

**PRESENT  
AND STRONG.**

More than ever.



**Financial Information Package (unaudited)  
iA Financial Corporation Inc.**

For the Third Quarter of 2021

At September 30, 2021



## GENERAL INFORMATION

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). iA Financial Group serves over four million clients, employs more than 8,200 people and is backed by a network of some 25,000 advisors.

iA Financial Corporation Inc. (“iA Financial Corporation” or the “Company”) became the parent company of Industrial Alliance Insurance and Financial Services Inc. (“iA Insurance”) as of January 1, 2019, pursuant to a plan of arrangement. Under the terms of the arrangement, iA Financial Corporation is a “successor issuer”. Certain information related to the operations of iA Insurance is presented separately in this document.

### Head Office

iA Financial Group  
1080 Grande Allée West  
PO Box 1907, Station Terminus  
Quebec City, QC G1K 7M3  
Telephone: 418-684-5000  
Toll-free: 1-800-463-6236  
[ia.ca](http://ia.ca)

### Stock Exchange Listing

The common shares of iA Financial Corporation Inc. are listed on the Toronto Stock Exchange under the stock symbol IAG.

The preferred shares of Industrial Alliance Insurance and Financial Services Inc. are listed on the Toronto Stock Exchange under the stock symbol IAF.

### Dividend Reinvestment and Share Purchase Plan

Computershare Trust Company of Canada  
Telephone: 514-982-7555  
Toll-free: 1-877-684-5000  
[ia@computershare.com](mailto:ia@computershare.com)

### Credit Ratings

iA Financial Corporation Inc.  
Issuer credit rating  
S&P: A  
DBRS: A

Industrial Alliance Insurance and Financial Services Inc.  
Financial strength rating  
S&P: AA-  
DBRS: AA (low)  
A.M. Best: A+ (Superior)

### Shareholder Services

For questions regarding share accounts, dividends, changes of address an ownership and other related matters, contact our transfer agent: Computershare Investor Services Inc.  
Telephone: 514-982-7555  
Toll-free: 1-877-684-5000  
[ia@computershare.com](mailto:ia@computershare.com)

### Investor Relations

For analysts, portfolio managers and investors requesting financial information, contact our Investor Relations Department:  
Telephone: 418-684-5000, ext. 105862  
Toll-free: 1-800-463-6236, ext. 105862  
Fax: 418-684-5192  
[investors@ia.ca](mailto:investors@ia.ca)

### Next Reporting Dates

2021 Fourth quarter - February 17, 2022  
2022 First quarter - May 12, 2022  
2022 Second quarter - July 28, 2022

### General information

For information on upcoming earnings releases, investor conferences and disclosure documents consult our website at [ia.ca](http://ia.ca), under *About iA*, in the *Investor Relations* section.

**TABLE OF CONTENTS**

HIGHLIGHTS.....	4
PROFITABILITY.....	6
SOURCES OF EARNINGS - CORE - CONSOLIDATED.....	7
SOURCES OF EARNINGS - CONSOLIDATED.....	8
SOURCES OF EARNINGS BY LINE OF BUSINESS.....	9
EXPERIENCE AND SPECIFIC ITEMS.....	14
REPORTED EPS AND CORE EPS RECONCILIATION .....	15
BUSINESS GROWTH.....	16
INVESTED ASSETS.....	20
SOLVENCY AND CAPITALIZATION.....	23
MACROECONOMIC SENSITIVITY.....	25
SHARE INFORMATION.....	26
CONSOLIDATED FINANCIAL STATEMENTS.....	28
GLOSSARY.....	32

**Basis of Presentation**

All amounts in this document are presented on an IFRS basis unless otherwise indicated and except for some specific measures (see Non-IFRS Financial Information below).

Amounts are expressed in millions of Canadian dollars unless otherwise indicated.

Certain prior period amounts have been reclassified to conform to the current period's presentation.

**Non-IFRS Financial Information**

iA Financial Corporation reports its financial results and statements in accordance with International Financial Reporting Standards (IFRS). It also publishes certain financial measures 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 used for the Company's audited financial statements. These non-IFRS financial measures are often accompanied by and reconciled with IFRS financial measures. For certain non-IFRS financial measures, there are no directly comparable amounts under IFRS. The Company believes that these non-IFRS financial measures provide additional information to better understand the Company's 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 financial 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.

Non-IFRS financial measures published by iA Financial Corporation include, but are not limited to: return on common shareholders' equity (ROE), core earnings per common share (core EPS), core return on common shareholders' equity (core ROE), sales, net sales, assets under management (AUM), assets under administration (AUA), premium equivalents, deposits, sources of earnings measures (expected profit on in-force, experience gains and losses, impact of new business (strain), changes in assumptions, management actions and income on capital), capital, solvency ratio, interest rate and equity market sensitivities, loan originations, finance receivables and average credit loss rate on car loans.

**HIGHLIGHTS**

	Three months ended September 30			Nine months ended September 30			Twelve months ended
	2021	2020	Variation	2021	2020	Variation	December 31 2020
<i>(In millions of dollars, unless otherwise indicated)</i>							
<b>PROFITABILITY</b>							
Net income attributed to shareholders	223	223	-	638	456	40%	633
Dividends on preferred shares issued by a subsidiary	6	6	-	17	17	-	22
Net income attributed to common shareholders	217	217	-	621	439	41%	611
Earnings per common share							
Basic	\$2.01	\$2.03	(\$0.02)	\$5.78	\$4.11	\$1.67	\$5.71
Diluted	\$2.01	\$2.03	(\$0.02)	\$5.76	\$4.10	\$1.66	\$5.70
Diluted, core <sup>1</sup>	\$2.23	\$2.19	\$0.04	\$6.31	\$5.39	\$0.92	\$7.12
Return on common shareholders' equity <sup>1</sup>							
Trailing 12 months	12.8%	10.9%	190 bps	-	-	-	-
Trailing 12 months, core	14.0%	13.5%	50 bps	-	-	-	-
Quarter annualized	13.5%	15.1%	(160) bps	-	-	-	-
Quarter annualized, core	14.9%	16.2%	(130) bps	-	-	-	-
<b>BUSINESS GROWTH</b>							
Sales by line of business <sup>1</sup>							
Individual Insurance	68	53	28%	199	151	32%	223
Individual Wealth Management	2,019	1,478	37%	6,582	4,528	45%	6,418
Group Insurance	367	376	(2%)	1,102	990	11%	1,313
Employee Plans	19	26	(27%)	120	106	13%	136
Dealer Services - Creditor Insurance	73	90	(19%)	186	196	(5%)	261
Dealer Services - P&C	95	88	8%	253	204	24%	271
Non-Prime Loan originations	132	132	-	404	324	25%	440
Special Markets	48	40	20%	139	160	(13%)	205
Group Savings and Retirement	810	1,180	(31%)	2,178	2,204	(1%)	3,083
US Operations (\$CAN)							
Individual Insurance	42	45	(7%)	127	129	(2%)	170
Dealer Services - P&C <sup>2</sup>	371	335	11%	1,017	641	59%	964
General Insurance <sup>3</sup>	118	110	7%	341	309	10%	395
Net premiums, premium equivalent and deposits by line of business							
Individual Insurance	433	412	5%	1,297	1,203	8%	1,625
Individual Wealth Management	2,019	1,478	37%	6,582	4,528	45%	6,418
Group Insurance	478	450	6%	1,378	1,305	6%	1,744
Group Savings and Retirement	804	1,174	(32%)	2,159	2,184	(1%)	3,056
US Operations							
Individual Insurance	127	126	1%	368	363	1%	462
Dealer Services - P&C <sup>2</sup>	125	185	(32%)	377	314	20%	434
General Insurance <sup>3</sup>	106	91	16%	299	251	19%	340
Total	4,092	3,916	4%	12,460	10,148	23%	14,079
Assets under management and administration	214,459	185,820	15%	214,459	185,820	15%	197,486

<sup>1</sup> Non-IFRS measures. See glossary at the end of this document for definitions.

<sup>2</sup> Q3/2020 figures were restated to deduct sales for IAS Parent Holdings, Inc. from May 22 to June 30, 2020 (US\$27M) that were previously included.

<sup>3</sup> Includes iA Auto and Home premiums, other activities that have no link with key segments and some minor consolidation adjustments.

**HIGHLIGHTS (continued)**

<i>(In millions of dollars, unless otherwise indicated)</i>	<b>September 30, 2021</b>	<b>June 30, 2021</b>	<b>December 31, 2020</b>	<b>September 30, 2020</b>
<b>QUALITY OF INVESTMENTS</b>				
Impaired investments and provisions (excluding insured loans)				
Net impaired investments	17	17	31	37
Net impaired investments as a % of investment portfolio	0.04%	0.04%	0.07%	0.08%
Provisions for impaired investments (specific)	6	6	14	8
As a % of gross impaired investments	23.7%	23.7%	31.3%	17.7%
Bonds				
Rated BB and lower	1.03%	0.90%	0.99%	0.77%
Mortgages				
Delinquency rate	-	-	-	-
Occupancy rate on investment properties	91.6%	93.4%	95.3%	95.7%
<b>SOLVENCY RATIO CARLI<sup>1</sup></b>	<b>131%</b>	<b>130%</b>	<b>130%</b>	<b>125%</b>
<b>BOOK VALUE PER OUTSTANDING COMMON SHARE</b>	<b>\$60.82</b>	<b>\$59.02</b>	<b>\$55.52</b>	<b>\$54.50</b>

<sup>1</sup> Non-IFRS measures. See glossary at the end of this document for definition.

PROFITABILITY													
<i>(In millions of dollars, unless otherwise indicated)</i>	2021			2020				2019		2021	2020	2020	2019
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual
<b>Net income</b>													
Net income	226	235	174	172	219	195	46	165	189	635	460	632	699
Net income attributed to participating policyholders	3	(1)	(5)	(5)	(4)	7	1	(11)	-	(3)	4	(1)	(10)
Net income attributed to shareholders	223	236	179	177	223	188	45	176	189	638	456	633	709
Dividends on preferred shares issued by a subsidiary	6	5	6	5	6	5	6	5	5	17	17	22	22
Net income attributed to common shareholders	217	231	173	172	217	183	39	171	184	621	439	611	687
<b>Earnings per common share</b>													
Basic	\$2.01	\$2.16	\$1.61	\$1.61	\$2.03	\$1.71	\$0.37	\$1.60	\$1.73	\$5.78	\$4.11	\$5.71	\$6.43
Diluted	\$2.01	\$2.15	\$1.61	\$1.60	\$2.03	\$1.71	\$0.36	\$1.59	\$1.72	\$5.76	\$4.10	\$5.70	\$6.40
Diluted, core <sup>1</sup>	\$2.23	\$2.29	\$1.79	\$1.73	\$2.19	\$1.71	\$1.49	\$1.68	\$1.82	\$6.31	\$5.39	\$7.12	\$6.55
<b>Return on common shareholders' equity<sup>1,2</sup></b>													
Trailing 12 months	12.8%	13.2%	12.7%	10.6%	10.9%	10.5%	10.7%	12.9%	12.7%	-	-	-	-
Trailing 12 months, core	14.0%	14.2%	13.6%	13.3%	13.5%	13.1%	13.3%	13.1%	N/A	-	-	-	-
Quarter annualized	13.5%	14.9%	11.5%	11.7%	15.1%	13.0%	2.8%	12.5%	13.8%	-	-	-	-
Quarter annualized, core	14.9%	15.8%	12.8%	12.6%	16.2%	12.9%	11.6%	13.1%	14.5%	-	-	-	-
<b>Net income attributed to common shareholders by line of business</b>													
Individual Insurance	107	111	81	97	107	96	34	92	94	299	237	334	359
Individual Wealth Management	62	60	51	36	72	37	(24)	42	52	173	85	121	172
Group Insurance	26	26	13	9	14	30	8	9	18	65	52	61	66
Group Savings and Retirement	5	7	8	11	3	12	8	10	8	20	23	34	32
US Operations	17	27	20	19	21	8	13	18	12	64	42	61	58
Total	217	231	173	172	217	183	39	171	184	621	439	611	687

<sup>1</sup> Non-IFRS measures. See glossary at the end of this document for definitions.

<sup>2</sup> In Q4-2019, an adjustment has been made retroactively to January 1, 2018 transferring \$7 from retained earnings to the participating policyholders' accounts.

**SOURCES OF EARNINGS - CORE - CONSOLIDATED**

<i>(In millions of dollars, unless otherwise indicated)</i>	2021			2020				2019		2021	2020	2020	2019
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual
Core operating profit (loss) <sup>1</sup>													
Expected profit on in-force	255	246	217	224	238	190	194	197	210	718	622	846	783
Experience gain (loss)	7	31	1	(21)	5	13	(27)	(5)	(5)	39	(9)	(30)	(5)
Impact of new business (strain)	(2)	-	(5)	(6)	(2)	(10)	(10)	-	(2)	(7)	(22)	(28)	(9)
Changes in assumptions and management actions	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	260	277	213	197	241	193	157	192	203	750	591	788	769
Core income on capital <sup>1</sup>	57	48	52	44	48	42	45	44	49	157	135	179	167
Core income (loss) before income taxes <sup>1</sup>	317	325	265	241	289	235	202	236	252	907	726	967	936
Core income taxes <sup>1</sup>	(70)	(73)	(67)	(50)	(50)	(47)	(34)	(51)	(53)	(210)	(131)	(181)	(212)
Core net income (loss) attributed to shareholders <sup>1</sup>	247	252	198	191	239	188	168	185	199	697	595	786	724
Dividends on preferred shares issued by a subsidiary	6	6	6	5	6	5	6	5	5	18	17	22	22
Core net income (loss) attributed to common shareholders <sup>1</sup>	241	246	192	186	233	183	162	180	194	679	578	764	702

<sup>1</sup> Non-IFRS measures. See glossary at the end of this document for definitions.

**SOURCES OF EARNINGS - CONSOLIDATED**

	2021			2020				2019		2021	2020	2020	2019
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual
<i>(In millions of dollars, unless otherwise indicated)</i>													
Operating profit (loss) <sup>1</sup>													
Expected profit on in-force <sup>2</sup>	244	232	204	213	225	177	186	193	207	680	588	801	769
Experience gain (loss)	7	44	7	(23)	26	43	(143)	(11)	5	58	(74)	(97)	26
Impact of new business (strain)	(2)	-	(5)	(6)	(2)	(10)	(10)	-	(2)	(7)	(22)	(28)	(9)
Changes in assumptions and management actions <sup>3</sup>	-	-	-	6	-	-	(24)	2	(9)	-	(24)	(18)	(7)
Total	249	276	206	190	249	210	9	184	201	731	468	658	779
Income on capital <sup>1</sup>	37	29	34	21	19	31	34	27	40	100	84	105	122
Income (loss) before income taxes <sup>1</sup>	286	305	240	211	268	241	43	211	241	831	552	763	901
Income taxes <sup>1</sup>	(63)	(69)	(61)	(34)	(45)	(53)	2	(35)	(52)	(193)	(96)	(130)	(192)
Net income (loss) attributed to shareholders	223	236	179	177	223	188	45	176	189	638	456	633	709
Dividends on preferred shares issued by a subsidiary	6	5	6	5	6	5	6	5	5	17	17	22	22
<b>Net income (loss) attributed to common shareholders</b>	<b>217</b>	<b>231</b>	<b>173</b>	<b>172</b>	<b>217</b>	<b>183</b>	<b>39</b>	<b>171</b>	<b>184</b>	<b>621</b>	<b>439</b>	<b>611</b>	<b>687</b>
Core earnings adjustments (post tax) <sup>1</sup>													
Market-related impacts that differ from management's best estimate assumptions <sup>4</sup>	-	(10)	(4)	(10)	(13)	(11)	86	(14)	(7)	(14)	62	52	(41)
Assumption changes and management actions	-	-	-	(4)	-	-	-	(2)	-	-	-	(4)	(2)
Gains or losses on acquisition or disposition of a business, including acquisition, integration and restructuring costs	4	6	4	7	(4)	(2)	-	-	(14)	14	(6)	1	(14)
Amortization of acquisition-related finite life intangible assets	14	14	13	13	17	8	8	7	6	41	33	46	27
Non-core pension expense	6	5	6	5	5	5	5	3	3	17	15	20	12
Other specified unusual gains and losses	-	-	-	3	11	-	24	15	22	-	35	38	33
Total	24	15	19	14	16	-	123	9	10	58	139	153	15
<b>Core earnings<sup>1</sup></b>	<b>241</b>	<b>246</b>	<b>192</b>	<b>186</b>	<b>233</b>	<b>183</b>	<b>162</b>	<b>180</b>	<b>194</b>	<b>679</b>	<b>578</b>	<b>764</b>	<b>702</b>

**Core earnings adjustments (before taxes, where applicable)<sup>1</sup>**

Market-related impacts that differ from management's best estimate assumptions <sup>4</sup>	(1)	(14)	(6)	(13)	(18)	(15)	117	(19)	(10)	(21)	84	71	(57)
Assumption changes and management actions	-	-	-	(6)	-	-	-	(3)	-	-	-	(6)	(3)
Charges or proceeds related to acquisition or disposition of a business, including acquisition, integration and restructuring costs	6	8	4	8	(6)	(8)	1	-	(14)	18	(13)	(5)	(14)
Amortization of acquisition-related finite life intangible assets	19	18	18	17	22	10	11	9	9	55	43	60	36
Non-core pension expense	8	7	9	7	7	7	7	4	4	24	21	28	16
Other specified unusual gains and losses	-	-	-	8	15	-	24	24	22	-	39	47	42
Total	32	19	25	21	20	(6)	160	15	11	76	174	194	20

<sup>1</sup> Non-IFRS measures. See glossary at the end of this document for definitions.

<sup>2</sup> Q2-2020 figure includes acquisition and integration costs.

<sup>3</sup> Q3-2019 and Q1-2020 figures include PPI contingent consideration settlement and goodwill impairment.

<sup>4</sup> See details by line of business on the following pages.

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



**SOURCES OF EARNINGS BY LINE OF BUSINESS - INDIVIDUAL INSURANCE**

	2021			2020				2019		2021	2020	2020	2019
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual
<i>(In millions of dollars, unless otherwise indicated)</i>													
Operating profit (loss) <sup>1</sup>													
Expected profit on in-force	98	95	92	92	94	90	86	88	91	285	270	362	350
Experience gain (loss)	8	18	(3)	15	18	20	(43)	(6)	8	23	(5)	10	20
Impact of new business (strain)	(3)	2	-	(2)	1	(8)	(7)	3	1	(1)	(14)	(16)	1
Changes in assumptions and management actions <sup>2</sup>	-	-	-	4	-	-	(24)	2	(9)	-	(24)	(20)	(7)
Total	103	115	89	109	113	102	12	87	91	307	227	336	364
Income on capital <sup>1</sup>	31	24	28	18	18	21	25	20	29	83	64	82	93
Income (loss) before income taxes <sup>1</sup>	134	139	117	127	131	123	37	107	120	390	291	418	457
Income taxes <sup>1</sup>	(23)	(24)	(32)	(26)	(21)	(22)	2	(10)	(21)	(79)	(41)	(67)	(80)
Net income (loss) attributed to shareholders	111	115	85	101	110	101	39	97	99	311	250	351	377
Dividends on preferred shares issued by a subsidiary	4	4	4	4	3	5	5	5	5	12	13	17	18
<b>Net income (loss) attributed to common shareholders</b>	<b>107</b>	<b>111</b>	<b>81</b>	<b>97</b>	<b>107</b>	<b>96</b>	<b>34</b>	<b>92</b>	<b>94</b>	<b>299</b>	<b>237</b>	<b>334</b>	<b>359</b>
Core earnings adjustments (post tax) <sup>1</sup>													
Market-related impacts that differ from management's best estimate assumptions													
Impact on income from UL policies	(2)	(9)	(4)	(8)	(6)	(15)	23	(5)	(1)	(15)	2	(6)	(19)
Macroeconomic impact on level of assets backing LT liabilities	2	2	-	(2)	(2)	1	-	(3)	(2)	4	(1)	(3)	(5)
Total	-	(7)	(4)	(10)	(8)	(14)	23	(8)	(3)	(11)	1	(9)	(24)
Assumption changes and management actions	-	-	-	(3)	-	-	-	(2)	-	-	-	(3)	(2)
Gains or losses on acquisition or disposition of a business, including acquisition, integration and restructuring costs	-	-	-	-	(5)	-	-	-	(14)	-	(5)	(5)	(14)
Amortization of acquisition-related finite life intangible assets	2	2	2	2	2	2	2	2	2	6	6	8	8
Non-core pension expense	2	2	3	2	2	3	2	1	2	7	7	9	5
Other specified unusual gains and losses	-	-	-	6	8	-	24	12	22	-	32	38	31
Total	4	(3)	1	(3)	(1)	(9)	51	5	9	2	41	38	4
<b>Core earnings<sup>1</sup></b>	<b>111</b>	<b>108</b>	<b>82</b>	<b>94</b>	<b>106</b>	<b>87</b>	<b>85</b>	<b>97</b>	<b>103</b>	<b>301</b>	<b>278</b>	<b>372</b>	<b>363</b>

<sup>1</sup> Non-IFRS measures. See glossary at the end of this document for definitions.

<sup>2</sup> Q3-2019 and Q1-2020 figures include PPI contingent consideration settlement and goodwill impairment.

**SOURCES OF EARNINGS BY LINE OF BUSINESS - INDIVIDUAL WEALTH MANAGEMENT**

	2021			2020				2019		2021	2020	2020	2019
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual
<i>(In millions of dollars, unless otherwise indicated)</i>													
Operating profit (loss) <sup>1</sup>													
Expected profit on in-force	80	67	58	65	64	52	57	61	62	205	173	238	228
Experience gain (loss)	2	12	4	(15)	5	10	(86)	(3)	6	18	(71)	(86)	7
Impact of new business (strain)	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in assumptions and management actions	-	-	-	(1)	-	-	-	(1)	-	-	-	(1)	(1)
Total	82	79	62	49	69	62	(29)	57	68	223	102	151	234
Income on capital <sup>1</sup>	7	5	7	4	4	4	3	1	3	19	11	15	3
Income (loss) before income taxes <sup>1</sup>	89	84	69	53	73	66	(26)	58	71	242	113	166	237
Income taxes <sup>1</sup>	(26)	(23)	(17)	(16)	-	(29)	3	(15)	(19)	(66)	(26)	(42)	(62)
Net income (loss) attributed to shareholders	63	61	52	37	73	37	(23)	43	52	176	87	124	175
Dividends on preferred shares issued by a subsidiary	1	1	1	1	1	-	1	1	-	3	2	3	3
<b>Net income (loss) attributed to common shareholders</b>	<b>62</b>	<b>60</b>	<b>51</b>	<b>36</b>	<b>72</b>	<b>37</b>	<b>(24)</b>	<b>42</b>	<b>52</b>	<b>173</b>	<b>85</b>	<b>121</b>	<b>172</b>
Core earnings adjustments (post tax) <sup>1</sup>													
Market-related impacts that differ from management's best estimate assumptions													
Impact on expected management fees	(1)	(1)	(1)	(2)	(2)	(4)	2	(1)	-	(3)	(4)	(6)	(4)
Impact of dynamic hedging	1	(2)	1	2	(3)	7	61	(5)	(4)	-	65	67	(13)
Total	-	(3)	-	-	(5)	3	63	(6)	(4)	(3)	61	61	(17)
Assumption changes and management actions	-	-	-	1	-	-	-	1	-	-	-	1	1
Gains or losses on acquisition or disposition of a business, including acquisition, integration and restructuring costs	-	-	-	-	(1)	(8)	-	-	-	-	(9)	(9)	-
Amortization of acquisition-related finite life intangible assets	3	4	3	3	3	3	3	3	3	10	9	12	12
Non-core pension expense	1	1	1	1	1	1	1	1	-	3	3	4	3
Other specified unusual gains and losses	-	-	-	2	2	-	-	1	-	-	2	4	1
Total	4	2	4	7	-	(1)	67	-	(1)	10	66	73	-
<b>Core earnings<sup>1</sup></b>	<b>66</b>	<b>62</b>	<b>55</b>	<b>43</b>	<b>72</b>	<b>36</b>	<b>43</b>	<b>42</b>	<b>51</b>	<b>183</b>	<b>151</b>	<b>194</b>	<b>172</b>

<sup>1</sup> Non-IFRS measures. See glossary at the end of this document for definitions.

**SOURCES OF EARNINGS BY LINE OF BUSINESS - GROUP INSURANCE**

<i>(In millions of dollars, unless otherwise indicated)</i>	2021			2020				2019		2021	2020	2020	2019
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual
Operating profit (loss) <sup>1</sup>													
Expected profit on in-force	22	30	17	23	24	23	21	26	32	69	68	91	109
Experience gain (loss)	11	10	(1)	(8)	5	9	(15)	(9)	(10)	20	(1)	(9)	(17)
Impact of new business (strain)	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in assumptions and management actions	-	-	-	(5)	-	-	-	(7)	-	-	-	(5)	(7)
Total	33	40	16	10	29	32	6	10	22	89	67	77	85
Income on capital <sup>1</sup>	2	-	2	-	-	-	1	1	2	4	1	1	5
Income (loss) before income taxes <sup>1</sup>	35	40	18	10	29	32	7	11	24	93	68	78	90
Income taxes <sup>1</sup>	(9)	(14)	(4)	(1)	(14)	(2)	1	(2)	(6)	(27)	(15)	(16)	(23)
Net income (loss) attributed to shareholders	26	26	14	9	15	30	8	9	18	66	53	62	67
Dividends on preferred shares issued by a subsidiary	-	-	1	-	1	-	-	-	-	1	1	1	1
<b>Net income (loss) attributed to common shareholders</b>	<b>26</b>	<b>26</b>	<b>13</b>	<b>9</b>	<b>14</b>	<b>30</b>	<b>8</b>	<b>9</b>	<b>18</b>	<b>65</b>	<b>52</b>	<b>61</b>	<b>66</b>
Core earnings adjustments (post tax) <sup>1</sup>													
Market-related impacts that differ from management's best estimate assumptions	-	-	-	-	-	-	-	-	-	-	-	-	-
Assumption changes and management actions	-	-	-	3	-	-	-	5	-	-	-	3	5
Gains or losses on acquisition or disposition of a business, including acquisition, integration and restructuring costs	-	-	-	1	-	-	-	-	-	-	-	1	-
Amortization of acquisition-related finite life intangible assets	2	2	2	3	2	2	2	1	1	6	6	9	4
Non-core pension expense	2	1	2	2	2	1	1	1	1	5	4	6	3
Other specified unusual gains and losses	-	-	-	3	-	-	-	1	-	-	-	3	1
Total	4	3	4	12	4	3	3	8	2	11	10	22	13
<b>Core earnings<sup>1</sup></b>	<b>30</b>	<b>29</b>	<b>17</b>	<b>21</b>	<b>18</b>	<b>33</b>	<b>11</b>	<b>17</b>	<b>20</b>	<b>76</b>	<b>62</b>	<b>83</b>	<b>79</b>

<sup>1</sup> Non-IFRS measures. See glossary at the end of this document for definitions.

**SOURCES OF EARNINGS BY LINE OF BUSINESS - GROUP SAVINGS AND RETIREMENT**

<i>(In millions of dollars, unless otherwise indicated)</i>	2021			2020				2019		2021	2020	2020	2019
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual
Operating profit (loss) <sup>1</sup>													
Expected profit on in-force	9	8	8	6	6	4	6	6	7	25	16	22	27
Experience gain (loss)	(5)	(1)	1	(4)	2	5	2	1	4	(5)	9	5	10
Impact of new business (strain)	1	(1)	-	-	-	-	-	(1)	(1)	-	-	-	(2)
Changes in assumptions and management actions	-	-	-	12	-	-	-	6	-	-	-	12	6
Total	5	6	9	14	8	9	8	12	10	20	25	39	41
Income on capital <sup>1</sup>	3	4	1	1	2	1	-	-	1	8	3	4	3
Income (loss) before income taxes <sup>1</sup>	8	10	10	15	10	10	8	12	11	28	28	43	44
Income taxes <sup>1</sup>	(2)	(3)	(2)	(4)	(6)	2	-	(3)	(3)	(7)	(4)	(8)	(12)
Net income (loss) attributed to shareholders	6	7	8	11	4	12	8	9	8	21	24	35	32
Dividends on preferred shares issued by a subsidiary	1	-	-	-	1	-	-	(1)	-	1	1	1	-
<b>Net income (loss) attributed to common shareholders</b>	<b>5</b>	<b>7</b>	<b>8</b>	<b>11</b>	<b>3</b>	<b>12</b>	<b>8</b>	<b>10</b>	<b>8</b>	<b>20</b>	<b>23</b>	<b>34</b>	<b>32</b>
Core earnings adjustments (post tax) <sup>1</sup>													
Market-related impacts that differ from management's best estimate assumptions	-	-	-	-	-	-	-	-	-	-	-	-	-
Assumption changes and management actions	-	-	-	(8)	-	-	-	(4)	-	-	-	(8)	(4)
Gains or losses on acquisition or disposition of a business, including acquisition, integration and restructuring costs	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of acquisition-related finite life intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-core pension expense	1	1	-	-	-	-	1	-	-	2	1	1	1
Other specified unusual gains and losses	-	-	-	1	1	-	-	1	-	-	1	2	1
Total	1	1	-	(7)	1	-	1	(3)	-	2	2	(5)	(2)
<b>Core earnings<sup>1</sup></b>	<b>6</b>	<b>8</b>	<b>8</b>	<b>4</b>	<b>4</b>	<b>12</b>	<b>9</b>	<b>7</b>	<b>8</b>	<b>22</b>	<b>25</b>	<b>29</b>	<b>30</b>

<sup>1</sup> Non-IFRS measures. See glossary at the end of this document for definitions.

**SOURCES OF EARNINGS BY LINE OF BUSINESS - US OPERATIONS**

<i>(In millions of dollars, unless otherwise indicated)</i>	2021			2020				2019		2021	2020	2020	2019
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual
Operating profit (loss) <sup>1</sup>													
Expected profit on in-force <sup>2</sup>	35	32	29	27	37	8	16	12	15	96	61	88	55
Experience gain (loss)	(9)	5	6	(11)	(4)	(1)	(1)	6	(3)	2	(6)	(17)	6
Impact of new business (strain)	-	(1)	(5)	(4)	(3)	(2)	(3)	(2)	(2)	(6)	(8)	(12)	(8)
Changes in assumptions and management actions	-	-	-	(4)	-	-	-	2	-	-	-	(4)	2
Total	26	36	30	8	30	5	12	18	10	92	47	55	55
Income on capital <sup>1</sup>	(6)	(4)	(4)	(2)	(5)	5	5	5	5	(14)	5	3	18
Income (loss) before income taxes <sup>1</sup>	20	32	26	6	25	10	17	23	15	78	52	58	73
Income taxes <sup>1</sup>	(3)	(5)	(6)	13	(4)	(2)	(4)	(5)	(3)	(14)	(10)	3	(15)
Net income (loss) attributed to shareholders	17	27	20	19	21	8	13	18	12	64	42	61	58
Dividends on preferred shares issued by a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net income (loss) attributed to common shareholders</b>	<b>17</b>	<b>27</b>	<b>20</b>	<b>19</b>	<b>21</b>	<b>8</b>	<b>13</b>	<b>18</b>	<b>12</b>	<b>64</b>	<b>42</b>	<b>61</b>	<b>58</b>
Core earnings adjustments (post tax) <sup>1</sup>													
Market-related impacts that differ from management's best estimate assumptions	-	-	-	-	-	-	-	-	-	-	-	-	-
Assumption changes and management actions	-	-	-	3	-	-	-	(2)	-	-	-	3	(2)
Gains or losses on acquisition or disposition of a business, including acquisition, integration and restructuring costs	4	6	4	6	2	6	-	-	-	14	8	14	-
Amortization of acquisition-related finite life intangible assets	7	6	6	5	10	1	1	1	-	19	12	17	3
Non-core pension expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Other specified unusual gains and losses	-	-	-	(9)	-	-	-	-	-	-	-	(9)	-
Total	11	12	10	5	12	7	1	(1)	-	33	20	25	1
<b>Core earnings<sup>1</sup></b>	<b>28</b>	<b>39</b>	<b>30</b>	<b>24</b>	<b>33</b>	<b>15</b>	<b>14</b>	<b>17</b>	<b>12</b>	<b>97</b>	<b>62</b>	<b>86</b>	<b>59</b>

<sup>1</sup> Non-IFRS measures. See glossary at the end of this document for definitions.

<sup>2</sup> Q2-2020 figure includes IAS acquisition and integration costs.

**EXPERIENCE AND SPECIFIC ITEMS<sup>1</sup>**
*(Earnings per diluted weighted average number of common share)*

	2021			2020				2019		2021	2020	2020	2019
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual
<b>Market-related impacts that differ from management's best estimate assumptions<sup>2</sup></b>													
Increase (decrease) in income on UL policies	0.02	0.08	0.04	0.07	0.05	0.13	(0.21)	0.05	0.01	0.14	(0.03)	0.04	0.18
Macroeconomic impact on level of assets backing long-term liabilities <sup>3</sup>	(0.02)	(0.02)	-	0.02	0.02	-	-	0.03	0.02	(0.04)	0.02	0.04	0.05
Higher (lower) than expected management fees <sup>3</sup>	0.01	0.01	0.01	0.01	0.02	0.04	(0.02)	-	-	0.03	0.04	0.05	0.03
Impact of dynamic hedging	(0.01)	0.02	(0.01)	(0.01)	0.03	(0.07)	(0.57)	0.05	0.04	-	(0.61)	(0.62)	0.12
Total	-	0.09	0.04	0.09	0.12	0.10	(0.80)	0.13	0.07	0.13	(0.58)	(0.49)	0.38
<b>Assumption changes and management actions</b>	-	-	-	0.04	-	-	-	0.02	-	-	-	0.04	0.02
<b>Gains and losses on charges or proceeds related to acquisition or disposition of a business, including acquisition, integration and restructuring costs</b>													
Acquisition and integration costs	(0.01)	(0.03)	(0.01)	(0.02)	0.02	(0.01)	-	-	-	(0.04)	0.01	(0.01)	-
PPI's contingent consideration settlement	-	-	-	-	-	-	-	-	0.13	-	-	-	0.13
Sale of iA Investment Counsel	-	-	-	-	-	0.08	-	-	-	-	0.08	0.08	-
Sale of residential mortgage portfolio	-	-	-	-	0.06	-	-	-	-	-	0.06	0.06	-
Total	(0.01)	(0.03)	(0.01)	(0.02)	0.08	0.07	-	-	0.13	(0.05)	0.15	0.13	0.13
<b>Policyholder experience gains and losses</b>													
Individual Insurance	0.05	0.06	(0.06)	0.03	0.04	-	(0.08)	0.03	0.02	0.05	(0.04)	(0.01)	0.05
Individual Wealth Management	0.01	0.05	0.02	(0.10)	(0.01)	(0.01)	-	(0.06)	-	0.08	(0.02)	(0.12)	(0.10)
Group Insurance	0.08	0.06	(0.01)	(0.02)	0.03	0.05	(0.10)	(0.05)	(0.07)	0.13	(0.02)	(0.04)	(0.11)
Group Savings and Retirement	(0.03)	(0.01)	0.01	(0.02)	0.02	0.03	0.02	0.01	0.03	(0.03)	0.07	0.05	0.08
US Operations	(0.05)	0.07	0.05	(0.07)	(0.04)	0.01	(0.01)	0.04	(0.02)	0.07	(0.04)	(0.11)	0.04
Total	0.06	0.23	0.01	(0.18)	0.04	0.08	(0.17)	(0.03)	(0.04)	0.30	(0.05)	(0.23)	(0.04)
<b>Other gains and losses</b>													
Impact of new business (strain) (in Ind. Insurance and US Operations)	-	0.01	(0.01)	(0.04)	-	(0.05)	(0.03)	0.02	0.01	-	(0.08)	(0.12)	0.07
iA Auto and Home	0.09	0.09	0.08	0.11	0.11	0.07	0.11	0.01	0.05	0.26	0.29	0.40	0.09
Income on capital (excluding iA Auto and Home)	-	(0.03)	0.01	(0.06)	(0.04)	(0.05)	(0.03)	0.02	0.02	(0.02)	(0.12)	(0.18)	0.09
Usual income tax gains and losses	(0.01)	(0.02)	(0.09)	-	0.12	0.04	0.04	(0.01)	0.01	(0.12)	0.20	0.20	(0.10)
Specified unusual gains and losses	-	-	-	-	-	-	(0.22)	-	(0.21)	-	-	(0.22)	(0.21)
PPI's goodwill impairments	-	-	-	-	-	-	(0.22)	-	(0.21)	-	(0.22)	(0.22)	(0.21)
Software and other writedowns	-	-	-	(0.04)	(0.11)	-	-	(0.07)	-	-	(0.11)	(0.15)	(0.07)
Litigation provision increases	-	-	-	-	-	-	-	(0.14)	-	-	-	-	(0.14)
PAR account adjustments	-	-	-	-	-	-	-	(0.02)	-	-	-	-	(0.02)
Provision for non-recurrent pandemic support to employees	-	-	-	(0.08)	-	-	-	-	-	-	-	(0.08)	-
Unusual income tax gains and losses	-	-	-	0.08	-	-	-	0.08	-	-	-	0.08	0.12
Total (specified unusual gains and losses)	-	-	-	(0.04)	(0.11)	-	(0.22)	(0.15)	(0.21)	-	(0.33)	(0.37)	(0.32)
Total (other gains and losses)	0.08	0.05	(0.01)	(0.03)	0.08	0.01	(0.13)	(0.11)	(0.12)	0.12	(0.04)	(0.07)	(0.17)
<b>Total gains and losses</b>	0.13	0.34	0.03	(0.10)	0.32	0.26	(1.10)	0.01	0.04	0.50	(0.52)	(0.62)	0.32

<sup>1</sup> Non-IFRS measures. See glossary at the end of this document for definitions.

<sup>2</sup> Approximate impact of macroeconomic variations as compared to the expected net earnings that the Company would have earned under normal macroeconomic conditions.

<sup>3</sup> Expected profit on in-force for the wealth management businesses is updated on a quarterly basis to reflect market growth and net sales.

Note: Due to rounding, minor differences may occur between items expressed in millions of dollars and expressed in earnings per common share. In all cases, items expressed in millions of dollars prevail over those expressed in earnings per common share.

**REPORTED EPS AND CORE EPS RECONCILIATION**

	2021			2020				2019		2021	2020	2020	2019
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual
<b>Reported earnings</b>													
Earnings per common share - diluted	\$2.01	\$2.15	\$1.61	\$1.60	\$2.03	\$1.71	\$0.36	\$1.59	\$1.72	\$5.76	\$4.10	\$5.70	\$6.40
Return on common shareholders' equity - trailing 12 months <sup>1</sup>	12.8%	13.2%	12.7%	10.6%	10.9%	10.5%	10.7%	12.9%	12.7%	-	-	-	-
<b>Core earnings remove from reported earnings the impacts of the following items (in earnings per common share, diluted):<sup>1</sup></b>													
Market-related impacts that differ from management's best estimate assumptions	-	(\$0.09)	(\$0.04)	(\$0.09)	(\$0.12)	(\$0.10)	\$0.80	(\$0.13)	(\$0.07)	(\$0.13)	\$0.58	\$0.49	(\$0.38)
Assumption changes and management actions	-	-	-	(\$0.04)	-	-	-	(\$0.02)	-	-	-	(\$0.04)	(\$0.02)
Charges or proceeds related to acquisition or disposition of a business, including acquisition, integration and restructuring costs	\$0.04	\$0.06	\$0.03	\$0.05	(\$0.04)	(\$0.02)	-	-	(\$0.13)	\$0.13	(\$0.06)	(\$0.01)	(\$0.13)
Amortization of acquisition-related finite life intangible assets	\$0.13	\$0.12	\$0.13	\$0.12	\$0.16	\$0.07	\$0.07	\$0.06	\$0.06	\$0.38	\$0.30	\$0.42	\$0.25
Non-core pension expense	\$0.05	\$0.05	\$0.06	\$0.05	\$0.05	\$0.05	\$0.04	\$0.03	\$0.03	\$0.16	\$0.14	\$0.19	\$0.11
Other specified unusual gains and losses <sup>2</sup>	-	-	-	\$0.04	\$0.11	-	\$0.22	\$0.15	\$0.21	-	\$0.33	\$0.37	\$0.32
<b>Total</b>	<b>\$0.22</b>	<b>\$0.14</b>	<b>\$0.18</b>	<b>\$0.13</b>	<b>\$0.16</b>	<b>-</b>	<b>\$1.13</b>	<b>\$0.09</b>	<b>\$0.10</b>	<b>\$0.54</b>	<b>\$1.29</b>	<b>\$1.42</b>	<b>\$0.15</b>
<b>Core earnings<sup>1</sup></b>													
Core earnings per common share - diluted	\$2.23	\$2.29	\$1.79	\$1.73	\$2.19	\$1.71	\$1.49	\$1.68	\$1.82	\$6.31	\$5.39	\$7.12	\$6.55
Core return on common shareholders' equity - trailing 12 months	14.0%	14.2%	13.6%	13.3%	13.5%	13.1%	13.3%	13.1%	N/A	-	-	-	-

<sup>1</sup> Non-IFRS measures. See glossary at the end of this document for definitions.

<sup>2</sup> See page 14 of this document for more information on specific gains and losses.

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

Note: Due to rounding, minor differences may occur between items expressed in millions of dollars and expressed in earnings per common share. In all cases, items expressed in millions of dollars prevail over those expressed in earnings per common share.

**BUSINESS GROWTH**

	2021			2020				2019		2021	2020	2020	2019
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual
<i>(In millions of dollars, unless otherwise indicated)</i>													
<b>Individual Insurance</b>													
Sales <sup>1</sup>													
Minimum Premiums	63	65	54	64	51	44	43	48	46	182	138	202	176
Excess Premiums	5	8	4	8	2	9	2	3	1	17	13	21	11
Total	<u>68</u>	<u>73</u>	<u>58</u>	<u>72</u>	<u>53</u>	<u>53</u>	<u>45</u>	<u>51</u>	<u>47</u>	<u>199</u>	<u>151</u>	<u>223</u>	<u>187</u>
Net premiums	433	445	419	422	412	394	397	410	398	1,297	1,203	1,625	1,587
Number of policies issued													
Life insurance only	36,412	39,782	35,590	38,400	34,519	31,558	28,929	31,485	32,379	111,784	95,006	133,406	122,288
Life, critical illness, disability	53,117	57,986	51,814	55,224	49,156	46,965	44,558	47,995	49,160	162,917	140,679	195,903	185,727
<b>Individual Wealth Management</b>													
Sales <sup>1</sup>													
General fund	213	220	229	247	208	175	206	177	162	662	589	836	546
Segregated funds	1,146	1,046	1,377	884	725	599	872	633	576	3,569	2,196	3,080	2,365
Mutual funds	660	749	942	759	545	505	693	566	466	2,351	1,743	2,502	2,063
Total	<u>2,019</u>	<u>2,015</u>	<u>2,548</u>	<u>1,890</u>	<u>1,478</u>	<u>1,279</u>	<u>1,771</u>	<u>1,376</u>	<u>1,204</u>	<u>6,582</u>	<u>4,528</u>	<u>6,418</u>	<u>4,975</u>
Net investment fund sales <sup>1</sup>													
Segregated funds	839	673	972	547	376	417	424	244	168	2,484	1,217	1,764	663
Mutual funds	261	272	378	245	47	50	(99)	(55)	(128)	911	(2)	243	(408)
Total	<u>1,100</u>	<u>945</u>	<u>1,350</u>	<u>792</u>	<u>423</u>	<u>467</u>	<u>325</u>	<u>189</u>	<u>40</u>	<u>3,395</u>	<u>1,215</u>	<u>2,007</u>	<u>255</u>
Assets under management													
General fund	2,094	2,121	2,118	2,122	2,034	1,952	1,915	1,808	1,731	2,094	2,034	2,122	1,808
Segregated funds	22,862	22,021	20,423	19,240	17,738	16,755	14,894	16,392	15,748	22,862	17,738	19,240	16,392
Mutual funds	13,192	12,868	12,031	11,393	10,518	10,049	9,909	11,594	11,360	13,192	10,518	11,393	11,594
Other	1,087	1,094	1,074	995	915	994	3,825	4,509	4,516	1,087	915	995	4,509
Total	<u>39,235</u>	<u>38,104</u>	<u>35,646</u>	<u>33,750</u>	<u>31,205</u>	<u>29,750</u>	<u>30,543</u>	<u>34,303</u>	<u>33,355</u>	<u>39,235</u>	<u>31,205</u>	<u>33,750</u>	<u>34,303</u>
Assets under administration <sup>2</sup>													
Total	<u>104,796</u>	<u>103,317</u>	<u>98,274</u>	<u>94,534</u>	<u>87,555</u>	<u>84,594</u>	<u>77,639</u>	<u>88,142</u>	<u>86,427</u>	<u>104,796</u>	<u>87,555</u>	<u>94,534</u>	<u>88,142</u>
Total	<u>144,031</u>	<u>141,421</u>	<u>133,920</u>	<u>128,284</u>	<u>118,760</u>	<u>114,344</u>	<u>108,182</u>	<u>122,445</u>	<u>119,782</u>	<u>144,031</u>	<u>118,760</u>	<u>128,284</u>	<u>122,445</u>
<b>Group Insurance</b>													
Sales <sup>1</sup>													
Employee Plans	19	14	87	30	26	23	57	6	13	120	106	136	49
Dealer Services													
Creditor Insurance	73	70	43	65	90	47	59	75	98	186	196	261	329
P&C	95	94	64	67	88	54	62	56	71	253	204	271	253
Non-Prime Loan originations	132	148	124	116	132	89	103	110	131	404	324	440	438
Total	<u>300</u>	<u>312</u>	<u>231</u>	<u>248</u>	<u>310</u>	<u>190</u>	<u>224</u>	<u>241</u>	<u>300</u>	<u>843</u>	<u>724</u>	<u>972</u>	<u>1,020</u>
Special Markets	48	44	47	45	40	45	75	76	63	139	160	205	274
Total sales	<u>367</u>	<u>370</u>	<u>365</u>	<u>323</u>	<u>376</u>	<u>258</u>	<u>356</u>	<u>323</u>	<u>376</u>	<u>1,102</u>	<u>990</u>	<u>1,313</u>	<u>1,343</u>
Car loans <sup>1</sup>													
Dealer Services - Non-Prime Finance receivables	1,049	1,009	948	904	863	799	763	727	685	1,049	863	904	727

<sup>1</sup> Non-IFRS measures. See glossary at the end of this document for definitions.

<sup>2</sup> Includes assets related to distribution affiliates.



**BUSINESS GROWTH (continued)**

	2021			2020				2019		2021	2020	2020	2019
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual
<i>(In millions of dollars, unless otherwise indicated)</i>													
<b>Group Insurance (continued)</b>													
Net premiums and premium equivalents													
Employee Plans	285	285	282	262	260	244	262	245	245	852	766	1,028	986
Dealer Services - Creditor Insurance	60	55	28	47	73	32	41	54	76	143	146	193	241
Dealer Services - P&C	52	50	47	50	45	49	50	39	39	149	144	194	155
Special Markets	42	39	42	40	36	41	71	72	58	123	148	188	256
Total net premiums	439	429	399	399	414	366	424	410	418	1,267	1,204	1,603	1,638
Premium equivalents and deposits													
Administrative services only contracts (ASO)	21	23	24	21	18	8	17	18	17	68	43	64	71
Investment contracts	18	19	6	19	17	20	20	21	20	43	57	77	79
Total	478	471	429	439	450	394	461	449	455	1,378	1,305	1,744	1,788
<b>Group Savings and Retirement</b>													
Sales <sup>1</sup>													
Accumulation contracts													
General fund	22	16	12	26	18	20	42	11	16	50	80	106	51
Segregated funds	478	463	627	843	508	289	592	372	325	1,568	1,389	2,232	1,350
Total	500	479	639	869	526	309	634	383	341	1,618	1,469	2,338	1,401
Insured annuities (general fund)	310	196	27	1	648	52	6	197	95	533	706	707	627
Deposits	-	-	27	9	6	4	19	13	11	27	29	38	46
Total sales	810	675	693	879	1,180	365	659	593	447	2,178	2,204	3,083	2,074
Net premiums and deposits													
Net premiums	804	668	660	863	1,168	354	633	574	428	2,132	2,155	3,018	2,001
Deposits	-	-	27	9	6	4	19	13	11	27	29	38	46
Total	804	668	687	872	1,174	358	652	587	439	2,159	2,184	3,056	2,047
Assets under management													
Accumulation contracts													
General fund <sup>2</sup>	264	259	254	299	295	290	290	233	241	264	295	299	233
Segregated funds	14,024	13,816	13,014	13,564	12,381	11,750	10,566	11,476	11,228	14,024	12,381	13,564	11,476
Other	361	365	354	364	353	356	335	865	899	361	353	364	865
Total	14,649	14,440	13,622	14,227	13,029	12,396	11,191	12,574	12,368	14,649	13,029	14,227	12,574
Insured annuities (general fund)	4,983	4,731	4,496	4,758	4,712	4,067	3,817	3,929	3,791	4,983	4,712	4,758	3,929
Total	19,632	19,171	18,118	18,985	17,741	16,463	15,008	16,503	16,159	19,632	17,741	18,985	16,503

<sup>1</sup> Non-IFRS measures. See glossary at the end of this document for definitions.

<sup>2</sup> In Q3-2020 an adjustment has been made to better reflect Q2-2020 results.

**BUSINESS GROWTH (continued)**

	2021			2020				2019		2021	2020	2020	2019
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual
<i>(In millions of dollars, unless otherwise indicated)</i>													
<b>US Operations</b>													
Sales (\$US) <sup>1</sup>													
Individual Insurance	34	37	31	31	34	33	29	29	26	102	96	127	99
Dealer Services - P&C <sup>2,3</sup>	295	285	233	246	222	134	117	108	117	813	473	719	449
Sales (\$CAN) <sup>1</sup>													
Individual Insurance	42	45	40	41	45	45	39	39	34	127	129	170	132
Dealer Services - P&C <sup>2,3,4</sup>	371	351	295	323	298	185	158	142	155	1,017	641	964	596
Net Premiums and Premium Equivalents (\$CAN)													
Net premiums													
Individual Insurance	127	122	119	99	126	124	113	107	101	368	363	462	405
Dealer Services - P&C <sup>2</sup>	64	73	80	77	104	26	25	24	26	217	155	232	88
Total	191	195	199	176	230	150	138	131	127	585	518	694	493
Premium Equivalents - P&C	61	51	48	43	81	37	41	45	33	160	159	202	158
Total Net premiums and Premium Equivalents	252	246	247	219	311	187	179	176	160	745	677	896	651
<b>General Insurance</b>													
Sales <sup>1</sup>													
iAAH (Auto & Home)	118	139	84	86	110	125	74	76	96	341	309	395	351
<b>Net premiums, premium equivalents and deposits by line of business</b>													
Individual Insurance	433	445	419	422	412	394	397	410	398	1,297	1,203	1,625	1,587
Individual Wealth Management	2,019	2,015	2,548	1,890	1,478	1,279	1,771	1,376	1,204	6,582	4,528	6,418	4,975
Group Insurance	478	471	429	439	450	394	461	449	455	1,378	1,305	1,744	1,788
Group Savings and Retirement	804	668	687	872	1,174	358	652	587	439	2,159	2,184	3,056	2,047
US Operations	252	246	247	219	311	187	179	176	160	745	677	896	651
General Insurance <sup>5</sup>	106	101	92	89	91	75	85	82	80	299	251	340	314
Total	4,092	3,946	4,422	3,931	3,916	2,687	3,545	3,080	2,736	12,460	10,148	14,079	11,362
<b>Distribution of net premiums, premium equivalents and deposits by region</b>													
Atlantic provinces	2.8%	3.3%	4.1%	3.1%	3.5%	3.3%	3.2%	3.2%	3.6%	3.4%	3.4%	3.3%	4.5%
Quebec	41.2%	39.4%	40.1%	47.0%	32.5%	39.7%	38.5%	36.2%	40.3%	40.2%	36.5%	39.4%	38.0%
Ontario	27.0%	26.1%	25.5%	22.4%	38.2%	28.1%	29.5%	31.4%	28.6%	26.2%	32.5%	29.6%	29.7%
Western provinces	22.7%	24.8%	24.6%	22.1%	18.3%	21.7%	23.7%	23.4%	21.5%	24.1%	20.9%	21.2%	22.0%
Outside Canada	6.3%	6.4%	5.7%	5.4%	7.5%	7.2%	5.1%	5.8%	6.0%	6.1%	6.7%	6.5%	5.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

<sup>1</sup> Non-IFRS measures. See glossary at the end of this document for definitions.

<sup>2</sup> Since Q3-2020, IAS Parent Holdings inc. has been added to this business unit.

<sup>3</sup> Q2-2020 figures were restated to account for IAS Parent Holdings inc. sales from May 22 to June 30, 2020 (US\$27M/ 37M\$CAN) previously included in Q3-2020 sales

<sup>4</sup> Q3/2020 figures were restated to deduct sales for IAS Parent Holdings, Inc. from May 22 to June 30, 2020 (US\$27M) that were previously included.

<sup>5</sup> Includes iA Auto and Home premiums, other activities that have no link with key segments and some minor consolidation adjustments.

**BUSINESS GROWTH (continued)**

	2021			2020				2019		2021	2020	2020	2019
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual
<i>(In millions of dollars, unless otherwise indicated)</i>													
<b>Assets under management and administration</b>													
Assets under management													
General fund	54,226	53,160	52,238	53,662	52,706	51,499	47,811	45,280	45,459	54,226	52,706	53,662	45,280
Segregated funds	36,886	35,837	33,437	32,804	30,119	28,505	25,460	27,868	26,976	36,886	30,119	32,804	27,868
Mutual funds	13,192	12,868	12,031	11,393	10,518	10,049	9,909	11,594	11,360	13,192	10,518	11,393	11,594
Other <sup>1</sup>	3,942	3,939	3,913	3,797	3,732	5,287	13,893	15,500	15,667	3,942	3,732	3,797	15,500
Total	108,246	105,804	101,619	101,656	97,075	95,340	97,073	100,242	99,462	108,246	97,075	101,656	100,242
Assets under administration													
Total	106,213	104,723	99,629	95,830	88,745	85,683	78,654	89,246	87,592	106,213	88,745	95,830	89,246
Total	214,459	210,527	201,248	197,486	185,820	181,023	175,727	189,488	187,054	214,459	185,820	197,486	189,488
<b>Human resources</b>													
Number of employees	8,220	8,116	8,020	7,794	7,740	7,613	7,495	7,018	6,904	8,116	7,740	7,794	7,018

<sup>1</sup> Mainly assets managed for third parties.

**INVESTED ASSETS**

<i>(In millions of dollars, unless otherwise indicated)</i>	2021			2020				2019	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
<b>Value and distribution of investments</b>									
Book value of investment portfolio	44,320	43,775	42,499	45,147	44,687	43,308	41,561	39,919	39,857
Distribution of investments by financial instrument category									
Fair value through profit or loss (FVTPL)	64.2%	64.8%	64.3%	66.9%	67.5%	67.4%	65.0%	63.9%	64.5%
Held to maturity	0.7%	0.9%	1.0%	1.1%	1.2%	-	-	-	-
Loans and receivables	17.6%	16.9%	17.4%	16.3%	15.7%	18.3%	20.3%	19.1%	18.9%
Available for sale	12.3%	12.1%	11.9%	10.5%	10.1%	8.7%	8.8%	10.7%	11.1%
Investment properties	4.2%	4.3%	4.4%	4.2%	4.5%	4.6%	4.9%	5.2%	4.5%
Other	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.1%	1.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Distribution of investments by asset category									
Bonds	73.0%	72.7%	71.9%	71.1%	72.2%	69.1%	66.7%	68.8%	69.6%
Mortgages and other loans	6.5%	6.6%	6.8%	6.2%	5.9%	8.7%	9.2%	9.7%	9.7%
Stocks	8.4%	8.2%	8.2%	7.3%	7.0%	6.8%	6.6%	7.6%	7.3%
Real estate	4.2%	4.3%	4.4%	4.2%	4.5%	4.6%	4.9%	5.2%	4.5%
Policy loans	2.3%	2.2%	2.2%	2.0%	2.0%	2.2%	2.2%	2.3%	2.3%
Cash and short-term investments	3.3%	3.0%	3.2%	4.3%	4.0%	3.4%	7.2%	2.8%	2.5%
Other	2.3%	3.0%	3.3%	4.9%	4.4%	5.2%	3.2%	3.6%	4.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Distribution of investments by region									
Atlantic provinces	3.2%	3.3%	3.3%	3.1%	3.0%	2.9%	2.9%	2.9%	3.0%
Quebec	23.5%	24.2%	24.5%	24.7%	24.4%	26.8%	27.1%	27.3%	27.1%
Ontario	28.9%	29.0%	29.8%	30.4%	31.4%	30.0%	30.1%	30.8%	32.3%
Western provinces	18.5%	18.6%	18.5%	17.8%	17.6%	17.7%	17.3%	18.2%	18.2%
Outside Canada	25.9%	24.9%	23.9%	24.0%	23.6%	22.6%	22.6%	20.8%	19.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<b>Impaired investments and provisions</b>									
Gross impaired investments (excluding insured loans)	23	23	23	45	45	44	6	22	25
Provisions for impaired investments (specific)	6	6	6	14	8	8	3	10	11
As a % of gross impaired investments <sup>1</sup>	23.7%	23.7%	23.3%	31.3%	17.7%	18.3%	48.1%	49.1%	46.3%
Net impaired investments (excluding insured loans)									
Bonds	17	17	17	31	37	36	2	11	11
Mortgages and other loans	-	-	-	-	-	-	1	1	3
Total	17	17	17	31	37	36	3	12	14
Net impaired investments as a % of investment portfolio	0.04%	0.04%	0.04%	0.07%	0.08%	0.08%	0.01%	0.03%	0.03%
Provisions for losses (collective and specific)									
At beginning of period	30	32	41	35	31	23	20	21	20
Increase for the period	8	3	10	13	9	16	21	11	9
Decrease for the period	(6)	(5)	(19)	(7)	(5)	(8)	(18)	(12)	(8)
At end of period	32	30	32	41	35	31	23	20	21
Provisions for losses by type of investment (collective and specific)									
Bonds	6	6	6	14	8	8	3	10	10
Mortgages	-	-	-	-	-	-	-	-	1
Car loans	26	24	26	27	27	23	20	10	10
Total	32	30	32	41	35	31	23	20	21
Other quality measure									
Car loans - Average credit loss rate (non-prime) <sup>2</sup>	2.4%	2.6%	3.0%	3.6%	4.3%	5.0%	5.5%	5.4%	5.3%

<sup>1</sup> Provisions as a % of gross impaired investments is calculated using the exact amounts of gross impaired investments and provisions for impaired investments

<sup>2</sup> Non-IFRS measure. Quarterly average credit loss on a trailing 12 months basis. Represents total credit losses divided by the average finance receivables over the same period.

**INVESTED ASSETS (continued)**

	2021			2020				2019	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
<i>(In millions of dollars, unless otherwise indicated)</i>									
<b>Real estate acquired to settle loans</b>									
Real estate held for resale	-	-	1	1	1	1	1	1	1
<b>Bonds</b>									
Book value of the bond portfolio	32,333	31,821	30,542	32,099	32,279	29,964	27,708	27,508	27,767
Distribution by financial instrument category									
Available for sale	14.8%	14.5%	14.0%	12.5%	12.2%	10.9%	12.0%	13.7%	14.1%
Fair value through profit or loss (FVTPL)	75.6%	75.9%	75.9%	77.8%	78.1%	80.6%	79.0%	77.8%	77.8%
Held to maturity	0.9%	1.2%	1.5%	1.5%	1.7%	-	-	-	-
Loans and receivables	8.7%	8.4%	8.6%	8.2%	8.0%	8.5%	9.0%	8.5%	8.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Distribution by credit rating <sup>1</sup>									
Rating - AAA	6.45%	7.49%	7.74%	5.97%	6.10%	4.05%	5.03%	6.78%	5.54%
Rating - AA	42.81%	43.84%	45.07%	47.27%	47.08%	48.32%	47.47%	47.62%	34.48%
Rating - A	31.52%	29.99%	28.93%	29.47%	29.27%	30.20%	30.55%	28.94%	42.01%
Rating - BBB	18.19%	17.78%	17.25%	16.30%	16.78%	16.60%	16.20%	15.79%	17.15%
Rating - BB and lower	1.03%	0.90%	1.01%	0.99%	0.77%	0.83%	0.75%	0.87%	0.82%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Distribution by category of issuer									
Governments	44.1%	45.6%	47.4%	47.4%	47.4%	46.8%	46.5%	49.7%	50.4%
Municipalities	4.5%	4.9%	4.8%	4.8%	4.7%	5.0%	5.0%	4.8%	4.8%
Corporates - Public issues	34.2%	32.5%	30.7%	31.1%	31.5%	30.9%	30.8%	28.2%	28.2%
Corporates - Private issues	17.2%	17.0%	17.1%	16.7%	16.4%	17.3%	17.7%	17.3%	16.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<b>Mortgages and other loans</b>									
Book value of mortgage and other loans portfolio	2,897	2,892	2,901	2,801	2,632	3,749	3,815	3,870	3,853
Book value of mortgages	1,862	1,890	1,953	1,891	1,754	2,921	3,007	3,076	3,086
Book value of other loans	1,035	1,002	948	910	878	828	808	794	767
Distribution by financial instrument category									
Held for trading	2.3%	2.5%	2.6%	2.9%	3.5%	2.5%	2.7%	2.4%	2.5%
Loans and receivables	97.7%	97.5%	97.4%	97.1%	96.5%	97.5%	97.3%	97.6%	97.5%
Total mortgages and other loans	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Distribution by type of mortgage									
Residential	-	-	-	-	-	38.0%	37.3%	37.0%	37.4%
Multi-residential	84.3%	84.6%	85.4%	86.0%	87.7%	53.9%	53.8%	54.6%	54.1%
Non-residential	15.7%	15.4%	14.6%	14.0%	12.3%	8.1%	8.9%	8.4%	8.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Distribution by type of mortgage									
Securitized and insured <sup>2</sup>	26.5%	27.1%	24.4%	23.1%	24.1%	34.9%	38.0%	37.8%	39.2%
Insured	45.9%	45.5%	48.6%	50.1%	49.7%	38.3%	34.3%	36.0%	35.8%
Uninsured	27.6%	27.4%	27.0%	26.8%	26.2%	26.8%	27.7%	26.2%	25.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

<sup>1</sup> An adjustment to the Q2 2021 relating to the breakdown of credit rating was made in Q3-2021.

<sup>2</sup> A marginal portion of the "Securitized and insured" loans may be uninsured at the end of the quarter.

**INVESTED ASSETS (continued)**

	2021			2020			2019		
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
<i>(In millions of dollars, unless otherwise indicated)</i>									
<b>Mortgages</b>									
Other quality measures									
Delinquency rate <sup>1</sup>	-	-	-	-	-	-	-	0.01%	-
Securitized and insured <sup>2</sup>	-	-	-	-	-	0.04%	-	0.21%	0.21%
Insured	-	-	-	-	-	-	0.21%	-	-
Uninsured	-	-	-	-	-	-	0.01%	0.06%	0.08%
Total	-	-	-	-	-	0.03%	0.03%	0.08%	0.09%
Delinquency rate, including real estate acquired to settle loans	-	-	0.03%	0.03%	0.03%	0.03%	0.08%	0.10%	0.09%
<b>Stocks</b>									
Book value of the stock portfolio	3,725	3,584	3,472	3,286	3,142	2,929	2,752	3,024	2,920
Distribution by financial instrument category									
Available for sale	15.2%	16.4%	18.8%	18.1%	14.4%	13.6%	12.6%	17.0%	17.6%
Fair value through profit or loss (FVTPL)	84.8%	83.6%	81.2%	81.9%	85.6%	86.4%	87.4%	83.0%	82.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Distribution by category									
Common	56.7%	56.5%	55.3%	55.5%	55.6%	56.6%	60.8%	54.8%	53.1%
Preferred	19.5%	20.8%	22.8%	22.5%	17.6%	17.2%	15.9%	18.5%	18.9%
Market indices	3.9%	2.7%	2.0%	2.1%	7.7%	8.2%	7.1%	10.3%	11.2%
Investment fund units and other	19.9%	20.0%	19.9%	19.9%	19.1%	18.0%	16.2%	16.4%	16.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Distribution by use of stocks									
Backing long-term liabilities	54.3%	52.4%	51.1%	51.2%	53.6%	51.8%	56.6%	49.7%	48.4%
Backing UL accounts	29.0%	29.4%	28.7%	28.9%	28.4%	30.2%	27.6%	29.4%	30.0%
Backing capital	16.7%	18.2%	20.2%	19.9%	18.0%	18.0%	15.8%	20.9%	21.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<b>Real estate</b>									
Investment properties	1,875	1,877	1,885	1,916	1,989	1,989	2,022	2,077	1,774
Linearization of rents	29	29	28	27	26	24	22	22	19
Fair value of investment properties	1,904	1,906	1,913	1,943	2,015	2,013	2,044	2,099	1,793
Occupancy rate on investment properties	91.6%	93.4%	94.6%	95.3%	95.7%	96.0%	94.8%	94.4%	92.8%
<b>Other</b>									
Provision for potential loss on fixed-income securities contained in the policy liabilities	580	552	490	535	528	494	451	408	395

<sup>1</sup> The delinquency rate is calculated by dividing mortgages in default by the value of the portfolio.

<sup>2</sup> A marginal portion of the "Securitized and insured" loans may be uninsured at the end of the quarter.

**SOLVENCY AND CAPITALIZATION**

	2021			2020			2019		
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
<i>(In millions of dollars, unless otherwise indicated)</i>									
<b>Capital structure</b>									
Debentures	1,450	1,449	1,449	1,449	1,448	1,448	1,448	1,050	1,049
Participating policyholders' accounts <sup>1</sup>	38	35	36	41	46	50	43	42	53
Equity									
Common shares	1,705	1,695	1,689	1,674	1,673	1,672	1,672	1,666	1,652
Preferred shares issued by a subsidiary	525	525	525	525	525	525	525	525	525
Contributed surplus	17	18	18	20	19	18	17	18	19
Retained earnings <sup>1</sup>	4,818	4,624	4,405	4,170	4,034	3,884	3,878	3,823	3,651
Accumulated other comprehensive income	4	8	(1)	83	106	121	28	56	90
Total shareholders' equity	7,069	6,870	6,636	6,472	6,357	6,220	6,120	6,088	5,937
Total capital structure	8,557	8,354	8,121	7,962	7,851	7,718	7,611	7,180	7,039
<b>Debt measures</b>									
Debentures/capital structure	16.9%	17.3%	17.8%	18.2%	18.4%	18.8%	19.0%	14.6%	14.9%
Debentures and preferred shares issued by a subsidiary/capital structure	23.1%	23.6%	24.3%	24.8%	25.1%	25.6%	25.9%	21.9%	22.4%
Coverage ratio (in number of times) <sup>2</sup>	15.0	14.8	14.0	11.7	12.0	12.4	13.3	16.6	16.8
<b>Credit ratings</b>									
		<b>Standard &amp; Poor's</b>			<b>DBRS</b>			<b>A.M. Best</b>	
iA Financial Corporation Inc.									
Issuer credit rating		A			A			not rated	
Subordinated debentures		A-			A (low)			a	
Industrial Alliance Insurance and Financial Services Inc.									
Financial strength rating		AA-			AA (low)			A+ (Superior)	
Issuer credit rating		AA-			AA (low)			aa- (Superior)	
Subordinated debentures		A+			A (high)			a	
Preferred Shares <sup>3</sup>		A			Pfd-1 (low)			a-	

<sup>1</sup> In Q4 2019, an adjustment has been made retroactively to January 1, 2018 transferring 7 \$ from retained earnings to the participating policyholders' accounts.

<sup>2</sup> Calculated by dividing earnings for the past twelve months (before interest and taxes) by the sum of interest, preferred share issued by a subsidiary dividends and redemption premium on preferred shares issued by a subsidiary (if applicable).

<sup>3</sup> For preferred shares: A is the rating on global scale and P-1 (Low) is the rating on Canadian scale.

**SOLVENCY AND CAPITALIZATION (continued)**

	2021			2020				2019	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
<i>(In millions of dollars, unless otherwise indicated)</i>									
<b>iA Financial Corporation Inc.</b>									
<b>Solvency ratio CARL<sup>1</sup></b>									
Available capital									
Tier 1 Capital									
Common shares	1,705	1,695	1,689	1,674	1,673	1,672	1,672	1,666	1,652
Preferred shares issued by a subsidiary	525	525	525	525	525	525	525	525	525
Other Tier 1 capital instruments	-	-	-	-	-	-	-	-	-
Adjusted Retained Earnings <sup>2</sup>	4,810	4,614	4,396	4,163	4,026	3,875	3,869	3,815	3,643
Other <sup>2</sup>	63	65	59	145	173	184	33	140	165
Gross Tier 1	7,103	6,899	6,669	6,507	6,397	6,256	6,099	6,146	5,985
Deductions for Goodwill and Other intangibles assets	(1,890)	(1,659)	(1,475)	(1,333)	(1,307)	(1,321)	(1,368)	(1,227)	(1,218)
Other Tier 1 Deductions	(2,088)	(2,191)	(2,439)	(2,407)	(2,373)	(2,315)	(1,595)	(1,706)	(1,603)
Tier 1	3,125	3,049	2,755	2,767	2,717	2,620	3,136	3,213	3,164
Tier 2 Capital									
Subordinated debt	1,446	1,445	1,445	1,445	1,444	1,444	1,443	1,046	1,046
Other Tier 2 capital instruments	-	-	-	-	-	-	-	-	-
Other	732	780	780	857	892	866	742	802	812
Gross Tier 2	2,178	2,225	2,225	2,302	2,336	2,310	2,185	1,848	1,858
Tier 2 Deductions	(340)	(403)	(514)	(701)	(733)	(789)	(231)	(252)	(262)
Tier 2	1,838	1,822	1,711	1,601	1,603	1,521	1,954	1,596	1,596
Available capital	4,963	4,871	4,466	4,368	4,320	4,141	5,090	4,809	4,760
Surplus Allowance and Eligible Deposits	5,258	5,189	4,704	5,055	4,993	4,846	4,433	4,462	4,420
Base Solvency Buffer									
Credit Risk	1,230	1,188	1,135	1,184	1,190	1,140	1,067	974	1,028
Market Risk	2,790	2,768	2,429	2,373	2,273	2,209	2,079	2,232	2,224
Insurance Risk	3,836	3,782	3,639	3,695	4,001	3,933	3,863	3,814	3,648
Segregated Fund Guarantees Risk	236	256	275	288	283	273	256	228	227
Operational Risk	649	638	608	600	599	582	556	574	557
Diversification and Other Credits	(1,298)	(1,283)	(1,238)	(1,219)	(1,233)	(1,215)	(1,181)	(1,174)	(1,151)
Base Solvency Buffer <sup>3</sup>	7,815	7,716	7,190	7,267	7,469	7,268	6,972	6,980	6,860
Total solvency ratio	131%	130%	128%	130%	125%	124%	137%	133%	134%
<b>Industrial Alliance Insurance and Financial Services Inc.</b>									
<b>Solvency ratio CARL<sup>1</sup></b>									
Available capital, surplus allowance and eligible deposits	9,499	9,263	8,316	8,829	9,215	8,817	8,077	8,767	8,614
Base Solvency Buffer	7,822	7,722	7,198	7,246	7,442	7,258	6,942	6,972	6,858
Total solvency ratio	121%	120%	116%	122%	124%	121%	116%	126%	126%

<sup>1</sup> Non-IFRS measures. See glossary at the end of this document for definition.

<sup>2</sup> In Q4-2019, an adjustment has been made retroactively to January 1, 2018 transferring \$7 from retained earnings to the participating policyholders' accounts.

<sup>3</sup> Including the scalar of 1.05.



**MACROECONOMIC SENSITIVITY<sup>1</sup>**

	2021			2020				2019	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
<b>Equity Market Sensitivity</b>									
Reference index (S&P/TSX Index (in points)) <sup>2</sup>	20,070	20,166	18,701	17,433	16,121	15,515	13,379	17,063	16,659
Level of S&P/TSX before reserves require strengthening for future policy benefits (in points) <sup>1</sup>	14,700	14,500	14,200	12,800	12,700	12,500	11,700	13,000	12,500
Variation	(27%)	(28%)	(24%)	(27%)	(21%)	(20%)	(13%)	(24%)	(25%)
Solvency ratio (CARLI) <sup>1</sup>	131%	130%	128%	130%	125%	124%	137%	133%	134%
Level of S&P/TSX at which solvency ratio would be 110% (in points) <sup>3</sup>	800	400	2,900	2,900	5,400	6,000	1,800	1,500	1,200
Variation	(96%)	(98%)	(84%)	(83%)	(66%)	(61%)	(87%)	(91%)	(93%)
Net income impact for each 1% S&P/TSX additional decrease below this level	(23)	(22)	(21)	(24)	(21)	(20)	(18)	-	-
<b>Impact on Solvency ratio (CARLI)<sup>1</sup> of a sudden change in equity markets<sup>4</sup></b>									
30% increase	-	-	-	2%	-	-	0%	(1%)	-
20% increase	-	-	-	0%	-	-	(2%)	(1%)	-
10% increase	-	-	-	0%	-	-	(2%)	(1%)	-
10% decrease	-	-	-	1%	-	-	1%	1%	-
20% decrease	-	-	-	2%	-	-	(1%)	2%	-
30% decrease	-	-	-	1%	-	-	(2%)	1%	-
<b>Impact on net income to common shareholders of a sudden 10% decrease in equity markets (in \$M)<sup>5,6</sup></b>									
	(40)	(39)	(34)	(34)	(31)	(30)	(26)	(31)	(33)
<b>Interest Rate Sensitivity</b>									
<b>Impact on net income (in \$M)</b>									
10 bps decrease in initial reinvestment rate (IRR)	1	4	1	4	0	3	0	2	(12)
10 bps decrease in ultimate reinvestment rate (URR)	(64)	(66)	(60)	(68)	(68)	(69)	(66)	(61)	(67)
<b>Total</b>	(63)	(62)	(59)	(64)	(68)	(66)	(66)	(59)	(79)
<b>Impact on Solvency ratio (CARLI)<sup>1</sup> of a sudden change in interest rate<sup>4,7</sup></b>									
50 bps increase	-	-	-	(2%)	-	-	(2%)	(2%)	-
25 bps increase	-	-	-	(1%)	-	-	(1%)	(1%)	-
25 bps decrease	-	-	-	2%	-	-	1%	1%	-
50 bps decrease	-	-	-	6%	-	-	2%	2%	-
<b>Impact on Solvency ratio (CARLI)<sup>1</sup> of a sudden change in credit spread<sup>4,8</sup></b>									
50 bps increase	-	-	-	2%	-	-	0%	2%	-
25 bps increase	-	-	-	1%	-	-	0%	1%	-
25 bps decrease	-	-	-	(1%)	-	-	0%	(1%)	-
50 bps decrease	-	-	-	(2%)	-	-	0%	(3%)	-

\*Note: Actual results can differ significantly from the estimates presented in this page for a variety of reasons. See the Management Discussion and Analysis document for more details.

<sup>1</sup> Non-IFRS measures. See glossary at the end of this document for definitions.

<sup>2</sup> S&P/TSX is a proxy that can move differently than our equity portfolio, which includes international public equity and private equity.

<sup>3</sup> Compared to actual levels of the index on the dates shown.

<sup>4</sup> Capital sensitivities are disclosed once a year with Q4 results and in other quarters if judged necessary.

<sup>5</sup> Impact on net income on a full-year basis.

<sup>6</sup> An adjustment to the Q3 2021 relating to the impact on net income to common shareholders of a sudden 10% decrease in equity markets was made in Q2-2021.

<sup>7</sup> Interest rate variation represents an immediate parallel change in interest rates (entire yield curve), at quarter-end.

<sup>8</sup> Credit spread variation represents an immediate parallel change in credit spreads across the entire yield curve, at quarter-end.

**SHARE INFORMATION**

	2021			2020				2019		2021	2020	2020	2019
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual
<i>(In millions of dollars, unless otherwise indicated)</i>													
<b>Common shares</b>													
Share price													
High	\$75.30	\$72.31	\$70.36	\$60.50	\$50.42	\$50.30	\$76.23	\$71.81	\$61.51	\$75.30	\$76.23	\$76.23	\$71.81
Low	\$63.97	\$66.71	\$53.95	\$44.54	\$42.35	\$37.71	\$30.38	\$58.15	\$51.45	\$53.95	\$30.38	\$30.38	\$42.79
Close	\$71.86	\$67.49	\$68.33	\$55.18	\$46.35	\$45.46	\$44.24	\$71.33	\$60.29	\$71.86	\$46.35	\$55.18	\$71.33
Average share price	\$70.14	\$69.92	\$63.50	\$53.75	\$46.49	\$43.69	\$58.85	\$65.87	\$56.01	\$67.32	\$49.28	\$50.18	\$56.15
Number of common shares outstanding (in millions)													
At beginning of period	107.5	107.3	107.1	107.0	107.0	107.0	107.0	106.7	106.4	107.1	107.0	107.0	108.6
Common shares issued	0.1	0.2	0.2	0.1	-	-	0.1	0.3	0.6	0.6	0.1	0.2	1.2
Common shares repurchased and cancelled	-	-	-	-	-	-	(0.1)	-	(0.3)	-	(0.1)	(0.1)	(2.8)
At end of period	107.6	107.5	107.3	107.1	107.0	107.0	107.0	107.0	106.7	107.6	107.0	107.1	107.0
Weighted average number of common shares (in millions)													
Basic	107.5	107.4	107.1	107.0	107.0	107.0	107.0	106.8	106.4	107.4	107.0	107.0	106.9
Diluted	107.9	107.8	107.5	107.3	107.1	107.1	107.4	107.4	106.9	107.8	107.2	107.2	107.4
<b>Dividends</b>													
Common dividends paid	52	52	52	52	52	52	52	48	48	156	156	208	188
Dividend paid per common share in the period	\$0.4850	\$0.4850	\$0.4850	\$0.4850	\$0.4850	\$0.4850	\$0.4850	\$0.4500	\$0.4500	\$1.4550	\$1.4550	\$1.9400	\$1.7650
Dividend payout ratio <sup>1</sup>	24%	22%	30%	30%	24%	28%	131%	28%	26%	25%	35%	34%	27%
Dividend yield (annualized) <sup>2</sup>	2.7%	2.9%	2.8%	3.5%	4.2%	4.3%	4.4%	2.5%	3.0%	2.7%	4.3%	3.5%	2.5%
<b>Stock options</b>													
Number of stock options outstanding (in millions)													
At beginning of period	2	2	2	2	2	2	2	2	3	2	2	2	3
Options granted	-	-	-	-	-	-	-	-	-	-	-	-	-
Options exercised, cancelled or expired	-	-	-	-	-	-	-	-	(1)	(1)	-	-	(1)
At end of period	2	2	2	2	2	2	2	2	2	2	2	2	2

<sup>1</sup> Dividend payout ratio: dividend per common share paid in the period divided by the basic earnings per common share in the period.

<sup>2</sup> Dividend yield: annualized dividend per common share paid in the period divided by the closing price of the common share at the end of the period.

**SHARE INFORMATION (continued)**

	2021			2020				2019		2021	2020	2020	2019
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual
<i>(In millions of dollars, unless otherwise indicated)</i>													
<b>Valuation</b>													
Price-to-earnings multiple (trailing 12 months) <sup>1</sup> (in number of times)	13.4	12.9	12.8	9.7	8.1	8.4	8.3	11.7	9.7	13.4	8.1	9.7	11.7
Market capitalization	7,734	7,253	7,335	5,908	4,961	4,865	4,734	7,630	6,432	7,734	4,961	5,908	7,630
Book value per common share <sup>2</sup>	\$60.82	\$59.02	\$56.95	\$55.52	\$54.50	\$53.23	\$52.29	\$51.99	\$50.73	\$60.82	\$54.50	\$55.52	\$51.99
Market value to book value ratio (in number of times) <sup>2</sup>	1.2	1.1	1.2	1.0	0.9	0.9	0.8	1.4	1.2	1.2	0.9	1.0	1.4
Total payout ratio (trailing 12 months) <sup>3</sup>	26%	26%	28%	35%	34%	38%	44%	48%	56%	26%	35%	35%	48%
<b>Preferred shares issued by a subsidiary</b>													
Number of preferred shares outstanding (in thousands)													
Series B	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000
Series G	10 000	10 000	10 000	10 000	10 000	10 000	10 000	10 000	10 000	10 000	10 000	10 000	10 000
Series I	6 000	6 000	6 000	6 000	6 000	6 000	6 000	6 000	6 000	6 000	6 000	6 000	6 000
Value of preferred shares													
Series B	125	125	125	125	125	125	125	125	125	125	125	125	125
Series G	250	250	250	250	250	250	250	250	250	250	250	250	250
Series I	150	150	150	150	150	150	150	150	150	150	150	150	150
Dividends paid per preferred share													
Series B	\$0.2875	\$0.2875	0.28750	\$0.2875	\$0.2875	\$0.2875	0.28750	\$0.2875	\$0.5750	\$0.8625	\$0.8625	\$1.1500	\$1.1500
Series G	\$0.2360625	\$0.2360625	\$0.2360625	\$0.2360625	\$0.2360625	\$0.2360625	\$0.2360625	\$0.2360625	\$0.4721250	\$0.7081875	\$0.7081850	\$0.9442500	\$0.9442500
Series I	\$0.3000	\$0.3000	0.30000	\$0.3000	\$0.3000	\$0.3000	0.30000	\$0.3000	\$0.6000	\$0.9000	\$0.9000	\$1.2000	\$1.2000

<sup>1</sup> Price-to-earnings multiple: closing price of the common share at the end of the period divided by the diluted earnings per common share for the last twelve months.

<sup>2</sup> In Q4-2019, an adjustment has been made retroactively to January 1, 2018 transferring \$7 from retained earnings to the participating policyholders' accounts.

<sup>3</sup> Total payout ratio: 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.

**CONSOLIDATED INCOME STATEMENTS**
**INCOME STATEMENTS**

	2021			2020				2019		2021	2020	2020	2019
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual
<i>(In millions of dollars, unless otherwise indicated)</i>													
<b>Revenues</b>													
Net premiums	3,332	3,104	3,375	3,080	3,248	2,113	2,755	2,417	2,189	9,811	8,116	11,196	8,944
Investment income													
Investment income	432	323	351	336	361	318	452	372	352	1,106	1,131	1,467	1,385
Variation in the market value of investment properties	-	(11)	(2)	(54)	(4)	(38)	(33)	43	11	(13)	(75)	(130)	44
Realized gains (losses) on assets available for sale	8	10	9	8	4	7	11	2	5	27	22	30	20
Change in fair value of financial assets designated at FVTPL	(473)	1,410	(3,898)	697	44	3,884	(1,267)	(707)	751	(2,961)	2,661	3,358	3,233
Change in provisions for losses	(8)	(2)	(10)	(13)	(9)	(16)	(20)	(11)	(9)	(20)	(45)	(58)	(40)
Total	(41)	1,730	(3,550)	974	396	4,155	(857)	(301)	1,110	(1,861)	3,694	4,668	4,642
Other revenues	543	510	506	464	455	416	440	428	416	1,559	1,311	1,775	1,679
Total	3,834	5,344	331	4,518	4,099	6,684	2,338	2,544	3,715	9,509	13,121	17,639	15,265
<b>Policy benefits and expenses</b>													
Net benefits and claims on contracts	1,432	1,468	2,449	1,397	1,331	1,083	1,479	1,433	1,265	5,349	3,893	5,290	5,392
Net transfer to segregated funds	1,018	845	411	1,038	622	524	688	236	262	2,274	1,834	2,872	917
Increase (decrease) in insurance contract liabilities	96	1,789	(3,820)	1,494	950	4,018	(702)	(283)	1,156	(1,935)	4,266	5,760	4,773
Increase (decrease) in investment contract liabilities	1	7	(14)	9	3	21	1	(1)	7	(6)	25	34	27
Decrease (increase) in reinsurance assets	(39)	(72)	54	(625)	(18)	(19)	(75)	68	(32)	(57)	(112)	(737)	(44)
Commissions	540	517	529	484	468	395	441	434	425	1,586	1,304	1,788	1,654
General expenses	441	430	438	465	422	369	412	411	347	1,309	1,203	1,668	1,472
Premium and other taxes	35	37	33	35	34	27	33	33	31	105	94	129	128
Financing charges	21	19	18	18	19	19	17	17	13	58	55	73	59
Total	3,545	5,040	98	4,315	3,831	6,437	2,294	2,348	3,474	8,683	12,562	16,877	14,378
<b>Income before income taxes</b>	289	304	233	203	268	247	44	197	241	826	559	762	887
Income taxes	63	69	59	31	49	52	(2)	32	52	191	99	130	188
<b>Net income</b>	226	235	174	172	219	195	46	165	189	635	460	632	699
Net income attributed to participating policyholders	3	(1)	(5)	(5)	(4)	7	1	(11)	-	(3)	4	(1)	(10)
Net income attributed to shareholders	223	236	179	177	223	188	45	176	189	638	456	633	709
Dividends on preferred shares issued by a subsidiary	6	5	6	5	6	5	6	5	5	17	17	22	22
Net income attributed to common shareholders	217	231	173	172	217	183	39	171	184	621	439	611	687

**CONSOLIDATED COMPREHENSIVE INCOME STATEMENTS**
**COMPREHENSIVE INCOME**

	2021			2020				2019		2021	2020	2020	2019
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual
<i>(In millions of dollars, unless otherwise indicated)</i>													
<b>Comprehensive income statements</b>													
Net income	226	235	174	172	219	195	46	165	189	635	460	632	699
<b>Other comprehensive income (loss), net of income taxes</b>													
<b>Items that may be reclassified subsequently to net income</b>													
<b>Available for sale</b>													
Unrealized gains (losses) arising during the period													
Bonds	(17)	16	(71)	11	17	105	(46)	(11)	(1)	(72)	76	87	82
Stocks	1	10	10	15	29	40	(72)	5	-	21	(3)	12	1
Other invested assets	(1)	2	(3)	-	-	-	-	-	-	(2)	-	-	-
Reclassification of losses (gains) included in net income													
Bonds	(7)	(8)	(6)	(9)	(2)	(6)	(7)	(2)	(4)	(21)	(15)	(24)	(15)
Stocks	1	-	-	3	-	-	(1)	1	-	1	(1)	2	1
Other invested assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in unrealized gains (losses) on available for sale financial assets	(23)	20	(70)	20	44	139	(126)	(7)	(5)	(73)	57	77	69
<b>Cash-flow hedge</b>	(1)	-	-	-	(10)	(49)	80	(21)	-	(1)	21	21	(23)
<b>Currency translation account</b>													
Unrealized gains (losses) on currency translation in foreign operations	53	(31)	(31)	(103)	(72)	(56)	128	(27)	16	(9)	-	(103)	(62)
Hedges of net investment in foreign operations	(33)	20	17	60	23	59	(110)	21	(13)	4	(28)	32	49
<b>Items that will not be reclassified subsequently to net income</b>													
Remeasurement of post-employment benefits	29	40	114	17	(15)	(125)	69	49	(13)	183	(71)	(54)	(21)
Total other comprehensive income (loss)	25	49	30	(6)	(30)	(32)	41	15	(15)	104	(21)	(27)	12
<b>Comprehensive income</b>	<b>251</b>	<b>284</b>	<b>204</b>	<b>166</b>	<b>189</b>	<b>163</b>	<b>87</b>	<b>180</b>	<b>174</b>	<b>739</b>	<b>439</b>	<b>605</b>	<b>711</b>
<b>Comprehensive income attributed to shareholders</b>	<b>248</b>	<b>285</b>	<b>209</b>	<b>171</b>	<b>193</b>	<b>156</b>	<b>86</b>	<b>191</b>	<b>174</b>	<b>742</b>	<b>435</b>	<b>606</b>	<b>721</b>
<b>Comprehensive income attributed to participating policyholders</b>	<b>3</b>	<b>(1)</b>	<b>(5)</b>	<b>(5)</b>	<b>(4)</b>	<b>7</b>	<b>1</b>	<b>(11)</b>	<b>-</b>	<b>(3)</b>	<b>4</b>	<b>(1)</b>	<b>(10)</b>

**DETAIL OF ACCUMULATED OTHER COMPREHENSIVE INCOME**

	2021			2020				2019		2021	2020	2020	2019
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual
<i>(In millions of dollars, unless otherwise indicated)</i>													
<b>Accumulated other comprehensive income (loss)</b>													
Balance at beginning of period	8	(1)	83	106	121	28	56	90	92	83	56	56	23
Transfer of post-employment benefits to retained earnings	(29)	(40)	(114)	(17)	15	125	(69)	(49)	13	(183)	71	54	21
Total other comprehensive income	25	49	30	(6)	(30)	(32)	41	15	(15)	104	(21)	(27)	12
Balance at end of period	4	8	(1)	83	106	121	28	56	90	4	106	83	56
<b>Sources of accumulated other comprehensive income (loss)</b>													
Bonds	43	67	59	136	134	118	20	73	86	43	134	136	73
Stocks	28	26	16	6	(12)	(41)	(81)	(8)	(14)	28	(12)	6	(8)
Other invested assets	(2)	(1)	(3)	-	-	-	-	-	-	(2)	-	-	-
Cash-flow hedge	(3)	(2)	(2)	(2)	(2)	8	57	(23)	(2)	(3)	(2)	(2)	(23)
Currency translation account	(62)	(82)	(71)	(57)	(14)	36	32	14	20	(62)	(14)	(57)	14
Total	4	8	(1)	83	106	121	28	56	90	4	106	83	56

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**
**FINANCIAL POSITION**

	2021			2020				2019	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
<i>(In millions of dollars, unless otherwise indicated)</i>									
<b>Assets</b>									
<b>Investments assets</b>									
Cash and short-term investments	1,445	1,320	1,343	1,949	1,768	1,487	2,992	1,108	1,010
Bonds	32,333	31,821	30,542	32,099	32,279	29,964	27,708	27,508	27,767
Stocks	3,725	3,584	3,472	3,286	3,142	2,929	2,752	3,024	2,920
Mortgages and other loans	2,897	2,892	2,901	2,801	2,632	3,749	3,815	3,870	3,853
Derivative financial instruments	485	761	841	1,652	1,411	1,712	912	1,003	1,208
Policy loans	1,015	974	953	881	901	931	927	900	905
Other invested assets	545	546	562	563	565	547	433	429	420
Investment properties	1,875	1,877	1,885	1,916	1,989	1,989	2,022	2,077	1,774
<b>Total investments</b>	<b>44,320</b>	<b>43,775</b>	<b>42,499</b>	<b>45,147</b>	<b>44,687</b>	<b>43,308</b>	<b>41,561</b>	<b>39,919</b>	<b>39,857</b>
<b>Other assets</b>	4,407	4,083	4,532	3,261	3,339	3,471	2,667	2,193	2,359
<b>Reinsurance assets</b>	2,223	2,057	1,957	1,981	1,346	1,273	1,258	1,030	1,112
<b>Fixed assets</b>	369	378	380	390	392	403	399	394	397
<b>Deferred income tax assets</b>	34	33	41	38	41	64	66	28	28
<b>Intangible assets</b>	1,666	1,642	1,628	1,621	1,621	1,641	1,200	1,110	1,099
<b>Goodwill</b>	1,207	1,192	1,201	1,224	1,280	1,339	660	606	607
<b>General fund assets</b>	<b>54,226</b>	<b>53,160</b>	<b>52,238</b>	<b>53,662</b>	<b>52,706</b>	<b>51,499</b>	<b>47,811</b>	<b>45,280</b>	<b>45,459</b>
<b>Segregated funds net assets</b>	<b>36,886</b>	<b>35,837</b>	<b>33,437</b>	<b>32,804</b>	<b>30,119</b>	<b>28,505</b>	<b>25,460</b>	<b>27,868</b>	<b>26,976</b>
<b>Total assets</b>	<b>91,112</b>	<b>88,997</b>	<b>85,675</b>	<b>86,466</b>	<b>82,825</b>	<b>80,004</b>	<b>73,271</b>	<b>73,148</b>	<b>72,435</b>

**FINANCIAL POSITION (continued)**

	2021			2020				2019	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
<i>(In millions of dollars, unless otherwise indicated)</i>									
<b>Liabilities</b>									
<b>Insurance contract liabilities</b>									
Provisions for future policy benefits	33,792	33,648	31,887	35,729	34,319	33,402	29,465	30,002	30,315
Provisions for dividends to policyholders and experience rating refunds	49	76	74	64	82	66	49	31	51
Benefits payable and provision for unreported claims	374	334	357	350	327	329	301	283	273
Policyholders' amounts on deposit	421	386	387	384	382	381	360	349	328
<b>Total</b>	<b>34,636</b>	<b>34,444</b>	<b>32,705</b>	<b>36,527</b>	<b>35,110</b>	<b>34,178</b>	<b>30,175</b>	<b>30,665</b>	<b>30,967</b>
<b>Investment contract liabilities</b>									
	566	562	552	575	565	654	632	630	628
<b>Derivative financial instruments</b>									
	808	610	968	569	778	859	1,756	455	388
<b>Other liabilities</b>									
	9,222	8,768	9,492	7,647	7,999	7,696	7,359	6,063	6,162
<b>Deferred income tax liabilities</b>									
	437	422	400	382	403	394	278	287	275
<b>Debentures</b>									
	1,450	1,449	1,449	1,449	1,448	1,448	1,448	1,050	1,049
<b>General fund liabilities</b>									
	47,119	46,255	45,566	47,149	46,303	45,229	41,648	39,150	39,469
<b>Liabilities related to segregated funds net assets</b>									
	36,886	35,837	33,437	32,804	30,119	28,505	25,460	27,868	26,976
<b>Equity</b>									
Participating policyholders' accounts <sup>1</sup>	38	35	36	41	46	50	43	42	53
Share capital									
Common shares	1,705	1,695	1,689	1,674	1,673	1,672	1,672	1,666	1,652
Preferred shares issued by a subsidiary	525	525	525	525	525	525	525	525	525
<b>Total</b>	<b>2,230</b>	<b>2,220</b>	<b>2,214</b>	<b>2,199</b>	<b>2,198</b>	<b>2,197</b>	<b>2,197</b>	<b>2,191</b>	<b>2,177</b>
Contributed surplus	17	18	18	20	19	18	17	18	19
Retained earnings <sup>1</sup>	4,818	4,624	4,405	4,170	4,034	3,884	3,878	3,823	3,651
Accumulated other comprehensive income	4	8	(1)	83	106	121	28	56	90
<b>Total shareholders' equity</b>	<b>7,069</b>	<b>6,870</b>	<b>6,636</b>	<b>6,472</b>	<b>6,357</b>	<b>6,220</b>	<b>6,120</b>	<b>6,088</b>	<b>5,937</b>
<b>Total equity</b>	<b>7,107</b>	<b>6,905</b>	<b>6,672</b>	<b>6,513</b>	<b>6,403</b>	<b>6,270</b>	<b>6,163</b>	<b>6,130</b>	<b>5,990</b>
<b>Total liabilities and equity</b>	<b>91,112</b>	<b>88,997</b>	<b>85,675</b>	<b>86,466</b>	<b>82,825</b>	<b>80,004</b>	<b>73,271</b>	<b>73,148</b>	<b>72,435</b>

<sup>1</sup> In Q4-2019, an adjustment has been made retroactively to January 1, 2018 transferring \$7 from retained earnings to the participating policyholders' accounts.

## Glossary

**Assets under administration** – All assets with respect to which the Company acts only as an intermediary between a client and an external fund manager.

**Assets under management** – All assets with respect to which the Company establishes a contract with a client and makes investment decisions for amounts deposited in this contract.

**Capital structure** – Total of Company equity, participating policyholders' accounts and debentures.

### Car loans

- **Finance receivables** – Car loan receivables before provisions, including accrued interests and liabilities.
- **Loan originations** – Refers to new car loans disbursed in a given period.

**Classification of contracts** – Contracts are classified into one of the following categories:

- **Insurance contract** – Contract under which the Company accepts a significant insurance risk from the policyholder by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. The Company has classified most of its contracts as insurance contracts. The revenue associated with these contracts is posted as "Premiums" on the income statement.
- **Investment contract** – Contract that does not involve a significant insurance risk for the Company. Financial cash flows associated with these contracts are not posted on the income statement but are rather posted directly on the balance sheet of the Company.
- **Service contract** – Contract that does not involve any insurance risk for the Company. Administrative Services Only (ASO) contracts fall into this category. The revenue associated with these contracts is posted as "Other revenues" on the income statement.

**Core earnings definition** – Core earnings (loss) and financial measures based on core earnings (loss), including core EPS and core ROE, are non-IFRS financial measures used to better understand the capacity of the Company to generate sustainable earnings. Core earnings (loss) remove 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: 1) 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; 2) assumption changes and management actions; 3) charges or proceeds related to acquisition or disposition of a business, including acquisition, integration and restructuring costs; 4) amortization of acquisition-related finite life intangible assets; 5) 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; 6) 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. 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.

**Deposits** – Deposits refer to amounts of money received from customers under a mutual fund contract or an investment contract. Deposits are not reflected in the Company's income statements.

**Dividend per common share** – Dividend paid by the Company to its common shareholders in a given period.

**Dividend per preferred share** – Dividend paid by iA Assurance to its preferred shareholders in a given period.

**Earnings per common share (EPS)** – A measure of the Company's profitability, calculated by dividing the consolidated net income attributed to common shareholders by the weighted average number of outstanding common shares for the period, excluding common shares held in treasury.

**Finance receivables** – Finance receivables contain car loans, accrued interest and fees.

**IFRS** – Refers to International Financial Reporting Standards.

**Impaired investments** – Mortgages, bonds and other investment securities in default where there is no reasonable assurance that amounts owed to the Company will be recovered. Any loan on which contractual payments are in arrears for 90 days or more in the case of mortgages and 120 days or more in the case of other loans or in foreclosure is assumed to be impaired.

**Premiums and premium equivalents include general fund premiums, segregated fund premiums, and premium equivalents.**

- **General fund premiums:** Premiums earned on insurance, annuity and pension contracts as reflected in the Company's income statements. "Net premiums" refer to gross premiums less amounts ceded to a reinsurer.
- **Segregated fund premiums:** Amounts related to insurance, annuity and pension contracts which are invested in segregated funds. These amounts are reflected in the Company's income statements.
- **Premium equivalents:** Amounts related to service contracts (such as Administrative Services Only (ASO) contracts) or related to 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 the "Net premiums".

**Return on common shareholders' equity (ROE)** – 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.



**Sales** – Sales is a non-IFRS measure used to assess the Company's ability to generate a new business. They are defined as fund entries on new business written during the period. Net premiums, which are part of the revenues presented in the financial statements, include both fund entries from new business written and in-force contracts:

- **Individual Insurance:**

In the Individual Insurance sector, sales are defined as first-year annualized premiums. The net premiums presented in the Consolidated Financial Statements include both fund entries on new business written during the period and on in-force contracts and are reduced by premiums ceded to reinsurers.

- **Individual Wealth Management:**

*Total sales* : In the Individual Wealth Management sector, total sales (or gross sales) for general fund and segregated fund products correspond to the net premiums presented in the Consolidated Financial Statements. Sales for mutual funds are defined as deposits and include primary market sales of ETFs.

*Net sales* : In the Individual Wealth Management sector, net sales are a useful measure because they provide a more detailed understanding of the source of asset under management growth. The change in assets under management is important because it determines the level of management fees recorded in the Consolidated Income Statements under "Other revenues". Sales for segregated funds and mutual funds correspond to net fund entries (gross sales less withdrawals and transfers).

- **Group Insurance:**

*Employee Plans* : Sales are defined as fund entries on new business written during the period. They measure the Company's ability to generate new business. In the Group Insurance Employee Plans division, sales are defined as first-year annualized premiums, including premium equivalents (Administrative Services Only). Net premiums presented in the Consolidated Financial Statements are net of reinsurance and include both fund entries on new business written during the period and on in-force contracts. Net premiums for the Employee Plans division are included in the net premiums for the Group Insurance sector, along with those of the sector's two other divisions, Dealer Services and Special Markets.

*Dealer Services - Creditor Insurance* : Creditor insurance sales are defined as premiums before reinsurance and cancellations.

*Dealer Services - P&C* : P&C sales are defined as direct written premiums (before reinsurance).

*Special Markets* : Sales are defined as premiums before reinsurance.

- **Group Savings and Retirement:**

*Sales* : In the Group Savings and Retirement sector, sales include gross premiums (before reinsurance) and premium equivalents, or deposits. The net premiums presented in the Consolidated Financial Statements are after reinsurance and exclude premium equivalents.

- **US Operations:**

*Individual Insurance* : Sales are defined as first-year annualized premiums.

*Dealer Services - P&C* : P&C sales are defined as direct written premiums (before reinsurance) and premium equivalents.

- **General Insurance:**

iAAH (Auto & Home): Sales are defined as direct written premiums.

**Share price** – Price of the Company's share, as traded on the Toronto Stock Exchange under the ticker symbol IAG.

**Sensitivity** – Sensitivity analysis includes measures that have no IFRS equivalents.

**Solvency ratio** – Solvency ratios provide a measure of the company's solvency and allows the regulatory authorities to determine if an insurance company is sufficiently capitalized in comparison to the minimum set by the company's regulator. The Company's regulatory authority is the Autorité des marchés financiers. Under the capital regime CARLI in effect since January 1, 2018 (AMF's capital guideline that is comparable to OSFI's LICAT), the total ratio is calculated by dividing the sum of the available capital, the surplus allowance and the eligible deposits by the base solvency buffer. Under the capital regime CAR in effect until December 31, 2017 (AMF's capital guideline that is comparable to OSFI's MCCR), the ratio is calculated by dividing the available capital by the required capital.

**Sources of earnings** – The analysis of profitability according to the sources of earnings presents sources of benefits in compliance with the guideline issued by the Office of the Superintendent of Financial Institutions and developed in co-operation with the Canadian Institute of Actuaries. This analysis is intended to be a supplement to the disclosure required by International Financial Reporting Standards and to facilitates the understanding of the financial position of companies by both existing and prospective stakeholders to better form a view as to the quality, potential volatility and sustainability of earnings. It provides an analysis of the difference between actual income and the income that would have been reported had all assumptions at the start of the reporting period been realized during the reporting period. The operating profit and income taxes presented in the sources of earnings are non-IFRS measures. Sources of earnings provide additional indicators for evaluating financial performance:

- **Operating profit:**

*Expected profit on in-force* reflects the best estimates determined by management when the budget was prepared (updated quarterly for the savings sectors to reflect the evolution of the stock market and net fund entries).

*Experience gain (loss)* represent the difference between the expected profit on in-force and the realized profit. *Impact of new business (strain)* emerges when the provisions for adverse deviation incorporated into the provisions for future policy benefits are higher than the profit margins incorporated into product prices. Over the years, the provisions for adverse deviation are recovered in the form of profits as the assumptions used for pricing materialize.

*Changes in assumptions* result from the Company ensuring the adequacy of its provisions given the existing economic environment. The Company also does a complete update of all of its valuation assumptions at the end of each year to take into account the most recent developments in the economic and financial environment as well as its own experience in terms of mortality, morbidity, lapse rates, unit costs and other factors.

- **Income taxes:**

Income taxes 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 tax are not included in these amounts.