

Quebec City, July 28, 2022

iA Financial Group Reports Second Quarter Results

Core EPS[†] above guidance, supported by positive core experience[†] — Common dividend raised by 8%

The results presented below are for iA Financial Corporation Inc. (“iA Financial Corporation” or the “Company”), the holding company that owns 100% of the common shares of Industrial Alliance Insurance and Financial Services Inc. (“iA Insurance”). The results for iA Insurance are presented in a separate section on page 6 of this document.

This news release presents non-IFRS measures used by the Company when evaluating its results and measuring its performance. These non-IFRS measures are not standardized financial measures and are not included in the financial statements. For relevant information about non-IFRS measures used in this document, see the “Non-IFRS and Additional Financial Measures” section in the Management’s Discussion and Analysis for the period ending June 30, 2022, which is hereby incorporated by reference, and is available for review at sedar.com or on iA Financial Group’s website at ia.ca.

SECOND QUARTER HIGHLIGHTS – iA Financial Corporation

- Reported EPS of \$2.06, and core EPS[†] of \$2.37, above guidance (\$2.20 to \$2.35)
- Reported ROE^{†,1} of 12.5%, and core ROE[†] of 14.1%, above the middle of guidance (13% to 15%)
- Reinforced positive outlook for IFRS 9 and IFRS 17 transition
- Robust solvency ratio[†] of 130% at June 30, 2022 and strong organic capital generation[†] of ~\$160 million
- Book value per common share² of \$60.97 at June 30, 2022, compared to \$59.02 12 months earlier
- Dividend on common shares raised to \$0.6750 per share (+8%)

For the second quarter ended June 30, 2022, iA Financial Corporation (TSX: IAG) reports net income attributed to common shareholders of \$222 million, diluted earnings per common share (EPS) of \$2.06 and return on common shareholders’ equity (ROE) for the trailing twelve months of 12.5%. Core EPS[†] of \$2.37 is above guidance for the quarter and core ROE[†] of 14.1% for the trailing twelve months is above the middle of guidance. The solvency ratio stands strong at 130% at June 30, 2022.

“The second quarter was positive for iA in several respects. In addition to our continued sales momentum, particularly in individual insurance, the wealth management sector recorded net fund inflows amidst declining financial markets, and our core earnings reached a new high and were better than guided. Also, the recent increase in long-term interest rates is very positive for iA, especially given our long-term individual insurance block of business,” commented Denis Ricard, President and CEO of iA Financial Group. “Thanks to our strong second quarter results and our solid capital position, we are pleased to announce an 8% increase in our dividend to common shareholders.”

“Core EPS for the second quarter was above guidance owing to strong growth in our expected profit on in-force combined with positive core experience. This solid result contributed to strong organic capital generation of about \$160 million, adding to the Company’s financial strength and leading to future value creation,” added Jacques Potvin, Executive Vice-President, CFO and Chief Actuary. “In addition, we are pleased to reinforce our positive outlook for the transition to IFRS 9 and IFRS 17, as we now expect a significant increase in our solvency ratio, among other favourable estimated impacts at transition.”

Earnings Highlights	Second quarter			Year-to-date at June 30		
	2022	2021	Variation	2022	2021	Variation
Net income attributed to shareholders (in millions)	\$227	\$236	(4%)	\$384	\$415	(7%)
Less: dividends on preferred shares issued by a subsidiary (in millions)	\$5	\$5	—	\$11	\$11	—
Net income attributed to common shareholders (in millions)	\$222	\$231	(4%)	\$373	\$404	(8%)
Weighted average number of common shares (in millions, diluted)	107.5	107.8	—	107.8	107.7	—
Earnings per common share (diluted)	\$2.06	\$2.15	(4%)	\$3.46	\$3.76	(8%)
Core earnings per common share (diluted) ^{1,†}	\$2.37	\$2.29	3%	\$4.16	\$4.08	2%

Other Financial Highlights	June 30, 2022	March 31, 2022	Dec. 31, 2021	June 30, 2021
Return on common shareholders’ equity [†]	12.5%	12.8%	13.2%	13.2%
Core return on common shareholders’ equity ^{1,†}	14.1%	14.1%	14.2%	14.2%
Solvency ratio [†]	130%	132%	134%	130%
Book value per share ²	\$60.97	\$61.04	\$62.01	\$59.02
Assets under management and administration [†] (in billions)	\$193.6	\$211.8	\$221.2	\$210.5

¹ On a trailing twelve month basis.

² Book value per common share is a financial measure calculated by dividing the common shareholders’ equity by the number of common shares outstanding at the end of the period; all components of this measure are IFRS measures.

[†] 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 results of iA Financial Corporation for the second quarter of 2022 are presented on a consolidated basis with those of its subsidiaries, including iA Insurance. Unless otherwise indicated, the results presented in this document are compared with those from the corresponding period last year.

Profitability – For the second quarter ended June 30, 2022, iA Financial Corporation reports diluted earnings per common share (EPS) of \$2.06 compared to \$2.15 for the same quarter of 2021. Diluted core EPS[†] of \$2.37 for the second quarter of 2022 is higher than last year’s result (\$2.29).

The table below reconciles the Company’s reported and core earnings.[†] Core earnings is a non-IFRS measure that represents management’s view of the Company’s capacity to generate sustainable earnings. This quarter, five items were adjusted in the core earnings calculation, including an unusual gain of \$0.25 EPS, which relates to the tax adjustment for prior years as described below.

Reported Earnings and Core Earnings [†] Reconciliation								
(in millions of dollars after tax unless otherwise indicated)	Second quarter				Year-to-date at June 30			
	Earnings	EPS (diluted basis)			Earnings	EPS (diluted basis)		
		2022	2022	2021		Variation	2022	2022
Reported earnings	222	\$2.06	\$2.15	(4%)	373	\$3.46	\$3.76	(8%)
Core earnings[†] remove from reported earnings the impacts of the following items:								
Market-related impacts that differ from management’s best estimate assumptions	33	\$0.31	(\$0.09)		51	\$0.48	(\$0.13)	
Assumption changes and management actions	—	—	—		—	—	—	
Charges or proceeds related to acquisition or disposition of a business, including acquisition, integration and restructuring costs	5	\$0.04	\$0.06		9	\$0.08	\$0.09	
Amortization of acquisition-related finite life intangible assets	16	\$0.15	\$0.12		31	\$0.29	\$0.25	
Non-core pension expense	6	\$0.06	\$0.05		11	\$0.10	\$0.11	
Other specified unusual gains and losses	(\$27)	(\$0.25)	—		(\$27)	(\$0.25)	—	
Core earnings[†]	255	\$2.37	\$2.29	3%	448	\$4.16	\$4.08	2%

The following items presented in the “Sources of Earnings”[†] section of the Company’s Financial Information Package explain the differences between management’s expectations and reported earnings for the three-month period ended June 30, 2022. This information contains non-IFRS measures. All figures are after tax unless otherwise indicated.

The Company reported net income attributed to common shareholders of \$222 million for the second quarter of 2022. This result, as analyzed according to sources of earnings, can be explained as follows:

Expected profit on in-force[†] – At \$258 million pre-tax, expected profit on in-force (EPIF) for the second quarter of 2022 was up 11% or \$26 million year over year. This strong increase in EPIF is mainly the result of organic growth, along with the impact of high net fund entries in recent quarters.

Experience gains (losses)[†] versus expected profit – For the second quarter of 2022, due to the negative impact of \$0.31 EPS resulting from market variations further explained below, the Company recorded a net experience loss of \$0.26 EPS (\$28 million) versus management expectations. The following experience results are worthy of note:

- **Additional protections in reserves for pandemic uncertainty:** In the U.S., mortality was better than expected and the entire provision available for the second quarter was carried forward for potential use in the future. In Canada, additional mortality claims were higher than the provision available for the second quarter, which was therefore used in full. The additional protection in the reserves for adverse policyholder behaviour remains intact as no adverse experience was recorded during the quarter.
- **Individual Insurance** recorded a loss of \$0.21 EPS (\$23 million) in the second quarter. The market-related variations had a negative impact on universal life insurance policies (-\$0.21 EPS) and, to a lesser extent, on the level of assets backing individual insurance reserves (-\$0.04 EPS). Policyholder experience generated a gain (+\$0.01 EPS) during the quarter as experience was favourable for morbidity but unfavourable for mortality. Also, favourable lapse experience, exercise of contractual options by customers and other slightly favourable items more than offset lower revenues from universal life excess premiums (+\$0.03 EPS).

[†] 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.

- *Individual Wealth Management* reported a loss of \$0.09 EPS (\$9 million) in the second quarter due to market-related variations, which had an unfavourable impact on investment fund income (MERS) (-\$0.05 EPS) and on the result of the segregated fund hedging program (-\$0.01 EPS). Also, losses were recorded as a result of lower revenues from distribution affiliates due to the unfavourable macroeconomic environment (-\$0.02 EPS) and various other slightly unfavourable items (-\$0.01 EPS).
- *Group Insurance* recorded a gain of \$0.07 EPS (\$7 million) for the quarter. Experience in the Employee Plans division was favourable (+\$0.01 EPS), as good long-term disability experience more than offset higher expenses. In the Dealer Services division, gains were recorded (+\$0.07 EPS) due to favourable P&C claims experience, mostly for replacement insurance and guaranteed asset protections, and due to favourable creditor insurance results and good credit experience in the car loans portfolio. Lastly, Special Markets recorded a loss owing mostly to higher claims for travel insurance (-\$0.01 EPS).
- *Group Savings and Retirement* reported a result in line with expectations as favourable longevity experience was offset by higher expenses and other slightly unfavourable miscellaneous items.
- *US Operations* performed below expectations for the quarter with a loss of \$0.03 EPS (\$3 million). By division, results were above expectations in Individual Insurance (+\$0.03 EPS), mainly due to favourable mortality and lapse experience. In the Dealer Services division, revenues were lower primarily due to the impact of the vehicle inventory shortage on sales, a situation that could persist throughout 2022 (-\$0.04 EPS), and due to higher claims than expected (-\$0.01 EPS) and other miscellaneous items (-\$0.01 EPS).

Impact of new business (strain)[†] in Individual Insurance in Canada and the U.S. – New business for the two business lines generated a gain at issue of \$17 million pre-tax, or 12% of sales for the quarter. This result is better than expected, generating a \$0.08 EPS gain explained by the fact that a portion of the interest rate increase since the beginning of the year is factored into the second quarter strain calculation, and sales volume was higher than expected.

Income on capital[†] – Net income earned on the Company's surplus funds, which includes income from the iA Auto and Home affiliate (iAAH), was \$22 million before tax for the second quarter, representing a loss of \$0.01 EPS versus management expectations. Investment income on surplus was higher than expected (+\$0.03 EPS) and Surex integration costs were lower than planned (+ \$0.01 EPS). Financing costs, on the other hand, were slightly higher than planned (-\$0.01 EPS) and experience at iAAH was unfavourable (-\$0.04 EPS). The latter is the result of May's derecho storm in Quebec combined with higher expenses.

Income taxes[†] – The effective tax rate for the quarter was 12.7%, below the 21% to 23% guidance range. As a result, the tax charge was lower than expected (\$0.21 EPS gain). The variance is due to a refinement of our tax position with respect to certain assets (+ \$0.03 EPS for 2022; +\$0.25 EPS for prior years). This gain was partly offset by higher taxation from the Company's multinational insurer status (CIF) (-\$0.07 EPS) due to macroeconomic variations.

Number of shares – The redemption of 1.3 million common shares since the beginning of the year under the normal-course issuer bid (NCIB) program had a favourable impact of \$0.01 on EPS in the second quarter.

Business growth – The Company ended the second quarter of 2022 with a good business growth performance. In Canada, the Company continues to strengthen its market-leading position in all three "Foundation"³ businesses of Individual Insurance, Individual Wealth Management and Dealer Services. In addition to their "Support"³ of branding and synergies with other businesses, Special Markets had significant sales growth while Group Savings and Retirement and iA Auto and Home recorded good sales.[†] Lastly, in the U.S., Dealer Services experienced a slowdown in sales, being more heavily impacted by the lack of vehicle inventory, whereas the Individual Insurance division recorded good sales[†] growth.

- *Individual Insurance* – Second quarter sales[†] totalled \$98 million, continuing the growth momentum of recent quarters and leading to a significant increase year over year. This high growth was due to the good performance of all distribution networks, with particularly strong sales from one large distributor, and to the increase in the average premium per policy sold. Our comprehensive and competitive range of products, including the success of our PAR products, as well as the excellent performance of our digital tools remained strong growth drivers for this line of business. According to the latest industry data, the Company remains the leader in number of individual insurance policies issued in Canada.
- *Individual Wealth Management* – Guaranteed product (general fund) sales of \$230 million for the second quarter were up 5% year over year. The Company continued to rank first in gross and net segregated fund sales[†] for the first five months of 2022. Segregated fund gross sales[†] totalled \$924 million for the period compared to \$1,046 million a year earlier, and net sales of \$390 million were generated despite the macroeconomic challenges faced by the industry. In this context, mutual fund gross sales[†] amounted to \$375 million and net outflows of \$237 million were recorded during the quarter.

³ At the Investor Event held on March 10, 2021, the Company presented its business mix under three main categories: Foundation, Support and Expansion.

[†] 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 *Group Insurance* business line is made up of three divisions. In the Dealer Services division, total sales[†] amounted to \$355 million in the second quarter, up 14% from a year earlier. By product, P&C sales[†] totalled \$109 million, up 16% year over year, creditor insurance sales[†] of \$63 million compared to \$70 million from a year ago, and car loan originations[†] totalled \$183 million, a significant increase of 24% over the same period in 2021. In the Employee Plans division, premiums^{†,4} were up 11% year over year, mainly due to the good retention on in-force business, and sales[†] of \$12 million compared to \$14 million a year earlier. Note that sales[†] in this division vary considerably from one quarter to another based on the size of the contracts sold. Lastly, sales[†] in the Special Markets division increased significantly by 57% from a year ago, mainly driven by a recovery in travel insurance sales.
- *Group Savings and Retirement* – Sales[†] of \$695 million in the second quarter were up 3% year over year, supported by higher sales from both accumulation products and insured annuities.
- *US Operations* – Individual Insurance sales[†] in the second quarter totalled US\$38 million, up 3% year over year. In the Dealer Services division, second quarter sales[†] amounted to US\$266 million, a decline of 7% compared to a strong quarter of US\$285 million a year ago, while new and used light vehicle sales declined by 17%⁵ over the same period in the U.S. auto industry. Dealerships were more heavily affected than a year ago by the low vehicle inventory situation, which is expected to impact sales for the remainder of the year in this division.
- *General Insurance (iA Auto and Home)* – Direct written premiums totalled \$145 million in the first quarter, up 4% from the same period last year.
- *Assets under management and administration*[†] ended the second quarter at \$193.6 billion, down 8% over twelve months and down 9% during the quarter, essentially explained by unfavourable market conditions and rising interest rates.
- *Premiums and deposits* totalled more than \$3.6 billion in the second quarter compared to a strong quarter of \$3.9 billion a year earlier. The unfavourable variation was driven by the Individual Wealth Management line of business, an area where the industry as a whole is facing challenges amid a difficult macroeconomic environment. All other business lines recorded a second quarter increase in premiums and deposits over the same period last year.

Financial position – The solvency ratio[†] was 130% at June 30, 2022, compared with 132% at the end of the previous quarter and 130% a year earlier. This result is above the Company's target range of 110% to 116%. The two percentage point decrease in the second quarter is due to unfavourable macroeconomic variations and the NCIB share redemption, partly offset by the contribution of organic capital generation[†] and capital optimization. The Company's leverage ratio[†] at June 30, 2022 was 23.7%.

Capital generation[†] – The Company organically generated approximately \$160 million in additional capital during the second quarter.

LRCN issuance – On June 1, 2022, iA Financial Corporation completed an inaugural Limited Recourse Capital Notes (LRCN) offering of \$250 million aggregate principal amount, Series 2022-1, 6.611% Subordinated Indebtedness due June 30, 2082. The notes were rated "BBB (high)" with a Stable trend by DBRS Morningstar and "BBB+" by S&P Global Ratings. In connection with the issuance of the notes, iA Financial Corporation issued 250,000 Non-Cumulative 5-Year Rate Reset Class A Preferred Shares, Series A. The Series A Shares have been assigned a rating of "Pfd-2" with a Stable trend by DBRS Morningstar and a rating of "BBB+" by S&P Global Ratings.

Preferred share redemption – On June 30, 2022, iA Insurance completed the redemption of all its issued and outstanding Non-Cumulative 5-Year Rate Reset Class A Preferred Shares, Series G for a total redemption price of \$250 million (less any taxes required to be withheld or deducted).

Book value⁶ – The book value per common share was \$60.97 at June 30, 2022, up 3% year over year. This compares to \$61.04 three months earlier.

Dividend – The Company paid a quarterly dividend of \$0.6250 to common shareholders in the second quarter of 2022. The Board of Directors approved a quarterly dividend of \$0.6750 per common share payable in the third quarter of 2022, an increase of 8%, or \$0.05, from the previous dividend paid. This dividend is payable on September 15, 2022 to the shareholders of record at August 12, 2022. In the third quarter of 2022, the Board of Directors of iA Insurance approved the declaration of a dividend of \$150 million to its sole common shareholder, iA Financial Corporation.

⁴ Net premiums and premiums equivalents

⁵ Source: U.S. Bureau of Economic Analysis and Cox Automotive reports

⁶ Book value per common share is a financial measure calculated by dividing the common shareholders' equity by the number of common shares outstanding at the end of the period; all components of this measure are IFRS measures.

[†] 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.

Normal Course Issuer Bid – In the second quarter of 2022, the Company redeemed and cancelled 1,181,314 outstanding common shares under the NCIB regime.

Dividend Reinvestment and Share Purchase Plan – Registered shareholders wishing to enrol in iA Financial Corporation’s Dividend Reinvestment and Share Purchase Plan (DRIP) so as to be eligible to reinvest the next dividend payable on September 15, 2022 must ensure that the duly completed form is delivered to Computershare no later than 4:00 p.m. on August 5, 2022. Enrolment information is provided on iA Financial Group’s website at <http://ia.ca/investorrelations>, under the *Dividends* section. Common shares issued under iA Financial Corporation’s DRIP will be purchased on the secondary market and no discount will be applicable.

Annual shareholder meeting and new directors – On Thursday, May 12, 2022, the Annual Shareholder Meetings of iA Financial Corporation and iA Insurance were held virtually. During these events, Ms. Ouma Sananikone and Ms. Rebecca Schechter were elected as directors to the boards.

Distinction – On May 24, the Company announced that its subsidiary, iA Auto Finance (iAAF), ranked second in dealer satisfaction in the retail non-captive non-prime segment, according to the J.D. Power 2022 Canada Dealer Financing Satisfaction Study. iAAF also took second place in each of the six following categories in this national ranking: overall satisfaction, overall relationship, credit staff relationship, sales representative relationship, funding process and provider offerings retail.

Commitment to Indigenous people – The Company is pursuing its initiatives to contribute to sustainable growth and wellbeing for our clients, employees, partners, investors and communities. Among the initiatives undertaken during the second quarter and in addition to its commitment to obtain the Progressive Aboriginal Relations (PAR) certification from the Canadian Council for Aboriginal Business, on June 6, 2022, the Company announced a \$1 million donation over five years to fund student bursaries for Indigenous post-secondary students in Canada through the Indigenous charity Indspire.

Outlook

Transition to IFRS 17 and IFRS 9 and outlook – The Company's management is already making decisions and taking actions based on the new IFRS 17 and IFRS 9 accounting standards that will come into effect on January 1, 2023.

As the Company transitions to these new standards, it continues to be managed with a long term vision to protect the strength and quality of its balance sheet under IFRS 4. Among other things, the Company has kept additional protections in the reserving process, has provisioned prudently for financial guarantees and has positioned assumptions to limit gains on new business.

Based on the macroeconomic environment and other information available as at June 30, 2022, the following expected impacts of IFRS 9 and IFRS 17 are estimated:

- Book value: near-neutral at transition (i.e. on January 1, 2022) and ranging from near-neutral to favourable on June 30, 2022
- Contractual service margin (CSM) level: more than \$5 billion at transition
- Solvency ratio: increase of more than 20 percentage points at transition
- Capital available for deployment: very favourable under the new regime
- Core ROE: favourable on 2022 result
- Core EPS level: favourable on 2022 result
- Core EPS growth: near-neutral on 2022+ results (i.e. 10%+ annual growth on average)
- Organic capital generation: favourable on 2022 result

Under IFRS 17 and IFRS 9, core earnings will continue to be the best indicator of the Company's ability to generate sustainable revenues, eliminating the short-term volatility that may result from the de-linking between assets and liabilities under the new accounting regime.

2022 Market guidance for iA Financial Corporation, as disclosed on February 16, 2022

- Core earnings per common share:† target range of \$8.70 to \$9.30
- Core return on common shareholders’ equity (ROE):† target range of 13.0% to 15.0%
- Solvency ratio:† target range of 110% to 116%
- Organic capital generation:† target range of \$450 million to \$525 million
- Impact of new business (strain):† annual target of 0% of sales with quarterly range of -5% to 10%
- Effective tax rate: target range of 21% to 23%
- Dividend payout ratio:† range of 25% to 35%, with the target being the mid-point, based on core earnings

† 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 Company's outlook, including the market guidance provided, constitutes forward-looking information within the meaning of securities laws. Although the Company believes that its outlook is reasonable, such statements involve risks and uncertainties and undue reliance should not be placed on such statements. Factors that could cause actual results to differ materially from expectations include, but are not limited to: insurance, market, credit, liquidity, strategic and operational risks. In addition, certain material factors or assumptions are applied in preparing the Company's outlook, including but not limited to: accuracy of accounting policies and best estimate actuarial and economic assumptions used by the Company; a business growth rate similar to previous years; 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. The Company's outlook serves to provide shareholders, market analysts, investors, and other stakeholders with a basis for adjusting their expectations with regards to the Company's performance throughout the year and may not be appropriate for other purposes. Additional information about risk factors and assumptions applied may be found in the "Forward-looking Statements" section of this document.

SECOND QUARTER HIGHLIGHTS – iA Insurance

Profitability – In the second quarter of 2022, iA Insurance recorded net income attributed to its sole common shareholder, iA Financial Corporation, of \$225 million, compared to \$232 million a year earlier.

Financial position – The solvency ratio[†] for iA Insurance was 123% at June 30, 2022, up from 120% a year earlier and similar to that at the end of the previous quarter. During the second quarter, unfavourable macroeconomic variations and the redemption of \$250 million in preferred shares were offset by the contribution of organic capital generation[†] and capital optimization.

Preferred shares redemption – On June 30, 2022, iA Insurance completed the redemption of all its issued and outstanding Non-Cumulative 5-Year Rate Reset Class A Preferred Shares, Series G for a total redemption price of \$250 million (less any taxes required to be withheld or deducted).

Dividend – iA Insurance paid no dividend in the second quarter of 2022. In the third quarter of 2022, the Board of Directors of iA Insurance approved the declaration of a dividend of \$150 million to its sole common shareholder, iA Financial Corporation.

Annual shareholder meeting and new directors – On Thursday, May 12, 2022, the Annual Shareholder Meeting of the Company was held virtually. During this event, Ms. Ouma Sananikone and Ms. Rebecca Schechter were elected as directors to the board.

iA Insurance						
Earnings Highlights	Second quarter			Year-to-date at June 30		
	2022	2021	Variation	2022	2021	Variation
(In millions of dollars, unless otherwise indicated)						
Net income attributed to shareholders	230	237	(3%)	390	414	(6%)
Less: dividends on preferred shares	5	5	—	11	11	—
Net income attributed to common shareholder	225	232	(3%)	379	403	(6%)

Other Financial Highlights				
(In millions of dollars, unless otherwise indicated)	June 30, 2022	March 31, 2022	December 31, 2021	June 30, 2021
Total capital [†]	6,289	6,358	6,584	6,143
Solvency ratio [†]	123%	123%	127%	120%

GENERAL INFORMATION

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

[†] 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.

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.

For relevant information about non-IFRS measures used in this document, see the “Non-IFRS and Additional Financial Measures” section in the Management’s Discussion and Analysis for the period ending June 30, 2022, which is hereby incorporated by reference and is available for review at [sedar.com](https://www.sedar.com) or on iA Financial Group’s website at ia.ca.

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 inflation; 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.
- 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.

Documents Related to the Financial Results

For a detailed discussion of iA Financial Corporation’s and iA Insurance’s second quarter results, investors are invited to consult the Management’s Discussion and Analysis for the quarter ended June 30, 2022, the related financial statements and accompanying notes and the Financial Information Package for each company, all of which are available on the iA Financial Group website at ia.ca under *About iA*, in the *Investor Relations/Financial Reports* section and on SEDAR at sedar.com.

Conference Call

Management will hold a conference call to present iA Financial Group’s second quarter results on Thursday, July 28, 2022 at 2:00 p.m. (ET). The dial-in number is 416-620-9188 or 1-800-954-0683 (toll-free within North America). A replay of the conference call will be available for a one-week period, starting at 4:30 p.m. on Thursday, July 28, 2022. To access the conference call replay, dial 1-800-558-5253 (toll-free) and enter access code 22019081. A webcast of the conference call (listen-only mode) will also be available on the iA Financial Group website at ia.ca.

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 an important Canadian public company and is listed on the Toronto Stock Exchange under the ticker symbols IAG (common shares) and IAF (preferred shares).

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