional Financial Measures” section at the end of this document for relevant information about such measures.

Credit ratings

Credit rating agency	iA Financial Corporation Inc. Issuer rating	Industrial Alliance Insurance and Financial Services Inc. Financial strength	Outlook
Standard & Poor's	A	AA-	Stable
DBRS Morningstar	A	AA (low)	Stable
A.M. Best	N/A	A+ (Superior)	Stable

Investor Relations

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Next Reporting Dates

Q2/2022 - July 28, 2022
Q3/2022 - November 8, 2022
Q4/2022 - February 14, 2023
Q1/2023 - May 10, 2023
Q2/2023 - August 1, 2023
Q3/2023 - November 7, 2023

For information on our earnings releases, conference calls and related disclosure documents, consult the Investor Relations section of our website at ia.ca.

No offer or solicitation to purchase

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Non-IFRS and Additional Financial Measures

iA Financial Corporation and iA Insurance report their financial results and statements in accordance with International Financial Reporting Standards (“IFRS”). They also publish certain financial measures or ratios that are not based on IFRS (“non-IFRS”). A financial measure is considered a non-IFRS measure for Canadian securities law purposes if it is presented other than in accordance with the generally accepted accounting principles (“GAAP”) used for the Company’s audited financial statements. The Company uses non-IFRS measures when evaluating its results and measuring its performance. The Company believes that non-IFRS 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 non-IFRS measures do not have standardized definitions and meaning, they may differ from the non-IFRS financial measures used by other institutions and should not be viewed as an alternative to measures of financial performance determined in accordance with IFRS. 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. These non-IFRS measures are often accompanied by and reconciled with IFRS financial measures. For certain non-IFRS measures, there are no directly comparable amounts under IFRS.

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 each of the following categories of non-IFRS measures used by iA Financial Corporation:

- *Non-IFRS financial measures*, which depict the 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.
- *Supplementary financial measures*, which 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.
- *Capital management measures*, which are financial measures intended to enable the reader to evaluate the Company’s objectives, policies, and processes for managing its capital.
- *Segment measures*, which combine financial measures for two or more reportable segments of the Company and are not disclosed in the Company’s financial statements.

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

Non-IFRS measures published by iA Financial Corporation are:

- Return on common shareholders’ equity (ROE):
 - *Category under Regulation 52-112*: Supplementary financial measure.
 - *Definition*: A ratio, expressed as a percentage, obtained by dividing the consolidated net income available to common shareholders by the average common shareholders’ equity for the period.
 - *Purpose*: Provides a general measure of the Company’s efficiency in using equity.

Non-IFRS and Additional Financial Measures (cont.)

- Core earnings:
 - *Category under Regulation 52-112:* Non-IFRS financial measures that constitute historical information.
 - *Definition:* Removes from reported earnings (loss) the impacts of the following items that create volatility in the Company's results under IFRS, or that are not representative of its underlying operating performance – each of these items is classified as an Supplementary financial measure and has no directly comparable IFRS financial measure disclosed in the financial statements of the Company to which the measure relates, nor are reconciliations available:
 - a. market-related impacts that differ from management's best estimate assumptions, which include impacts of returns on equity markets and changes in interest rates related to (i) management fees collected on assets under management or administration (MERs), (ii) universal life policies, (iii) the level of assets backing long-term liabilities, and (iv) the dynamic hedging program for segregated fund guarantees;
 - b. assumption changes and management actions;
 - c. charges or proceeds related to acquisition or disposition of a business, including acquisition, integration and restructuring costs;
 - d. amortization of acquisition-related finite life intangible assets;
 - e. non-core pension expense, that represents the difference between the asset return (interest income on plan assets) calculated using the expected return on plan assets and the IFRS prescribed pension plan discount rate; and
 - f. specified items which management believes are not representative of the performance of the Company, including (i) material legal settlements and provisions, (ii) unusual income tax gains and losses, (iii) material impairment charges related to goodwill and intangible assets, and (iv) other specified unusual gains and losses.
 - *Purpose:* The core earnings definition provides a supplementary measure to understand the underlying operating business performance compared to IFRS net earnings. Also, core earnings helps in explaining results from period to period by excluding items that are simply non-representative of the business performance from period to period. In addition, core earnings, along with net income attributed to shareholders, is used as a basis for management planning and strategic priority setting. Therefore, this measure is useful in understanding how management views the underlying operating business performance of the Company and also helps in better understanding the long-term earnings capacity and valuation of the business..
 - *Reconciliation:* "Net income attributed to common shareholders" is the most directly comparable IFRS measure disclosed in the financial statements of the Company to which the measure relates, and a reconciliation with this measure is presented in the "Management's Discussion and Analysis".
 - *Note:* This core earnings definition is applicable as of January 1, 2021. However, the core results for prior periods that are presented for comparison purposes have also been calculated according to this definition. The changes to the definition of core earnings at the beginning of 2021 are consistent with the ongoing evolution of the business and help to better reflect and assess the underlying operating business performance, while maintaining consistency with the general concept of the metric and continuity with the previous definition.
- Core earnings per common share (core EPS):
 - *Category under Regulation 52-112:* Non-IFRS ratio.
 - *Definition:* Obtained by dividing the core earnings by the diluted weighted average number of common shares.
 - *Purpose:* Used to better understand the Company's capacity to generate sustainable earnings and is an additional indicator for evaluating the Company's financial performance.
 - *Reconciliation:* "Earnings per common share (EPS)" is the most directly comparable IFRS financial measure disclosed in the financial statements of the Company to which the measure relates, and a reconciliation with this measure is presented in the "Management's Discussion and Analysis" for 2021, which is available at sedar.com.

Non-IFRS and Additional Financial Measures (cont.)

- Core return on common shareholders' equity (core ROE):
 - *Category under Regulation 52-112:* Non-IFRS ratio.
 - *Definition:* A ratio, expressed as a percentage, obtained by dividing the consolidated core earnings by the average common shareholders' equity for the period.
 - *Purpose:* 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.
 - *Reconciliation:* There is no directly comparable IFRS financial measure that is disclosed in the financial statements of the Company to which the measure relates.
- Components of the sources of earnings (SOE), on a reported and core basis:
 - *Category under Regulation 52-112:* Supplementary financial measures.
 - *Definition:* Presents sources of earnings in compliance with the guideline issued by the Office of the Superintendent of Financial Institutions and developed in cooperation with the Canadian Institute of Actuaries using the following components:
 - Operating profit, which is the sum of the following components of the sources of earnings analysis: expected profit on in-force, experience gains and losses, impact of new business and changes in assumptions and management actions.
 - Expected profit on in-force, which represents the portion of the consolidated net income on business in force at the start of the reporting period that was expected to be realized based on the achievement of best-estimate assumptions.
 - Experience gains or losses, which represent the difference between reported income and the income that would have been reported if all assumptions made at the start of the period had materialized.
 - Impact of new business, or strain, which represents the point-of-sale impact on net income of writing new business during the period. The expected profit realized in the years after a policy is issued should cover the strain incurred at the time of issue.
 - Changes in assumptions and management actions, which is the impact on pre-tax net income resulting from changes in actuarial methods and assumptions or other management actions. Changes in assumptions result from the Company ensuring the adequacy of its provisions given the existing economic and financial environment as well as the Company's own experience in terms of mortality, morbidity, lapse rates, unit costs 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.
 - Income on capital, which represents the income derived from investments in which the Company's capital is invested, minus any expenses incurred to generate that income. The Company also includes financing expenses from debentures, amortization of intangible assets related to acquisitions and the results of the iA Auto and Home (iAAH) subsidiary in this item.
 - Income taxes, 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. Income taxes are considered to be an expense for the purpose of calculating the operating profit.
 - *Purpose:* Provides additional indicators for evaluating the Company's financial performance and an additional tool to help investors better understand the source of shareholder value creation.
 - *Reconciliation:* There is no directly comparable IFRS financial measure for components of the SOE that is disclosed in the financial statements of the Company to which the measure relates.

Non-IFRS and Additional Financial Measures (cont.)

- Car loan measure – Loan originations:
 - *Category under Regulation 52-112:* Supplementary financial measures.
 - *Definition:* New car loans disbursed during a period.
 - *Purpose:* Used to assess the Company's ability to generate new business in the car loan business unit.
 - *Reconciliation:* It is a component of the "Operating activities affecting cash: Purchases of investments" IFRS measure disclosed in the Company's financial statements.
- Car loan measure – Finance receivables:
 - *Category under Regulation 52-112:* Non-IFRS financial measures that constitute historical information.
 - *Definition:* Includes car loans, accrued interest, and fees.
 - *Purpose:* Used to assess the Company's total receivable amounts in the car loan business unit.
 - *Reconciliation:* There is no directly comparable IFRS financial measure disclosed in the financial statements of the Company to which the measure relates.
- Car loan measure – Average credit loss rate on car loans:
 - *Category under Regulation 52-112:* Non-IFRS ratio.
 - *Definition:* Represents the total credit losses divided by the average finance receivables over the same period.
 - *Purpose:* Used to assess the Company's average credit performance in the car loan business unit.
 - *Reconciliation:* There is no directly comparable IFRS financial measure disclosed in the financial statements of the Company to which the measure relates.
- Dividend payout ratio:
 - *Category under Regulation 52-112:* Supplementary financial measure.
 - *Definition:* The percentage of net income attributed to common shareholders, on a reported basis, that is distributed to common shareholders in the form of dividends during the period.
 - *Purpose:* Indicates the percentage of the Company's reported revenues shareholders received in the form of dividends.
 - *Reconciliation:* The dividend payout ratio is the ratio of the dividend per common share paid during the period (an IFRS measure) divided by the reported earnings per common share for the period.
- Core dividend payout ratio:
 - *Category under Regulation 52-112:* Non-IFRS ratio.
 - *Definition:* The percentage of net income attributed to common shareholders, on a core earnings basis, that is distributed to common shareholders in the form of dividends during the period.
 - *Purpose:* Indicates the percentage of the Company's core revenues shareholders received in the form of dividends.
 - *Reconciliation:* The core dividend payout ratio is the ratio of the dividend per common share paid during the period (an IFRS measure) divided by the core earnings per common share for the period.

Non-IFRS and Additional Financial Measures (cont.)

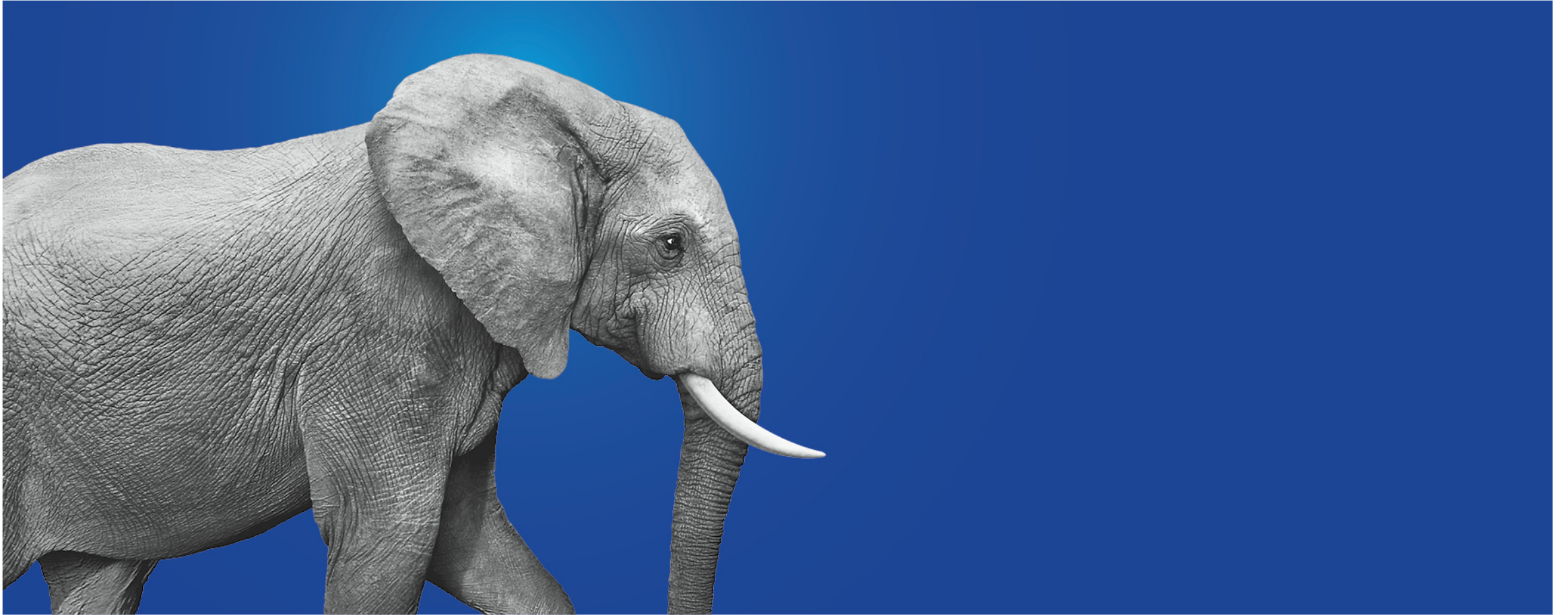
- Organic capital generation:
 - *Category under Regulation 52-112:* Supplementary financial measure.
 - *Definition:* Excess capital generated in the normal course of business, excluding the impact of the macroeconomic environment, where excess capital is the amount of capital over and above the target ratio, calculated under the CARLI guideline.
 - *Purpose:* Provides a measure of the Company's capacity to generate excess capital in the normal course of business.
- Potential capital deployment:
 - *Category under Regulation 52-112:* Supplementary financial measure.
 - *Definition:* Amount of capital the Company can deploy for a transaction, taking into account all limits and constraints of the regulatory capital guideline and the Company's targets, assuming the transaction parameters to be the worst-case scenario.
 - *Purpose:* Provides a measure of the Company's capacity to deploy capital for transactions.
- Total payout ratio (trailing 12 months):
 - *Category under Regulation 52-112:* Supplementary financial measure.
 - *Definition:* The sum of common dividends paid and common shares repurchased (buybacks) over the last twelve months divided by the net income available to common shareholders over the last twelve months.
 - *Purpose:* Indicates the percentage of the Company's reported revenues shareholders received in the form of dividends over a twelve-month period.
- Capitalization:
 - *Category under Regulation 52-112:* Supplementary financial measures.
 - *Definition:* The sum of the Company's equity, participating policyholders' accounts and debentures.
 - *Purpose:* Provides an additional indicator for evaluating the Company's financial performance.
 - *Reconciliation:* This measure is the sum of several IFRS measures.
- Solvency ratio:
 - *Category under Regulation 52-112:* In accordance with the Capital Adequacy Requirements Guideline – Insurance of Persons (CARLI) revised in January 2021 by the Autorité des marchés financiers ("AMF"), this financial measure is exempt from certain requirements of Regulation 52-112.
 - *Definition:* Calculated by dividing the sum of the available capital, the surplus allowance and the eligible deposits by the base solvency buffer.
 - *Purpose:* Provides a measure of the Company's solvency and allows the regulatory authorities to determine if an insurance company is sufficiently capitalized in relation to the minimum set by the Company's regulator.
- Financial leverage measure – Debentures/Capital:
 - *Category under Regulation 52-112:* Supplementary financial measures.
 - *Definition:* Calculated by dividing total debentures by the sum of total debentures plus shareholders' equity.
 - *Purpose:* Provides a measure of the Company's financial leverage.

Non-IFRS and Additional Financial Measures (cont.)

- Individual Wealth Management mutual funds deposits, Group Savings and Retirement deposits, US Operations Dealer Services premium equivalents and Group Insurance Employee Plans ASO, Investment contracts and premium equivalents and deposits:
 - *Category under Regulation 52-112:* Supplementary financial measures.
 - *Definitions:*
 - Deposits refer to amounts received from clients under an investment contract. Deposits are not reflected in the Company's income statements.
 - Premium equivalents refer to amounts related to service contracts or services where the Company is primarily an administrator but could become an insurer if a specific event were to happen. These amounts are not accounted for in "Net premiums".
 - *Purpose:* Premiums, 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.
- Individual Insurance minimum and excess premium sales, Individual Wealth Management gross and net mutual fund sales, Group Insurance Employee Plans sales, US Operations Individual Insurance sales, Group Insurance Special Markets sales, Group Insurance Dealer Services P&C sales, Group Savings and Retirement sales of accumulation contracts and insured annuities, US Operations Dealer Services sales and General Insurance sales:
 - *Category under Regulation 52-112:* Supplementary financial measures.
 - *Definition:*
 - Individual Insurance minimum and excess premium sales are defined as first-year annualized premiums. The net premiums presented in the Consolidated Financial Statements include fund entries on both in-force contracts and new business written during the period and are reduced by premiums ceded to reinsurers.
 - Individual Wealth Management gross mutual fund sales are defined as deposits and include primary market sales of ETFs.
 - Individual Wealth Management net mutual fund sales correspond to net fund entries and are defined as Individual Wealth Management gross mutual fund sales less withdrawals and transfers.
 - Group Insurance Employee Plans sales are defined as first-year annualized premiums, including premium equivalents (Administrative Services Only).
 - US Operations Individual Insurance sales are defined as first-year annualized premiums.
 - Group Insurance Special Markets sales are defined as fund entries on both in-force contracts and new business written during the period.
 - Group Insurance Dealer Services P&C sales are defined as direct written premiums (before reinsurance).
 - Group Savings and Retirement sales of accumulation contracts and insured annuities include gross premiums (before reinsurance) and premium equivalents, or deposits.
 - US Operations Dealer Services sales are defined as direct written premiums (before reinsurance) and premium equivalents.
 - General Insurance sales are defined as direct written premiums.
 - *Purpose:* Used to assess the Company's ability to generate new business and serve as additional tools to help investors better assess the Company's growth potential.
 - *Reconciliation:* There is no directly comparable IFRS financial measure disclosed in the financial statements of the Company to which the measure relates.
- Group Insurance Dealer Services creditor insurance sales:
 - *Category under Regulation 52-112:* Non-IFRS financial measures that constitute historical information.
 - *Definition:* Premiums before reinsurance and cancellations.
 - *Purpose:* Used to assess the Company's ability to generate new business and serve as an additional tool to help investors better assess the Company's growth potential in the Dealer Services division of the Group Insurance sector.
 - *Reconciliation:* There is no directly comparable IFRS financial measure disclosed in the financial statements of the Company to which the measure relates.

Non-IFRS and Additional Financial Measures (cont.)

- Financial leverage measure – Debentures + Preferred Shares issued by a subsidiary/Capital:
 - *Category under Regulation 52-112:* Supplementary financial measures.
 - *Definition:* Calculated by dividing the total debentures plus preferred shares issued by a subsidiary by the sum of total debentures plus shareholders' equity.
 - *Purpose:* Provides a measure of the Company's financial leverage.
- Financial leverage measure – Coverage ratio:
 - *Category under Regulation 52-112:* Non-IFRS ratio.
 - *Definition:* Calculated by dividing earnings for the past twelve months (before interest and taxes) by the sum of interest, preferred shares issued by a subsidiary, and dividends and redemption premiums on preferred shares issued by a subsidiary (if applicable).
 - *Purpose:* Provides a measure of the Company's ability to meet liquidity requirements for obligations when they come due.
 - *Reconciliation:* There is no directly comparable IFRS financial measure disclosed in the financial statements of the Company to which the measure relates.
- Sensitivity measures:
 - *Category under Regulation 52-112:* Supplementary financial measures.
 - *Definition:* The impact of macroeconomic variations, such as interest rate and equity market variations, on other Company metrics, such as net income or the solvency ratio.
 - *Purpose:* Used to assess the Company's risk exposure to macroeconomic variations.
- Assets under administration (AUA):
 - *Category under Regulation 52-112:* Supplementary financial measures.
 - *Definition:* All assets with respect to which the Company acts only as an intermediary between a client and an external fund manager.
 - *Purpose:* Used to assess the Company's ability to generate fees, particularly for investment funds and funds under administration.
 - *Reconciliation:* There is no directly comparable IFRS financial measure disclosed in the financial statements of the Company to which the measure relates.
- Assets under management (AUM):
 - *Category under Regulation 52-112:* Non-IFRS financial measures that constitute historical information.
 - *Definition:* All assets with respect to which the Company establishes a contract with a client and makes investment decisions for amounts deposited in this contract.
 - *Purpose:* Used to assess the Company's ability to generate fees, particularly for investment funds and funds under administration.
 - *Reconciliation:* "General fund assets" and "Segregated funds net assets" disclosed in the Company's financial statements are IFRS measures and components of the AUM calculation. A reconciliation is presented in the "Management's Discussion and Analysis" for 2021, which is available at sedar.com.
- Net impaired investments as a % of investment portfolio
 - *Category under Regulation 52-112:* Supplementary financial measures.
 - *Definition:* The sum of all investments with a market value below the value disclosed in the Company's balance sheet, as a percentage of the total investment portfolio. An investment considered impaired is written down in the Company's balance sheet to its current market value.
 - *Purpose:* Used to assess the quality of the Company's investment portfolio, particularly with respect to impaired assets.
 - *Reconciliation:* There is no directly comparable IFRS financial measure disclosed in the financial statements of the Company to which the measure relates.



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