

Quebec City, May 9, 2024

iA Financial Group Reports First Quarter Results And Amends its Normal Course Issuer Bid 17% YoY increase in core EPS, strong business growth and robust capital position

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 7 of this document.

FIRST QUARTER HIGHLIGHTS – iA Financial Corporation

- Core EPS[†] of \$2.44, up 17% YoY, and trailing-12-month core ROE[†] of 14.6%, close to medium-term target of 15%+
- Book value per common share reaching \$68.93 at March 31, 2024, up 8% over 12 months (excluding share buyback impact)
- Strong sales momentum, leading to solid 11% YoY increase in assets (AUM and AUA)[†] and 8% YoY increase in premiums and deposits
- Robust solvency ratio[†] of 142%, with organic capital generation of \$130M in Q1 and \$1.5B of deployable capital[†] at March 31, 2024
- 40%+ reduction in core earnings sensitivity to interest rate variations as at March 31, 2024
- NCIB program amended in May to increase the maximum number of common shares that may be purchased and cancelled to 8%¹

For the first quarter ended March 31, 2024, iA Financial Corporation (TSX: IAG) recorded core diluted earnings per common share (EPS)[†] of \$2.44, which is 17% higher than the same period in 2023. Core return on common shareholders’ equity (ROE)[†] for the trailing twelve months was 14.6%, close to the Company’s medium-term target of 15%+. On a reported basis, which includes the impact of volatile items (primarily short-term macroeconomic variations), first quarter net income attributed to common shareholders was \$233 million, EPS was \$2.34 and ROE[†] for the trailing twelve months was 10.9%. The solvency ratio[†] of 142% at March 31, 2024 is well above the Company’s operating target of 120%.

“2024 got off to a strong start in terms of profitability and business growth, demonstrating the dynamism of our business units. Segregated fund sales, which reached almost \$1.3 billion, were particularly noteworthy, and testify to the strength of our leading position in Canada,” commented Denis Ricard, President and CEO of iA Financial Group. “As we continue to invest in growing all our businesses, our robust capital position, fuelled by ongoing strong organic capital generation, allows us to increase the maximum number of repurchases authorized under our share buyback program. We can thus create and return value to our shareholders while pursuing acquisition opportunities in an active and disciplined way.”

“Profitability was very good in the first quarter, with a 17% core EPS increase over 12 months, driven by solid wealth management results, lower claims at iA Auto and Home and favourable mortality experience,” added Éric Jobin, Executive Vice-President, CFO and Chief Actuary. “We have also successfully reduced the sensitivity of our core results to interest rate variations by almost half through model refinements, such as making the accounting approach for certain liabilities more consistent with the approach used for assets. With these improvements, our core results will better represent our underlying recurring earning power and, combined with our recent operational efficiency initiatives, position us well for the quarters ahead.”

Earnings Highlights	First quarter		
	2024	2023	Variation
Net income attributed to shareholders (in millions)	\$234	\$273	(14%)
Less: dividends on preferred shares issued by a subsidiary (in millions)	(\$1)	(\$3)	
Net income attributed to common shareholders (in millions)	\$233	\$270	(14%)
Weighted average number of common shares (in millions, diluted)	99.5	104.5	(5%)
Earnings per common share (diluted)	\$2.34	\$2.58	(9%)
Core earnings [†]	243	217	12%
Core earnings per common share (diluted) [†]	\$2.44	\$2.08	17%

Other Financial Highlights	March 31, 2024	December 31, 2023	March 31, 2023
Return on common shareholders’ equity [†]	10.9%	11.6%	9.0%
Core return on common shareholders’ equity [†]	14.6%	14.4%	14.6%
Solvency ratio [†]	142%	145%	149%
Book value per share ²	\$68.93	\$66.90	\$64.69
Assets under management and administration [†] (in billions)	\$229.3	\$218.9	\$207.1

¹ Please refer to the separate press release issued on May 9, 2024 for more details.

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 in this document for relevant information about such measures.

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

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. Some of these measures have no IFRS equivalents. For relevant information about non-IFRS measures used in this document, including information about the Company's core earnings,[†] see the "Non-IFRS and Additional Financial Measures" section in the Management's Discussion and Analysis for the period ended March 31, 2024, which is hereby incorporated by reference, and is available for review at sedarplus.ca or on iA Financial Group's website at ia.ca.

ANALYSIS OF EARNINGS

Reported and core earnings

The Company recorded core earnings[†] of \$243 million in the first quarter of 2024, which compares to \$217 million for the first quarter of 2023. Core diluted earnings per common share (EPS)[†] of \$2.44 in the first quarter is 17% higher than the result for the same period in 2023. Core return on common shareholders' equity (ROE)[†] for the trailing twelve months was 14.6% at March 31, 2024, close to the Company's medium-term target of 15%+.

On a reported basis, which includes the impact of volatile items (primarily short-term macroeconomic variations), quarterly net income attributed to common shareholders was \$233 million and compares with \$270 million in the first quarter of 2023. EPS was \$2.34 and ROE for the trailing twelve months was 10.9% at March 31, 2024.

An analysis of these results is presented in the following sections.

Earnings			
(In millions of dollars, unless otherwise indicated)	First quarter		
	2024	2023	Variation
Net income to common shareholders	233	270	(14%)
Earnings per common share (EPS) (diluted)	\$2.34	\$2.58	(9%)
Core earnings	243	217	12%
Core EPS (diluted)	\$2.44	\$2.08	17%

	March 31, 2024	December 31, 2023	March 31, 2023
Return on common shareholders' equity (ROE) [†]			
Reported ROE (trailing twelve months)	10.9%	11.6%	9.0%
Core ROE [†] (trailing twelve months)	14.6%	14.4%	14.6%

Reported earnings and core earnings reconciliation

The following table presents net income to common shareholders and the adjustments, divided into six categories, that account for the difference between reported and core earnings.

Core earnings of \$243 million in the first quarter is derived from net income to common shareholders of \$233 million and a total adjustment of \$10 million from:

- the favourable market-related impacts that differ from management's best estimate assumptions and that total \$9 million, as the impact of favourable equity variations was partially offset by investment property value adjustments;
- the favourable impact of an assumption change resulting from the update of credit assumptions used to develop the interest rate scale (this recurring update is expected to be carried out in the first quarter of each year under IFRS 17) (\$5 million);
- the impact of acquisition-related intangible assets of \$17 million;
- \$3 million for the charge for the Surex minority shareholders' sell option and for expenses related to the Vericity acquisition; and
- the impact of non-core pension expense of \$4 million.

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

Reported earnings and core earnings reconciliation			
(In millions of dollars, unless otherwise indicated)	First quarter		
	2024	2023	Variation
Net income to common shareholders	233	270	(14%)
Core earnings adjustments (post tax)			
Market-related impacts	(9)	(70)	
Assumption changes and management actions	(5)	—	
Charges or proceeds related to acquisition or disposition of a business, including acquisition, integration and restructuring costs	3	1	
Amortization of acquisition-related finite life intangible assets	17	16	
Non-core pension expense	4	—	
Other specified unusual gains and losses	—	—	
Total	10	(53)	
Core earnings	243	217	12%

Core earnings by business segment

The first quarter core earnings result of \$243 million is described in the following paragraphs by business segment.

Core earnings by business segment					
(In millions of dollars, unless otherwise indicated)	Q1/2024	Q4/2023	Variation	Q1/2023	Variation
Insurance, Canada	92	78	18%	74	24%
Wealth Management	95	91	4%	65	46%
US Operations	19	26	(27%)	17	12%
Investment	86	95	(9%)	108	(20%)
Corporate	(49)	(54)	(9%)	(47)	4%
Total	243	236	3%	217	12%

Insurance, Canada – This operating business segment includes all Canadian insurance activities offering a wide range of life, health, auto and home insurance coverage, as well as vehicle warranties, to individuals and groups. First quarter core earnings for this business segment were \$92 million, which is 24% higher than the result for the same period in 2023. The expected insurance earnings recorded was 3% higher than a year ago and the impact of new insurance business was slightly higher than a year ago as a result of new sales and the renewal period for some groups in Group Insurance. Strong core insurance experience gains were recorded during the quarter as a result of: 1) lower auto and home protection claims at iA Auto and Home due to a mild winter, but also due to the favourable impact of premium increases implemented in 2023; 2) favourable mortality experience in individual and group insurance; and 3) all other main experience results being near expectations. Core non-insurance activities were slightly lower than in the same period of 2023, mainly due to a non-recurring gain recorded in the first quarter of 2023.

Wealth Management – This operating business segment includes all the Company's wealth management activities offering a wide range of savings and retirement solutions to individuals and groups. In this business segment, core earnings of \$95 million for the first quarter were much higher than the result of \$65 million a year earlier. This solid performance is the result of a 32% year-over-year increase for both the core insurance service result for segregated funds and the core non-insurance activities. This growth is partly due to the increase in the CSM recognized for services provided due to favourable macroeconomic variations and strong net sales over the last 12 months. Also, a solid performance once again was recorded from the distribution affiliates, arising mainly from higher net commissions and better margins. Lastly, core other expenses were lower than a year ago.

US Operations – This operating business segment includes all the Company's U.S. activities offering individuals a range of life insurance and vehicle warranty products. First quarter core earnings for this business segment were \$19 million and are higher than \$17 million for the same period in 2023. The favourable impact of lower core other expenses and lower taxes was partly offset by more onerous contracts in Individual Insurance and, in Dealer Services, a slightly less profitable business mix and the impact of lower 2023 sales. Looking forward, management actions to improve profitability, including rate adjustments and a reduction in the number of employees at the beginning of the second quarter, should lead to a gradual improvement in results for Dealer Services.

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

Investment – This accounting segment includes the Company’s investment and financing activities, except for the investment activities of the wealth distribution affiliates. In this business segment, core earnings of \$86 million for the first quarter compare to \$108 million a year earlier and \$95 million the previous quarter. The decrease is essentially the result of the decline in interest rates during the fourth quarter of 2023. Recall that the core net investment result for a given quarter is dependent on the yield curve at the beginning of the quarter. Looking forward, the core net investment result should be more stable following actions implemented mainly during the first quarter of 2024 to reduce sensitivity to variations in interest rates, as well as credit spreads. These actions include model refinements to improve consistency of assets and liabilities when rates change. By being more stable, core earnings will better reflect the Company’s robust underlying operating performance. Please refer to the *Risk Management and Sensitivities – Update* section in the Management’s Discussion and Analysis as at March 31, 2024 for the updated sensitivities. Lastly, credit experience was slightly unfavourable (-\$1 million pre-tax) mainly due to more downgrades than upgrades in the bond portfolio.

Corporate – This accounting segment reports all expenses that are not allocated to other segments, such as expenses for certain corporate functions. These expenses include, among other things, investments in the digital transformation and the enhanced employee experience to support talent retention, M&A prospecting activities, digital data and security projects and regulatory compliance projects. During the first quarter of 2024, this segment recorded after-tax expenses of \$49 million, which compares with \$47 million in the first quarter of 2023. This quarter’s result, which is lower than \$54 million in the previous quarter as a result of recent expense management initiatives, is derived from core other expenses before taxes of \$66 million, which is in line with the 2024 quarterly expectation of \$65 million plus or minus \$5 million.

CSM (contractual service margin) – The contractual service margin, or CSM, is an IFRS 17 metric that gives an indication of future profits and that is factored as available capital in the calculation of the solvency ratio.³ However, this metric is not comprehensive as it does not consider required capital, non-insurance business, PAA⁴ insurance business or the risk adjustment, which is also a metric of future profit. The organic CSM movement is a component of organic capital generation, a more comprehensive metric, and represents the ongoing CSM value creation calculated before the impact of items that add undue volatility to the total CSM, such as macroeconomic variations. In the first quarter, the CSM increased organically by \$51 million. This result was supported by the positive impact of new insurance business of \$158 million in the first quarter and the organic financial growth of \$75 million. These favourable items were partially offset by CSM recognized for services provided of \$164 million. Also, an experience loss of \$18 million was recorded as favourable mortality experience was more than offset by unfavourable policyholder behaviour in a number of business units, several small unfavourable items and the impact of slightly reduced MERs granted to some clients due to the increase in their total segregated fund assets, as net deposits in the first quarter were higher than expected. The net favourable non-organic CSM movement of \$183 million during the first quarter was mainly due to the positive impacts of macroeconomic variations, the assumption review and management actions and currency variations. As a result, the total CSM increased by \$234 million during the quarter to stand at \$6,159 million at March 31, 2024, an increase of 7% over the last twelve months.

An analysis of results according to the financial statements and additional analysis are presented in the Management’s Discussion and Analysis as at March 31, 2024. They supplement the information presented above by providing additional indicators for assessing financial performance.

Business growth – Total assets under management and administration[†] increased by 11% year over year, amounting to \$229.3 billion at March 31, 2024, and premiums[†] and deposits of \$4.9 billion were up 8% compared to the same period last year.

In Insurance, Canada, the Company maintained a leading position in the Canadian individual insurance market for number of policies sold,⁵ and all business units posted good sales growth, in particular iA Auto and Home, Employee Plans and Special Markets. In Individual Wealth Management, the Company recorded total net fund inflows of \$414 million and ranked first for both gross and net sales of segregated funds in the first quarter.⁶ Sales of insured annuities and other savings products remained elevated, although clients began increasing their allocation in products such as segregated funds which have higher expected profit margins for the Company. Also, Group Savings and Retirement recorded a solid performance in the first quarter, with sales up 18% over the same period a year ago. In US Operations, the Dealer Services business unit showed good 8% sales[†] growth, notably supported by improving vehicle inventories and lower vehicle prices, and Individual Insurance sales were up year over year.

³ The CSM, excluding the CSM for segregated funds, counts as Tier 1 capital in the solvency ratio calculation.

⁴ Premium Allocation Approach.

⁵ According to the latest Canadian data published by LIMRA.

⁶ Source: Investor Economics, February 2024.

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

INSURANCE, CANADA

- In *Individual Insurance*, first quarter sales[†] totalled \$89 million, similar to a solid quarter a year earlier. The Company maintained a leading position in the Canadian market for the number of policies issued.⁷ Sales growth for participating life and living benefit products was particularly strong. The Company's extensive distribution networks, the performance of its digital tools as well as its comprehensive and distinctive range of products continued to be key growth drivers.
- In *Group Insurance*, first quarter sales[†] of \$30 million in Employee Plans were up 43% compared to the same period last year, reflecting an increase in the volume of quoting activities. Moreover, premiums⁸ increased by 6% year over year, benefiting from sales and good retention of in-force business. Special Markets sales[†] were up 16% year over year, reaching \$106 million, driven particularly by strong sales growth in Critical Illness products.
- For *Dealer Services*, total sales[†] ended the first quarter at \$148 million, up 3% over the same period last year. This growth was supported by strong sales[†] of Guaranteed Asset Protection (GAP) and ancillary products. In spite of the rather challenging environment that continues to impact vehicle affordability, the Company has experienced sustained sales growth thanks to its leading position in Canada, its broad and comprehensive product mix and its extensive distribution network, among other things.
- At *iA Auto and Home*, direct written premiums[†] reached \$114 million for the quarter, a robust increase of 16% from a year earlier due to strong growth in sales and higher premiums.

WEALTH MANAGEMENT

- In *Individual Wealth Management*, segregated funds started the year strong with gross sales[†] of nearly \$1.3 billion, up 24% year over year, and net sales[†] of \$557 million. The Company maintained its position as the industry leader in gross and net segregated fund sales[†] in the first quarter, as per the most recent industry data.⁹ This solid result was driven by the strength of its distribution networks, the performance of its digital tools, and by increasing investor confidence in the financial markets. Increased insured annuities and other savings products generated sales[†] of \$581 million in the first quarter, a very good performance that compares to a record quarter a year earlier, although clients began increasing their allocation in products such as segregated funds which have higher expected profit margins for the Company. As for mutual funds, the Company recorded gross sales[†] of \$486 million for the quarter, up 1% year over year, along with net outflows of \$143 million against the backdrop of continuing industry-wide challenges.
- *Group Savings and Retirement* sales[†] were up 18% year over year at \$918 million for the first quarter, a solid performance driven by strong accumulation product sales.

US OPERATIONS

- In *Individual Insurance*, sales[†] of US\$42 million in the first quarter were up 2% from a year earlier, supported by the unit's distribution channels and product range. The growth pace appears to be slightly lower due to a temporary timing issue related to the recognition of new sales.
- In *Dealer Services*, first quarter sales[†] amounted to US\$248 million, up 8% over the same period last year. While reduced consumer affordability continued to hamper industry vehicle sales, improved inventories and lower vehicles prices have led to renewed emphasis on ancillary product sales.

ASSETS UNDER MANAGEMENT AND ADMINISTRATION

Assets under management and administration[†] ended the first quarter at \$229.3 billion, up 11% over the 12-month period, and up 5% during the quarter, mainly driven by favourable market conditions and solid net fund inflows, in particular from segregated funds.

NET PREMIUMS, PREMIUM EQUIVALENTS AND DEPOSITS

Net premiums, premium equivalents and deposits[†] totalled \$4.9 billion in the first quarter, a solid increase of 8% over the same period last year. All business units contributed to this strong performance, particularly Individual Wealth Management.

⁷ According to the latest Canadian data published by LIMRA.

⁸ Net premiums, premiums equivalents and deposits.

⁹ Source: Investor Economics, February 2024.

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

FINANCIAL POSITION

The solvency ratio[†] was 142% at March 31, 2024, compared with 145% at the end of the previous quarter, and 149% a year earlier. This result is well above the Company's operating target of 120%. The decrease during the first quarter is mainly due to the unfavourable impacts of macroeconomic variations and other non-organic items. As for the positive contribution of organic capital generation of \$130 million, it was more than enough to cover the capital deployment, which is essentially the \$115 million in share buybacks (NCIB). The acquisition announced on October 3, 2023 of Vericity, a U.S. life insurance carrier and digital agency, is expected to reduce the Company's solvency ratio by three percentage points at closing, which is anticipated in the second quarter of 2024. Therefore, on a pro-forma basis at March 31, 2024, the solvency ratio is 139%. The Company's financial leverage ratio at March 31, 2024 was 14.3%.¹⁰

Organic capital generation and capital available for deployment[†] – The Company organically generated approximately \$130 million in additional capital during the first quarter. This is in line with projections to exceed the minimum target of \$600 million in 2024. At March 31, 2024, the capital available for deployment was assessed at \$1.5 billion, before the acquisition of Vericity to be completed in the near future.

Book value – The book value per common share was \$68.93 at March 31, 2024, up 3% during the quarter and 7% year over year. Excluding the impact of the NCIB, the increase over the last twelve months is 8%.

Normal Course Issuer Bid – In the first quarter of 2024, the Company redeemed and cancelled 1,316,276 outstanding common shares for a total value of \$115 million under the NCIB program. A total of 2,298,992 shares, or approximately 2.3% of the issued and outstanding common shares as at October 31, 2023, were redeemed between November 14, 2023 and March 31, 2024.

Dividend – The Company paid a quarterly dividend of \$0.8200 to common shareholders in the first quarter of 2024. The Board of Directors approved a quarterly dividend of \$0.8200 per share payable during the second quarter of 2024, the same as in the first quarter, on the outstanding common shares of iA Financial Corporation. This dividend is payable on June 17, 2024 to the shareholders of record at May 24, 2024.

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 June 17, 2024 must ensure that the duly completed form is delivered to Computershare no later than 4:00 p.m. on May 16, 2024. 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.

Appointments – Two new members joined the Board of Directors.

- On January 9, 2024, iA Financial Group announced the appointment of Alka Gautam to the Board of Directors of iA Financial Corporation Inc., effective January 17, 2024. Ms. Gautam has more than 20 years of experience in the reinsurance and insurance industry.
- On November 9, 2023, iA Financial Group announced the appointment of Martin Gagnon to the Board of Directors of iA Financial Corporation Inc. and of Industrial Alliance Insurance and Financial Services Inc., effective January 17, 2024. Mr. Gagnon has over 25 years of experience in banking, asset management and brokerage firms.

Awards – On February 13, 2024, Denis Ricard was honoured for the third year in a row as the winner in the "Life and health insurers" category in the Top of Quebec's Financial Industry Leaders awards organized annually by the newspaper *Finance et Investissement*. Stéphan Bourbonnais was the winner in the "Full-service brokerage firms" category.

Credit ratings – During the first quarter, the S&P Global and DBRS Morningstar agencies confirmed with a stable outlook all ratings of iA Financial Corporation and its related entities, including Industrial Alliance Insurance and Financial Services Inc.

2023 annual documents publication – On March 28, 2024, iA Financial Group released its Annual Report, Proxy Circular, Annual Information Form and Sustainability Report. The latter outlines, among other things, the Company's environmental, social and governance initiatives and achievements for 2023, as well as projects and objectives for the year to come. Highlights of the Sustainability Report include:

- Completion of its first materiality assessment to consult with stakeholders
- Update of the climate strategy, with two new targets for reducing GHG emissions by 2035 that are more specific and adapted to iA's reality
- Results of the first voluntary self-identification campaign completed by 73% of iA's employees in Canada
- Talent Development and Employee Experience program
- Contributions totalling \$9.4 million to various aid organizations in Canada and the United States.

¹⁰ Calculated as: Debentures, preferred shares issued by a subsidiary and other equity instruments/(Capital structure + post-tax contractual service margin (CSM)[†]).

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

Subsequent to the first quarter:

- **Acquisition of assets of Laurentian Bank Securities' retail full-service investment broker division** – On April 4, 2024, iA Financial Group's subsidiary, iA Private Wealth (iAPW), agreed to acquire the retail full-service investment broker division of Laurentian Bank Securities Inc., which represents over \$2 billion in assets. The transaction is expected to close by the end of the third quarter, pending regulatory approvals, and is not expected to have a material impact on iA Financial Group's solvency ratio.
- **Annual Meeting** – The Annual Shareholder Meeting of iA Financial Corporation Inc. will be held virtually on Thursday, May 9, 2024.
- **Normal Course Issuer Bid** – The Company has obtained the necessary approvals to increase the maximum number of shares that can be repurchased under its share buyback program by 3%, thereby raising this maximum from 5% to 8%. Please refer to the May 9, 2024 news release for more information.
- **Executive Committee** – On May 9, 2024, the Company announced changes to its Executive Committee. Please refer to the May 9, 2024 news release for more information.

OUTLOOK

Medium-term guidance for iA Financial Corporation

- Core earnings per common share: target of 10%+ annual average growth
- Core return on common shareholders' equity (ROE): target of 15%+
- Solvency ratio operating target: target of 120%
- Organic capital generation: target of \$600+ million in 2024
- Dividend payout ratio based on core earnings: target range of 25% to 35%

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, operational and regulatory risks. In addition, certain material factors or assumptions are applied in preparing the Company's outlook, including but not limited to: accuracy of estimates, assumptions and judgments under applicable accounting policies, and no material change in accounting standards and policies applicable to the Company; no material variation in interest rates; no significant changes to the Company's effective tax rate; no material changes in the level of the Company's regulatory capital requirements; availability of options for deployment of excess capital; credit experience, mortality, morbidity, longevity and policyholder behaviour being in line with actuarial experience studies; investment returns being in line with the Company's expectations and consistent with historical trends; different business growth rates per business unit; no unexpected changes in the economic, competitive, insurance, legal or regulatory environment or actions by regulatory authorities that could have a material impact on the business or operations of iA Financial Group or its business partners; no unexpected change in the number of shares outstanding; and the non-materialization of risks or other factors mentioned or discussed elsewhere in this document. The Company's outlook serves to provide shareholders, market analysts, investors, and other stakeholders with a basis for adjusting their expectations with regard 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.

FIRST QUARTER HIGHLIGHTS – iA Insurance

Profitability – In the first quarter of 2024, iA Insurance recorded net income attributed to its sole common shareholder, iA Financial Corporation, of \$260 million compared to \$273 million in the first quarter of 2023. An analysis of results according to the financial statements and additional analysis are presented in the Management's Discussion and Analysis as at March 31, 2024.

Financial position – The solvency ratio of iA Insurance was 138% at March 31, 2024, compared with 139% at the end of the previous quarter and 145% a year earlier. The variation in the first quarter is mainly due to a dividend payment to iA Insurance's sole common shareholder and the unfavourable impacts of macroeconomic and other non-organic variations. These items were partly offset by the positive contribution of organic capital generation.

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

Dividend – The Board of Directors of iA Insurance approved a quarterly dividend of \$0.2875 per Non-Cumulative Class A Preferred Share – Series B. In the first quarter of 2024, iA Insurance paid a dividend of \$150 million and the remaining balance of the unpaid dividend to its sole common shareholder, iA Financial Corporation. For the second quarter of 2024, the Board of Directors of iA Insurance approved the declaration of a dividend of \$300 million to its sole common shareholder, iA Financial Corporation. As a result, a dividend of \$300 million should be paid, in whole or in part, by iA Insurance to iA Financial Corporation during the second quarter of 2024.

iA Insurance			
Earnings Highlights	First quarter		
(In millions of dollars, unless otherwise indicated)	2024	2023	Variation
Net income attributed to shareholders	261	276	(5%)
Less: dividends on preferred shares	(1)	(3)	
Net income attributed to common shareholder	260	273	(5%)

Other Financial Highlights			
(In millions of dollars, unless otherwise indicated)	March 31, 2024	December 31, 2023	March 31, 2023
Total capital [†]	6,362	6,190	6,484
Solvency ratio [†]	138%	139%	145%

Appointment – On November 9, 2023, iA Financial Group announced the appointment of Martin Gagnon to the Board of Directors of iA Financial Corporation Inc. and of Industrial Alliance Insurance and Financial Services Inc., effective January 17, 2024. Mr. Gagnon has over 25 years of experience in banking, asset management and brokerage firms.

Credit ratings – During the first quarter, the S&P Global and DBRS Morningstar agencies confirmed with a stable outlook all ratings of iA Financial Corporation and its related entities, including Industrial Alliance Insurance and Financial Services Inc.

2023 annual documents publication – On March 28, 2024, iA Financial Group released its Annual Report, Proxy Circular, Annual Information Form and Sustainability Report and iA Insurance also released its Policyholder Document.

Subsequent to the first quarter:

Acquisition of assets of Laurentian Bank Securities’ retail full-service investment broker division – On April 4, 2024, iA Financial Group’s subsidiary, iA Private Wealth (iAPW), agreed to acquire the retail full-service investment broker division of Laurentian Bank Securities Inc., which represents over \$2 billion in assets. The transaction is expected to close by the end of the third quarter, pending regulatory approvals, and is not expected to have a material impact on iA Financial Group’s solvency ratio.

Annual Meeting – iA Insurance’s annual meeting will be held virtually on Thursday, May 9, 2024.

Executive Committee – On May 9, 2024, iA Insurance announced changes to its Executive Committee. Please refer to the May 9, 2024 news release for more information.

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 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

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

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 ended March 31, 2024, which is hereby incorporated by reference and is available for review at sedarplus.ca 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, operational and regulatory 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; actions by regulatory authorities that may affect the business or operations of iA Financial Group or its business partners; 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; information technology, data and information security risks, including cyber risks; fraud risk; risks related to human resources; hedging strategy risks; iA Financial Group liquidity risk, including the availability of financing to meet financial commitments at expected maturity dates; risk of incorrect design, implementation or use of a model; accuracy of information received from counterparties and the ability of counterparties to meet their obligations; and the occurrence of natural or man-made disasters, international conflicts, pandemic diseases (such as the 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 estimates, assumptions and judgments under applicable accounting policies, and no material change in accounting standards and policies applicable to the Company; no material variation in interest rates; no significant changes to the Company’s effective tax rate; no material changes in the level of the Company’s regulatory capital requirements; availability of options for deployment of excess capital; credit experience, mortality, morbidity, longevity and policyholder behaviour being in line with actuarial experience studies; investment returns being in line with the Company’s expectations and consistent with historical trends; different business growth rates per business unit; no unexpected changes in the economic, competitive, insurance, legal or regulatory environment or actions by regulatory authorities that could have a material impact on the business or operations of iA Financial Group or its business partners; no unexpected change in the number of shares outstanding; and the non-materialization of risks or other factors mentioned or discussed elsewhere in this document or found in the “Risk Management” section of the Company’s Management’s Discussion and Analysis for 2023 that could influence the Company’s performance or results.

Economic and financial instability in a context of geopolitical tensions – Unfavourable economic conditions and financial instability are causing some concern, including interest rate hikes by central banks to fight inflation. The war in Ukraine, the Hamas-Israel conflict and tension in China are also causing instability in global markets. These events, among others, could lead to reduced consumer and investor confidence, significant financial volatility and more limited growth opportunities, as well as testing the Company’s ability to anticipate and mitigate headwinds in its markets and 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 2023, the “Management of Risks Associated with Financial Instruments” note to the audited consolidated financial statements for the year ended December 31, 2023 and elsewhere in iA Financial Group’s filings with the Canadian Securities Administrators, which are available for review at sedarplus.ca.

The forward-looking statements 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 first quarter results, investors are invited to consult the Management's Discussion and Analysis for the quarter ended March 31, 2024, 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 sedarplus.ca.

Conference Call

Management will hold a conference call to present iA Financial Group's first quarter results on Thursday, May 9, 2024 at 11:30 a.m. (ET). To listen to the conference call, choose one of the options below:

- **Live Webcast:** Click [here](https://app.webinar.net/YaXyDYmDWL5) (<https://app.webinar.net/YaXyDYmDWL5>) or go to the iA Financial Group website, at ia.ca under *About iA*, in the *Investor Relations* section under the *Events and Presentations* tab.
- **By phone:** Click [here](https://emportal.ink/3vlBsKw) (<https://emportal.ink/3vlBsKw>) and enter your phone number to receive a phone call that will instantly connect you to the conference call. You can also dial 416-764-8651 or 1-888-390-0620 (toll-free in North America) fifteen minutes before the conference call is scheduled to take place and an operator will connect you.

Annual Meeting

iA Financial Group is holding its Annual Meeting virtually at 2:00 p.m. (ET) on Thursday, May 9, 2024, at the following web address: <https://www.icastpro.ca/eia240509>. A webcast of the meeting as well as a copy of management's presentation will be available on the Company's website at ia.ca under *About iA*, in the *Investor Relations/Events and Presentations* section.

About iA Financial Group

iA Financial Group is one of the largest insurance and wealth management groups in Canada, with operations in the United States. Founded in 1892, it is an important Canadian public company and is listed on the Toronto Stock Exchange under the ticker symbols IAG (common shares) and IAF (preferred shares).

Investor Relations

Marie-Annick Bonneau
Office: 418-684-5000, ext. 104287
Email: marie-annick.bonneau@ia.ca

Media Relations

Pierre Picard
Office: 418-684-5000, ext. 101660
Email: pierre.picard@ia.ca

ia.ca

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