ANNUAL INFORMATION FORM

For the year ended December 31, 2021

Industrial Alliance Insurance and Financial Services Inc.

March 30, 2022

WITH YOU

iA Financial Group

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Reporting

General Information

The Corporation's name is "Industrial Alliance Insurance and Financial Services Inc." (hereinafter "**iA Insurance**" or the "**Corporation**").

In this Annual Information Form, "**iA Financial Group**" refers to iA Insurance and its parent company, iA Financial Corporation Inc. ("**iA Financial Corporation**").

Unless otherwise indicated, all information presented in this Annual Information Form is established as at December 31, 2021 or for the year ended on that date, and is presented on a consolidated basis. All amounts indicated in this Annual Information Form are denominated in Canadian dollars unless otherwise specified. The Corporation's results and financial statements are presented in accordance with the International Financial Reporting Standards ("**IFRS**"), and in accordance with the accounting requirements prescribed by the regulatory authorities. This Annual Information Form was filed on the SEDAR website (the System for Electronic Document Analysis and Retrieval) at sedar.com on March 30, 2022 under iA Insurance's profile.

Documents Incorporated by Reference

This document should be read in conjunction with the following documents from iA Insurance, certain parts of which are incorporated by reference:

— the *Management's Discussion and Analysis* for the year ended December 31, 2021 ("***Management's Discussion and Analysis***"). The *Management's Discussion and Analysis* was filed on the SEDAR website on February 17, 2022; and

— the Consolidated Financial Statements for the years ended December 31, 2021 and 2020*,* including the *Notes to Consolidated Financial Statements* (the "**Consolidated Financial Statements**")*.* The Consolidated Financial Statements were filed on the SEDAR website on February 17, 2022.

— These documents were filed with the securities regulatory authorities of Canada and can be consulted on the SEDAR website at sedar.com. They are also available on the Corporation's website at ia.ca/investorrelations. All elements incorporated by reference found in this Annual Information Form are made to parts of the documents filed on SEDAR on the dates indicated above. Other references are included for information purposes only.

Non-IFRS Financial Information

iA Financial Corporation and iA Insurance report their financial results and statements in accordance with 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 Corporation's audited financial statements. The Corporation uses non-IFRS measures when evaluating its results and measuring its performance. The Corporation 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 Corporation'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 Corporation strongly encourages investors to review its financial statements and other publicly filed reports in their entirety and not to rely on any single financial measure. These non-IFRS measures are often accompanied by and reconciled with IFRS financial measures. For certain non-IFRS measures, there are no directly comparable amounts under IFRS.

Regulation 52-112 respecting Non-GAAP and Other Financial Measures Disclosure from the Canadian Securities Administrators ("**Regulation 52-112**") establishes disclosure requirements that apply, respectively, to each of the following categories of non-IFRS measures used by the Corporation:

- *Non-IFRS financial measures*, which depict the historical or expected future financial performance, financial position or cash flow, and with respect to their composition, exclude an amount that is included in, or includes an amount that is excluded from, the composition of the most directly comparable financial measure disclosed in the Corporation's financial statements.
- *Non-IFRS ratios*, which are in the form of a ratio, fraction, percentage, or similar representation, have a non-IFRS financial measure as one or more of their components and are not disclosed in the Corporation's financial statements.
- *Supplementary financial measures*, which are disclosed on a periodic basis to depict historical or expected future financial performance, financial position, or cash flow and are not disclosed in the Corporation's financial statements.
- *Capital management measures*, which are financial measures intended to enable the reader to evaluate the Corporation's objectives, policies, and processes for managing its capital.
- *Segment measures*, which combine financial measures for two or more reportable segments of the Corporation and are not disclosed in the Corporation's financial statements.

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

Non-IFRS measures published by the Corporation are:

- Return on common shareholders' equity (ROE):
  - *Category under Regulation 52-112*: Supplementary financial measure.
  - *Definition*: A ratio, expressed as a percentage, obtained by dividing the consolidated net income available to common shareholders by the average common shareholders' equity for the period.
  - *Purpose*: Provides a general measure of the Corporation's efficiency in using equity.
- Core earnings:
  - *Category under Regulation 52-112*: Non-IFRS financial measures that constitute historical information.
  - *Definition*: Removes from reported earnings (loss) the impacts of the following items that create volatility in the Corporation's results under IFRS, or that are not representative of its underlying operating performance:
    a. market-related impacts that differ from management's best estimate assumptions, which include impacts of returns on equity markets and changes in interest rates related to (i) management fees collected on assets under management or administration (MERs), (ii) universal life policies, (iii) the level of assets backing long-term liabilities, and (iv) the dynamic hedging program for segregated fund guarantees;
    b. assumption changes and management actions;
    c. charges or proceeds related to acquisition or disposition of a business, including acquisition, integration and restructuring costs;
    d. amortization of acquisition-related finite life intangible assets;
    e. non-core pension expense, that represents the difference between the asset return (interest income on plan assets) calculated using the expected return on plan assets and the IFRS prescribed pension plan discount rate; and
    f. specified items which management believes are not representative of the performance of the Corporation, 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.

Note: This core earnings definition is applicable as of January 1, 2021. However, the core results for prior periods that are presented for comparison purposes have also been calculated according to this definition.

The changes to the definition of core earnings that occurred at the beginning of 2021 are consistent with the ongoing evolution of the business and allow for a better reflection and assessment of the underlying operating business performance, while maintaining consistency with the general concept of the metric and continuity with the previous definition.

- *Purpose*: Used to better understand the Corporation's capacity to generate sustainable earnings.
- *Reconciliation*: "Net income attributed to common shareholders" is the most directly comparable IFRS measure disclosed in the financial statements of the Corporation to which the measure relates, and a reconciliation with this measure is presented in the "Management's Discussion and Analysis" for 2021, which is available at sedar.com.

— Core earnings per common share (core EPS):
  - *Category under Regulation 52-112*: Non-IFRS ratio.
  - *Definition*: Obtained by dividing the core earnings by the diluted weighted average number of common shares.
  - *Purpose*: Used to better understand the Corporation's capacity to generate sustainable earnings and is an additional indicator for evaluating the Corportaion's financial performance.
  - *Reconciliation*: "Earnings per common share (EPS)" is the most directly comparable IFRS financial measure disclosed in the financial statements of the Corporation to which the measure relates, and a reconciliation with this measure is presented in the "Management's Discussion and Analysis" for 2021, which is available at sedar.com.

— Core return on common shareholders' equity (core ROE):
  - *Category under Regulation 52-112*: Non-IFRS ratio.
  - *Definition*: A ratio, expressed as a percentage, obtained by dividing the consolidated core earnings by the average common shareholders' equity for the period.
  - *Purpose*: Provides a general measure of the Corporation's efficiency in using equity, based on core earnings, and an additional indicator for evaluating the Corporation's financial performance.
  - *Reconciliation*: There is no directly comparable IFRS financial measure that is disclosed in the financial statements of the Corporation to which the measure relates.

— Components of the sources of earnings (SOE), on a reported and core basis:
  - *Category under Regulation 52-112*: Supplementary financial measures.
  - *Definiti*on: Presents sources of earnings in compliance with the guideline issued by the Office of the Superintendent of Financial Institutions and developed in cooperation with the Canadian Institute of Actuaries using the following components:
    a. Operating profit, which is the sum of the following components of the sources of earnings analysis: expected profit on in-force, experience gains and losses, impact of new business and changes in assumptions and management actions.
    b. Expected profit on in-force, which represents the portion of the consolidated net income on business in force at the start of the reporting period that was expected to be realized based on the achievement of best-estimate assumptions.
    c. Experience gains or losses, which represent the difference between reported income and the income that would have been reported if all assumptions made at the start of the period had materialized.
    d. Impact of new business, or strain, which represents the point-of-sale impact on net income of writing new business during the period. The expected profit realized in the years after a policy is issued should cover the strain incurred at the time of issue.
    e. Changes in assumptions and management actions, which is the impact on pre-tax net income resulting from changes in actuarial methods and assumptions or other management actions. Changes in assumptions result from the Corporation ensuring the adequacy of its provisions given the existing economic and financial environment as well as the Corporation 's own experience in terms of mortality, morbidity, lapse rates, unit costs and other factors. Management actions represent the impact of actions apart from the normal operation of the business, including but not limited to changes in methodology, model refinement and impacts of acquisitions, mergers and divestitures.
    f. Income on capital, which represents the income derived from investments in which the Corporation's capital is invested, minus any expenses incurred to generate that income. The Corporation also includes financing expenses from debentures, amortization of intangible assets related to acquisitions and the results of the iA Auto and Home (iAAH) subsidiary in this item.

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h. Income taxes, which represent the value of amounts payable under the tax laws and include tax payable and deferred income taxes. A life insurer's investment income taxes and premium taxes are not included in these amounts. Income taxes are considered to be an expense for the purpose of calculating the operating profit.

- *Purpose*: Provides additional indicators for evaluating the Corporation's financial performance and an additional tool to help investors better understand the source of shareholder value creation.
- *Reconciliation*: There is no directly comparable IFRS financial measure for components of the SOE that is disclosed in the financial statements of the Corporation to which the measure relates.

— Car loan measure – Loan originations:
  - *Category under Regulation 52-112*: Supplementary financial measures.
  - *Definition*: New car loans disbursed during a period.
  - *Purpose*: Used to assess the Corporation 's ability to generate new business in the car loan business unit.
  - *Reconciliation*: It is a component of the "Operating activities affecting cash: Purchases of investments" IFRS measure disclosed in the Corporation 's financial statements.

— Car loan measure – Finance receivables:
  - *Category under Regulation 52-112*: Non-IFRS financial measures that constitute historical information.
  - *Definition*: Includes car loans, accrued interest, and fees.
  - *Purpose*: Used to assess the Corporation 's total receivable amounts in the car loan business unit.
  - *Reconciliation*: There is no directly comparable IFRS financial measure disclosed in the financial statements of the Corporation to which the measure relates.

— Car loan measure – Average credit loss rate on car loans:
  - *Category under Regulation 52-112*: Non-IFRS ratio.
  - *Definition*: Represents the total credit losses divided by the average finance receivables over the same period.
  - *Purpose*: Used to assess the Corporation 's average credit performance in the car loan business unit.
  - *Reconciliation*: There is no directly comparable IFRS financial measure disclosed in the financial statements of the Corporation to which the measure relates.

— Dividend payout ratio:
  - *Category under Regulation 52-112*: Supplementary financial measure.
  - *Definition*: The percentage of net income attributed to common shareholders, on a reported basis, that is distributed to common shareholders in the form of dividends during the period.
  - *Purpose*: Indicates the percentage of the Corporation 's reported revenues shareholders received in the form of dividends.
  - *Reconciliation*: The dividend payout ratio is the ratio of the dividend per common share paid during the period (an IFRS measure) divided by the reported earnings per common share for the period.

— Core dividend payout ratio:
  - *Category under Regulation 52-112*: Non-IFRS ratio.
  - *Definition*: The percentage of net income attributed to common shareholders, on a core earnings basis, that is distributed to common shareholders in the form of dividends during the period.
  - *Purpose*: Indicates the percentage of the Corporation 's core revenues shareholders received in the form of dividends.
  - *Reconciliation*: The core dividend payout ratio is the ratio of the dividend per common share paid during the period (an IFRS measure) divided by the core earnings per common share for the period.

— Organic capital generation:
  - *Category under Regulation 52-112*: Supplementary financial measure.
  - *Definition*: Excess capital generated in the normal course of business, excluding the impact of the macroeconomic environment, where excess capital is the amount of capital over and above the target ratio, calculated under the *Capital Adequacy Requirements Guideline – Insurance of Persons (CARLI)* revised in January 2021 by the Autorité des marchés financiers ("**AMF**").

- *Purpose*: Provides a measure of the Corporation 's capacity to generate excess capital in the normal course of business.

- Potential capital deployment:
  - *Category under Regulation 52-112*: Supplementary financial measure.
  - *Definition*: Amount of capital the Corporation can deploy for a transaction, taking into account all limits and constraints of the regulatory capital guideline and the Corporation 's targets, assuming the transaction parameters to be the worst-case scenario.
  - *Purpose*: Provides a measure of the Corporation 's capacity to deploy capital for transactions.
- Total payout ratio (trailing 12 months):
  - *Category under Regulation 52-112*: Supplementary financial measure.
  - *Definition*: The sum of common dividends paid and common shares repurchased (buybacks) over the last twelve months divided by the net income available to common shareholders over the last twelve months.
  - *Purpose*: Indicates the percentage of the Corporation 's reported revenues shareholders received in the form of dividends over a twelve-month period.
- Sensitivity measures:
  - *Category under Regulation 52-112*: Supplementary financial measure.
  - *Definition*: The impact of macroeconomic variations, such as interest rate and equity market variations, on other Corporation metrics, such as net income or the solvency ratio.
  - *Purpose*: Used to assess the Corporation 's risk exposure to macroeconomic variations.
- Financial leverage measure – Debentures/Capital:
  - *Category under Regulation 52-112*: Supplementary financial measure.
  - *Definition*: Calculated by dividing total debentures by the sum of total debentures plus shareholders' equity.
  - *Purpose*: Provides a measure of the Corporation 's financial leverage.
- Financial leverage measure – Debentures + Preferred Shares issued by a subsidiary/Capital:
  - *Category under Regulation 52-112*: Supplementary financial measure.
  - *Definition*: Calculated by dividing the total debentures plus preferred shares issued by a subsidiary by the sum of total debentures plus shareholders' equity.
  - *Purpose*: Provides a measure of the Corporation 's financial leverage.
- Financial leverage measure – Coverage ratio:
  - *Category under Regulation 52-112*: Non-IFRS ratio.
  - *Definition*: Calculated by dividing earnings for the past twelve months (before interest and taxes) by the sum of interest, preferred shares issued by a subsidiary, and dividends and redemption premiums on preferred shares issued by a subsidiary (if applicable).
  - *Purpose*: Provides a measure of the Corporation 's ability to meet liquidity requirements for obligations when they come due.
  - *Reconciliation*: There is no directly comparable IFRS financial measure disclosed in the financial statements of the Corporation to which the measure relates.
- Capitalization:
  - *Category under Regulation 52-112*: Supplementary financial measures.
  - *Definition*: The sum of the Corporation 's equity, participating policyholders' accounts and debentures.
  - *Purpose*: Provides an additional indicator for evaluating the Corporation 's financial performance.
  - *Reconciliation*: This measure is the sum of several IFRS measures.
- Solvency ratio:
  - *Category under Regulation 52-112*: In accordance with the *Capital Adequacy Requirements Guideline – Insurance of Persons (CARLI)* revised in January 2021 by the AMF, this financial measure is exempt from certain requirements of *Regulation 52-112*.
  - *Definition*: Calculated by dividing the sum of the available capital, the surplus allowance and the eligible deposits by the base solvency buffer.

- *Purpose*: Provides a measure of the Corporation ’s solvency and allows the regulatory authorities to determine if an insurance company is sufficiently capitalized in relation to the minimum set by the Corporation ’s regulator.

— Assets under administration (AUA):
  - *Category under Regulation 52-112*: Supplementary financial measures.
  - *Definition*: All assets with respect to which the Corporation acts only as an intermediary between a client and an external fund manager.
  - *Purpose*: Used to assess the Corporation ’s ability to generate fees, particularly for investment funds and funds under administration.
  - *Reconciliation*: There is no directly comparable IFRS financial measure disclosed in the financial statements of the Corporation to which the measure relates.

— Assets under management (AUM):
  - *Category under Regulation 52-112*: Non-IFRS financial measures that constitute historical information.
  - *Definition*: All assets with respect to which the Corporation establishes a contract with a client and makes investment decisions for amounts deposited in this contract.
  - *Purpose*: Used to assess the Corporation ’s ability to generate fees, particularly for investment funds and funds under administration.
  - *Reconciliation:* “General fund assets” and “Segregated funds net assets” disclosed in the Corporation ’s financial statements are IFRS measures and components of the AUM calculation. A reconciliation is presented in this document.

— Individual Wealth Management mutual funds deposits, Group Savings and Retirement deposits, US Operations Dealer Services premium equivalents and Group Insurance Employee Plans ASO, Investment contracts and premium equivalents and deposits:
  - *Category under Regulation 52-112*: Supplementary financial measures.
  - *Definition*:
    a. Deposits refer to amounts received from clients under an investment contract. Deposits are not reflected in the Corporation ’s income statements.
    b. Premium equivalents refer to amounts related to service contracts or services where the Corporation is primarily an administrator but could become an insurer if a specific event were to happen. These amounts are not accounted for in “Net premiums”.
  - *Purpose*: Premiums, premium equivalents and deposits are one of many measures used to assess the Corporation ’s ability to generate income from in-force and new business.

— Individual Insurance minimum and excess premium sales, Individual Wealth Management gross and net mutual fund sales, Group Insurance Employee Plans sales, US Operations Individual Insurance sales, Group Insurance Special Markets sales, Group Insurance Dealer Services P&C sales, Group Savings and Retirement sales of accumulation contracts and insured annuities, US Operations Dealer Services sales and General Insurance sales:
  - *Category under Regulation 52-112*: Supplementary financial measures.
  - *Definition*:
    a. Individual Insurance minimum and excess premium sales are defined as first-year annualized premiums. The net premiums presented in the Consolidated Financial Statements include fund entries on both in-force contracts and new business written during the period and are reduced by premiums ceded to reinsurers.
    b. Individual Wealth Management gross mutual fund sales are defined as deposits and include primary market sales of ETFs.
    c. Individual Wealth Management net mutual fund sales correspond to net fund entries and are defined as Individual Wealth Management gross mutual fund sales less withdrawals and transfers.
    d. Group Insurance Employee Plans sales are defined as first-year annualized premiums, including premium equivalents (Administrative Services Only).
    e. US Operations Individual Insurance sales are defined as first-year annualized premiums.
    f. Group Insurance Special Markets sales are defined as fund entries on both in-force contracts and new business written during the period.

g. Group Insurance Dealer Services P&C sales are defined as direct written premiums (before reinsurance).

h. Group Savings and Retirement sales of accumulation contracts and insured annuities include gross premiums (before reinsurance) and premium equivalents, or deposits.

i. US Operations Dealer Services sales are defined as direct written premiums (before reinsurance) and premium equivalents.

j. General Insurance sales are defined as direct written premiums.

- *Purpose*: Used to assess the Corporation 's ability to generate new business and serve as additional tools to help investors better assess the Corporation 's growth potential.
- *Reconciliation*: There is no directly comparable IFRS financial measure disclosed in the financial statements of the Corporation to which the measure relates.

— Group Insurance Dealer Services creditor insurance sales:

- *Category under Regulation 52-112*: Non-IFRS financial measures that constitute historical information.
- *Definition*: Premiums before reinsurance and cancellations.
- *Purpose*: Used to assess the Corporation 's ability to generate new business and serve as an additional tool to help investors better assess the Corporation 's growth potential in the Dealer Services division of the Group Insurance sector.
- *Reconciliation*: There is no directly comparable IFRS financial measure disclosed in the financial statements of the Corporation to which the measure relates.

Forward-Looking Statements

— This Annual Information Form 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, particularly in light of the ongoing and evolving COVID-19 pandemic, its effect on the global economy and its uncertain impact on our operations.

— Although iA Financial Group believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements. In addition, certain material factors or assumptions are applied in making forward-looking statements, and actual results may differ materially from those expressed or implied in such statements.

- Material factors and risks that could cause actual results to differ materially from expectations include, but are not limited to: insurance, market, credit, liquidity, strategic and operational risks, such as: general business and economic conditions; level of competition and consolidation; changes in laws and regulations, including tax laws and changes made to capital and liquidity guidelines; risks associated with the 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 and social issues; data and cyber risks; risks related to human resources; hedging strategy risks; liquidity of iA Financial Group, including the availability of financing to meet existing financial commitments on their expected maturity dates when required; accuracy of information received from counterparties and the ability of counterparties to meet their obligations; the occurrence of natural or man-made disasters, international conflicts, pandemic diseases (such as the current COVID-19 pandemic) and acts of terrorism.

- Material factors and assumptions used in the preparation of financial outlooks include, but are not limited to: accuracy of accounting policies and best estimate actuarial and economic assumptions used by the Corporation such as mortality, morbidity, longevity and policyholder behaviour; different business growth rates per business unit; no unexpected material changes in the economic, competitive, insurance, legal or regulatory environment; risks and conditions; and the Corporation 's recent performance and results, as discussed in the *2021 Management's Discussion and Analysis* for the year ended December 31, 2021 .

- *Potential impacts of the COVID-19 pandemic* – Since March 2020, the COVID-19 pandemic has had major, unprecedented implications for both society and the economy. The overall impact of the COVID-19 pandemic is still uncertain and depends on many factors, such as the progression of the virus, the emergence of new variants, the duration of the pandemic, potential treatments and therapies, the availability of vaccines, the effectiveness of government measures to slow the virus's spread and the impact of those measures on the economy. As a result, we cannot accurately predict the total bearing the pandemic will have, but the impact on iA Financial Group's business and financial results could be material. However, despite the short-term negative impacts of the pandemic on its results, iA Financial Group remains financially solid. In addition, iA Financial Group's business continuity protocol has continued, ensuring that the quality of service clients receive is similar to or better than before the pandemic and enabling employees and advisors to continue to work safely and securely.
- Additional information about the material factors that could cause actual results to differ materially from expectations and about material factors or assumptions applied in making forward-looking statements may be found in the "Risk Management" section of the *Management's Discussion and Analysis* for 2021, the "Management of Risks Associated with Financial Instruments" note to the *Audited Consolidated Financial Statements* for the year ended December 31, 2021, and elsewhere in iA Financial Group's filings with the Canadian Securities Administrators, which are available for review at sedar.com.
- The forward-looking statements in this document reflect iA Financial Group's expectations as of the date of this document. iA Financial Group does not undertake to update or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events, except as required by law.

Corporate Structure

Name, Address and Incorporation

iA Insurance, formerly known as Industrial-Alliance Life Insurance Company, is a life insurance stock company governed by the *Act respecting Industrial-Alliance Life Insurance Company* (Quebec) (the "**1999 Private Bill**"), as amended by the *Act to amend the Act respecting Industrial-Alliance Life Insurance Company* (Quebec) (the "**2018 Private Bill**", collectively with the 1999 Private Bill, the "**Private Bill**"), by the *Insurers Act* (Quebec) (the "**Insurers Act**") and by the *Business Corporations Act* (Quebec) (the latter two collectively called the "**Act**").

iA Insurance is the result of the conversion of Industrial-Alliance Life Insurance Company, formerly a mutual insurance company (the "**Mutual Insurance Company**"), into a stock company pursuant to the 1999 Private Bill, which was assented to by the National Assembly of Quebec on November 26, 1999, and the issuance, on February 10, 2000, by the Inspector General of Financial Institutions (Quebec) (now the Quebec Enterprise Registrar , of Letters Patent confirming the conversion by-law.

The Mutual Insurance Company itself resulted from the merger, in 1987, of Industrial Life Insurance Company, founded in 1905, and Alliance Mutual Life Insurance Company, founded in 1892.

In 2003, the Corporation amended its charter to adopt its current corporate name, Industrial Alliance Insurance and Financial Services Inc., and to modify its share capital so as to create the non-cumulative dividend Class A Preferred Shares, Series A, Series YY and Series ZZ. The Corporation's charter was thereafter amended in 2006, 2008, 2009, 2010, 2012 and 2018 to create the non-cumulative dividend Class A Preferred Shares, Series B, Series C, Series D, Series E, Series F, Series G, Series H, Series I and Series J. For a detailed description of the capital structure of the Corporation, please refer to the section "Capital Structure" on page 20 of this Annual Information Form. In 2011, the charter of the Corporation was amended to allow the appointment of additional directors by the Board of Directors between annual meetings of shareholders. On June 30, 2012, the Corporation merged with its subsidiary, Industrial Alliance Pacific Insurance and Financial Services Inc. On January 1, 2019, articles of amendment were filed in order to give effect to the plan of arrangement for the implementation of the new holding company, iA Financial Corporation. iA Financial Corporation holds all the Common Shares of iA Insurance and, subject to the following, it is the only entity authorized to vote at iA Insurance's annual meeting of shareholders. Finally, on January 1, 2020, the Corporation merged with its subsidiaries The Excellence Life Insurance Company and Corporation Financière L'Excellence ltée.

As with many other insurance companies in Quebec and Canada, iA Insurance has issued and is still issuing participating insurance policies. Under the *Insurers Act*, only participating insurance policies issued before June 13, 2019 provide their owners with the right to attend the annual meetings of the Corporation and the right to elect at least one-third of the members of its board, with one vote per policyholder. All other directors of the Corporation are elected by the sole common shareholder, iA Financial Corporation, in accordance with the Act and the by-laws of the Corporation.

The head office of iA Insurance and of its parent company, iA Financial Corporation, is located at 1080 Grande Allée West, Quebec City, QC, G1S 1C7.

Intercorporate Relationships

iA Insurance operates as an operating company and through a group of subsidiaries. Information regarding the main subsidiaries of iA Insurance, including its direct and indirect subsidiaries, can be found in Note 29 "Subsidiaries" to iA Insurance's *Consolidated Financial Statement*s on page 73. These companies were incorporated under the rules governing Canadian business corporations or under provincial or state rules applicable in the territory in which their head office is located. For more information on the operations of iA Insurance and its subsidiaries, please refer to the "Business Growth" section on page 10 of the *Management's Discussion and Analysis*.

General Development of the Business

Three-Year History

iA Insurance and its subsidiaries have pursued their development plan over the last three years. The Corporation's main areas of development during that time can be grouped into three broad categories: (i) important acquisitions, disposals or mergers, (ii) financial management initiatives and (iii) strategic initiatives.

Despite the COVID-19 pandemic, the Corporation was able to pursue in 2021 its development plan as initially planned, with the deployment of certain initiatives even accelerated because of the pandemic. In fact, the Corporation has demonstrated the robustness of its strategic vision established with a long-term perspective, the resilience of its business model and the soundness of its choices, particularly in terms of technology.

Major Acquisitions, Disposals and Mergers

- On October 1, 2021, PPI Management Inc., a subsidiary of the Corporation, completed the sale of its subsidiary, PPI Benefits Inc., to AGA Benefit Solutions.
- On July 1, 2021, Investia Financial Services Inc. and FundEX Investments Inc., which are two subsidiaries of the Corporation, amalgamated. The merger was announced publicly on July 5, 2021.
- On June 1, 2020, the Corporation completed the sale of iA Investment Counsel Inc. ("**iAIC**") to CWB Financial Group. iAIC is comprised of two private management firms, T.E. Wealth and Leon Frazer & Associates. Founded in 1972 and 1939 respectively, the entities were components of the Corporation's wealth management division.
- On January 1, 2020, iA Insurance merged with its subsidiaries The Excellence Life Insurance Company and Corporation financière L'Excellence ltée. The merger had been announced on September 25, 2019.

For more information about the Corporation's acquisitions and dispositions during the past two years, please read Note 4 "Disposal of Businesses" of iA Insurance's Consolidated Financial Statements for the years 2020 and 2021 (page 23 in 2021).

Financial Management Initiatives

- Redemption of financial instruments – On February 23, 2022, the Corporation completed the redemption of all of its outstanding 2.64% Subordinated Debentures due May 23, 2027. These debentures represented a principal amount of $250 million.

- Redemption of financial instruments – On May 16, 2019, the Corporation completed the redemption of all of its outstanding 2.80% Subordinated Debentures due May 16, 2024. These debentures represented a principal amount of $250 million.

Strategic Initiatives

- The Corporation's current strategic plan is based on four axes:
  - Growth, with the ambition of being a North American financial institution operating in sectors deemed strategically important where the Corporation can be the leader in the mass/mid markets.
  - Client experience, with the aim of effectively meeting client expectations, in partnership with our distributors.
  - Employee experience, by being an employer of choice that offers a rewarding career.
  - Operating efficiency, by optimizing operations through technology, processes and skills development.

- The Corporation is of the view that technology is changing the way in which financial products and services are being sold today. In this regard, the Corporation continues to adapt its practices to make it easier for clients and distributors to do business with it. In 2021, the Corporation continued to develop many digital initiatives in all business lines, which aim in particular to simplify its sales processes and its products.
- The Corporation's ability to generate business growth is largely attributable to the strength and diversification of its distribution networks, the excellent performance of its digital tools, the wide range of products offered as well as its strategic acquisitions. In addition, the Corporation's business mix allows for leveraging of synergies between business units.
- The Corporation will continue to implement sustainable development projects and initiatives as ESG, referring to environmental, social and governance considerations, is another important area of development.

The following table shows the Corporation's and its subsidiaries' business growth in the past three fiscal years:

	Business Growth[1]			
	2021	**2020**	**2019**	**Variation (2021-2020)**
	In millions of dollars, unless otherwise indicated			
Net premiums, premium equivalents and deposits				
Net premiums				
General fund	6,061	5,741	5,229	6%
Segregated funds	6,891	5,312	3,715	30%
Total	**12,952**	**11,053**	**8,944**	**17%**
Deposits – Mutual funds	3,066	2,502	2,064	23%
Other deposits and premium equivalents[2]	551	355	354	55%
Total	**16,569**	**13,910**	**11,362**	**19%**
Assets under management / under administration				
Assets under management				
General fund	51,707	50,653	44,503	2%
Segregated funds	39,577	32,815	27,868	21%
Mutual funds	13,955	11,393	11,594	22%
Other	2,862	3,797	15,500	(25%)
Subtotal	108,101	98,658	99,465	10%
Assets under administration	109,687	95,830	89,246	14%
Total	**217,788**	**194,488**	**188,711**	**12%**
Individual Insurance (Canada)				
Sales	286	223	187	28%
Net premiums	1,758	1,625	1,587	8%
Individual Wealth Management				
Sales				
General fund	891	836	546	7%
Segregated funds	4,818	3,080	2,365	56%
Mutual funds	3,066	2,502	2,064	23%
Total	**8,775**	**6,418**	**4,975**	**37%**
Net investment fund sales				
Segregated funds	3,307	1,764	663	87%
Mutual funds	1,153	243	(408)	374%
Total	**4,460**	**2,007**	**255**	**122%**
Funds under management				
General fund	2,103	2,122	1,808	(1%)
Segregated funds	24,722	19,240	16,392	28%
Mutual funds	13,955	11,393	11,594	22%
Other	-	995	4,509	(100%)
Total	**40,780**	**33,750**	**34,303**	**21%**

	Business Growth[1]			
	2021	2020	2019	Variation (2021-2020)
	In millions of dollars, unless otherwise indicated			
Group Insurance				
Sales				
Employee Plans	135	136	49	(1%)
Dealer Services				
Creditor insurance	244	261	329	(7%)
P&C	248	195	253	27%
Car loans	534	440	438	21%
Special Markets	215	205	274	5%
Total	**1,376**	**1,237**	**1,343**	**11%**
Premiums and premium equivalents	1,883	1,715	1,788	10%
Group Savings and Retirement				
Sales				
Accumulation contracts	2,167	2,338	1,401	(7%)
Insured annuities	604	707	627	(15%)
Deposits	27	38	46	(29%)
Total	**2,798**	**3,083**	**2,074**	**(9%)**
Funds under management				
Accumulation contracts	15,505	14,227	12,574	9%
Insured annuities	5,098	4,758	3,929	7%
Total	**20,603**	**18,985**	**16,503**	**9%**
US Operations				
Sales ($CAN)				
Individual Insurance	169	170	132	(1%)
Dealer Services	1,009	734	596	37%

(1) The Corporation measures business growth by using measures that are non-IFRS and other financial measures, such as "premiums" (general fund and segregated funds), "deposits" (mutual funds), "premium equivalents", "assets" (under management and under administration) and "sales". Assets under administration, premiums, deposits and premium equivalents are supplementary financial measures. Sales, net sales and assets under management are Non-IFRS financial measures that are historical information. Such measures are not standardized financial measures under the financial reporting framework used to prepare the financial statements and might not be comparable to similar financial measures disclosed by other issuers. Sales are defined as fund entries on new business written during the period and they measure the Corporation's ability to generate new business and defined as follows for each activity sector: Individual Insurance: first-year annualized premiums; Individual Wealth Management: net premiums for the general fund and segregated funds and deposits for mutual funds; Group Insurance – Employee Plans: first-year annualized premiums, including premium equivalents (Administrative Services Only) contracts; Group Insurance – Dealer Services: premiums before reinsurance and cancellations for creditor insurance and direct written premiums (before reinsurance) for P&C Insurance; Group Insurance – Special Markets: premiums before reinsurance; Group Savings and Retirement: gross premiums (before reinsurance) and premium equivalents, or deposits. Assets under administration (AUA) are defined as all assets with respect to which the Corporation acts only as an intermediary between a client and an external fund manager and assets under management (AUM) are defined as all assets with respect to which the Corporation establishes a contract with a client and makes investment decisions for amounts deposited in this contract. For relevant information about these measures see the "Non-IFRS and Additional Financial Measures" section in this document for relevant information about such measures.

(2) Amounts paid in connection with investment contracts and administrative services contracts.

Expected Developments

In 2022, the Corporation expects to continue diversifying its distribution networks, its geographic presence and the market segments in which it operates. The Corporation will seek to leverage synergies between the parent company, its business lines and the other companies of the group to maximize sales, among other things. Note that the Corporation will also remain alert to business opportunities, including potential strategic acquisitions.

Description of the Business

General Description

iA Insurance operates within five main business lines: Individual Insurance and Individual Wealth Management, which address the needs of retail customers; Group Insurance and Group Savings and Retirement, which address the needs of businesses and group clients; and US Operations, comprising Individual Insurance and Dealer Services operations in the United States.

In terms of profitability, in 2021, iA Insurance ended the year with net income attributable to holders of Common Shares of $821 million.

In terms of business growth, 11% of the Corporation's premiums, premium equivalents and deposits in 2021 came from Canadian Individual Insurance, 53% from Individual Wealth Management, 11% from Group Insurance, 17% from Group Savings and Retirement, 2% from general insurance operations and 6% from US Operations.

By region, 3% of premiums, premium equivalents and deposits in 2021 came from the Atlantic Provinces, 41% from Quebec, 26% from Ontario, 24% from the Western provinces and 6% from the United States.

For a more detailed description of iA Insurance and its business lines, refer to the *Management's Discussion and Analysis* for the year 2021, including the description of the Corporation beginning on page 1.

Specialized Skills and Knowledge

To sustain the development of the group, the Corporation requires employees with a range of skills, including in information technology, sales, actuarial sciences, accounting, investing, law and communications. As the Corporation continues to focus on growth, the shortage of qualified resources is a challenge and a reality for many employers. As a result, the Company is constantly striving to improve internal efficiencies, foster strong employee retention through development and retraining, and attract new employees through its recruitment programs, both inside and outside Canada. In addition to being beneficial for the overall employee experience, the flexible and hybrid work environment offered by the Corporation is an opportunity to broaden the recruitment pool as talent can be more widely acquired from locations separated from physical sites.

Trends

Competitive Environment

The insurance and wealth management markets are very competitive. In the last few years, the environment in which the Corporation operates has been marked by a number of phenomena:

— a movement of consolidation, as several large insurers have merged their operations or acquired other companies. More recently, this movement has become more pronounced among wealth management firms;

— the maturity of the individual life insurance market in Canada, especially due to the aging of the population, low population growth and the stagnation in the number of insurance representatives;

— the adjustment of the wealth management market to the aging population's needs;

- low interest rates, which have led many companies (including iA Insurance) to increase prices on individual life insurance products with long-term guarantees and forced many to revise their product offering;
- the continued development of digital technologies among institutions; and
- preparatory work to integrate accounting standard IFRS 17 and IFRS 9.

In Canada, even though the insurance market is made up of several insurance companies, the ten largest control close to 94% of the individual insurance market, approximately 92% of the group insurance market (employee plans) and about 99% of the group savings and retirement market. iA Insurance is among the ten largest insurers in all these operating sectors.

In the individual wealth management market, iA Insurance's competitors include life and health insurance companies, banks, mutual fund management companies, securities brokers and other providers. The Corporation's recent results for the individual wealth management sector are positive. The Corporation has ranked first in Canada for net sales of segregated funds since 2016. In 2021, it once again strengthened its leading position in this area by adjusting and adding new segregated funds to its offering, some of which are socially responsible investment (SRI) funds, to better address current market trends. In addition, the Corporation has benefited from the consolidation of its mutual fund offerings within a select group of high-performing sub-advisory asset managers.

Competition in the life and health insurance industry is often waged on product development, product pricing, representative compensation and the general ability of companies to grow their distribution networks and properly train their representatives. The Corporation has maintained a healthy balance between its profitability objectives and good sales growth, thanks to frequent targeted rate adjustments.

iA Insurance's business model is built on its ability to generate steady organic growth through the diversification of its distribution networks, its geographic presence, its extensive product offering and its market segments. The business model also rests on its ability to generate growth through strategic acquisitions.

To sustain its successful track record, the Corporation employs a variety of growth strategies:

- In the Individual Insurance and Individual Wealth Management sectors, it competes head-on with all industry players in all markets and geographic regions in Canada. Its key competitive advantages are the ability to build strong distribution networks for its products and services, its broad and evolving range of products and its high-performing digital tools;
- In Group Insurance Employee Plans, Group Savings and Retirement and through iA Auto and Home Insurance, the Corporation competes selectively by market and region where it can leverage corporate relationships and synergies;
- In Group Insurance Dealer Services and Special Markets, the Corporation operates in niche markets where it has fewer competitors and it holds a leading market position;
- Finally, iA Insurance favours underserved markets where there are a limited number of players.

For information about the key long-term profitability drivers for each of the Corporation's business lines, refer to the *2021 Management's Discussion and Analysis*.

Recent Developments in the Economic and Financial Environment

In addition to competition, the Corporation must also deal with economic and financial market forces.

While the COVID-19 pandemic that has persisted into 2021 along with new variants led to heightened inflation and a great deal of volatility in the financial markets, new highs were reached at the end of the year. The Corporation's strong financial position as at December 31, 2021 and its risk management program are mitigating the impacts of the pandemic in order to continue to ensure the financial wellbeing of its clients.

Despite the lasting pandemic, the macroeconomic environment was generally favourable in 2021. Equity markets were up, with the S&P/TSX Index in Canada returning 22%, the S&P 500 Index in Canadian dollars 27% and the MSCI World Index 22%.

For more information regarding the impact of economic and financial developments in 2021 on the Corporation's profitability, please refer to the "Profitability" section on pages 12 to 15 of *the 2021 Management's Discussion and Analysis*. For more information on the risk of equity market downturns and the measures taken by the Corporation in 2021 to mitigate this risk, refer to the "Risk Management" section on pages 28 to 38 of the *Management's Discussion and Analysis* for the year 2021.

Governing Legislation

iA Insurance is governed by the Act and the Private Bill. It operates under the authority of the AMF pursuant to powers delegated by the *Insurers Act*. The business of iA Insurance outside Canada is subject to the requirements of local regulatory authorities. The companies of the group are licensed by the appropriate federal, provincial and state authorities to carry on business in all provinces and territories of Canada, in the 50 U.S. states, the District of Columbia and seven territories of the United States and the United Kingdom. As a result, they are also subject to the regulation and supervision of the provinces and territories of Canada, the states and territories of the United States and the territories of the United Kingdom in which they carry on business. The regulatory and supervisory powers to which these companies are subject relate, among other things, to: the licensing of insurers and their agents; the nature of, limitations on and valuation of investments; solvency standards; annual audit of the activities of insurance companies; annual and other reports required to be filed on the financial condition of insurers; and requirements regarding reserves for actuarial liabilities, unearned premiums and losses.

The Corporation is a reporting issuer under the different securities laws in force in the provinces of Canada and has proceeded with issues of Common Shares, Preferred Shares and debt securities. As previously mentioned, since January 1, 2019, all Common Shares of the Corporation are held by iA Financial Corporation, the parent company of the group. However, iA Insurance Preferred Shares and debentures issued and outstanding as at January 1, 2019 remained issued by iA Insurance and were guaranteed by iA Financial Corporation in accordance with the terms of the arrangement.

Applicable laws stipulate that the Corporation’s financial statements must be prepared in accordance with IFRS, in particular the provisions specific to life insurance companies. The Corporation has implemented the necessary measures to ensure its compliance with the requirements of the applicable legislation and, to the knowledge of management, currently complies with all applicable legal requirements.

The *Insurers Act* provides that capital adequacy standards for life insurance companies are determined by regulation. The regulation provides for a life insurer’s capital adequacy requirement to be determined by applying factors for certain risk components to specific on and off balance sheet assets and liabilities and by adding the results. The regulatory authorities have issued guidelines on the required capital in order to comply with the requirements. These guidelines define the methodology to be used in determining the elements comprising the solvency ratio, including available capital, certain provisions included in actuarial provisions and the base solvency buffer.

The *Insurers Act* also provides for certain restrictions with respect to the dividends paid to shareholders and operations on equity. Hence, no insurer may declare dividends or pay interest, as the case may be, or distribute annual surpluses if a payment made for one or the other has the effect of rendering its liquid assets or capital insufficient to ensure sound and prudent management. When deemed appropriate, the AMF may give written instructions to an insurer concerning the adequacy of its liquid assets.

The *Insurers Act* further provides that insurers must exercise their investment powers with prudence and care in accordance with any regulation and must adhere to sound and prudent investment management practices. Additional requirements (and, in certain cases, the obligation to obtain regulatory approvals) also limit certain investments.

The 1999 Private Bill, as amended by the 2018 Private Bill, prohibits any person and his/her affiliates from acquiring, either directly or indirectly, voting shares of iA Financial Corporation if the acquisition results in the person and his/her affiliates holding 10% or more of the voting rights attached to the shares. As such, the Private Bill further provides that in the event that an acquisition is made in contravention of the foregoing, an individual on behalf of whom the shares are acquired cannot exercise the voting rights attached to the aggregate of his/her shares for as long as they are in contravention of this provision. In addition, under the Private Bill, iA Financial Corporation must directly or indirectly hold 100% of the Common Shares of iA Insurance. The *Insurers Act* provides that anyone who intends to become the holder of a significant interest in the insurer’s decisions must notify the AMF thereof. If the holder of a significant interest has not obtained the approval of the Minister of Finance, the AMF may order that the voting rights held by such holder who did not obtain the approval of the Minister of Finance be exercised by an administrator of the property of others appointed by the AMF.

Intellectual Property and Product Development

In general, the Corporation and its subsidiaries take the necessary measures to protect the intellectual property of their product names and their trademarks and they devote large sums to develop new products that are better suited to meet client demand. It should be noted, however, that in the markets in which the Corporation and its subsidiaries operate, the competitive advantage associated with the development of new products generally does not constitute a strategic competitive advantage, since most products can be copied by competitors relatively quickly and easily.

Cyclical Business

The operations of certain sectors may fluctuate according to somewhat cyclical factors. Hence, given the contribution deadline for registered retirement savings plans ("**RRSPs**"), first quarter premiums and deposits are generally higher in the Individual Wealth Management sector. In the Individual Insurance sector, the level of sales is occasionally lower at the beginning of the year, due to the emphasis placed on RRSPs, as well as during the summer, due to summer vacations. Sales in the Group sectors are subject to sometimes significant variations from one quarter to another due to the size of certain new clients. Moreover, for the Group Insurance Employee Plans division, sales can occasionally be higher at the beginning of the year, since several contracts obtained the previous year take effect at the beginning of the year. In the Dealer Services division, sales tend to be higher in the second and third quarters. Insurance products in this division are marketed mainly through car dealers, therefore the distribution of sales during the year is, to a certain extent, related to the seasonal nature of car sales.

Employees

As at December 31, 2021, the Corporation and its subsidiaries had 8,300 employees, including temporary positions.

Commitment to Sustainable Development

Sustainable development is an essential component of the Corporation's business strategy in order to actively contribute to the wellbeing of our clients, employees, partners, investors and communities.

The Corporation's *Sustainable Development Policy* was adopted by the Board of Directors to guide the implementation of this strategy. It clearly defines the eight guidelines that frame the Corporation's thinking, strategy and achievements in the area of sustainable development. These guidelines are as follows:

- Ensure the financial wellbeing of our clients;
- Manage risks effectively;
- Follow high standards of governance;
- Actively contribute to our communities;
- Manage environmental impact;
- Create a rewarding work environment and focused on diversity and inclusion;
- Practice responsible sourcing;
- Integrate ESG factors into investment processes.

The Policy also specifies the objectives and best practices of sustainable development, taking into account the business and context of iA Financial Group.

The Risk Management, Governance and Ethics Committee is responsible for reviewing the sustainability strategy and monitoring the indicators, targets and frameworks implemented by the Corporation.

iA Financial Group takes into account environmental, social and governance (ESG) factors in its sustainable development actions.

In 2021, the Corporation focused on further integrating ESG factors and rolling out several new sustainable finance initiatives. In particular, we committed to supporting external asset managers in their process of integrating these factors. We also adopted and published a responsible investment policy and a proxy voting guideline.

In addition, we set up a climate change task force to implement the Towards a Carbon-Free Future project.

Along with this work, the Corporation continued its efforts to support its stakeholders. Over $7.5 million was donated to different Canadian charitable organizations, our diversity and inclusion program is being rolled out and the large majority of our employees have received training on inclusion.

Lastly, 2021 was marked by the integration of the recommendations from the Task Force on Climate-related Financial Disclosures.

Managing the Impacts of the COVID-19 Pandemic on Stakeholders

Since the beginning of the pandemic, iA Financial Group has contributed tirelessly and in every possible way to the immense social efforts to mitigate the pandemic's effects by implementing numerous measures for its employees, clients and communities.

The Corporation played an active role in the vaccination campaign by setting up in Quebec City, the Capitale-Nationale Region Enterprise Vaccination Hub, in cooperation with other companies in the region.

This vaccination hub was open to the population of the Capitale-Nationale region, including some 15,000 employees of the participating companies and the members of their immediate family (18 and older), while respecting the order of priority set by the Quebec Government. The Capitale-Nationale Region Enterprise Vaccination Hub ran from May to September 2021 and enabled thousands of people to get vaccinated.

We also got actively involved in fighting the unprecedented effects of the pandemic on our communities. We increased our donations in the areas of health, education and community services, specifically targeting organizations with urgent needs due to the pandemic. Two years into the pandemic, we continue to actively support charities Canada-wide that are in critical need.

In December 2021, iA Financial Group donated half a million dollars to Food Banks Canada, a national charitable organization dedicated to helping Canadians living with food insecurity. This is in addition to the $300,000 already donated throughout the year to food banks across the country.

We also ran a mental health offensive, donating over $600,000 to support organizations across Canada working on the ground in the area of mental health, and provided financial support to shelters and domestic violence organizations.

Lastly, we honoured all our fundraising activity donation commitments, even for activities that had to be cancelled in 2021.

Commitment to Reducing its GHG Emissions

The Corporation is committed to reducing its greenhouse gas ("**GHG**") emissions by 20% per employee by 2025. This is an ambitious commitment that reflects the importance the Corporation places on reducing its environmental footprint and contributing to this huge global effort to make the world a better place for future generations.

Note that in December 2019, the Corporation had announced its commitment to offsetting its GHG emissions through the purchase of carbon credits and to become a carbon neutral Corporation as of 2020, which is now done.

Carbon neutral corporation certification certifies that all GHG emissions that could not be eliminated by the Corporation's reduction measures have been calculated and offset.

The offsetting announced in 2019 began in 2020. In its 2020 and 2021 *Sustainability Reports*, the Corporation released its GHG emissions data and its GHG emission reduction objectives.

Participating in the United Nations Sustainable Development Goals

In 2015, the Member States of the United Nations adopted 17 Sustainable Development Goals ("**SDGs**") to protect the planet and ensure prosperity for all by 2030.

The Corporation adheres to these United Nations goals and has determined five of these SDGs that are aligned with its purpose and mission and to which it can make a significant contribution.

These five SDGs are:

- Good health and wellbeing – seeks to give individuals the means to live healthy lives and promote wellbeing for all at all ages;
- Decent work and economic growth – seeks to promote inclusive and sustainable economic growth, employment and decent work for all;
- Reduce inequalities within and among countries – seeks to reduce inequality within and among countries;
- Sustainable cities and communities – seeks to make cities inclusive, safe, resilient and sustainable;
- Climate Action – seeks urgent action to combat climate change and its impacts.

Signatory of the United Nations Principles for Responsible Investment (PRI)

As signatory of the United Nations Principles for Responsible Investment (PRI), the Corporation is committed to:

- Integrating ESG factors into its investment processes;
- Being an active player by exercising voting rights in line with its ESG values;
- Encouraging companies in which the Corporation invests to increase disclosure of their ESG initiatives and to operate responsibly;
- Promoting the adoption of the Principles;
- Cooperating with industry members to improve ESG practices;
- Reporting on its ESG activities and progress to the PRI.

Sustainability Report

For all of the Corporation's initiatives and achievements, refer to the *Sustainability Report*, available on our website at ia.ca.

Risk Factors

For information on risk factors for iA Insurance and its operations, refer to the "Risk Management" section on pages 28 to 38 of the *Management's Discussion and Analysis*, and to the Consolidated Financial Statements' Note 7 on Management of Risks Associated with Financial Instruments, on pages 34 to 42, Note 13 on Management of Insurance Risk, on page 49, and Note 14 on Insurance Contract Liabilities and Investment Contract Liabilities, on pages 50 to 56.

Reorganizations

Please refer to the "General Development of the Business" section of this Annual Information Form for a description of key corporate reorganizations.

Capital Structure

General Description

The authorized capital of iA Insurance consists of:

1. an unlimited number of Common Shares without par value;
2. 10,000,000 Preferred Shares with par value of $25 per share, issuable in series; and
3. an unlimited number of Class A Preferred Shares without par value, issuable in series.

As at December 31, 2021, 108,575,222 Common Shares, 5,000,000 Class A Preferred Shares Series B, 10,000,000 Class A Preferred Shares Series G and 6,000,000 Class A Preferred Shares Series I, were issued and outstanding.

Common Shares

Each Common Share entitles the holder to one vote at all meetings of shareholders (except for meetings exclusively for another class or series of shareholders). Subject to the prior rights of the holders of Class A Preferred Shares, the Preferred Shares and any other shares ranking senior to the Common Shares with respect to payment of dividends, the holders of Common Shares are entitled to receive dividends as may be declared by the Board of Directors of iA Insurance. Also, subject to the prior rights of the holders of Class A Preferred Shares, the Preferred Shares and any other shares ranking senior to the Common Shares with respect to the distribution of property in the event of the liquidation, winding-up or dissolution of the Corporation, whether voluntary or involuntary, the holders of the Common Shares will be entitled to receive the remaining assets of the Corporation that pertain to the shareholders in equal amounts per Common Share without preference or priority of one of the Common Shares over another.

Pursuant to the implementation of the plan of arrangement hereabove mentioned, as of January 1, 2019, iA Financial Corporation holds all the Common Shares of iA Insurance and, subject to the policyholders' right to elect at least one-third of the members of the Board of Directors, iA Financial Corporation is the sole common shareholder entitled to vote at iA Insurance's annual shareholders' meetings.

Preferred Shares

The Preferred Shares may be issued in one or more series with such rights and restrictions as the Board of Directors may determine. The rights or restrictions attached to a series of Preferred Shares do not confer on the series any priority in respect of the payment of dividends or the return of capital over any other series of Preferred Shares. With respect to the priority in the payment of dividends and in the distribution of property in the event of the liquidation, winding-up or dissolution of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its participating policyholders and shareholders for the specific purpose of winding up the Corporation's affairs, the Preferred Shares: (a) rank equally with Class A Preferred Shares; and (b) are entitled to a preference over the Common Shares and any other shares ranking junior to the Preferred Shares. The holders of any series of Preferred Shares are entitled to receive notice of any special meetings held by the Corporation, but are not entitled to attend or to vote at such meetings.

Series 1

Series 1 Preferred Shares entitle holders to receive non-cumulative preferential dividends, when declared by the Board of Directors of iA Insurance, in an amount that varies according to the time that has lapsed since the shares were issued and according to the Canada bond yield and the prime rate with a minimum of 1% of the issue price of such shares annually. The Series 1 Preferred Shares are redeemable at the Corporation's option, but on certain conditions, including the authorization of the AMF, at a price equal to $25 per share, and are convertible at the holder's option into Common Shares at a price equal to 95% of the market value of said Common Shares. This conversion option may in turn give rise, at the Corporation's option, to a conversion of Series 1 Preferred Shares into Series 2 Preferred Shares.

Series 2

Series 2 Preferred Shares entitle holders to receive non-cumulative preferential dividends, when declared by the Board of Directors of iA Insurance, in an amount that varies according to the time that has lapsed since the shares were issued and according to the Canada bond yield and the prime rate with a minimum of 1% of the issue price of such shares annually. Series 2 Preferred Shares may only be issued for purposes of conversion of Series 1 Preferred Shares. They are redeemable at the Corporation's option at the issue price plus a premium of 5.26% on certain conditions, including the requirement to proceed with an issue of Series 3 Preferred Shares.

Series 3

Series 3 Preferred Shares do not entitle holders to receive dividends. Series 3 Preferred Shares are redeemable at the Corporation's option on or after the fifth (5^{th}) anniversary of the date of their issue, subject to certain conditions, including the prior authorization of the AMF, at a price equal to $25 per share, and are convertible, at the holder's option, into Common Shares at the market value of the said Common Shares.

Class A Preferred Shares

Class A Preferred Shares may be issued in one or more series with such rights and restrictions as the Board of Directors may determine. Rights or restrictions attached to a series of Class A Preferred Shares do not confer on the series any priority in respect of the payment of dividends or the return of capital over any other series of Class A Preferred Shares. With respect to priority in the payment of dividends and in the distribution of property in the event of the liquidation, winding-up or dissolution of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its participating policyholders and shareholders for the specific purpose of winding up its affairs, Class A Preferred Shares: (a) rank equally with the Preferred Shares; and (b) are entitled to a preference over the Common Shares and any other shares ranking junior to Class A Preferred Shares. Except as required by law or as specified in the rights and restrictions attached from time to time to any series of Class A Preferred Shares, the holders of any series of Class A Preferred Shares are not entitled as such to receive notice of, to attend or to vote at any meeting of the shareholders or participating policyholders of the Corporation.

Series A

The non-cumulative dividend Class A Preferred Shares Series A do not carry any voting rights (except in certain exceptional cases) and entitle the holders to receive non-cumulative semi-annual cash dividends of $0.5625 per share, when declared by the Board of Directors of iA Insurance. Class A Preferred Shares Series A are redeemable at the Corporation's option on or after December 31, 2008, for an amount of $25 per share, subject to the prior approval of the AMF.

Series B

The non-cumulative dividend Class A Preferred Shares Series B do not carry any voting rights (except in certain exceptional cases) and entitle the holders to receive fixed non-cumulative preferential cash dividends of $0.2875 per share, payable quarterly when declared by the Board of Directors of iA Insurance. Class A Preferred Shares Series B are redeemable by the Corporation on or after March 31, 2011 for an amount ranging between $26 and $25 per share depending on the year of redemption and subject to the prior approval of the AMF. Subject to the Corporation's right to redeem them and subject to the approval of the AMF, they are convertible at the holder's option, on notice by the Corporation, into a distinct series of new Class A Preferred Shares, which the Corporation may decide to issue.

Series C

The non-cumulative dividend Class A Preferred Shares Series C do not carry any voting rights (except in certain exceptional cases) and entitle the holders to receive fixed non-cumulative preferential cash dividends adjusted every five years, with an initial annual rate of $1.55 per share, payable quarterly when declared by the Board of Directors of iA Insurance. Class A Preferred Shares Series C are redeemable by the Corporation for an amount of $25 per share on December 31, 2013 and on December 31 every five years thereafter, subject to the prior approval of the AMF. Subject to the Corporation's right to redeem them, and subject to certain restrictions, they are convertible at the holders' option into Class A Preferred Shares Series D on December 31, 2013, and on December 31 every five years thereafter.

Series D

The non-cumulative dividend Class A Preferred Shares Series D do not carry any voting rights (except in certain exceptional cases) and entitle the holders to receive floating rate non-cumulative preferential cash dividends payable quarterly when declared by the Board of Directors of iA Insurance. Class A Preferred Shares Series D are redeemable by the Corporation for an amount of $25 per share on December 31, 2018 and on December 31 every five years thereafter, subject to the prior approval of the AMF. Subject to the Corporation's right to redeem them and subject to certain restrictions, they are convertible at the holders' option into Class A Preferred Shares Series C on December 31, 2018, and on December 31 every five years thereafter.

Series E

The non-cumulative dividend Class A Preferred Shares Series E do not carry any voting rights (except in certain exceptional cases) and entitle the holders to receive fixed non-cumulative preferential cash dividends at an annual rate of $1.50 per share, payable quarterly when declared by the Board of Directors of iA Insurance. Class A Preferred Shares Series E are redeemable by the Corporation on or after December 31, 2014 for an amount ranging between $26 and $25 per share depending on the year of redemption, subject to the prior approval of the AMF.

Series F

The non-cumulative dividend Class A Preferred Shares Series F do not carry any voting rights (except in certain exceptional cases) and entitle the holders to receive fixed non-cumulative preferential cash dividends at an annual rate of $1.475 per share, payable quarterly when declared by the Board of Directors of iA Insurance. Class A Preferred Shares Series F are redeemable by the Corporation on or after March 31, 2015 for an amount ranging between $26 and $25 per share depending on the year of redemption, subject to the prior approval of the AMF.

Series G

The non-cumulative dividend Class A Preferred Shares Series G do not carry any voting rights (except in certain exceptional cases) and entitle the holders to receive fixed non-cumulative preferential cash dividends at an annual rate of $0.94425 per share for a period of five years starting June 30, 2017 and ending on but excluding June 30, 2022, payable quarterly when declared by the Board of Directors of iA Insurance. Class A Preferred Shares Series G are redeemable by the Corporation for an amount of $25 per share on June 30, 2017, and on June 30 every five years thereafter, subject to the prior approval of the AMF. Subject to the Corporation's right to redeem them and subject to certain restrictions, they are convertible at the holders' option into Class A Preferred Shares Series H on June 30, 2017, and on June 30 every five years thereafter. It should be noted that on June 30, 2017, no Class A Preferred Shares Series G were redeemed and none of them were converted into Class A Preferred Shares Series H.

Series H

The non-cumulative dividend Class A Preferred Shares Series H do not carry any voting rights (except in certain exceptional cases) and entitle the holders to receive floating rate non-cumulative preferential cash dividends payable quarterly when declared by the Board of Directors of iA Insurance. Class A Preferred Shares Series H are redeemable by the Corporation for an amount of $25 per share on June 30, 2022, and on June 30 every five years thereafter, or are redeemable by the Corporation on any date other than a Class A Preferred Shares Series H conversion date, after June 30, 2017, for an amount of $25.50 per share, subject to the prior approval of the AMF. Subject to the Corporation's right to redeem them and subject to certain restrictions, they are convertible at the holders' option into Class A Preferred Shares Series G on June 30, 2022, and on June 30 every five years thereafter.

Series I

The non-cumulative dividend Class A Preferred Shares Series I do not carry any voting rights (except in certain exceptional cases) and entitle the holders to receive fixed non-cumulative preferential cash dividends at an annual rate of $1.20 per share for a period of five years as of March 7, 2018 and ending on March 31, 2023, excluding this date, payable quarterly when declared by the Board of Directors of iA Insurance. Class A Preferred Shares Series I are redeemable by the Corporation for an amount of $25 per share on March 31, 2023 and on March 31 every five years thereafter, subject to the prior approval of the AMF. Subject to the Corporation's right to redeem them and subject to certain restrictions, they are convertible at the holders' option into Class A Preferred Shares Series J on March 31, 2023 and on March 31 every five years thereafter.

Series J

The non-cumulative dividend Class A Preferred Shares Series J do not carry any voting rights (except in certain exceptional cases) and entitle the holders to receive floating rate non-cumulative preferential cash dividends payable quarterly when declared by the Board of Directors of iA Insurance. Class A Preferred Shares Series J are redeemable by the Corporation for an amount of $25 per share on March 31, 2028 and on March 31 every five years thereafter, or are redeemable by the Corporation on any date other than a Class A Preferred Shares Series J conversion date, after March 31, 2028, for an amount of $25.50 per share, subject to the prior approval of the AMF. Subject to the Corporation's right to redeem them and subject to certain restrictions, they are convertible at the holders' option into Class A Preferred Shares Series I on March 31, 2028 and March 31 every five years thereafter.

Series YY

Class A Preferred Shares Series YY do not carry any voting rights and entitle the holders to receive non-cumulative semi-annual preferential cash dividends of $0.450 per share, when declared by the Board of Directors of iA Insurance. Class A Preferred Shares Series YY are redeemable at the Corporation's option, on or after December 31, 2008, for an amount of $25 per share, payable in cash or by delivery of Common Shares, subject to the prior approval of the AMF. Subject to the Corporation's right to purchase them and subject to certain restrictions, they are also convertible into Common Shares at the shareholders' option on each conversion date, being the last day of June and December in each year, on or after June 30, 2014.

Series ZZ

Class A Preferred Shares Series ZZ do not carry any voting rights and entitle holders to receive non-cumulative semi-annual preferential cash dividends of $0.5625 per share, when declared by the Board of Directors of iA Insurance. Class A Preferred Shares Series ZZ are redeemable at the Corporation's option, on or after December 31, 2008, for an amount of $25 per share payable in cash or by delivery of Common Shares, subject to the prior approval of the AMF. Subject to the Corporation's right to purchase them and subject to certain restrictions, they are also convertible into Common Shares at the shareholders' option on each conversion date, being the last day of June and December in each year, on or after June 30, 2014.

Constraints

Constraints on Voting Shares Under the *Insurers Act* and the Private Bill

For the constraints on voting shares pursuant to the *Insurers Act* and the Private Bill, consult the "Governing Legislation" section of this Annual Information Form.

For information on the debentures and the share capital, refer to the *Management's Discussion and Analysis*, "Financial Position" section on pages 16 to 20, and to pages 56 to 58 of iA Insurance's Consolidated Financial Statements (Notes 16 and 17).

Insurers Act Restrictions and Approvals

The Corporation may not declare nor pay a dividend, nor redeem or purchase its shares if there are reasonable grounds for believing that it would be in contravention of the *Insurers Act* or a regulation or guideline made under it concerning the maintenance by life insurance companies of an adequate capital base and such liquid assets as are adequate to ensure sound and prudent management. The redemption or the purchase by the Corporation of its shares requires the prior consent of the AMF. The Corporation may also not move forward with either of these transactions if there are reasonable grounds for believing that it would be in contravention of the written instructions that have been given to the Corporation by the AMF pursuant to the provisions of the *Insurers Act* respecting its capital and its liquid assets. As of the date of this Annual Information Form, no such instructions have been given to the Corporation by the AMF.

Credit Ratings

The Class A Preferred Shares and the subordinated debentures of the Corporation are rated by independent rating agencies. These ratings confirm the Corporation's financial strength and its ability to respect its obligations to policyholders and creditors. Note that the ratings granted by the rating agencies are not recommendations to buy, sell or hold the Corporation's different securities. The rating agencies can revise or withdraw the ratings granted to the Corporation at any time. The rating agencies act independently from the Corporation.

The following table lists the ratings attributed to the Corporation and its parent company, iA Financial Corporation, as at December 31, 2021. S&P Global Ratings and A.M. Best ratings were all affirmed in 2021 with a stable outlook. For its part, DBRS Morningstar reviewed and upgraded its ratings for iA Financial Corporation and the Corporation with a stable outlook.

Rating Agency	Type of evaluation	Rating
	iA Financial Corporation Inc.	
Standard & Poor's	Issuer Credit Rating	A
	Subordinated debentures	A-
DBRS Morningstar	Issuer Rating	A
	Subordinated debentures	A (low)
	Industrial Alliance Insurance and Financial Services Inc.	
S&P Global Ratings	Issuer Credit Rating	AA-
	Financial Strength Rating	AA-
	Subordinated debentures	A+
	Preferred Shares – Canadian Scale	P-1 (Low)
	Preferred Shares – Global Scale	A
DBRS Morningstar	Financial Strength	AA (low)
	Issuer Rating	AA (low)
	Subordinated debentures	A (high)
	Preferred Shares	Pfd-1 (low)
A.M. Best	Financial Strength	A+ (Superior)
	Issuer Credit Rating	aa- (Superior)
	Subordinated debentures	a
	Preferred Shares	a-

Payments are made by the Corporation to these rating agencies in connection with regular rating work and also when ratings are requested by the Corporation for the issue of certain financial instruments.

S&P Global Ratings ("S&P")

The Financial Strength Rating reflects S&P's opinion on an insurer's capacity to meet its financial commitments to its policyholders in accordance with the terms of the contracts. The AA- rating assigned to iA Insurance indicates that it has strong financial security characteristics. The AA- rating corresponds to the fourth highest rating of a total of twenty-two (22) rankings divided into ten categories.

The S&P financial strength categories range from AAA to R. S&P adds a plus (+) or minus (-) sign to its categories between AA and CCC to show the relative standing of the securities within a major rating category. Insurers whose financial strength rating is BBB or higher are part of the group whose rating is “secure”, while those rated BB or lower are part of the group whose rating is “vulnerable”.

The Issuer Credit Rating reflects S&P’s opinion on the overall creditworthiness of an issuer. The A rating of iA Financial Corporation assigned by S&P is two notches lower than the rating of iA Insurance. It reflects the structural subordination of the holding company to its regulated insurance subsidiary; the strength of cash flows from that subsidiary; and the policies, procedures and oversight of the Canadian regulatory framework. The A rating assigned to iA Financial Corporation is the sixth highest rating. The AA- rating assigned to iA Insurance indicates that the Corporation has a strong capacity to meet its financial commitments. The AA- rating is the fourth highest rating of a total of twenty-two (22) rankings divided into ten categories. S&P Issuer Credit Rating categories range from AAA to CC. S&P adds a plus (+) or minus (-) sign to its categories between AA and CCC to show the relative standing of the securities within a major rating category.

S&P’s long-term debt rating scale is based on the likelihood of payment, the obligor’s capacity and willingness to meet its financial commitment on a debt in accordance with the terms of the debt, as well as the protection afforded by, and relative position of, the debt in the event of bankruptcy, reorganization, or other arrangement under the laws of bankruptcy and other laws affecting creditors’ rights. The ratings reflect the level of default of payment risk.

iA Financial Corporation’s subordinated debentures have been assigned an A- rating, the seventh highest rating of the twenty-two (22) rankings in the scale. iA Insurance’s subordinated debentures received an A+ rating, the fifth highest rating of the twenty-two (22) rankings in the scale. The A- rating indicates that iA Financial Corporation has a strong capacity to meet its financial commitments with respect to the debentures.

S&P has a Canadian scale and a global scale for certain securities. The S&P Canadian scale is a current comparison of the creditworthiness of an obligor with respect to a specific security issued in the Canadian market, relative to securities issued by other issuers in the Canadian market. A “High” or “Low” designation reflects the relative position within a rating category.

The iA Insurance Preferred Shares have obtained an A rating on the global scale, which is the sixth highest rating of a total of twenty (20) rankings. This rating indicates that the iA Insurance Preferred Shares are somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than other similar securities in higher categories. The A rating does however indicate that iA Insurance has a strong capacity to meet its commitments with respect to its Preferred Shares. The iA Insurance Preferred Shares have received a P-1 (Low) rating according to the Canadian scale, which is the third highest of a total of eighteen (18) rankings.

In its rating system, S&P adds an outlook to the Financial Strength and Issuer Credit Rating. These outlooks remain “stable”. They indicate the possible direction of these ratings in the medium or long term based on changes in the economic environment and/or the corporate position. The outlook can be “Positive” (meaning that the rating may be raised), “Stable” (meaning that the rating is not likely to change), “Negative” (meaning that rating may be lowered), or “Developing” (meaning that the rating may be raised or lowered).

DBRS Limited (“DBRS Morningstar”)

On March 9, 2021, DBRS Morningstar raised the issuer credit and the subordinated debentures ratings of iA Financial Corporation and raised the issuer credit, the financial strength, the subordinated debentures and the non-cumulative preferred shares ratings of iA Insurance. The rating upgrades reflect the efforts made by the Corporation in the past few years to improve its risk profile, in particular its sensitivity to market-related risks, and its shift towards less capital-intensive products. DBRS Morningstar also removed the ratings from Under Review with Positive Implications, where they were placed in December 2020, now assigning a stable outlook.

The Financial Strength Rating represents an opinion by DBRS Morningstar as to an insurance company’s capacity to meet its financial obligations with respect to its issued insurance policies. This rating is based on an evaluation of the various building blocks of the insurer, including franchise strength, risk profile, earnings ability, liquidity, capitalization and asset quality. DBRS Morningstar has assigned iA Insurance a financial strength rating of AA (low) with a stable outlook.

This rating corresponds to the fourth highest rating of a total of twenty-two (22) rankings from AAA to R. For categories from AA to CCC, DBRS Morningstar may add a “high” or “low” designation to indicate the relative position within a rating category, whereas the absence of such a designation indicates the rating is in the middle of the category. Insurers that are rated AA are considered to have an excellent capacity for the payment of policyholder and contract obligations. Such insurers are unlikely to be significantly vulnerable to adverse business and economic conditions.

The DBRS Morningstar long-term debt rating scale is meant to give an indication of the risk that a borrower cannot fulfil its full obligations in a timely manner, with respect to both principal and interest commitments.

Regarding the Issuer Rating, DBRS Morningstar assigned an A rating to iA Financial Corporation and an AA (low) rating to iA Insurance.

iA Financial Corporation's Issuer Rating is two notches below the Issuer Rating of its major operating subsidiary, iA Insurance. Among other factors, the two-notch differential reflects the structural subordination of the holding company's creditors to the operating company's creditors in an insolvency situation and recognizes the reliance of iA Financial Corporation on its operating companies for its earnings. The Issuer Rating of iA Financial Corporation would be positively affected as a result of an upgrade of iA Insurance's Issuer Rating. Conversely, the rating of iA Financial Corporation would be negatively affected as a result of a downgrade of iA Insurance's rating. The A rating assigned to iA Financial Corporation corresponds to the sixth highest rating of a total of twenty-two (22) rankings from AAA to R.

Furthermore, DBRS Morningstar has assigned an A (low) rating to the iA Financial Corporation subordinated debentures and has assigned an A (high) rating to the iA Insurance subordinated debentures, which is the fifth highest rating on a scale of twenty-six (26) rankings divided into ten categories. The DBRS Morningstar rating categories for this type of security vary from AAA to D. For categories other than AAA and D, DBRS Morningstar may add a "high" or "low" designation to indicate the relative position within a rating category, whereas the absence of such a designation indicates the rating is in the middle of the category. The A (high) rating assigned to iA Insurance means that its subordinated debentures have a "satisfactory" credit quality, which is higher than the "adequate" quality of BBB category securities, but lower than the "superior" quality of AA category securities. Protection of interest and capital is still substantial, but the degree of strength is less than with AA-rated entities. While an A rating is respectable, entities in this category are considered to be more susceptible to an unfavourable economic environment and have more pronounced cyclical tendencies than higher rated companies.

DBRS Morningstar has assigned a Pfd-1 (low) rating to the iA Insurance Preferred Shares. This is the third highest rating of a scale that is made up of sixteen (16) rankings. The DBRS Morningstar ratings are divided into six categories that vary from Pfd-1 to D. The DBRS Morningstar preferred share rating scale is used in the Canadian securities market and is meant to give an indication of the risk that a borrower will not fulfil its obligations in full in a timely manner, with respect to both principal and interest commitments. The Pfd-1 rating indicates that the Preferred Shares are of "superior" credit quality. This indicates that protection of dividends and principal is superior, and earnings and balance sheet have strong characteristics. The Pfd-1 rating generally corresponds to companies whose senior bonds are rated in the AAA or AA category. The "high" or "low" designation reflects the relative position within a rating category, whereas the absence of such a designation indicates the rating is in the middle of the category.

The outlook assigned to all ratings granted to iA Insurance by DBRS Morningstar reflects the opinion of DBRS Morningstar as to the direction that the rating could take based on the economic conditions and current trends. The outlook can be "Positive", "Stable" or "Negative". Currently, the outlook assigned to all ratings granted to iA Insurance by DBRS Morningstar is "Stable".

A.M. Best

The Financial Strength Rating represents an opinion by A.M. Best as to an insurance company's capacity to meet its obligations to its policyholders, who are senior ranking creditors. A rating of B+ and higher is granted to insurers who are part of the "secure" group, whereas a rating of B or lower is assigned to "vulnerable" insurance companies. As at December 31, 2021, the A+ (Superior) rating was assigned to iA Insurance for its financial strength, which means that, in the opinion of A.M. Best, iA Insurance has a robust balance sheet, a solid operating performance and a stable trend in its operating results. Insurers that are rated A+ (Superior) have a superior capacity to meet their commitments to their policyholders. This is the second highest rating out of a total of sixteen (16) rankings. The A.M. Best ratings range from A++ to S.

The A.M. Best Issuer Credit Rating is based on the issuer's capacity to meet its commitments to its creditors. Ratings of bbb and higher are assigned to issuers of a group designated as Investment Grade, while bb or lower ratings are assigned to Non-Investment Grade issuers. The aa- rating assigned to iA Insurance is the fourth highest of a total of twenty-four (24) rankings and indicates that the issuer has a "very strong" capacity to meet its commitments. The A.M. Best scale contains rankings that range from aaa to s. A positive (+) or negative (-) sign indicates that the credit quality is closer to the top or bottom of the category.

A.M. Best uses a scale that is similar in all respects to the one used for the Issuer Credit Rating to rank long-term debt. The ratings and designations added to the ratings also have the same meanings as those assigned to the Issuer Credit Ratings. The iA Insurance subordinated debentures have obtained an a rating, which is the sixth highest of the twenty-three (23) rankings, while the Preferred Shares have obtained an a- rating, which is the seventh highest ranking out of twenty three (23).

The descriptions of the ratings above are derived from public information published by each rating agency.

Dividends

The declaration and payment of dividends is the responsibility of the Board of Directors and depends on the financial results of the Corporation, as well as its financial position and other factors that the Board of Directors deems relevant. Dividends on the Preferred Shares are, in accordance with the articles, declared quarterly at meetings of the Board of Directors held in February, May, August and November. Dividends are also paid quarterly. In addition to the quarterly dividend, the Corporation may also declare an additional dividend to its sole common shareholder, subject to capital adequacy requirements.

Preferred Shares

On February 28, 2018, the Corporation issued 6,000,000 Class A Preferred Shares Series I for a total value of $150 million. These Preferred Shares entitle the holders, when declared by the Board of Directors of iA Insurance, to a fixed non-cumulative quarterly dividend of $0.30 per Preferred Share. The Corporation paid $7.2 million in dividends to holders of Class A Preferred Shares Series I in 2021 ($7.2 million in 2020 and in 2019).

On June 1, 2012, iA Insurance issued 6,000,000 Class A Preferred Shares Series G for a total value of $150 million. On June 28, 2012, the Corporation closed the issuance of 4,000,000 Class A Preferred Shares Series G for a total value of $100 million. These Preferred Shares entitle the holders, when declared by the Board of Directors of iA Insurance, to a non-cumulative quarterly dividend adjusted every five years. The initial dividend annual rate was $1.0750 per Preferred Share. On June 30, 2017, the annual rate was revised to $0.94425 per Preferred Share. The Corporation paid $9.4 million in dividends to holders of Class A Preferred Shares Series G in 2021 ($9.4 million in 2020 and in 2019).

On February 24, 2006, the Corporation issued 5,000,000 Class A Preferred Shares Series B worth a total of $125 million. These Preferred Shares entitle the holders, when declared by the Board of Directors of iA Insurance, to a fixed non-cumulative quarterly dividend of $0.2875 per Preferred Share. The Corporation paid $5,8 million in dividends to holders of Class A Preferred Shares Series B in 2021 ($5.8 million in 2020 and in 2019).

Common Shares

The Corporation paid dividends to its sole common shareholder, iA Financial Corporation, for an amount of $250 million in 2021, $1.181 billion in 2020 and $651 million in 2019.

Market for Securities of iA Insurance

Trading Price and Volume

The Preferred Shares of iA Insurance, being the Class A Preferred Shares Series B, Series G and Series I, are traded on the Toronto Stock Exchange under IAF.PR.B, IAF.PR.G and IAF.PR.I, respectively.

The Preferred Share price varies more according to changes in interest rates than according to changes in the Corporation's results, given that the share more closely resembles a fixed income security (the dividend paid is determined in advance and the share cannot participate in the Corporation's profits by receiving dividends other than those provided).

The following tables show the monthly minimum and maximum price and total monthly volume of iA Insurance Preferred Shares traded on the Toronto Stock Exchange in 2021. The iA Insurance Class A Preferred Shares Series B (issued on February 24, 2006, at $25.00 per share) closed 2021 at $25.00 compared to $24.30 at the end of 2020 and Class A Preferred Shares Series G (issued on June 1 and June 28, 2012, at $25.00 per share) closed 2021 at $25.05 compared to $20.65 at the end of 2020. The iA Insurance Class A Preferred Shares Series I (issued on February 28, 2018 at $25.00 per share) closed 2021 at $25.73 compared to $21.46 at the end of 2020.

IAF.PR.B (Preferred Shares) Transactions on the Toronto Stock Exchange in 2021

	Maximum price	Minimum price	Volume	Value
	$	$	#	$
January 2021	24.57	23.93	60,101	1,449,666
February 2021	25.20	23.91	113,769	2,831,357
March 2021	25.05	24.22	163,849	4,058,127
April 2021	25.05	24.67	27,853	692,118
May 2021	25.30	24.85	24,940	625,389
June 2021	25.25	25.01	55,148	1,386,558
July 2021	25.49	25.00	20,183	509,006
August 2021	25.44	25.12	32,960	832,582
September 2021	25.30	24.81	84,383	2,121,029
October 2021	25.25	24.96	56,389	1,415,767
November 2021	25.20	24.64	22,232	554,028
December 2021	25.00	24.45	16,437	405,929
Year 2021	25.49	23.91	678,244	16,881,556

IAF.PR.G (Preferred Shares) Transactions on the Toronto Stock Exchange in 2021

	Maximum price	Minimum price	Volume	Value
	$	$	#	$
January 2021	22.75	20.52	86,616	1,921,157
February 2021	24.85	22.38	285,977	6,895,318
March 2021	24.69	24.09	436,907	10,656,156
April 2021	24.75	24.15	327,875	7,986,591
May 2021	25.05	24.45	164,200	4,078,598
June 2021	25.05	24.53	217,751	5,413,890
July 2021	25.19	24.64	65,300	1,627,334
August 2021	25.45	24.80	85,677	2,154,157
September 2021	25.28	24.91	252,149	6,313,043
October 2021	25.34	25.02	71,242	1,790,690
November 2021	25.34	24.66	22,974	577,109
December 2021	25.25	24.67	74,774	1,868,255
Year 2021	25.45	20.52	2,091,442	51,282,298

IAF.PR.I (Preferred Shares) Transactions on the Toronto Stock Exchange in 2021

	Maximum price	Minimum price	Volume	Value
	$	$	#	$
January 2021	23.67	21.49	49,066	1,114,298
February 2021	24.97	22.80	82,021	1,993,365
March 2021	24.90	24.13	332,562	8,199,933
April 2021	25.00	24.50	305,880	7,597,780
May 2021	26.02	24.70	152,788	3,815,692
June 2021	25.56	24.99	48,689	1,225,948
July 2021	25.30	24.87	56,888	1,428,303
August 2021	25.90	25.20	128,444	3,250,978
September 2021	25.79	25.27	47,069	1,202,051
October 2021	25.82	25.41	36,806	940,333
November 2021	25.74	25.10	46,318	1,175,557
December 2021	25.74	25.00	49,526	1,245,651
Year 2021	26.02	21.49	1,336,057	33,189,889

Directors and Executive Officers

Name, Occupation and Security Holdings

As of the date of this Annual Information Form, no director or executive officer of the Corporation (as listed in the following tables) beneficially owned (or had control or direction over), directly or indirectly, any Common Shares of iA Insurance. In fact, since the arrangement came into force, all of the Common Shares of iA Insurance are held by iA Financial Corporation.

Furthermore, as of the date of this Annual Information Form, the directors and executive officers of the Corporation (as listed in the following tables) beneficially owned (or had control or direction over), as a group, directly or indirectly, 150,318 Common Shares of iA Financial Corporation (excluding deferred share units and performance share units), representing approximately 0.14% of the issued and outstanding Common Shares.

In addition, no director or executive officer of the Corporation beneficially owned (or had control or direction over) any voting shares in any subsidiary of the Corporation not wholly-owned by the Corporation.

The following table presents, as of the date of the Annual Information Form, the members of the Board of Directors of iA Insurance. All directors will hold office until the close of the next annual meeting of the sole shareholder of Common Shares and of Participating Policyholders of the Corporation.

Additional Information on the Directors and Officers

Directors of iA Insurance

Name and place of residence	Duties over the last five years	Director since	Membership on committees of the Board
MARIO ALBERT **BA, MA** Residence: Quebec City, Quebec, Canada	Since 2020: Corporate director 2017 – 2020: Executive Vice President and responsible for the modernization program in the group insurance sector at La Capitale Civil Service Insurer Inc. 2015 – 2017: General Manager at Finance Montreal	November 2020	— Audit Committee — Investment Committee
WILLIAM F. CHINERY **B.Math. (Hon), FCIA, FSA, ICD.D** Residence: Toronto, Ontario, Canada	For more than five years: Corporate director	May 2021	— Investment Committee
BENOIT DAIGNAULT **BBA, CFA** Residence: Hudson, Quebec, Canada	Since 2019: Corporate director 2014 – 2019: President and Chief Executive Officer at Export Development Canada	May 2019	— Investment Committee — Human Resources and Compensation Committee

Name and place of residence	Duties over the last five years	Director since	Membership on committees of the Board
NICOLAS DARVEAU-GARNEAU **B.Math., MBA** Residence: Los Gatos, California, United States	Since 2022: Chief Growth and Strategy Officer of Coveo Solutions Inc. (a leading applied artificial intelligence software company providing digital solutions for companies) 2017 – 2022: Chief Strategist at Google Search 2016 – 2017: Director, Sales and Strategy Research, United States	May 2018	— Human Resources and Compensation Committee
EMMA K. GRIFFIN **BA (Oxon), MA (Oxon)** Residence: Henley on Thames, Oxfordshire, United Kingdom	For more than five years: Corporate director	November 2016	— Investment Committee (Chair) — Risk Management, Governance and Ethics Committee
GINETTE MAILLÉ **BBA, CPA, CA, ICD.D** Residence: Montreal, Quebec, Canada	Since 2017: Vice President, Finance and Administration and Chief Financial Officer at Aéroports de Montréal (not-for-profit corporation responsible for the management, operation and development of Montreal's Pierre Elliott Trudeau International Airport and Montreal-Mirabel International Airport) 2011 – 2017: Senior Vice President and Chief Financial Officer at Yellow Pages Limited	July 2019	— Audit Committee
JACQUES MARTIN **B.Com., LL.B., MBA, IDP-C** Residence: Larchmont, New York, United States	For more than five years: Corporate director	January 2011	— Chair of the Board of Directors — Risk Management, Governance and Ethics Committee (Chair) — Human Resurces and Compensation Committee
MONIQUE MERCIER **LL.B., M.Phil., Ad.E.** Residence: Outremont, Quebec, Canada	Since 2019: Corporate director 2014 – 2018: Executive Vice President, Corporate Affairs, Chief Legal & Governance Officer at TELUS Corporation	May 2019	— Audit Committee — Human Resources and Compensation Committee
DANIELLE G. MORIN **B.Sc., ICD.D** Residence: Longueuil, Quebec, Canada	For more than five years: Corporate director	May 2014	— Risk Management, Governance and Ethics Committee — Audit Committee (Chair)
MARC POULIN **B.Sc., MBA** Residence: Outremont, Quebec, Canada	For more than five years : Corporate director	May 2018	— Human Resources and Compensation Committee (Chair) — Risk Management, Governance and Ethics Committee
SUZANNE RANCOURT **BBA, CPA, CGA, ICD.D** Residence: Verdun, Île-des-Soeurs, Quebec, Canada	For more than five years: Corporate director	May 2021	— Risk Management, Governance and Ethics Committee — Audit Committee
DENIS RICARD **B.Sc., FSA, FCIA** Residence: Pont-Rouge, Quebec, Canada	Since 2018: President and Chief Executive Officer 2017 – 2018: Chief Operating Officer 2015 – 2017: Executive Vice President, Individual Insurance and Annuities	September 2018	

Name and place of residence	Duties over the last five years	Director since	Membership on committees of the Board
LOUIS TÊTU **B.Eng.** Residence: Quebec City, Quebec, Canada	Since 2011: Chairman and Chief Executive Officer of Coveo Solutions Inc. (a leading applied artificial intelligence software company providing digital solutions for companies)	May 2016	— Risk Management, Governance and Ethics Committee
LUDWIG W. WILLISCH **Dipl.-Volksw.** Residence: Old Greenwich, Connecticut, United States	Since 2017: Corporate director 2011 – 2017: President, Chief Executive Officer and Chairman of BMW (US) Holding Corp. 2011 – 2017: President, Chief Executive Officer and member of the Board of Directors of BMW of North America, LLC	July 2021	

The following table presents, as of the date of this Annual Information Form, the executive officers of iA Insurance, all of whom are members of the Executive Committee.

Executive officers of iA Insurance

Name, occupation and place of residence	Duties over the last five years	With the Corporation since
ALAIN BERGERON **BBA, M.Sc., CFA, CMT** Executive Vice President and Chief Investment Officer Residence: Toronto, Ontario, Canada	— Appointed to current position in 2019 — 2013-2019: Senior Vice President and Portfolio Manager, MacKenzie Investments	September 2019
FRANÇOIS BLAIS **B.Sc., FCIA, FCAS** Executive Vice President Dealer Services and Special Risks Residence: Quebec City, Quebec, Canada	— Appointed to current position in 2020 — 2019-2020: President of iA Auto and Home Insurance Inc. and Prysm General Insurance Inc. — 2018-2019: Chief Operating Officer, iA Auto and Home Insurance Inc. — 2017-2018: Vice President, Head of Analytics and Data	May 2004
ÉRIC JOBIN **B.Sc., FSA, FCIA** Executive Vice President, Group Benefits and Retirement Solutions Residence: Quebec City, Quebec, Canada	— Appointed to current position in 2020 — 2020: Senior Vice President, Group Benefits and Retirement Solutions (interim) — 2017-2020: Vice President, Actuarial and Finance — 2015-2017: Vice President, Corporate Actuarial	January 1994
RENÉE LAFLAMME **BBA, FCPA, FCA, CFA** Executive Vice President Individual Insurance, Savings and Retirement Residence: Quebec City, Quebec, Canada	— Appointed to current position in 2018 — 2015-2018: Executive Vice President, Insurance and Group Savings Solutions	April 1998
PIERRE MIRON **B.A.Sc.** Executive Vice President, and Chief Transformation Officer Residence: Repentigny, Quebec, Canada	— Appointed to current position in 2021 — 2020-2021: Executive Vice President, Information Technology and Investment Operations — 2018-2020: Executive Vice President, Information Technology — 2010-2018: Senior Vice President, Chief Operations and IT Officer, Caisse de dépôt et de placement du Québec	September 2018

Name, occupation and place of residence	Duties over the last five years	With the Corporation since
SEAN O'BRIEN **Business Diploma** Executive Vice President, Wealth Management Residence: Toronto, Ontario, Canada	— Appointed to current position in 2020 — 2020: Executive Vice President, Dealer Services and Special Risks — 2018-2020: Senior Vice President, iA Dealer Services — 2016: President, iA Dealer Services — 2015-2017: Chief Operating Officer, iA Auto Finance Inc.	October 2015
JACQUES POTVIN **B.Sc., FSA, FCIA** Executive Vice President, Chief Financial Officer and Chief Actuary Residence: Quebec City, Quebec, Canada	— Appointed to current position in 2018 — 2015-2018: Vice President and Chief Risk Officer	June 1990
DENIS RICARD **B.Sc., FSA, FCIA** President and Chief Executive Officer Residence: Pont-Rouge, Quebec, Canada	— Appointed to current position in 2018 — 2017-2018: Chief Operating Officer — 2015-2017: Executive Vice President, Individual Insurance and Annuities	June 1985
PHILIPPE SARFATI **B.Com., MBA** Executive Vice President and Chief Risk Officer Residence: Toronto, Ontario, Canada	— Appointed to current position in 2021 — 2018-2021: Chief Risk Officer, Concentra Bank — 2017-2018: Managing Director, Promontory Financial Group — 2015-2017: Senior Director, Office of the Superintendent of Financial Institutions	September 2021
LILIA SHAM **B.Sc., M.Sc., FSA, FCIA, MAAA** Executive Vice President, Corporate Strategy and Development Residence: Toronto, Ontario, Canada	— Appointed to current position in 2020 — 2019-2020: Executive Vice President, Corporate Development — 2018-2019: Professor at York University, Schulich School of Business — 2004-2017: Executive Vice President, Corporate Development, Intact Financial Corporation	May 2019
MICHAEL L. STICKNEY **B.Sc., FSA, MBA, MAAA** Executive Vice President, and Chief Growth Officer Residence: Scottsdale, Arizona, United States	— Appointed to current position in 2019 — 2005-2019: Executive Vice President U.S. Development	November 1987

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as disclosed below, to the knowledge of the directors and the members of management of the Corporation, no director or executive officer of the Corporation:

a) is, as of the date of this Annual Information Form, or has been, within ten (10) years before the date of this Annual Information Form, a director, chief executive officer or chief financial officer of any corporation, including the Corporation, that:

   (i) while the director or executive officer was acting in the capacity of director, chief executive officer or chief financial officer, was the subject of a cease trade or similar order or an order that denied it access to any exemption under securities legislation for a period of more than 30 consecutive days;

   (ii) was the subject of a cease trade or similar order or an order that denied it access to any exemption under securities legislation for a period of more than 30 consecutive days after the director or executive officer ceased to act in the capacity of director, chief executive officer or chief financial officer and which resulted from an event that occurred while the director or executive officer was acting in the capacity of director, chief executive officer or chief financial officer;

   (iii) while the director or executive officer was acting in the capacity of director, chief executive officer or chief financial officer, or during the fiscal year after the director or executive officer ceased to act in such capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets;

b) has, within ten (10) years before the date of this Annual Information Form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the director's or executive officer's assets;

   The only exception to the foregoing is:

   (i) Ms. Ginette Maillé was Chief Financial Officer when Yellow Media Inc. carried out a recapitalization. A plan of arrangement was approved by the court under the *Canada Business Corporations Act*, pursuant to which the former securities of Yellow Media Inc. and all rights pertaining thereto were cancelled and exchanged against, as the case may be, an amount of cash and Common Shares and Company Warrants, as well as new Secured Senior Notes and new Subordinated Exchangeable Debentures of Yellow Media Inc. The arrangement took effect on December 20, 2012.

   (ii) Ms. Emma K. Griffin is a director of ED&F Man Holdings Limited ("**ED&F Man**") which commenced a restructuring plan under Part 26A of the *Companies Act 2006* (United Kingdom) on February 3, 2022. On February 24, 2022, the Court granted ED&F Man permission to convene seven meetings for the relevant classes of shareholders and creditors. On March 16, 2022, the classes voted on the proposed plan. Six classes each approved by over the prescribed 75% in value of those voting (in person or by proxy) in the relevant class. In one class, the approval was 69.66% by value of those voting. The final "sanction" hearing occurred on March 23, 2022 at which the English court sanctioned the plan, pursuant to which the plan became binding as a matter of English law on all shareholders and creditors in those seven classes irrespective of how or if they voted.

Furthermore, to the knowledge of the Corporation, no director or executive officer of the Corporation has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in deciding whether to vote for the proposed director.

Audit Committee

Mandate

The Audit Committee's mandate is to support the Board in its responsibilities regarding the Corporation's financial reporting and disclosure to shareholders and other stakeholders, the internal control environment, compliance and financial crime, the head of internal audit, the external auditor, and the Chief Financial Officer of the Corporation. Among other things, the committee must ensure that the processes are in place to provide reasonable assurance that financial information is reliable and that the Corporation's financial statements are prepared in accordance with financial reporting standards and the applicable legal and regulatory requirements. The Audit Committee is also responsible for the oversight of certain specific programs related to information technology, financial crime and privacy risks. The full text of the Audit Committee's Charter is enclosed as Schedule A to this Annual Information Form.

In addition to what is provided in the Audit Committee's Charter, and in accordance with our *Policy Regarding the Head of Internal Audit* and the *Governance Guideline* of the Autorité des marchés financiers, the Committee has an enhanced role in the oversight of the head of internal audit. This policy provides for the Committee's role in the appointment, approval of objectives and compensation, performance evaluation and termination of the head of internal audit.

Composition of the Audit Committee

Mario Albert | **Ginette Maillé** | **Monique Mercier** | **Danielle G. Morin** (Chair) | **Suzanne Rancourt**

The Audit Committee is composed entirely of independent directors.

The Board believes that the members of the Audit Committee possess the combined knowledge, experience and profiles necessary to fulfill the Committee's mandate. Each of its members has the financial literacy within the meaning of audit committee rules adopted by the Canadian Securities Administrators. The members of the Committee have acquired the necessary knowledge and experience to fulfill their duties as members of the Committee, having served as chief executive officers, chief financial officers, executive officers, or directors of other corporations or through their academic backgrounds.

Mario Albert held the position of Executive Vice President and was responsible for modernizing systems in the group insurance sector at La Capitale from 2017 until his retirement in 2020. Prior to that, he held several management positions in private, public and parapublic organizations in Quebec. In particular, he was General Manager of Finance Montréal, a not-for-profit corporation formed by financial institutions doing business in Quebec and aimed at the development and influence of the Quebec financial sector. He was President and Chief Executive Officer of Investissement Québec and worked at the Autorité des marchés financiers, where he served as Superintendent, Distribution and, subsequently, as President and Chief Executive Officer. As part of this role, he was a member of the Board of Directors of the International Organization of Securities Commissions (IOSCO) and Chair of its Audit Committee. Before joining the Autorité des marchés financiers, Mr. Albert was Assistant Deputy Minister responsible for fiscal policy and the economy at the Quebec Ministry of Finance. He currently serves on the Board of the Institut de gouvernance numérique, a non-profit organization which offers information management and digital transformation coaching services and is a member of the funding committee of diaMentis, a company that develops solutions for the diagnosis of mental health disorders. Mr. Albert began his career at the Department of Finance Canada in 1982. After holding positions of increasing responsibility, he was Chief, Canadian Economic Forecasting. Mr. Albert studied at Université Laval where he obtained a Bachelor's degree in Economics in 1979. He also completed the Master's degree program in Economics at Laval University in 1982.

Ginette Maillé has been Vice President, Finance and Administration and Chief Financial Officer at Aéroports de Montréal since April 2017. Ms. Maillé has more than 30 years of financial, operational and strategic experience in startups and large companies, both private and publicly listed (TSX and NASDAQ), operating nationally and internationally. In particular, she was with Yellow Pages Ltd. for 14 years, where she held the position of Vice President and Chief Accounting Officer to later be promoted to Executive Vice President and Chief Financial Officer. She has also held several management positions in the field of information technology, particularly in the area of digital transformation. A Chartered Professional Accountant, Ms. Maillé holds a Bachelor of Accounting Science from Université du Québec à Montréal. She sat on the board of Financial Executives International Canada (Quebec chapter) from 2014 to 2017. She is currently a member of the Board of Directors of La Fondation Le Chaînon.

Monique Mercier is a corporate director. During her career, she has held various executive roles in the telecommunications and technology industry. From 2014 until she retired in December 2018, she held the position of Executive Vice President, Corporate Affairs and Chief Legal and Governance Officer at TELUS. She oversaw legal and regulatory affairs, government relations, media, real estate and sustainable development. She began her career at Stikeman Elliott as a tax lawyer in 1984. She then worked at BCE and Bell Canada International before joining Emergis in 1999, which was acquired by TELUS in 2008. Ms. Mercier holds a degree from the Faculty of Law at Université de Montréal and a master's degree in political science from Oxford University, where she was awarded the prestigious Commonwealth Scholarship. In June 2018, Ms. Mercier received a Lifetime Achievement Award at the Canadian General Counsel Awards. In 2016, she was honoured as Woman of the Year by the organization Women in Communications and Technology (WCT). In 2015, she was inducted into the Hall of Fame of the Women's Executive Network Top 100 Most Powerful Women in Canada. Ms. Mercier sits on the Board of Directors of the Bank of Canada, Innergex Renewable Energy Inc. and Alamos Gold Inc. She gives back to the community through her involvement on the Board of Directors of the Thoracic Surgery Research Foundation of Montreal.

Danielle G. Morin has extensive experience in finance, including more than 35 years of experience in various sectors of the financial services industry. She worked for Sun Life Assurance Company of Canada from 1977 until 1990 and for the Laurentian Imperial Company from 1990 until 1994, where she was Senior Vice President and Chief Operating Officer. She then worked for Desjardins Group in the group pensions and pooled investment funds areas, before joining Canagex Inc., a Desjardins Group investment subsidiary, as Vice President, Finance and Operations, in 1999. In 2001, she joined the Public Sector Pension Investment Board as Senior Vice President of Financial Operations. Ms. Morin then worked as Senior Vice President, Distribution and Client Services, at Standard Life Investments Inc., from 2006 until 2013. Ms. Morin has also been on the boards of ASSURIS, Standard Life Investments Inc., Université Laval and the Fondation de l'Université Laval. She graduated from the Institute of Corporate Directors and obtained her bachelor's degree in actuarial science from Université Laval. She was a Fellow of the Canadian Institute of Actuaries from 1980 to 2019.

Suzanne Rancourt is a corporate director with more than 30 years of experience in consulting and management in finance and information technology. From 2006 to 2016, she was Vice President Enterprise Risks and Internal Audit at CGI. Since her arrival at CGI in 1985, she held increasingly senior positions in consulting, strategy and information technology, business development, project management and corporate functions in a multinational environment. Prior to her arrival at CGI, Ms. Rancourt began her career as an auditor and worked in operations, finance and accounting in distribution, retail and financial industries. She holds a bachelor's degree in Business Administration from Université du Québec à Montréal and an ICD.D designation from the Institute of Corporate Directors. She is a Chartered Professional Accountant (CPA, CGA). Ms. Rancourt also sits on the Boards of Directors of WSP and the Institute of Corporate Directors (Quebec).

Engagement of Non-Audit Services

The purpose of the Corporation's *External Auditor Independence Policy* is to ensure the auditor's independence. It provides that any service contract with the external auditor for non-audit services must be approved either by the committee or its chair based on the value of the fees related to those services. The committee or its chair, as the case may be, must take into account the following guiding principles: (i) when the service requested could be useful or could accelerate the audit services provided by the auditor, such as services related to the due diligence in the process of an acquisition, or (ii) when the service requested could require in-depth knowledge of the Corporation, (iii) when the auditor is the bidder having presented the best tender following a call for tenders, or (iv) when only the auditor is able to provide this service.

External Auditor Service Fees

Deloitte LLP (“**Deloitte**”) has been the external auditor of the Corporation since 1940. In 2021 and 2020, the Corporation paid out the following fees to Deloitte:

	2021 (thousands of dollars)	2020 (thousands of dollars)
Audit fees These fees were incurred to audit the financial statements of iA Financial Corporation, iA Insurance, and its segregated funds.	2,575	2,605
Audit Fees of Subsidiaries These fees were incurred to audit the financial statements of certain subsidiaries of iA Financial Corporation, except for iA Insurance.	2,023	3,393(1)
Total Audit Fees	**4,598**	**5,998**
Audit-related fees These fees were incurred for assurance and related services that are reasonably related to the performance of the audit or review of the financial statements such as special reports, services related to the issuance of share capital, employee benefit plans, and additional work related to the adoption of IFRS 9 and IFRS 17.	938	252
Tax fees	-	-
Other fees (fees for non-audit-services) These fees were incurred for support services in technology development, information security, accessibility, strategic development of working spaces and risk management.	428	195
Total	**5,964**	**6,445**

(1) The main changes in audit fees regarding subsidiaries are due to additional work in 2020 resulting from the acquisition of new U.S. subsidiaries.

Human Resources and Compensation Committee

The Human Resources and Compensation Committee’s mandate is to support the Board in its responsibilities regarding appointments, compensation, assessments, succession, resource development, employee experience, and oversight of human resources policies and programs. The Committee also supports the Board in promoting sound governance and risk management related to human resources.

The Human Resources and Compensation Committee currently comprises the following five people:

The Committee is composed entirely of independent directors.

The Board believes that the members of the Human Resources and Compensation Committee all possess the skills necessary to understand the principles and practices related to human resources and compensation, either in their capacity as former CEOs of publicly traded companies or as executives, and that they possess the combined knowledge, experience and profiles necessary to fulfill the Committee’s mandate.

Compensation Advisors

The Risk Management, Governance and Ethics Committee and the Human Resources and Compensation Committee have the authority to retain, when they deem it appropriate, the services of independent advisors to assist them in fulfilling their duties and to provide them with the necessary information on trends and best practices with respect to compensation policies and programs in the Corporation's market.

	2021	2020
Towers Watson Canada Inc.		
Fees relating to the compensation of executive officers and directors	$130,726	$143,889
Other fees (fees relating to the compensation of non-executive employees)	$306,700	$96,894
Hugessen Consulting Inc.		
Fees relating to the compensation of executive officers (fees relating to the integration of ESG criteria into compensation)	$0	$3,302
Other fees	-	-

Directors' and Executive Officers' Compensation

In 2021, the Risk Management, Governance and Ethics Committee retained the services of Towers Watson Canada Inc. ("**Towers Watson**") to study and analyse directors' compensation. Please refer to the "Directors' Compensation" section for complete information on Towers Watson's study on directors' compensation. The Human Resources and Compensation Committee has also retained the services of Towers Watson to (i) evaluate the market compensation of Named Executive Officers and propose, if necessary, adjustments to better align the aggregate compensation of Named Executive Officers with the Corporation's compensation policy; (ii) support the Corporation in the review of its Short-Term and Long-Term Incentive Plans; and (iii) review the compliance of certain compensation components in order to make changes where a gap has been observed. The Corporation has used the services of Towers Watson since 2015 for mandates that affect the compensation of Named Executive Officers.

Other Mandates

In 2021, iA Financial Group retained the services of Towers Watson to conduct several analyses to (i) ensure the alignment of compensation at iA Financial Group with the employee compensation policy and to propose changes where a gap has been observed; and (ii) support iA Financial Group in implementing a restricted share unit ("**RSU**") plan.

Directors' compensation

Except for the President and Chief Executive Officer, who does not receive any compensation as a director for attending meetings of the Board or its committees, directors receive the compensation set out in the chart on page 40.

The chart on page 41 shows the total compensation paid to the directors for services rendered to iA Financial Corporation and iA Insurance in 2021. The compensation is divided equally between the two corporations.

In accordance with the current policy, directors' compensation is analyzed and revised periodically by the Risk Management, Governance and Ethics Committee, which reviews the adequacy and the form of directors' compensation and makes recommendations in this respect to the Board to ensure that such compensation realistically reflects the responsibilities of the directors and that it is competitive and fair, without compromising directors' independence.

Our peer group must meet the following selection criteria:

— From the list of companies in the S&P/TSX Capped Financial Index (excluding the five big banks):
  - (i) all Canadian companies in the Life and Health Insurance Sector; and
  - (ii) any company with annual revenues or a market capitalization between $1.5 billion and $10 billion.

— Any other publicly traded Canadian company in the Life and Health Insurance Sector not included in the Index.

A review of the directors' compensation was performed in 2020 and updated in 2021. The consulting firm Towers Watson was retained and assisted the Committee with its analysis. This analysis involved reviewing the composition of the comparator group and comparing compensation of non-executive members of the Board of Directors with that of the following comparator group:

Cannacord Genuity Group Inc.	E-L Financial Corporation Limited	TMX Group Ltd.
Canadian Western Bank	Element Fleet Management Corp.	Home Capital Group Inc.
Laurentian Bank of Canada	Equitable Group Inc.	Intact Financial Corporation
National Bank of Canada	Sun Life Financial Inc.	IGM Financial Corporation Inc.
CI Financial Corp.	Great-West Lifeco Inc.	Manulife Financial Corporation

In 2021, the comparator group was updated to replace Genworth MI Canada Inc. and Fairfax Financial Holdings Limited with Equitable Group Inc. and Cannacord Genuity Group Inc. Such changes were required following both Genworth and Fairfax no longer meeting the Corporation's comparator group selection criteria. The analysis showed that the compensation offered to the directors of the Corporation remained below the market, if compared with the comparator group. Considering the magnitude of the gap observed in 2020 and the potential competitiveness issues this could cause on the recruitment and retention of talented directors, adjustments had to be made quickly. However, in 2020, considering the health crisis related to COVID-19, the Committee had recommended filling only part of the gap observed with the market. In 2021, an additional gap below the market was identified. In light of the financial resilience of the Corporation with respect to the pandemic, the Committee reassessed that further adjustments should be made to fill an additional part of the remaining gap and recommended a compensation increase.

Our compensation structure:

- is competitive;
- is simple and easy to administer;
- takes an egalitarian approach between the committees; and
- ensures mobility between the committees.

Effective October 1, 2021, to fill the remaining part of the gap identified in 2020 but not to fill the additional gap identified in the 2021 analysis, the following increases were recommended by the Risk Management, Governance and Ethics Committee and were accepted by the Board of Directors:

- The annual retainer for the Chair of the Board was increased from $270,000 to $320,000. Of this amount, $100,000 is paid in Deferred Share Units (DSUs);
- The annual retainer for directors serving on the Board of Directors was increased from $120,000 to $140,000. Of this amount, $40,000 is paid in DSUs.

In order to maintain the competitiveness of iA Financial Group's director compensation policy compared to the U.S. market and to be able to attract and retain directors residing in the United States, the compensation offered to U.S. directors is paid in U.S. dollars, regardless of the exchange rate between the Canadian and the U.S. dollar.

Finally, during 2021, the responsibilities of the Governance and Ethics Committee (now the Risk Management, Governance and Ethics Committee) were increased to add the oversight of integrated risk management. Considering this increase in responsibilities, the additional annual retainer paid to the Chair and members of this committee was increased from $25,000 to $35,000 and from $15,000 to $20,000 respectively.

The following table summarizes the various elements of compensation paid to the Board and committee members for 2021:

	From January 1, 2021 to September 30, 2021 ($)(1)	From October 1, 2021 to December 31, 2021 ($)(1)
Board Chair Annual Retainer	270,000	320,000
Directors' Annual Retainer(2)	120,000	140,000
Additional Committee Chair Retainer(3)		
Audit Committee	35,000	35,000
Investment Committee	25,000	25,000
Human Resources and Compensation Committee	25,000	25,000
Risk Management, Governance and Ethics Committee	25,000	35,000
Additional Committee Member Retainer(4)		
Audit Committee	20,000	20,000
Investment Committee	15,000	15,000
Human Resources and Compensation Committee	15,000	15,000
Risk Management, Governance and Ethics Committee	15,000	20,000
Board or Committee Attendance Fees in the event of more than two additional meetings (not planned in the directors' approved schedule) per year(5)	1,500 in person 1,000 by telephone	1,500 in person 1,000 by telephone
Attendance Fees for Special Non-Meeting Mandates upon Chair of the Board Approval	1,500	1,500
Travel Allowance(6)	1,500	1,500

(1) All fees for a director residing in the United States, including attendance fees and travel allowances, are paid in U.S. currency without taking into account the exchange rate between the Canadian dollar and the U.S. dollar. It is understood that the fees for U.S. resident directors are the same as those for other directors.
(2) Other than the Chair of the Board.
(3) The Chair of the Board does not receive this compensation.
(4) The Chair of the Board and the Committee Chairs do not receive additional fees as committee members.
(5) If a meeting is spread over two days, attendance fees shall be paid for each of the days.
(6) Applies to a director who resides outside of the provinces of Quebec and Ontario, to attend one or more Board and/or committee meetings in Quebec.

Directors' compensation is paid in cash and DSUs. A DSU is a bookkeeping entry, which equals the value of iA Financial Corporation's Common Shares credited to an account in the name of the director and accumulates notional dividends. DSUs accumulated by a director are payable in cash on a specified date after the director leaves the Board.

Except for the Chair of the Board who receives $100,000 of his annual retainer in DSUs, all directors must receive $40,000 of their annual retainer in DSUs. The number of DSUs that is granted is determined by dividing the amount of the retainer payable in DSUs by the weighted average closing price of a Common Share of iA Financial Corporation on the Toronto Stock Exchange for the five trading days preceding the grant date. For directors who receive their compensation in U.S. dollars, the amount payable in DSUs will be converted into Canadian dollars using the daily average exchange rate applicable on the date of grant of the DSUs.

If directors wish to receive all or a greater portion of their compensation in DSUs, they must notify the Secretary of the Corporation before December 31 of a given year for the compensation that is payable the following year, failing which the election applicable for the current year will be applicable for the following year.

In addition to the above-mentioned fees, if a director also serves on the Board of Directors of any other subsidiary of iA Financial Group, such director will also be entitled to receive the same compensation paid, if any, to the other members of the Board of Directors of such subsidiaries. For 2021, only Mr. Ludwig W. Willisch received additional compensation for serving on the Board of Directors of certain U.S. subsidiaries, and said compensation was paid by such subsidiaries.

Directors are also entitled to be reimbursed for expenses incurred to attend Board meetings or committee meetings. Directors other than the President and Chief Executive Officer do not receive pension benefits and are not eligible for stock options.

Denis Ricard, President and Chief Executive Officer of the Corporation, does not receive any compensation in his capacity as director of the Corporation.

The Corporation and iA Financial Corporation have implemented a group insurance policy that guarantees, at no charge, $20,000 in life insurance to each independent director in office and $10,000 in life insurance to each independent director who leaves these Boards of Directors after 10 years of service, also at no charge.

The following table shows total compensation paid to the directors for the year ended December 31, 2021:

	Fees(1) Received in Cash	Fees(1) Received as DSUs	Total Fees Earned	Percentage in DSUs	Subsidiary Board Fees	Total
	$	$	$	%	$	$
Mario Albert	12,286	135,577	147,863	92	-	147,863
William F. Chinery(2)	0	93,185	93,185	100	-	93,185
Agathe Côté(3)	49,167	5,000	54,167	9	-	54,167
Benoit Daignault	97,500	57,500	155,000	37	-	155,000
Nicolas Darveau-Garneau	0	176,399	176,399(4)	100	-	176,399(4)
Emma K. Griffin	0	166,290	166,290	100	-	166,290
Claude Lamoureux(3)	47,419	5,000	52,419	10	-	52,419
Ginette Maillé	0	145,000	145,000	100	-	145,000
Jacques Martin	276,612	78,833	355,445(5)	22	-	355,445(5)
Monique Mercier	33,760	126,280	160,040	79	-	160,040
Danielle G. Morin	141,250	35,000	176,250	20	-	176,250
Marc Poulin	71,519	96,519	168,038	57	-	168,038
Suzanne Rancourt(2)	0	107,500	107,500	100	-	107,500
Denis Ricard	0	0	0	0	-	0
Louis Têtu	0	141,250	141,250	100	-	141,250
Ludwig W. Willisch(6)	0	79,719	79,719	100	33,845(7)	113,564(6)(7)
Total	**729,513**	**1,449,052**	**2,178,565**		**33,845**	**2,212,410**

(1) Includes attendance fees, if applicable, and travel allowances, but does not include reimbursement of expenses.
(2) Mr. Chinery and Ms. Rancourt have been members of the Board of Directors since May 6, 2021.
(3) Ms. Côté and Mr. Lamoureux ceased to be members of the Board of Directors on May 6, 2021.
(4) Mr. Darveau-Garneau's compensation payable in U.S. dollars (US$140,000) was paid in DSUs (this amount has been converted into Canadian dollars using the average exchange rate on the last day of each quarter being, for the 1st quarter of 2021 US$33,750 at a rate of 1.2575 = CAN$42,441; 2nd quarter of 2021 US$33,750 at a rate of 1.2394 = CAN$41,830; 3rd quarter of 2021 US$33,750 at a rate of 1.2741 = CAN$43,001 and for the 4th quarter of 2021 US$38,750 at a rate of 1.2678 = CAN$49,127 for a total of CAN$176,399 for 2021).
(5) Mr. Martin's compensation was paid in U.S. dollars (US$282,500) and converted into Canadian dollars (for the portion payable in cash the amount was converted into Canadian dollars using the average exchange rate on the date of payment being, for the 1st quarter of 2021 US$55,000 at a rate of 1.2565 = CAN$69,108; 2nd quarter of 2021 US$55,000 at a rate of 1.2540 = CAN$68,970; 3rd quarter of 2021 US$55,000 at a rate of 1.2372 = CAN$68,046 and for the 4th quarter of 2021 US$55,000 at a rate of 1.2816 = CAN$70,488 for a total of CAN$276,612 for 2021. For the portion payable in DSUs the amount was converted into Canadian dollars using the average exchange rate on the last day of each quarter being, for the 1st quarter of 2021 US$12,500 at a rate of 1.2575 = CAN$15,719; 2nd quarter of 2021 US$12,500 at a rate of 1.2394 = CAN$15,493; 3rd quarter of 2021 US$12,500 at a rate of 1.2741 = CAN$15,926 and for the 4th quarter of 2021 US$25,000 at a rate of 1.2678 = CAN$31,695 for a total of CAN$78,833 for 2021).
(6) Mr. Willisch has been a member of the Board of Directors since July 8, 2021. His compensation payable in U.S. dollars (US$62,742) was paid in DSUs (this amount has been converted into Canadian dollars using the average exchange rate on the last day of each quarter being, for the 3rd quarter of 2021 US$27,742 at a rate of 1.2741 = CAN$35,346 and for the 4th quarter of 2021 US$35,000 at a rate of 1.2678 = CAN$44,373 for a total of CAN$79,719 for 2021).
(7) Mr. Willisch also serves on the Board of Directors of certain U.S. subsidiaries. For this role, he received an additional compensation of US$27,000 in 2021, paid by the subsidiaries, in U.S. dollars, and converted to Canadian dollars using the average exchange rate for 2021 (1.2535 = CAD$33,845).

Compensation Analysis

The mandate of the Human Resources and Compensation Committee is to recommend to the Board the compensation strategy and to annually revise the compensation policies concerning employees, executive officers and the President and Chief Executive Officer. The Committee has therefore structured the executive compensation program and policies for the purpose of supporting the Corporation's vision and strategic priorities.

We believe that the Corporation's success in achieving its objectives depends on our team's commitment and performance and that executive compensation is a tool that plays an important role in our success and in the increase in Shareholder value.

The following analysis provides a description and brief explanation of the executive compensation program and each of its components.

For the fiscal year 2021, the Named Executive Officers are:

Denis Ricard
President and Chief Executive Officer

Jacques Potvin
Executive Vice President, Chief Financial Officer and Chief Actuary

Michael L. Stickney
Executive Vice President and Chief Growth Officer

Alain Bergeron
Executive Vice President and Chief Investment Officer

Pierre Miron
Executive Vice-President and Chief Transformation Officer

Decision-making Process

Our decision-making process involves management, the Human Resources and Compensation Committee as well as the recommendations of external compensation advisors and must be approved by the Board of Directors.

Executive officers' salary and bonus conditions are established according to a comparison with the compensation that is payable in the financial services industry in Canada. The objectives of each Named Executive Officer are established at the beginning of the year. The Human Resources and Compensation Committee evaluates the performance of the President and Chief Executive Officer according to his objectives and after consultation with the members of the Board. Under the supervision of the Board of Directors, the President and Chief Executive Officer evaluates the performance of the other Named Executive Officers.

Compensation Comparator Group

The Human Resources and Compensation Committee annually evaluates our compensation program's positioning in the market. The evaluation is performed using a comparator group that serves as a reference group. The comparator group comprises Canadian companies in the financial industry, excluding the five major banks, selected based on earnings, net income and market capitalization.

At the end of 2021, the Human Resources and Compensation Committee reviewed the market positioning of the Named Executive Officers' compensation relative to its comparator group based on an assessment carried out by an independent firm. As a first step, an assessment of the comparator group was conducted and adjustments to the comparator group were approved to ensure alignment with the selection criteria. Following the review, Genworth and Fairfax were replaced with Equitable Group Inc. and Canaccord Genuity Group in our comparator group.

Our peer group must meet the following selection criteria:

- From the list of companies in the S&P/TSX Capped Financial Index (excluding the five big banks):
  - (i) all Canadian companies in the Life and Health Insurance Sector; and
  - (ii) any company with annual revenues or a market capitalization between \$1.5 billion and \$10 billion.
- Any other publicly traded Canadian company in the Life and Health Insurance Sector not included in the Index.

The following companies are included in our current comparator group:

Canaccord Genuity Group Inc.	E-L Financial Corporation Limited	TMX Group Limited
Canadian Western Bank	Element Fleet Management Corp.	Home Capital Group Inc.
Laurentian Bank of Canada	Equitable Group Inc.	Intact Financial Corporation
National Bank of Canada	Sun Life Financial Inc.	IGM Financial Corporation Inc.
CI Financial Corp.	Great-West Lifeco Inc.	Manulife Financial Corporation

Where do we stand in relation to our comparison group?

The graph below shows iA Financial Group's rank relative to the comparison group. We compare the total assets, market capitalization and total earnings with those of the comparator group based on the most recent data. The graph below illustrates the relevance of using this group for compensation comparison purposes.

Comparator Group to Evaluate the Performance of Our Mid-Term Incentive Plan

Furthermore, to evaluate the performance of our Mid-Term Incentive Plan, we use a comparator group composed of companies selected by considering their business segments (insurance or wealth management) and their market capitalization (the companies must be listed on a stock exchange). The comparator group for evaluating the performance of our Mid-Term Incentive Plan is slightly different from the group for evaluating the market positioning of our compensation program since it also includes a certain number of American insurance companies that are real competitors in industries comparable to those of the Corporation given our growing presence in that country.

Genworth MI Canada, which formally changed its name to Sagen MI Canada, was sold to Brookfield Business Partners in 2021 and was delisted from the Toronto Stock Exchange on April 6, 2021. As a result, Genworth MI Canada was removed from the comparator group. Moreover, although Fairfax was removed from the compensation comparator group, it remains a relevant peer for purposes of assessing the total shareholder return of iA Financial Group against a group of companies and was therefore kept in the comparator group for evaluating the performance of our Mid-Term Incentive Plan.

The comparator group for evaluating the 2021 performance of our Mid-Term Incentive Plan is as follows:

Laurentian Bank of Canada	Sun Life Financial Inc.	Principal Financial Group Inc.
National Bank of Canada	Great-West Lifeco Inc.	IGM Financial Corporation Inc.
Canadian Western Bank	TMX Group Limited	Manulife Financial Corporation
CI Financial Corp.	Home Capital Group Inc.	Globe Life Inc.
Element Fleet Management Corp.	Intact Financial Corporation	Unum Group
Fairfax Financial Holdings Limited	Lincoln National Corporation	

Variable Compensation Recoupment (Clawback) Policy

The objective of the policy is to promote a culture of integrity, to reduce risks related to variable compensation and to sanction gross negligence, willful misconduct or fraud committed by a member of senior management against the Corporation.

If the Corporation's financial statements have to be restated by reason of gross negligence, willful misconduct or fraud by an executive officer, the Board or the Risk Management, Governance and Ethics Committee may, at its sole discretion, require the executive officer to reimburse or cancel a part or all of the variable compensation paid or vested or awarded to him or her in the past 12 months (annual bonus, DSUs, PSUs and stock options).

In addition, the Board of Directors or the Risk Management, Governance and Ethics Committee may require the reimbursement or cancellation of a part or all of the variable compensation paid to, granted to or acquired by the President and Chief Executive Officer or the Executive Vice President, Chief Financial Officer and Chief Actuary over the past 12 months, following his willful misconduct or gross negligence that either has resulted in, or could reasonably be expected to result in, negative economic or reputational consequences for the Corporation, regardless of whether the Corporation's financial statements must be restated.

Compensation Components

The following table summarizes each of the five components of the executive compensation program for the fiscal year ended December 31, 2021:

Compensation Components		Form	Compensation Period	Basis of Determination	Objectives
			Direct Compensation		
Fixed	Base Salary	Cash	1 year	Based on reference market, individual performance and internal equity. Reflects level of responsibilities, skills and experience.	Retention and equity
Variable	Short-Term Incentive Plan – Annual Bonus	Cash	1 year	Based on reference market. Actual award based on combination of iA Financial Group, divisional and individual performance.	Retention and differentiation
		Deferred Share Units (DSU)	Until executive retires or leaves the Corporation	Possibility for executives to defer some or all their annual bonus in DSUs redeemable for cash only upon termination of employment, retirement or death. Payment taking into account the reinvestment of notional dividends over the life of the DSUs and the fair market value of the Common Shares at the time of redemption.	Recognize executives' contribution to and involvement in iA Financial Group's results and ensure alignment with the interests of the holders of iA Financial Corporation's Common Shares
Variable	Mid-Term Incentive Plan	Performance Share Units (PSU)	3 years	Awarded annually, based on individual performance and iA Financial Group performance. Final value based on the iA Financial Corporation's Common Share price on the date of vesting and the level of performance achieved by iA Financial Group.	Align the efforts of the management team toward the achievement of ambitious financial performance objectives
Variable	Long-Term Incentive Plan	Stock options	10 years, with 25% vesting per year over 4 years starting one year after the grant date	Awarded annually, based on individual performance and iA Financial Group performance. Final value based on the difference between the Common Share price on the date of the grant and the date of exercise.	Long-term retention and differentiation Brings compensation of iA Financial Group executives in line with increased Common Shareholder value
			Indirect Compensation		
Pension and Benefits Plans		Group life and health insurance program and pension plan	Ongoing	Based on the reference market.	Retention

The components of compensation vary according to the executive's level. A significant proportion of total compensation is at risk to ensure alignment with the interests of the iA Financial Corporation's Common Shareholders and other key stakeholders. Payments made under the variable compensation plans depend on the ability of the executive to influence short- and long-term business results and on his or her level of responsibilities.

The following table illustrates the breakdown of target total direct compensation for the following four components: base salary, Short-Term Incentive Plan, Mid-Term Incentive Plan and Long-Term Incentive Plan. Retirement and employment benefits plans are not included.

					Total Compensation	
Level	Base Salary	Target Annual Bonus	Performance Share Units Target	Stock Options Target	Total Portion of Compensation that is Variable	Total Portion of Compensation that is Fixed
President and Chief Executive Officer	34%	34%	10%	21%	66%	34%
Executive Vice President	41%	25%	12%	22%	59%	41%

Changes to the Mid-Term and Long-Term Incentive Compensation Mix

At the end of 2021, the Board of Directors approved a change to the mid-term (PSUs) and long-term (stock options) compensation mix of the Corporation's executives to increase the weight on PSUs and reduce the weight on stock options. As a result, for awards being granted in 2022, PSUs will have a target weighting of approximately 70% of the mix, while stock options 30%. Such change was performed by considering recent tax measures in Canada, best market practices and shareholders' expectations. Ultimately, the new mix should help reinforce a better pay-for-performance philosophy by better aligning compensation outcomes with the financial performance of the company, while keeping executives' interests aligned with those of shareholders.

Base Salary

Base salary compensates employees for the role they perform in the Corporation. Base salaries and salary ranges, including the minimum, median values and maximum, are benchmarked against comparable roles in companies of its reference market and, internally, against similar roles. Base salaries for all employees are reviewed annually and adjusted, as appropriate, based on individual performance, competencies, responsibilities, and competitive market data.

In 2021, base salaries and target variable compensation of Named Executive Officers were not increased, with the exception of Pierre Miron, who was newly appointed to a new role within the organization and who was given additional responsibilities. This measure was taken as a result of ongoing efforts to manage expenses throughout the COVID-19 pandemic.

The Human Resources and Compensation Committee reviews and recommends to the Board of Directors:

- increases in base salary for the President and Chief Executive Officer; and

following the recommendations made by the President and Chief Executive Officer:

- salary increases of executive officers and the aggregate salary increase for all other staff members.

Short-Term Incentive Plan (Annual Bonus)

The short-term incentive plan rewards executive officers for achieving short-term strategic and operational goals. It encourages the attainment of superior results based on the achievement of pre-established annual objectives that iA Financial Group, sectors and individuals must accomplish.

The plan's objectives are as follows:

- Promote our mission among executives;
- Foster superior overall performance in terms of the Corporation's goals;
- Encourage higher productivity;
- Recognize executive contributions to, and involvement in, attaining our goals; and

Offer compensation that favourably positions us within our reference market.

The short-term incentive plan is based on five performance indicators:

Indicator	Indicator Justification
Return on Equity	Alignment with the interests of iA Financial Corporation's Common Shareholders
New Business	Support our growth objectives
Cost Control	Encourage sound management of expenses
Divisional Objectives	Align objectives of each division with our business plan
Individual Component	Promote strategic leadership by senior management

The target bonuses vary as a percentage of base salary and are aligned with median incentive targets of companies from the comparator group. Target bonuses for all levels are reviewed annually to ensure ongoing market competitiveness. The minimum award under the bonus plan is zero when the performance of the iA Financial Group, the division and/or the individual is below minimum performance thresholds. The maximum bonus available is twice the target, which is the case when the objectives based on our business plan for the fiscal year are significantly exceeded. These targets are intended to be challenging but achievable.

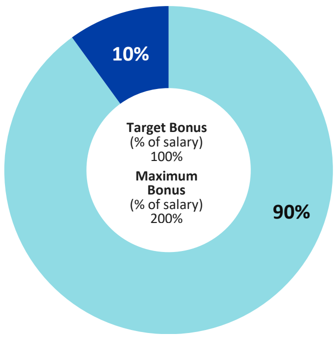
Since 2021, an ESG modifier is applied to the bonus formula. The modifier may reduce or increase the bonus payable based on the level of performance of the NPS. The modifier is applied as a multiplier to the overall bonus funding mechanism and can vary between -10% and +10%. The application of the modifier may not result in a bonus amount that exceeds the maximum annual target, i.e. 200%.

The following illustrates the formula for the calculation of the annual bonus payment:

Base Salary × Target Bonus × [Corporation Results + Business Unit Results + Individual Components] × NPS Score = Annual Bonus Payout

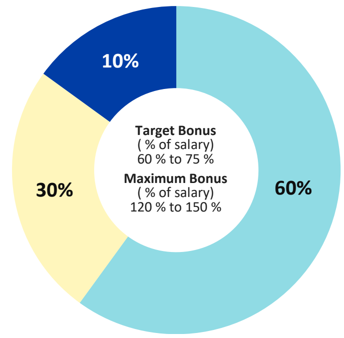
The typical weighting for the 2021 annual bonus for the President and Chief Executive Officer and the Executive Vice Presidents was as follows:

President and Chief Executive Officer



- Business Performance Weighting (iA Financial Group) **90%**
- Individual Components **10%**

Executive Vice Presidents



- Business Performance Weighting (iA Financial Group) **60%**
- Business Performance Weighting (Business Unit) **30%**
- Individual Components **10%**

The target bonus is based on four objectives:

1 The achievement of profitability objectives

2 Business development

3 Cost control

4 Criteria specific to each Named Executive Officer such as division goals and individual measures

The specific criteria for the President and Chief Executive Officer are evaluated by the members of the Human Resources and Compensation Committee. Under the supervision of the Board, the specific criteria for the other Named Executive Officers are evaluated by the President and Chief Executive Officer. The weighting for the 2021 annual bonus for each Named Executive Officer was as follows:

		Business Performance Rating		
Named Executive Officer	**Target Bonus**	**Corporation**	**Business Unit**	**Individual Components**
	% of salary	**%**	**%**	**%**
DENIS RICARD	100	90	0	10
JACQUES POTVIN	60	30	60	10
MICHAEL L. STICKNEY	75	75	15	10
ALAIN BERGERON	75	50	40	10
PIERRE MIRON(1)	75	60	30	10

(1) Mr. Miron's target bonus as a percentage of base salary was adjusted in August 2021 from 55% to 75% following his appointment to a new role within the organization.

The target bonus objectives represent challenging but achievable objectives and are consistent with the overall strategy. They are stress tested through modeling of various performance scenarios to ensure that potential payouts are aligned with the corporate strategy.

The target bonus is paid when the financial results are in line with the business plan and the qualitative evaluation fully meets expectations. For each objective, the bonus paid may vary between 50% and 200% of the target bonus based on pre-established minimums and maximums.

The determination of objectives for purposes of the bonus plan considers the strategic plan approved by the Board, as well as the objectives communicated to the financial markets. The 2021 objectives were as follows:

Payment of the bonus is conditionnal upon the attainment of a profit trigger:

The bonus is reduced if the profit is lower than 80% of the budget for the year.

No bonus is payable if the profit is below 70% of the budget.

	Minimum	Target	Maximum
Return on Equity(1)	9%	12.1%	12.9%
New Business(2)	Varies according to the business line and based on the 2020 results	Budget	Budget + between 5% and 30%, varies according to the business line
Cost Control(2)	103% of budget	Budget	94% of budget

(1) Return on Common Shareholders' Equity (ROE) is a non-IFRS measure categorized as a supplementary financial measure; for relevant information about such measure see the "Non-IFRS and Additional Financial Measures" section in the *Management's Discussion and Analysis* for 2021, which is hereby incorporated by reference, and is available for review on SEDAR at sedar.com or on iA Financial Group's website at ia.ca.

(2) The amounts of the individual objectives of each executive officer pertaining to new business and cost control constitute confidential information whose disclosure could greatly harm iA Financial Group's interests. Disclosure of these amounts and quantitative results would provide highly confidential data to iA Financial Group's competitors, as well as key strategic information that is not publicly known and could influence the markets in an inappropriate manner. Consequently, these amounts are not disclosed directly, but as percentages.

Deferred Share Units (DSUs)

Executives can elect to convert a portion or all their annual bonus to DSUs. To do this, executives must notify the Corporation thereof prior to December 31 of the calendar year preceding the year for which the annual bonus is paid, otherwise the bonus will be paid to them in cash. When incentive awards are determined, the amount elected is converted into DSUs that have a value equal to the weighted average closing price of a Common Share on the Toronto Stock Exchange for the five trading days preceding the date of conversion. DSUs accrue notional dividends and are payable in cash only upon termination of employment, retirement or death.

Mid-Term Incentive Plan (PSUs)

Executives are eligible for a Mid-Term Incentive Plan based on performance share units. The awarding of PSUs is at the discretion of the Human Resources and Compensation Committee after having considered the recommendation of the President and Chief Executive Officer (except with regard to his own PSUs). When new awards of PSUs are granted, prior awards are not taken into consideration as the awards are designed to encourage superior performance for the vesting period and align the efforts of the management team toward the achievement of ambitious financial performance objectives.

The objectives of this plan are as follows:

- Reinforce the compensation philosophy based on the Corporation's performance by rewarding those who successfully execute its business strategy and achieve key objectives;
- Align the interests of the executives with those of iA Financial Corporation's Common Shareholders;
- Measure mid-term performance as a complement to the measurement of annual performance under the Short-Term Incentive Plan and the measurement of long-term performance under the iA Financial Corporation Stock Option Plan; and
- Offer competitive compensation for the purposes of attracting and retaining talented executives.

For information on the achievement of these objectives, refer to the section entitled "Payment of 2019 PSU Awards".

Each PSU award is vested based on a performance cycle of three fiscal years beginning on January 1 the year it is granted and ending on December 31 of the third year.

Vesting is therefore subject to a three-year period and a performance factor. The value of each PSU awarded is equal to the arithmetical average of the weighted average prices of iA Financial Corporation's Common Share (listed on the Toronto Stock Exchange under the ticker symbol IAG) for the first 20 trading days of the reference period.

The vesting of PSUs is based on a two-component performance factor: 25% based on total Common Shareholder return compared to the target group ("**TSR**") and 75% based on the iA Financial Group's net income performance over three years. The total net income target is set annually with a view to each PSU award.

The following table presents, for the last three fiscal years, the PSUs awarded, the target to be reached in order to determine the actual value of PSUs that will be awarded at the end of the reference period and the vesting schedule.

3-Year Target (Reference Period)	Number of PSUs Awarded	Number of PSUs Outstanding as at December 31, 2021[1]	Performance Level	Net Income Performance Scale	Total Common Shareholder Return Percentile Rank of Relative TSR	Performance Multiplier
2021–2023	48,960	47,480	Maximum or above	$2,600 million	1 to 35	150%
				$2,525 million	36 to 45	125%
			Target	$2,450 million	46 to 55	100%
				$2,175 million	56 to 65	75%
			Threshold	$1,900 million	66 to 75	50%
			Under threshold	N/A	N/A	0%
2020–2022	31,995	30,867	Maximum or above	$2,400 million	1 to 35	150%
				$2,325 million	36 to 45	125%
			Target	$2,250 million	46 to 55	100%
				$2,025 million	56 to 65	75%
			Threshold	$1,800 million	66 to 75	50%
			Under threshold	N/A	N/A	0%
2019–2021	48,537	36,818	Maximum or above	$2,250 million	1 to 35	150%
				$2,175 million	36 to 45	125%
			Target	$2,100 million	46 to 55	100%
				$1,875 million	56 to 65	75%
			Threshold	$1,650 million	66 to 75	50%
			Under threshold	N/A	N/A	0%

(1) An amount equivalent to the dividends paid on iA Financial Corporation's Common Shares is converted into additional PSUs. This column indicates the number of PSUs initially granted plus an additional number of PSUs granted as dividends minus the number of PSUs cancelled.

The payout value of each vested PSU at the end of the performance period is equal to the arithmetical average of the weighted average prices of the iA Financial Corporation's Common Share for the last 20 trading days of that period multiplied by the performance factor. This payout value is payable in cash only.

Effective in 2022, the vesting of PSUs will be subject to a change, with 50% now based on total iA Financial Corporation's Common Shareholder return compared to the target group ("**TSR**") and 50% based on iA Financial Group's net income performance over three years. Maximum payout will be increased from 150% to 200%. Such changes were made to further align compensation outcome with value creation for shareholders.

Long-Term Incentive Plan (Stock Option Plan)

We have set up an iA Financial Corporation Stock Option Plan for officers and full-time employees or other service providers of iA Financial Group and its subsidiaries who are designated from time to time by the Board of Directors or by any committee of the Board having authority in this regard.

- Since the adoption of the iA Financial Corporation Stock Option Plan in February 2001, 11,350,000 shares have been reserved for awards under the Plan, or 10.55% of iA Financial Corporation's outstanding Common Shares as at December 31, 2021.
- Excluding options that were cancelled, a total of 9,926,983 options were granted by the Human Resources and Compensation Committee pursuant to the Plan and 1,668,733 were outstanding as at December 31, 2021, representing respectively 9.23% and 1.55% of iA Financial Corporation's outstanding Common Shares as at December 31, 2021.
- During the fiscal year ended December 31, 2021, we granted 310,000 options, representing approximately 0.29% of iA Financial Corporation's total Common Shares issued and outstanding as at that date.
- As at December 31, 2021, taking into consideration the options granted in 2021, there was a total of 1,423,017 stock options remaining issuable under the Plan, representing 1.32% of iA Financial Corporation's outstanding Common Shares.

The Stock Option Plan of iA Financial Corporation allows the Human Resources and Compensation Committee to grant stock options to the Corporation's executives as part of their long-term compensation.

The objectives of the iA Financial Corporation Stock Option Plan are to:

- make available to the Corporation a share-based plan for attracting, retaining and motivating executives whose skills, performance and loyalty towards the Corporation and certain subsidiaries are essential to their success, image, reputation, and operations;
- foster the development and successfully implement the Corporation's continued growth strategy;
- link a part of executive compensation to the creation of economic value for iA Financial Corporation's Common Shareholders; and
- support the compensation structure designed to compensate executive officers based on performance.

Awards are approved by the Human Resources and Compensation Committee after considering the recommendation of the President and Chief Executive Officer.

At the time of the award, the Human Resources and Compensation Committee determines the number of Common Shares underlying the options, the exercise price, the expiry date of the option, and the date from which it may be exercised.

The number of options is based on the expected impact of the executive's participation on the iA Financial Group's performance and strategic development as well as on a comparative analysis of the reference market. When new stock options are granted, prior awards are not taken into consideration as the awards are designed to encourage superior performance for the current year and align long-term interests of the executives with those of iA Financial Corporation's Common Shareholders.

It is generally expected, for executives, that the Committee will grant options on a yearly basis in the month of February. The number of options granted annually to each of the executives is based on the participant's compensation, potential, reporting level and participation in our results. No option may be granted for a term of more than 10 years, and the exercise price of each option is equal to the weighted average price of iA Financial Corporation's Common Shares traded on the Toronto Stock Exchange during the five trading days immediately preceding the day on which the options are granted.

In addition, the iA Financial Corporation Stock Option Plan provides that the maximum number of Common Shares that may be reserved for issuance to any one person pursuant to the exercise of stock options granted under the Plan or pursuant to any other share compensation arrangement may not exceed 1.4% of the issued and outstanding common shares of iA Financial Corporation at the time of the grant.

Also, the Plan provides that the total number of Common Shares that may be issued to insiders at any time pursuant to the exercise of stock options granted under the Plan and any other share compensation arrangements may not, without the approval of iA Financial Corporation's Common Shareholders, exceed 10% of the outstanding common shares of iA Financial Corporation.

It is also stipulated that the number of shares issued under the Plan and any other share compensation arrangements in a one-year period shall not exceed 10% of iA Financial Corporation's outstanding Common Shares in the case of insiders, or 1.4% of iA Financial Corporation's outstanding shares in the case of shares issued to any one insider and that insider's associates.

Upon the exercise of options, iA Financial Corporation may elect to issue Common Shares or proceed with a cash payment, subject to a maximum cash amount determined by the Committee.

Unless otherwise indicated by the Human Resources and Compensation Committee, at the time of grant, options may be exercised in whole or in part at any time, provided that:

- no option is exercised prior to the first anniversary of the grant; and
- a maximum of 25%, 50%, 75% and 100% of the total number of optioned Common Shares may be acquired as at the first, second, third, and fourth anniversary, respectively, of the grant.

We do not provide financial assistance to permit the exercise of options granted under the iA Financial Corporation Stock Option Plan. Under the iA Financial Corporation Stock Option Plan, options are not transferable.

Under certain circumstances, the expiry date of the options is accelerated, with the result that options vested at the date of a specific event cannot be exercised after the accelerated expiry date. Unless the Committee decides otherwise, the options unvested at the date of the specific event in question cease to exist and can never be exercised.

These events and accelerated expiry dates are:

- if the participant resigns or is dismissed for cause, the accelerated expiry date is the date of resignation or dismissal;
- in the event of death, the accelerated expiry date is six months following death; and
- in the event of termination for any other reason, the accelerated expiry date is three years following termination. The Committee may, in such cases, modify the number of options vested at the date of the event.

The Human Resources and Compensation Committee may, subject to regulatory approval and Common Shareholder approval, when required and at its discretion, amend the iA Financial Corporation Stock Option Plan and the terms of options thereafter to be granted and, without limiting the generality of the foregoing, make amendments to comply with applicable laws and regulations, provided that any such amendments not alter the terms of any outstanding options or impair any rights of the holders thereof.

The Human Resources and Compensation Committee may, without iA Financial Corporation's Common Shareholder approval, but subject to receipt of regulatory approval, when required, at its sole discretion, make certain other amendments to the Plan or stock options under the Plan that are not contemplated in the Plan, including, without limitation, amendments of a "housekeeping" or clerical nature, amendments clarifying any provision of the Plan and amendments required to comply with applicable securities laws, rules, regulations or policies, a change to the vesting provisions of a stock option, a change to the termination provisions of a stock option which does not entail an extension beyond its original expiry date, and suspending or terminating the Plan.

The following table indicates the number of options outstanding and exercisable under the iA Financial Corporation Stock Option Plan as at December 31, 2021.

Since 2018, we have significantly reduced the number of participants in the Stock Option Plan, which resulted in lessening this Plan's dilution effect. While we used to award approximately 500,000 stock options annually, this number has been reduced to approximately 300,000 since 2018. Most of the participants who no longer receive stock options now qualify for the Mid-Term Incentive Plan. Moreover, additional reductions will take place in 2022 with the introduction of a new mid-term and long-term compensation mix.

Reduced number of options

Options Outstanding for the Last Financial Year

Plan Category	Number of Shares to be Issued upon Exercise of Outstanding Options, Warrants, or Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants, and Rights	Number of Shares Remaining for Future Issuance under Equity Compensation Plans (Excluding Securities Reflected in the First Column)
Equity compensation plans approved by Common Shareholders	1,668,733	$54.39	1,423,017
Equity compensation plans not approved by Common Shareholders	N/A	N/A	N/A

Burn Rate

The following table presents the burn rate over the past three fiscal years. The burn rate corresponds to the total number of options awarded during each fiscal year expressed as a percentage of the weighted average number of iA Financial Corporation's outstanding Common Shares during the applicable fiscal year.

	2021	2020	2019
Number of options awarded	310,000	285,000	348,000
Weighted average number of outstanding shares for the applicable fiscal year	107,425,956	107,023,621	106,852,579
Burn rate	0.29%	0.27%	0.33%

Effective in 2022, stock options will represent approximately 30% of the mid-term and long-term incentive compensation mix, representing a significant reduction versus prior years.

Pension and Benefits Plans and Perquisites

Executives participate in a benefit plan just like any other employee.

The plan includes life insurance, health and dental insurance, short- and long-term disability insurance, accidental death and dismemberment insurance and emergency travel assistance.

While the Corporation pays most of the costs associated with those benefits, employees (including executives) must also contribute to this plan. The benefit plan is comparable to those offered by other companies in the comparator group. Executive officers also receive perquisites as part of their compensation, the value of which varies depending on the position occupied and is comparable to what is offered by other companies within the comparator group.

Executive officers also participate in the registered defined benefit pension plan and qualify for supplemental pension benefits under the supplemental pension plans. Other sections of this Annual Information Form provide further information on these plans.

Executive Share Ownership

We have adopted a policy requiring certain key executive officers to hold iA Financial Corporation's Common Shares or DSUs equal to a multiple of their base salary as follows:

		Multiple of Annual Base Salary
President and Chief Executive Officer	→	**3 x**
Executive Vice President and equivalent	→	**2 x**
Senior Vice President and equivalent	→	**1 x**

Each new officer has five years from the date of his or her hiring or appointment, whichever occurs last, to meet this requirement. As of March 15, 2022, the Named Executive Officers comply with the policy. In accordance with the *Executive Share Ownership Policy*, officers are prohibited from participating in monetization or other hedging activities related to the securities of iA Financial Group they hold as well as with respect to their share-based compensation awards of iA Financial Corporation. The President and Chief Executive Officer has agreed not to sell securities held under the *Executive Share Ownership Policy* for a period of one year following the termination of his employment with the Corporation.

The following table shows, as at March 15, 2022, the number and value of iA Financial Corporation's Common Shares and DSUs held by Named Executive Officers. The value of Common Shares and DSUs is established by multiplying the closing price of Common Shares on the Toronto Stock Exchange on March 14, 2022 ($74.20) by the number of Common Shares and DSUs held by the Named Executive Officer on that date.

	Common Shares		DSUs		Total Value	Complies with *Executive Share Ownership Policy*
	Number	$	Number	$	$	
DENIS RICARD	44,000	3,264,800	48,107	3,569,539	6,834,339	Yes
JACQUES POTVIN	7,234	536,763	10,287	763,295	1,300,058	Yes
MICHAEL L. STICKNEY	38,200	2,834,440	1,290	95,718	2,930,158	Yes
ALAIN BERGERON	-	-	3,010	223,342	223,342	Yes(1)
PIERRE MIRON	3,400	252,280	4,796	355,863	608,143	Yes(2)

(1) Mr. Bergeron has been Executive Vice President and Chief Investment Officer since September 3, 2019. As of March 15, 2022, he was still in compliance with the five-year term limit for attaining the minimum ownership requirement.
(2) Mr. Miron has been Executive Vice President and Chief Transformation Officer since August 2021. From September 2018 to August 2021, he was Executive Vice President, Information Technology. As of March 15, 2022, he was still in compliance with the five-year term limit for attaining the minimum ownership requirement.

Details of Individual Compensation

DENIS RICARD

Denis Ricard has been President and Chief Executive Officer of iA Financial Group since September 2018. He is an engaged leader who values the development of people in a learning, socially responsible organization.

Mr. Ricard is responsible for strategic planning and ensuring the Corporation's sustainable growth, taking into account the interests of shareholders, clients, employees and the communities in which the Corporation operates. He is recognized as an experienced team builder, passionate about new challenges and dedicated to iA Financial Group's long-term goals.

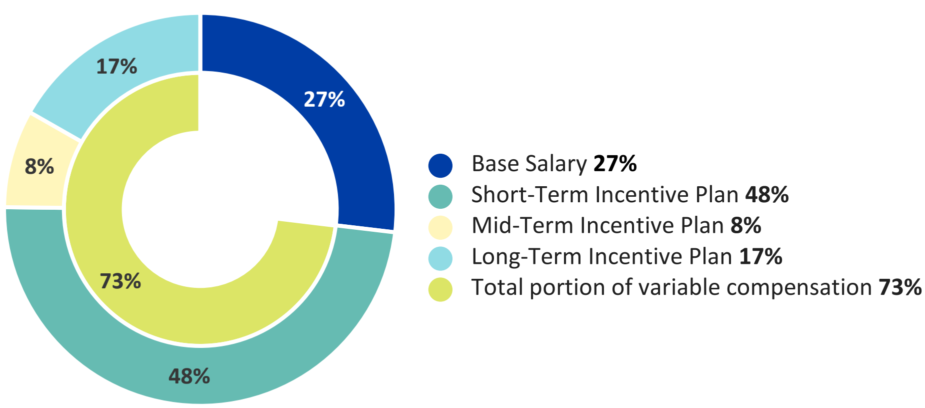
President and Chief Executive Officer

Last three fiscal years' Total Direct Compensation

	2021	2020	2019
Base Salary	$950,000	$950,000	$842,960
Short-Term Incentive Plan	$1,714,427	$1,227,891	$947,858
Mid-Term Incentive Plan	$284,995	$284,984	$252,893
Long-Term Incentive Plan(1)	$592,800	$763,200	$492,600
Total Direct Compensation	**$3,542,222**	**$3,226,075**	**$2,536,311**

(1) Estimated value of stock options calculated using the Black-Scholes model: $9.88 in February 2021, $12.72 in February 2020 and $8.21 in February 2019.

Total Direct Compensation



History of the Compensation of the President and Chief Executive Officer

One of the underlying guidelines of the compensation objectives is the alignment of compensation with iA Financial Corporation's Common Shareholder interests. Compensation related to the Mid-Term Incentive Plan and to the Long-Term Incentive Plan is one way this is achieved.

The following table shows the total direct compensation awarded to our President and Chief Executive Officer over the past five years (Mr. Denis Ricard from 2018 to 2021 and Mr. Yvon Charest in 2017) along with the current actual value of this compensation in comparison with iA Financial Corporation's Common Shareholder value.

	Total Direct Compensation		Value of an amount of $100	
	Initial Value(1)	Actual Value as at December 31, 2021(2)	Value for the President and Chief Executive Officer(3)	Common Shareholder Value(4)
2017	$2,443,322	$2,623,675	$107.38	$155.98
2018	$2,283,290	$2,443,522	$107.02	$136.43
2019	$2,536,311	$3,681,743	$145.16	$181.47
2020	$3,226,075	$2,363,169	$73.25	$107.41
2021	$3,542,222	$3,715,342	$104.89	$138.11

(1) Includes salary and variable compensation awarded at year-end for annual performance.
(2) The actual value as at December 31, 2021 includes the following:
- Salary and annual cash bonuses received during the award year;
- The actual value derived from PSUs and exercised options granted during the award year, at the time of vesting;
- The value as at December 31, 2021 of the PSUs awarded during the award year but that have not vested; or
- The in-the-money value as at December 31, 2021 of stock options awarded during the award year that are not vested or that are vested but have not been exercised.

(3) Represents the actual value for Mr. Charest or Mr. Ricard of each $100 of total direct compensation awarded during the indicated year.
(4) Represents the cumulative value of an investment of $100 in iA Financial Corporation's Common Shares made the first trading day of the indicated year, assuming the reinvestment of dividends.

Evaluation Process for the President and Chief Executive Officer

The Human Resources and Compensation Committee evaluates the performance of the President and Chief Executive Officer based on strategic and performance objectives that have been determined for him at the beginning of the year. At the beginning of the following year, the performance objectives are compared with the financial results obtained by iA Financial Group and the strategic objectives are evaluated in connection with a process that includes a self-assessment, an evaluation by executive officers and an evaluation by directors. As part of this process, the Chair of the Board compiles the results and finalizes the evaluation with the Human Resources and Compensation Committee.

Calculation of the 2021 Annual Bonus (Short-Term Incentive Plan)

Target bonus: 100%	Weighting	Bonus as a percentage of Target	Bonus
	%	%	$
Return on Shareholders' Equity	35	200.0	665,000
New Business	30	167.7	477,945
Cost Control	10	0.0	0
Strategic Objectives and Qualitative Assessment	25	175	415,625
Subtotal	**100**	**164.1**	**1,558,570**
Profit Threshold Met		YES	YES
NPS Multiplier (from -10% to +10%)		+10%	155,857
Total Bonus Paid		**180.5**	**1,714,427**

JACQUES POTVIN

Jacques Potvin has been iA Financial Group's Executive Vice President, CFO and Chief Actuary since February 2018. He is responsible for ensuring the Corporation's sound financial management and long-term financial sustainability. He is also responsible for corporate financing activities.

Mr. Potvin leads the Actuarial, Accounting and Taxation, Investor Relations, Public Affairs and Sustainable Development, Legal Services and Material Resources sectors.

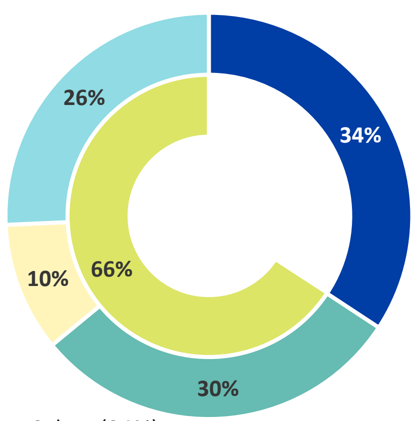
Executive Vice President, Chief Financial Officer and Chief Actuary

Last three fiscal years' Total Direct Compensation

	2021	2020	2019
Base Salary	$461,000	$461,000	$418,910
Short-Term Incentive Plan	$400,923	$346,322	$270,283
Mid-Term Incentive Plan	$138,289	$138,298	$125,672
Long-Term Incentive Plan(1)	$345,800	$445,200	$287,350
Total Direct Compensation	**$1,346,012**	**$1,390,820**	**$1,102,215**

(1) Estimated value of stock options calculated using the Black-Scholes model: $9.88 in February 2021, $12.72 in February 2020, $8.21 in February 2019.

Total Direct Compensation



- Base Salary (34%)
- Short-Term Incentive Plan (30%)
- Mid-Term Incentive Plan (10%)
- Long-Term Incentive Plan (26%)
- Total portion of variable compensation (66%)

Calculation of the 2021 Annual Bonus (Short-Term Incentive Plan)

Target bonus: 60%	Weighting	Bonus as a percentage of Target	Bonus
	%	%	$
Return on Shareholders' Equity	10	200.0	55,320
New Business	10	167.7	46,386
Cost Control	10	0.0	0
Divisional Objectives and Qualitative Assessment	70	135.7	262,770
Subtotal	**100**	**131.8**	**364,476**
Profit Threshold Met		YES	YES
NPS Multiplier (from -10% to +10%)		+10%	36,448
Total Bonus Paid		**144.9**	**400,923**

MICHAEL L. STICKNEY

Executive Vice President and Chief Growth Officer

Michael L. Stickney has served as Executive Vice President and Chief Growth Officer since September 2019. He oversees growth initiatives for all of the Corporation’s business segments, both in Canada and the United States. He is also responsible for U.S. operations.

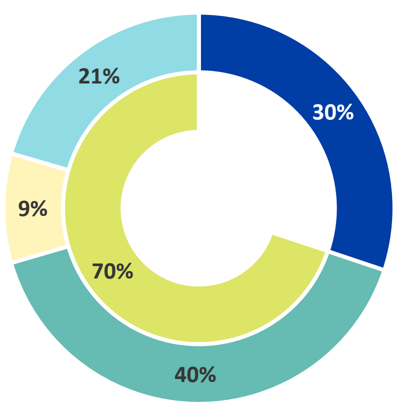
Mr. Stickney has a strong track record in building successful businesses and benefits from a deep knowledge of the Corporation’s businesses and many years of industry experience.

Last three fiscal years’ Total Direct Compensation

	2021	2020	2019
Base Salary(1)	$581,710	$622,549	$519,057
Short-Term Incentive Plan(2)	$762,526	$558,099	$478,807
Mid-Term Incentive Plan(3)	$174,556	$181,773	$146,630
Long-Term Incentive Plan(4)	$395,200	$508,800	$188,830
Total Direct Compensation	**$1,913,992**	**$1,871,221**	**$1,333,324**

(1) Mr. Stickney’s salary was paid in U.S. dollars and converted to Canadian dollars using the average exchange rate. (2021: 1.2535 = US$464,069, 2020: 1.3415 = US$464,069 and 2019: 1.3269 = US$391,180).
(2) Mr. Stickney’s 2021 annual bonus was paid in U.S. dollars and converted to Canadian dollars using the exchange rate at the time of payment. His 2020 and 2019 annual bonuses were paid in U.S. dollars and converted to Canadian dollars using predetermined exchange rates. (2021: 1.2776 = US$596 842, 2020: 1.2994 = US$429,500 and 2019: 1.3218 = US$362,228).
(3) PSUs were granted in U.S. dollars and converted to Canadian dollars using the exchange rate at the time of grant. (2021: 1.2777 = US$136,618, 2020: 1.3305 = US$136,620 and 2019: 1.3270 = US$110,497).
(4) Estimated value of stock options calculated using the Black-Scholes model: $9.88 in February 2021, $12.72 in February 2020 and $8.21 in February 2019.

Total Direct Compensation



- Base Salary (30%)
- Short-Term Incentive Plan (40%)
- Mid-Term Incentive Plan (9%)
- Long-Term Incentive Plan (21%)
- Total portion of variable compensation (70%)

Calculation of the 2021 Annual Bonus (Short-Term Incentive Plan)

Target bonus: 75%	Weighting	Bonus as a percentage of Target	Bonus
	%	%	$
Return on Shareholders’ Equity	35	200.0	243,636 USD 311,270 CAD
New Business	30	167.7	175,105 USD 223,714 CAD
Cost Control	10	0.0	0
Divisional Objectives and Qualitative Assessment	25	142.3	123,843 USD 158,222 CAD
Subtotal	**100**	**155.9**	**542,584 USD 693,206 CAD**
Profit Threshold Met		YES	YES
NPS Multiplier (from -10% to +10%)		+10%	54,258 USD 69,320 CAD
Total Bonus Paid	**171.5**		**596,842 USD 762,526 CAD**

ALAIN BERGERON

Alain Bergeron has been iA Financial Group's Executive Vice President and Chief Investment Officer since September 2019. As such, he is responsible for managing the Corporation's investment portfolio. His responsibilities include managing and supervising the assets in the general fund and the investment funds.

Mr. Bergeron is known as a high-integrity investor with a passion and track record for delivering best-in-class portfolios and high-performing investment teams. He brings a rare combination of experience in institutional investments and pension plans, together with experience and understanding of retail wealth needs that help iA and its clients achieve their financial goals.

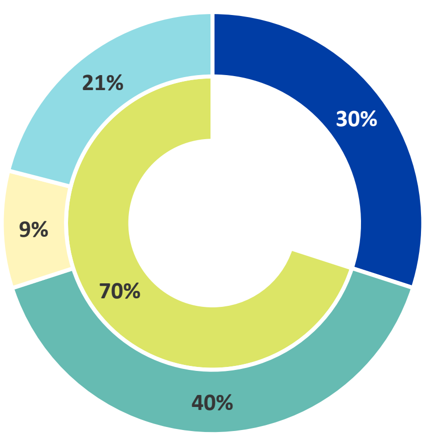
Executive Vice President and Chief Investment Officer

Last three fiscal years' Total Direct Compensation

	2021	2020	2019
Base Salary	$564,000	$564,000	$180,822
Short-Term Incentive Plan	$754,448	$519,250	$412,500
Mid-Term Incentive Plan	$169,187	$169,225	N/A
Long-Term Incentive Plan[1]	$395,200	$508,800	$502,800
Total Direct Compensation	**$1,882,835**	**$1,761,275**	**$1,096,122**

(1) Estimated value of stock options calculated using the Black-Scholes model: $9.88 in February 2021, $12.72 in February 2020 and $8.38 in September 2019.

Total Direct Compensation



- Base Salary (30%)
- Short-Term Incentive Plan (40%)
- Mid-Term Incentive Plan (9%)
- Long-Term Incentive Plan (21%)
- Total portion of variable compensation (70%)

Calculation of the 2021 Annual Bonus (Short-Term Incentive Plan)

Target bonus: 75%	Weighting	Bonus as a percentage of Target	Bonus
	%	%	$
Return on Shareholders' Equity	30	200.0	253,800
New Business	10	167.7	70,937
Cost Control	10	0.0	0
Divisional Objectives and Qualitative Assessment	50	170.7	361,125
Subtotal	**100**	**162.1**	**685,862**
Profit Threshold Met		YES	YES
NPS Multiplier (from -10% to +10%)		+10%	68,586
Total Bonus Paid		**178.4**	**754,448**

PIERRE MIRON

Pierre Miron was appointed Executive Vice President and Chief Transformation Officer in August 2021. Previously, he had been Executive Vice President, Information Technology since September 2018.

Mr. Miron is responsible for managing and steering the Transformation Bureau, which is tasked with simplifying and improving the organization's efficiency. This transformation includes clarifying and architecting the roles and mandates of the various sectors in line with the Corporation's digital transformation objectives. All activities related to information technology, client experience and employee experience are under his responsibility.

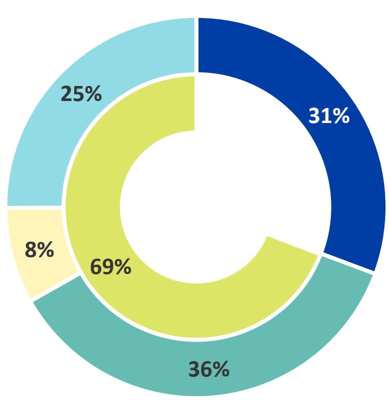
Executive Vice President and Chief Transformation Officer

Last three fiscal years' Total Direct Compensation

	2021	2020	2019
Base Salary	$480,630	$425,000	$385,500
Short-Term Incentive Plan	$566,290	$269,092	$251,173
Mid-Term Incentive Plan	$127,510	$127,502	$115,665
Long-Term Incentive Plan[(1)]	$392,600	$190,800	$123,150
Total Direct Compensation	**$1,567,030**	**$1,012,394**	**$875,488**

(1) Estimated value of stock options calculated using the Black-Scholes model: $12.22 in June 2021 (20,000 options awarded), $9.88 in February 2021 (15,000 options awarded), $12.72 in February 2020 and $8.21 in February 2019.

Total Direct Compensation



- Base Salary (31%)
- Short-Term Incentive Plan (36%)
- Mid-Term Incentive Plan (8%)
- Long-Term Incentive Plan (25%)
- Total portion of variable compensation (69%)

Calculation of the 2021 Annual Bonus (Short-Term Incentive Plan)

Target bonus: 55%/75%	Weighting	Bonus as a percentage of Target	Bonus
	%	%	$
Return on Shareholders' Equity	30	200.0	220,388
New Business	15	167.7	92,398
Cost Control	15	0.0	0
Divisional Objectives and Qualitative Assessment	40	137.5	202,023
Subtotal	100	140.2	514,809
Profit Threshold Met		YES	YES
NPS Multiplier (from -10% to +10%)		+10%	51,481
Total Bonus Paid		154.2	566,290

Summary Compensation Table

Name and Principal Occupation	Year	Salary	Share-Based Awards(1)	Option-Based Awards(2)	Annual Incentive Plan(3) (non-equity)	Pension Value	Other Compen-sation(4)	Total Compen-sation
DENIS RICARD President and Chief Executive Officer	2021	$950,000	$284,995	$592,800	$1,714,427	$2,444,048	N/A	$5,986,270
	2020	$950,000	$284,984	$763,200	$1,227,891	$3,677,435	N/A	$6,903,510
	2019	$842,960	$252,893	$492,600	$947,858	$3,135,171	N/A	$5,671,482
JACQUES POTVIN Executive Vice President, Chief Financial Officer and Chief Actuary	2021	$461,000	$138,289	$345,800	$400,923	$802,831	N/A	$2,148,843
	2020	$461,000	$138,298	$445,200	$346,322	$1,381,530	N/A	$2,772,350
	2019	$418,910	$125,672	$287,350	$270,283	$1,849,996	N/A	$2,952,211
MICHAEL L. STICKNEY Executive Vice President and Chief Growth Officer	2021	$581,710(5)	$174,556(6)	$395,200	$762,526(7)	$1,114,053	N/A	$3,028,045
	2020	$622,549(5)	$181,773(6)	$508,800	$558,099(7)	$406,577	N/A	$2,277,798
	2019	$519,057(5)	$146,630(6)	$188,830	$478,807(7)	$354,475	N/A	$1,687,799
ALAIN BERGERON Executive Vice President and Chief Investment Officer	2021	$564,000	$169,187	$395,200	$754,448	$340,594	$250,000(8)	$2,473,429
	2020	$564,000	$169,225	$508,800	$519,250	$317,568	$250,000	$2,328,843
	2019	$180,822	$0	$502,800	$412,500	$81,279	$250,000	$1,427,401
PIERRE MIRON Executive Vice President and Chief Transformation Officer	2021	$480,630	$127,510	$392,600	$566,290	$247,119	$125,000(9)	$1,939,149
	2020	$425,000	$127,502	$190,800	$269,092	$203,946	$125,000	$1,341,340
	2019	$385,500	$115,665	$123,150	$251,173	$161,766	$125,000	$1,162,254

(1) Share value is calculated on the award date. This value is $57.64 in 2021, $72.94 for 2020 and $46.98 for 2019. In accordance with the Mid-Term Incentive Plan in effect, the initial share price for a given performance period is determined by the average price of iA Financial Corporation's shares for the first 20 business days of the period. The performance period is spread over three fiscal years; it begins on January 1 of the grant year and ends on December 31 of the third year.

(2) Award date fair value of stock options is determined using the Black-Scholes model: $9.88 in February 2021 and $12.22 in June 2021 ($12.72 in February 2020, $8.21 in February 2019 and $8.38 in September 2019). The Black-Scholes valuation model estimates the fair value of options. The pricing model assumes the following information: risk-free interest rate of 0.55% in February 2021 and 1.08% in June 2021 (1.38% in February 2020, 1.80% in February 2019 and 1.44% in September 2019); expected volatility of 27.70% in February 2021 and 27.73% in June 2021 (22.61% in February 2020, 25.80% in February 2019 and 22.92% in September 2019); mathematical expected life of 5.4 years in February 2021 and 5.3 years in June 2021 (5.4 years in February 2020, 5.6 years in February and September 2019) and expected dividends of 3.51% in February 2021 and 3.39% in June 2021 (2.59% in February 2020, 3.58% in February 2019 and 3.18% in September 2019).

(3) The bonus is established according to a predetermined formula (see "Compensation Components" section) and is paid in cash or DSUs during the first three months of the following year. The following Named Executive Officers have elected to receive part of their annual bonus payments for the years indicated in the form of DSUs:

	Reference Year	Value of Annual Bonus Reinvested in DSUs	Number of DSUs Granted
Denis Ricard	2019	$250,000	3,320
Jacques Potvin	2021	$120,277	1,448
	2019	$81,085	1,077
Alain Bergeron	2021	$250,000	3,010
Pierre Miron	2021	$250,000	3,010
	2019	$125,586	1,668

(4) The aggregate value of perquisites and benefits to each of the Named Executive Officers is less than $50,000 and less than 10% of the Named Executive Officer's total annual salary.

(5) Mr. Stickney's salary was paid in U.S. dollars and converted to Canadian dollars using the average exchange rate for 2021 (1.2535 = US$464,069), 2020 (1.3415 = US$464,069) and 2019 (1.3269 = US$391,180).

(6) PSUs were granted in U.S. dollars and converted to Canadian dollars using the exchange rate at the time of grant (2021: 1.2777 = US$136,618, 2020: 1.3305 = US$136,620 and 2019: 1.3270 = US$110,497).

(7) Mr. Stickney's 2021 annual bonus was paid in U.S. dollars and converted to Canadian dollars using the exchange rate at the time of payment. His 2020 and 2019 annual bonuses were paid in U.S. dollars and converted to Canadian dollars using predetermined exchange rates. (2021: 1.2776 = US$596,842, 2020: 1.2994 = US$429,500 and 2019: 1.3218 = US$362,228).

(8) This amount corresponds to the third payment of the retention bonus payable annually to Mr. Bergeron, in February, for a five-year period, according to the terms of his employment contract. Payments of the retention bonus are conditional on the employment being maintained at the time of payment.

(9) This amount corresponds to the third payment of the retention bonus payable annually to Mr. Miron, in February, for a three-year period, according to the terms of his employment contract. Payments of the retention bonus are conditional on the employment being maintained at the time of payment.

Outstanding Awards as at the End of the Last Financial Year

As of December 31, 2021, stock options to purchase iA Financial Corporation's Common Shares were awarded to the Named Executive Officers and are outstanding as set out in the following table. All the options awarded had an exercise price equal to the weighted average price of iA Financial Corporation's Common Shares traded on the Toronto Stock Exchange during the five trading days immediately preceding the day on which the option was granted. The options vest over four years at the rate of 25% per year, starting on the first anniversary date of the date of the award. The options may be exercised for a period of 10 years from the date of the award.

		Option-Based Awards			
	Financial Year of Award	**Number of Securities Underlying Unexercised Options**	**Option Exercise Price**	**Option Expiry Date**	**Value of Unexercised In-the-Money Options(1)**
		Number	**$**		**$**
DENIS RICARD	2013	23,000	35.51	February 8, 2023	848,010
	2014	25,000	43.38	February 7, 2024	725,000
	2015	25,000	39.96	February 6, 2025	810,500
	2016	30,000	40.91	February 5, 2026	944,100
	2017	35,000	55.85	February 10, 2027	578,550
	2018	40,000	58.43	February 9, 2028	558,000
	2018	13,333	52.66	July 31, 2028	262,927
	2019	60,000	48.82	February 8, 2029	1,413,600
	2020	60,000	73.93	February 7, 2030	-
	2021	60,000	57.87	February 5, 2031	870,600
	Total	**371,333**			**7,011,287**
JACQUES POTVIN	2014	3,000	43.38	February 7, 2024	87,000
	2015	4,000	39.96	February 6, 2025	129,680
	2016	4,000	40.91	February 5, 2026	125,880
	2017	6,000	55.85	February 10, 2027	99,180
	2018	20,000	58.43	February 9, 2028	279,000
	2019	35,000	48.82	February 8, 2029	824,600
	2020	35,000	73.93	February 7, 2030	-
	2021	35,000	57.87	February 5, 2031	507,850
	Total	**142,000**			**2,053,190**
MICHAEL L. STICKNEY	2013	17,500	35.51	February 8, 2023	645,225
	2014	23,000	43.38	February 7, 2024	667,000
	2015	23,000	39.96	February 6, 2025	745,660
	2016	23,000	40.91	February 5, 2026	723,810
	2017	23,000	55.85	February 10, 2027	380,190
	2018	23,000	58.43	February 9, 2028	320,850
	2019	23,000	48.82	February 8, 2029	541,880
	2020	40,000	73.93	February 7, 2030	-
	2021	40,000	57.87	February 5, 2031	580,400
	Total	**235,500**			**4,605,015**
ALAIN BERGERON	2019	60,000	54.79	September 3, 2029	1,055,400
	2020	40,000	73.93	February 7, 2030	-
	2021	40,000	57.87	February 5, 2031	580,400
	Total	**140,000**			**1,635,800**
PIERRE MIRON	2019	15,000	48.82	February 8, 2029	353,400
	2020	15,000	73.93	February 7, 2030	-
	2021	15,000	57.87	February 5, 2031	217,650
	2021	20,000	68.38	June 28, 2031	80,000
	Total	**65,000**			**651,050**

(1) This amount is calculated based on the difference between the closing share price on December 31, 2021 ($72.38) and the option exercise price.

As of December 31, 2021, PSUs and DSUs were awarded to the Named Executive Officers and are outstanding as set out in the following table. PSU vesting is subject to a performance requirement and a three-year vesting period. DSUs vest as of the date they are awarded. The value of each PSU is equal to the average closing price of iA Financial Corporation's Common Shares for the first 20 business days of the reference period. The value of DSUs is calculated based on iA Financial Corporation's Common Share closing price on December 31, 2021. PSUs and DSUs also accumulate notional dividends based on the dividends paid on Common Shares.

		Share-Based Awards			
		PSU		DSU[3]	
	Financial Year of Award	Number of Shares or Share Units that Have Not Vested[1]	Market or Payout Value of Share-Based Awards that Have Not Vested[2]	Outstanding DSUs[4] (all these DSUs have fully vested)	Market or Payout Value of Share-Based Awards that Have Vested (not paid or distributed)
		Number	$	Number	$
DENIS RICARD	2020	4,183	296,198	**48,107**	**3,481,985**
	2021	5,093	360,635		
	Total	**9,276**	**656,833**		
JACQUES POTVIN	2020	2,030	143,744	**8,839**	**639,767**
	2021	2,471	174,972		
	Total	**4,501**	**318,716**		
MICHAEL L. STICKNEY	2020	2,005	179,995[5]	**1,290**	**93,370**
	2021	2,441	219,136[5]		
	Total	**4,446**	**399,131**[5]		
ALAIN BERGERON	2020	2,484	175,892	-	-
	2021	3,023	214,059		
	Total	**5,507**	**389,951**		
PIERRE MIRON	2020	1,871	132,486	**1,785**	**129,198**
	2021	2,279	161,376		
	Total	**4,150**	**293,862**		

(1) Total unvested PSUs (share-based awards and dividend equivalents) as of December 31, 2021.

(2) The value of non-vested PSUs is based on 100% target performance criteria and the arithmetic average of the weighted average prices of a Common Share for the last 20 business days of 2021 ($70.81).

(3) These executive officers have elected to receive a percentage of their 2021 annual bonus in the form of DSUs. This amount is calculated based on iA Financial Corporation's Common Share closing price on December 31, 2021 ($72.38).

(4) Total DSUs (share-based awards and dividend equivalents) as of December 31, 2021.

(5) The value of non-vested PSUs was converted to Canadian dollars using the exchange rate on December 31, 2021 (2021 award: 1.2678 = US$172,847; 2020 award: 1.2678 = US$141,974).

Incentive Plan Awards – Value Vested or Earned During the Year

The following table lists, for each of the Named Executive Officers, the values of incentive plan awards that were earned or vested during 2021.

	Option-Based Awards – Value Vested During the Year(1)	Share-Based Awards – Value Vested During the Year(2)	Compensation Based on a Non-Equity Incentive Plan – Value Earned During the Year(3)
DENIS RICARD	$339,469	$477,325	$1,714,427
JACQUES POTVIN	$139,150	$237,200	$400,923
MICHAEL L. STICKNEY	$131,100	$267,622(4)	$762,526
ALAIN BERGERON	$234,900	$0	$754,448
PIERRE MIRON	$49,125	$218,312	$566,290

(1) Value based on the closing price of iA Financial Corporation's Common Shares on the day they were vested.
(2) Awards for 2019, for which the performance period was from January 1, 2019, to December 31, 2021, were paid on February 24, 2022.
(3) The Named Executive Officer can elect to receive all or part of his annual bonus in DSUs. DSUs are redeemable for cash only upon termination of employment, retirement or death of the Named Executive Officer.
(4) The value vested of the PSUs for Mr. Stickney was converted to Canadian dollars using the exchange rate at the time of payment (1.2832 = US$208,558).

Payment of 2019 PSU Awards

PSUs awarded to Named Executive Officers in 2019 vested on December 31, 2021 (the end of the three-year performance evaluation period for said PSUs).

The table below shows how the payment of PSUs was calculated:

- the amount received by the Named Executive Officers is based on the number of units that have vested and iA Financial Corporation's Common Share price at the time of vesting, as described below;
- the number of units that have vested was determined based on the performance coefficient, which was calculated based on the iA Financial Group's performance during the three-year reference period (see below for more details);
- during the reference period, notional dividends were received by the Named Executive Officers as additional units;
- the vesting price corresponds to the arithmetic average of the weighted average prices of iA Financial Corporation's Common Shares for the 20-day period before the end of the reference period, being the end of the fiscal year ended December 31, 2021;
- the difference between the value of the award and the value of the payment includes the effect of the notional dividends received by the Named Executive Officers as additional units, the increase in the share price since the award and the performance coefficient.

	Number of PSUs Awarded in 2019	Number of Dividend Equiva-lents Received	Total Number of PSUs	Perfor-mance Coeffi-cient (rounded)	Vesting Price	Payment Value on Vesting	Award Value	Diffe-rence Between the Award Value and the Payment Value
	Number	Number	Number	Multiple	$	$	$	$
DENIS RICARD	5,383	561	5,944	1.13	70.81	477,325	252,893	224,432
JACQUES POTVIN	2,675	279	2,954	1.13	70.81	237,200	125,672	111,528
MICHAEL L. STICKNEY	2,352	245	2,597	1.13	70.81	267,622(1)	146,630(2)	120,992
ALAIN BERGERON	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
PIERRE MIRON	2,462	257	2,719	1.13	70.81	218,312	115,665	102,647

(1) The value vested of the PSUs for Mr. Stickney was converted to Canadian dollars using the exchange rate on February 24, 2022, being the date of payment (1.2832 = US$208,558).
(2) PSUs were granted in U.S. dollars and converted to Canadian dollars using the exchange rate at the time of grant (2019: 1.3270 = US$110,497).

Calculation of the Performance Coefficient

Performance is measured based on net earnings and on the percentile rank of the TSR.

— 75% of the performance is measured based on the net earnings realized for each of the three years of the performance period.

	Threshold 50%	Target 100%	Maximum 150%	Actual	Net Earnings Coefficient for the Period (rounded)
	Millions	Millions	Millions	Millions	
2019–2021	1,650	2,100	2,250	2,129	1.10

— 25% of the performance is measured using the average of the percentile rank of the TSR for the three years of the performance period.

	Threshold 50%	Between Threshold and Target 75%	Target 100%	Between Target and Maximum 125%	Maximum 150%	Actual	TSR Coefficient for the Period (rounded)
2019–2021	66 to 75%	56 to 65%	46 to 55%	36 to 45%	1 to 35%	41	1.25

75%		25%		
of Net Earnings Coefficient	+	of Relative TSR Coefficient	=	Performance Coefficient for the Period
(1.10 x 75% = 0.82)		(1.25 x 25% = 0.31)		(1.13)

Options Exercised

The following table lists, for each of the Named Executive Officers, the number and net value of options that were exercised during 2021.

	Option Awards			
	Award Year	Number of Shares Acquired on Exercise	Exercise Price	Net Value Realized Upon Exercise(1)
	Year	Number	$	$
DENIS RICARD	2012	9,000	26.03	397,980
JACQUES POTVIN	2013	3,000	35.51	114,883
MICHAEL L. STICKNEY	2012	25,000	26.03	1,060,421
	2013	5,500	35.51	215,335
ALAIN BERGERON	-	-	-	-
PIERRE MIRON	-	-	-	-
Total		**42,500**		**1,788,619**

(1) This amount is calculated based on the difference between the exercise price and the market price of the shares at the time of exercise.

Pension Benefits

The Named Executive Officers participate in the registered pension plan and qualify for supplemental pension benefits under the supplemental pension plans. These plans are defined benefit plans.

Under these plans, the pension is calculated based on 2% of the average salary and performance bonus paid for the best five years, multiplied by the number of years of credited service. For executives hired after January 1, 2013, the pension is calculated on the basis of 1.4% of the average yearly maximum pensionable earnings ("**YMPE**") for the best five years plus 2% of the excess of the average salary and performance bonus paid for the best five years over the average YMPE for the best five years multiplied by the number of years of credited service. The pension is generally limited to 70% of the average salaries and bonuses.

The calculation of the pension is subject to a maximum percentage of salary based on pension credits for 2006 and subsequent years. This percentage is limited to 175%, or 200% for the Chief Executive Officer, of the base salary for the last three years. For executives with a spouse at the date of retirement, the normal form of pension is a joint and last survivor pension for which the amount payable to the spouse is reduced on the death of the pensioner to 60% of the amount paid to the pensioner before his or her death. For executives without a spouse at the date of retirement, the normal form is a lifetime pension guaranteed for 12 years.

The annual retirement pension provided for under the registered pension plan is limited to the maximum amount authorized by the tax authorities for each year of credited service. The annual retirement pension payable under the supplemental pension plans is calculated according to the formula described above, less the pension payable under the registered pension plan.

The following table sets forth the defined benefit plans for each of the Named Executive Officers. These plans provide for payments of benefits at, following, or in connection with retirement:

		Annual Benefits Payable					
	Number of Years of Credited Service	At Year End	At Age 65[(3)]	Opening Present Value of Defined Benefit Obligation	Compen-satory Change[(4)]	Non-Compen-satory Change[(5)]	Closing Present Value of Defined Benefit Obligation
	Number	$	$	$	$	$	$
DENIS RICARD[(1)]	36.58	1,086,808	1,273,026	22,745,250	2,444,048	(1,569,690)	23,619,607
JACQUES POTVIN	31.56	368,327	422,947	8,084,270	802,831	(767,359)	8,119,742
MICHAEL L. STICKNEY[(2)]	20.00	365,233	365,233	5,247,220	1,114,053	(272,301)	6,088,972
ALAIN BERGERON	2.33	37,382	416,935	454,499	340,594	(107,539)	687,554
PIERRE MIRON	3.32	34,456	111,766	453,623	247,119	(48,086)	652,656

(1) The Human Resources and Compensation Committee decided that the pension payable to Mr. Ricard under the registered and supplemental pension plans would not be limited to the maximum of 70% of the average salaries and bonuses.

(2) Effective September 1, 2012, Mr. Stickney only accrues benefits under the supplemental pension plan as he is no longer eligible to participate in the registered pension plan.

(3) Annual benefits payable at age 65 or at the end of the fiscal year if the member is over age 65.

(4) Compensatory change includes the cost for benefits accrued during the year, plan changes, and the impact on liabilities of differences between actual and estimated earnings. The differences between actual and estimated earnings are based on the most recent actuarial valuation as of December 31, 2020. The Corporation extrapolates its defined benefit obligations for the current year using the December 31, 2020 actuarial valuation.

(5) Non-compensatory change includes the interest on the accrued obligation at the start of the year as well as the impact on liabilities of changes in assumptions.

The Corporation acquired Seaboard Life Insurance Company ("**Seaboard**") in 1999. The Corporation assumed Seaboard's obligations with respect to the retirement arrangement for Mr. Michael L. Stickney. Mr. Stickney was a participant in an unregistered notional account in which he accrued rights until December 31, 2001. Since that date, this account has been evolving solely based on credited investment returns. The following table sets forth the value of Mr. Stickney's Plan at the beginning and end of the Corporation's fiscal year ended December 31, 2021. The accumulated value at retirement will be payable in a maximum of eleven payments, the first being on the first of the month following end of employment and on each December 1 following the initial payment thereafter. The amounts of the ten annual payments on each December 1 will be calculated by dividing the accumulated value at that date by the number of remaining annual payments. The value of the notional account will be nil following these payments.

	Value accrued at the Beginning of the Fiscal Year	Compensatory Amount	Non-Compensatory Amount	Value accrued at the End of the Fiscal Year
	$	$	$	$
MICHAEL L. STICKNEY	421,964	-	47,640	469,604

Termination and Change of Control Benefits

Employment Contract of the President and Chief Executive Officer

As provided in the employment contract entered into with Mr. Denis Ricard, if the Corporation terminates the employment of Mr. Ricard without cause, including at the time of a change of control, the latter shall then be entitled to an indemnity equal to 24 months of base salary and to an amount equal to twice his average bonuses for the previous three years. Furthermore, Mr. Ricard shall be credited two years of additional service under the pension plans and employment benefits shall be maintained for a period of 24 months except for disability benefits. All stock options held by Mr. Ricard shall continue to vest based on the schedule established at the time of the award, and Mr. Ricard will also be entitled to payment of a part of the annual target bonus in proportion to the number of months worked in the performance period in which his employment ended and to all vacation days earned but not taken. If Mr. Ricard leaves his employment with the Corporation for any reason or if the Corporation terminates his employment with cause, Mr. Ricard will be held, for a period of 24 months following the end of his employment, to non-competition and non-solicitation obligations.

Other Employment Contracts and Other Conditions of Termination

Except for the President and Chief Executive Officer, the Corporation did not enter into any employment contract with Named Executive Officers that provides an indemnity in the event of termination thereof. However, the Performance Share Unit Plan and the Stock Option Plan set out the effect of termination on a participant's grants.

	Compensation Components	
	Options	**PSUs**
Resignation	Expiry of all options as at the date of termination.	Expiry of all unvested PSUs as at the date of termination.
Termination (without cause)	Vested options may be exercised for three years after the date of termination. Unvested options will be cancelled unless the Board decides otherwise.	Vesting in proportion to the number of months worked during the performance period and by using the actual performance as at the date of termination.
Termination (with cause)	Expiry of all options as at the date of termination.	Expiry of all unvested PSUs as at the date of termination.
Retirement	Vested options may be exercised for three years after the date of termination. Unvested options are cancelled unless the Board decides otherwise.	Vesting in proportion to the number of months worked during the performance period and by using the actual performance as at the date of termination.
Termination Following a Change of Control	Vested options may be exercised for three years after the date of termination. Unvested options are cancelled unless the Board decides otherwise.	Vesting in proportion to the number of months worked during the performance period and by using the actual performance as at the date of termination. The Human Resources and Compensation Committee may, at its discretion, accelerate the vesting dates.

Value of Benefits in the Event of Termination

The following table sets out the additional amounts that would have been payable to the Named Executive Officers and the value of the additional rights acquired by these Named Executive Officers, assuming that the Named Executive Officer's employment had been terminated on December 31, 2021 and considering, for the share-based compensation, a closing price for iA Financial Corporation's Common Share of $72.38 as at December 31, 2021.

	Nature of Payment	Resignation	Termination (without cause)	Termination (with cause)	Retirement	Termination Following a Change of Control
		$	$	$	$	$
DENIS RICARD	Salary	-	1,900,000	-	-	1,900,000
	Annual Bonus	-	1,959,107	-	-	1,959,107
	PSUs	-	842,919	-	842,919	842,919
	Options	-	1,782,627	-	-	1,782,627
	Pension Benefits	-	6,210,628	-	-	6,210,628
	Total Value	**-**	**12,695,281**	**-**	**842,919**	**12,695,281**
JACQUES POTVIN	Salary	-	-	-	-	-
	Annual Bonus	-	-	-	-	-
	PSUs	-	414,607	-	414,607	414,607
	Options	-	-	-	-	-
	Pension Benefits	-	-	-	-	-
	Total Value	**-**	**414,607**	**-**	**414,607**	**414,607**
MICHAEL L. STICKNEY	Salary	-	-	-	-	-
	Annual Bonus	-	-	-	-	-
	PSUs	-	383,817	-	383,817	383,817
	Options	-	-	-	-	-
	Pension Benefits	-	-	-	-	-
	Total Value	**-**	**383,817**	**-**	**383,817**	**383,817**
ALAIN BERGERON	Salary	-	-	-	-	-
	Annual Bonus	-	-	-	-	-
	PSUs	-	217,063	-	217,063	217,063
	Options	-	-	-	-	-
	Pension Benefits	-				
	Total Value	**-**	**217,063**	**-**	**217,063**	**217,063**
PIERRE MIRON	Salary	-	-	-	-	-
	Annual Bonus	-	-	-	-	-
	PSUs	-	381,881	-	381,881	381,881
	Options	-	-	-	-	-
	Pension Benefits	-	-	-	-	-
	Total Value	**-**	**381,881**	**-**	**381,881**	**381,881**

Indebtedness of Directors, Executive Officers and Employees

The Corporation does not grant loans to directors and executive officers to acquire shares of the Corporation. Consequently, with the exception of routine indebtedness, no director, executive officer, former executive member or employee is indebted to the Corporation or to one of its subsidiaries.

Legal Proceedings and Regulatory Actions

In the ordinary course of its business, from time to time, the Corporation is named as defendant in legal proceedings or class action suits for damages and costs and for damages and losses sustained by plaintiffs. While it is not possible to estimate the outcome of the various proceedings involving the Corporation at this time, the Corporation believes that these legal proceedings will not have a material negative effect on its financial position or on its consolidated results.

Since January 1, 2021, (a) no penalties or sanctions have been imposed on iA Insurance (i) by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority, or (ii) by a court or regulatory body that would likely be considered material to a reasonable investor in making an investment decision, and (b) iA Insurance has not entered into any settlement agreements with a court relating to Canadian securities legislation or with a Canadian securities regulatory authority.

Transfer Agent and Registrar

iA Insurance has retained the services of Computershare Investor Services Inc. as its share transfer agent and registrar. The transfer books are kept in Montreal. Computershare can be contacted at:

1500 Robert-Bourassa Boulevard, 7th Floor
Montreal, Quebec H3A 3S8
Canada

Telephone: 514-982-7555
1-877-684-5000 (toll free)
Email: ia@computershare.com

Interests of Experts

Mr. Jacques Potvin, Executive Vice President, Chief Financial Officer and Chief Actuary of the Corporation, prepared the appointed actuary report for the financial year ended December 31, 2021. As at the date hereof, Mr. Potvin, as a registered or beneficial owner, owned directly or indirectly less than 1% of the Corporation's outstanding securities of any class.

Deloitte LLP, the Corporation's external auditor, prepared the auditor's report related to the audited Consolidated Financial Statements for the financial years ended December 31, 2021 and 2020. The Corporation has been informed that Deloitte LLP is independent within the meaning of the *Code of Ethics of Chartered Professional Accountants* (Quebec).

Additional Information

Additional information on the Corporation is available on the SEDAR website at sedar.com. Finally, additional financial information is provided in the *Consolidated Financial Statements* and the *Management's Discussion and Analysis* for its most recently completed financial year.

SCHEDULE A - AUDIT COMMITTEE CHARTER
INDUSTRIAL ALLIANCE INSURANCE AND FINANCIAL SERVICES INC.
The "Corporation"

The Audit Committee (the "Committee") supports the Board of Directors (the "Board") in its responsibilities for the Corporation's financial reporting and disclosure to shareholders and other stakeholders, the internal control environment, compliance and financial crime, the head of internal audit, the external auditor, and the Chief Actuary and Chief Financial Officer of the Corporation.

Composition and Quorum

The Committee shall be constituted in accordance with the by-laws of the Corporation, the *Act respecting insurers,* R.S.Q., chapter A-32.1 (the "Act"), *Regulation 52-110 respecting Audit Committees (*"Regulation 52-110") and Decision No. 2015-SOLV-0065 issued by the Autorité des marchés financiers with respect to the authorization regarding the formation of audit committees (the "Decision"), as they may be amended from time to time.

The Committee shall consist of at least three members appointed by the Board from among the directors of the Corporation. The composition of the Committee shall meet the following criteria:

- members must be financially literate to perform their role;(1)
- a majority of the members of the Committee shall not be shareholders holding 10% or more of the voting rights attached to the shares issued by the Corporation or by a legal person affiliated with the Corporation or 10% or more of such shares;
- notwithstanding the provisions of the Act and in accordance with the Decision, a majority of the members of the Committee may consist of members serving on other committees of the Board or directors of corporate entities affiliated with the Corporation.

In addition, all members of the Committee shall be independent as defined by the Canadian Securities Administrators in Regulation 52-110 and under the Corporation's *Board Independence Policy*.

A majority of the members in office shall constitute a quorum at meetings of the Committee.

Roles and Responsibilities

The Committee shall have the following responsibilities:

1. Financial Disclosure and Internal Controls

- Oversee that processes are in place to provide reasonable assurance that the financial information is reliable and that the Corporation's financial statements are prepared in accordance with financial reporting standards and applicable legal and regulatory requirements.
- Review with management and the external auditor the interim and annual financial statements, the results of the external audit reviews thereof, the management's discussion and analysis and the related press release, and obtain explanations from management of any material variances between the corresponding periods before recommending to the Board their approval and release.
- Obtain from the President and Chief Executive Officer and the Chief Financial Officer the certifications required by *Regulation 52-109 respecting Certification of Disclosure in Issuers' Annual and Interim Filings.*
- Oversee that effective internal controls and disclosure procedures are in place to review the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than financial statements, management's discussion and analysis and annual and interim earnings press releases.

(1) In accordance with Regulation 52-110, a financially literate person is one who has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

- Periodically review the Corporation's *Disclosure Policy* and periodically assess the adequacy of the procedures derived from it.
- Review with the external auditor any difficulties or problems related to its audit and management's response thereto, and if appropriate, resolve any disagreements between management and the external auditor regarding financial reporting.
- Monitor the integrity and quality of internal control systems through discussions with management, supervisory functions, the head of internal auditor and the Corporation's external auditor.
- Periodically review reports from management and supervisory functions relating in whole or in part to the operation of the Corporation's financial reporting system, and any other control mechanisms or waivers thereof.

2. Compliance and the fight against financial crime

- Receive periodic and real-time updates as needed on the Corporation's compliance status associated with the regulatory environment in which it operates, and be informed in a timely manner of significant regulatory and operational risk exposures and gaps and their impacts.
- Review monitoring plans and, where applicable, independent assessments and recommendations issued by the compliance function regarding identified deficiencies and management's action plans to address them. If necessary, request specific engagements.
- Where appropriate, review and approve management recommendations related to escalated operational risk tolerances.
- Monitor the effectiveness of the Corporation's anti-financial crime programs, including anti-money laundering, and recommend to the Board the adoption of related policies.
- Oversee that measures are in place for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters, including the confidential, anonymous submission by employees of the Corporation of concerns regarding accounting or auditing matters.

3. Head of Internal Audit

- Approve and recommend to the Board the appointment and, when required, the removal of the head of internal audit.
- Approve annually the compensation of the head of internal audit as well as his or her objectives.
- Annually evaluate the performance of the head of internal audit and the effectiveness of the internal audit function.
- Adopt and periodically review the Corporation's *Internal Audit Charter*, which specifies, among other things, the role, mission, powers, status and responsibilities of the internal audit function.
- Periodically review and approve annually the internal audit plan, ensure that it is focused on the Corporation's inherent and significant risks and periodically monitor its implementation.
- Approve annually the projected budget and resources for the Corporation's internal audit function.
- Validate the adequacy of the scope and authority of the head of internal audit and the Corporation's internal audit function and oversee that the function has, at all times, the resources and authority necessary to carry out its mandate.
- Receive periodic updates from the head of internal audit on the completion of the audit plan or any other related matters.
- Periodically review audit reports, follow up on recommendations issued by internal audit regarding identified deficiencies, and oversee that management takes appropriate action to remedy them.
- Periodically receive a report from the head of internal audit on incidents associated with financial crime and fraud.
- Oversee the independence and objectivity of the internal audit function, including by receiving an annual certification from the head of internal audit confirming its independence, the independence of the internal audit function and compliance with its code of ethics and internal auditing standards, and by ensuring that the internal audit function has unrestricted access to Committee members.

4. External auditor

- Validate the competence and independence of the external auditor.
- Monitor the work of the external auditor and receive the external auditor's annual written statement regarding its relationships with the Corporation and the member companies of iA Financial Group and discuss any relationships that may affect its objectivity or independence.

- Recommend to the Board the accounting firm to be submitted to a vote of the shareholders for the purpose of preparing or issuing an audit report or performing other audit, review or attestation services for the Corporation and its subsidiaries, and recommend that the compensation be determined by the Board.
- Pre-authorize all audit services, determine the non-audit services that may be performed by the external auditor and pre-approve all such non-audit services, all in accordance with the *External Auditor Independence Policy* and *Regulation 52-110 Audit Committees*.
- Adopt and periodically review the *External Auditor Independence Policy* governing the contracting of non-audit services and the hiring of persons related to the external auditor.
- Review and approve the external auditor's fees for both audit and permitted non-audit services.
- Review the audit plan with the external auditor and management and approve it.
- Monitor the implementation of the external auditor's audit plan and oversee the follow-up of its recommendations and the actions that management has committed to take to achieve them.
- Monitor compliance with applicable requirements regarding the rotation of the external auditor's partners involved, and the external auditor's participation in the Canadian Public Accountability Board program.
- Periodically review the external auditor's report in accordance with section 125 of the Act, which provides for the disclosure of situations, if any, of which the external auditor has become aware that may materially impair the Corporation's ability to meet its obligations.
- Receive all significant correspondence between the external auditor and senior management regarding audit findings.
- In the relationship with the external auditor, oversee compliance with accounting and actuarial practices, where applicable, and their prudent and appropriate nature.
- Receive an annual report on the external auditor's internal quality control procedure and review the efficiency and quality of the work performed by the external auditor.

5. Chief Actuary and Chief Financial Officer

- Review annually the report of the peer review of the work of the Chief Actuary.
- Review changes to actuarial reserves and any future changes to standards.
- Review annually the participation schedule for the Chief Actuary's participating policies and recommend its adoption to the Board.
- Periodically monitor capital adequacy against regulatory requirements and the internal target ratio and target operating level of the solvency ratio approved by the Board.
- Review annually the performance evaluation of the Chief Actuary and the Chief Financial Officer.

6. Other responsibilities

- Receive periodic reporting from management on major investment projects, including digital investment projects.
- Receive periodic reporting from management on information technology operations and receive information on best practices and industry trends.
- Receive periodically from management a report on litigation matters outside the ordinary course of business for the Corporation and its subsidiaries that could have an adverse effect on the Corporation's financial condition or results.
- Review significant correspondence with regulatory authorities and, where applicable, management's action plans.

7. Generally

- Validate that there is coordination between the supervisory functions of the 2nd line of defense, internal audit and external audit.
- Retain and compensate accounting, legal or other advisors, subject to notification to the Board Chair. Such notice shall be accompanied by a description of the mandate to be given to the expert.
- Carry out such other responsibilities as may be assigned from time to time by the Board.

Mode of Operation

Frequency: The Committee shall hold at least four regularly scheduled meetings per year and may meet at special meetings as required. The Chair of the Committee, the Chair of the Board or the President and Chief Executive Officer of the Corporation may call a meeting at any time.

Chair: The Board shall appoint the Chair of the Committee, who shall be independent and shall not be the Chair of the Board or of any other committee. In the absence of the Chair, the members of the Committee shall elect a Chair from among themselves.

Secretary: The Secretary of the Corporation or, in his or her absence, the Assistant Secretary of the Corporation or such other person as may be designated by the members of the Committee shall act as Secretary of the Committee.

Agenda: The Chair of the Committee shall establish the agenda for each Committee meeting in consultation with the President and Chief Executive Officer of the Corporation, the Chief Financial Officer and the Secretary. The agenda and relevant materials shall be distributed to Committee members in a timely manner prior to Committee meetings.

Reporting: The Chair of the Committee shall report regularly to the Board on the Committee's deliberations, findings and recommendations.

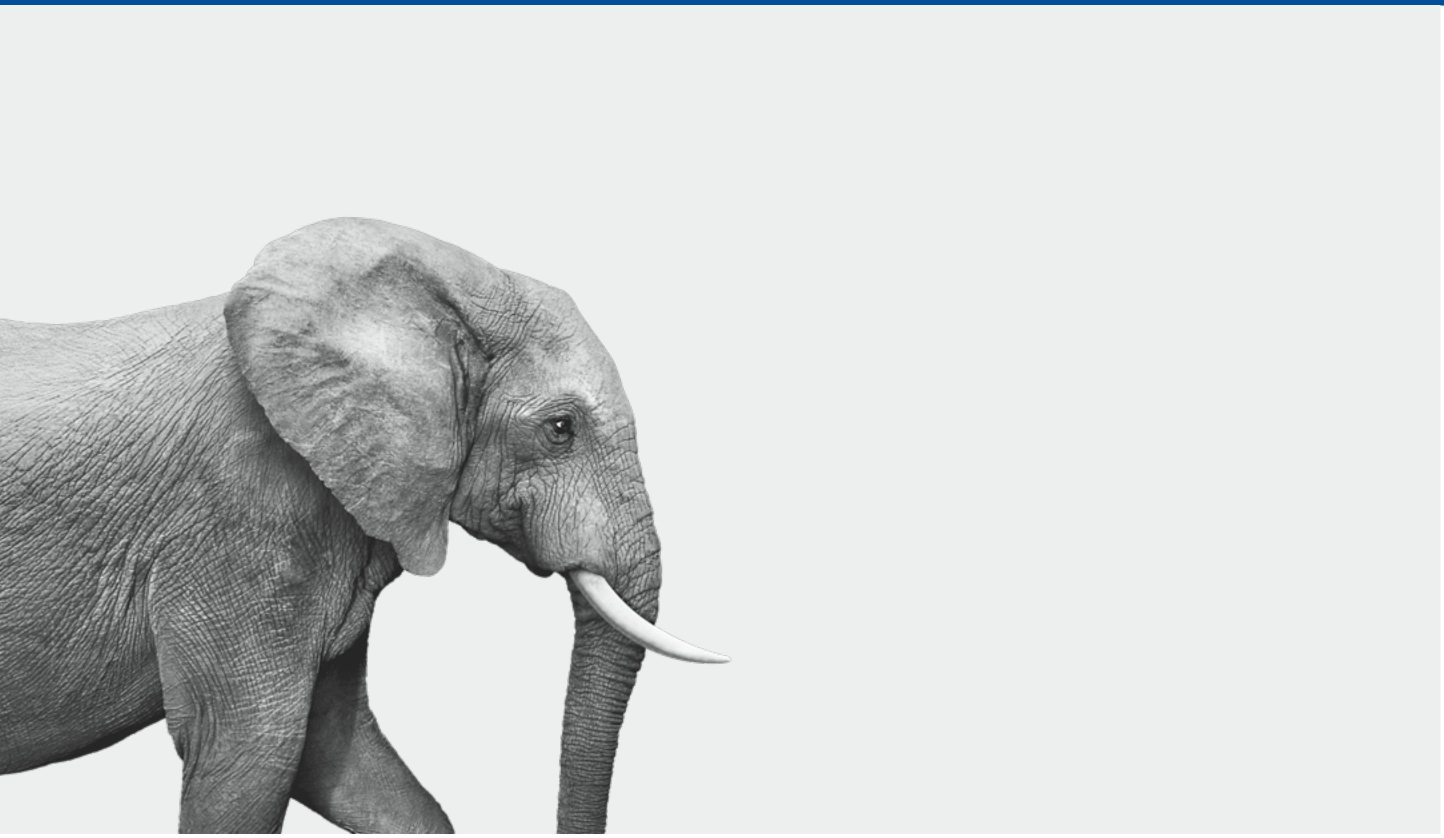
Communication: The Committee shall have direct lines of communication at all times with the external auditor, the head of internal audit, the Chief Actuary and the Chief Financial Officer and all other supervisory functions of the Corporation.

In camera: Following each regularly scheduled meeting, the Committee shall meet in camera and shall meet separately with the external auditor and the head of internal audit. Management, the Chief Compliance Officer, the Chief Actuary and the Chief Financial Officer shall meet separately with the Committee in camera at least once a year.

Charter review: The Committee shall periodically review its terms of reference and report to the Board on any changes that may be required.

ANNUAL INFORMATION FORM

Industrial Alliance Insurance
and Financial Services Inc.



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