

Intact to Acquire RSA's Canada, UK and International Operations with CDPQ's Support

Intact Financial Corporation will invest \$1.5 billion in technology in Quebec over five years

MONTREAL, Nov. 18, 2020 /CNW/ - Intact Financial Corporation (TSX: IFC) today announced that, together with Tryg A/S (Tryg), it has reached an agreement for the acquisition of RSA Insurance Group plc (RSA). Pursuant to the transaction, IFC will, with the support of Caisse de dépôt et placement du Québec (CDPQ), acquire RSA Group's Canada, UK and International operations and co-own RSA Group's Danish business with Tryg. To support its customer driven digital strategy and the growth resulting from the acquisition and integration of these operations, IFC will invest \$1.5 billion in technology in Quebec over the next five years. This acquisition will also significantly increase the role and influence of several strategic teams based in Quebec, consolidate IFC's significant economic impact in the province, and increase that impact through these additional investments.

"Intact Financial Corporation has its roots in Quebec," said Charles Brindamour, CEO of Intact Financial Corporation. "While our success now extends well beyond Quebec's borders, we still run a significant portion of our North American operations there. With the support of CDPQ, our acquisition of RSA will create additional demands and opportunities for the teams supporting our global operations; coupled with our future tech investments, this will provide a significant and lasting boost to the expansion of our strategic teams based in Quebec."

"We've been partners with Intact Financial Corporation for over 10 years," said Charles Emond, President and CEO, CDPQ. "Our investment has yielded positive returns for our depositors, thanks to the company's strong track record of successfully integrating the companies they have acquired. We're delighted to support this new acquisition, which will provide new growth opportunities for IFC, strengthen its leading position in Canada, and have a significant impact in Quebec's financial and technology sectors."

Additional investments in cutting-edge tech sectors

IFC's growth is based on a long tradition of innovation and investments in technology that will accelerate with the acquisition of RSA. IFC will invest \$1.5 billion over the next five years to support and grow the work of its digital, tech and AI development labs and software engineering teams. These Quebec-based teams will expand their scope and responsibilities as a result of the company's growth and international operations, and to do this they will be hiring new talent. Over the next five years, more than 1,500 Quebec experts in user experience, design, mobile and software engineering, cybermetrics, machine learning and AI will work on developing and improving the digital customer experience, in addition to using technology to improve the efficiency of the company's global operations.

Quebec talent driving growth for Intact and the Quebec economy

A number of IFC's core operations are based in and directed from Quebec. The company has major teams that not only serve Quebecers, but also the rest of Canada and divisions across North America. Most of these teams will see their operations expand as the company's international growth creates additional demands.

This includes the Intact Investment Management team, which will lead the company's global investment operations and see its assets under management grow from \$20 billion to \$40 billion.

These expanded responsibilities for the Quebec-based teams will also enable IFC to act as a talent accelerator by providing even more high-calibre job opportunities for the next generation of Quebec university graduates, particularly in the actuarial, finance, technology and AI sectors.

IFC: A major employer rooted in the local economy

Since its beginnings in Quebec in 1907 (for the legacy company of Intact Insurance) and 1955 (for belairdirect), IFC has continued to grow steadily across the province in terms of its number of employees, investment, market share and community engagement.

IFC in Quebec today:

- Over 5,000 employees in its Montreal, Anjou, Québec and Saint-Hyacinthe offices
- Nearly one in three Quebecers and nearly one in four companies are insured through our Intact Insurance and belairdirect banners
- More than 530 property and casualty insurance broker partners of all sizes located across Quebec
- \$1.6 billion in claim payments to Quebec customers, contributing to the province's economic vitality by mobilizing the home restoration and renovation and automotive repair industries
- Collaboration with several major Quebec universities, including Université Laval, Polytechnique, Université de

About Intact Financial Corporation

Intact Financial Corporation (TSX: IFC) is the largest provider of property and casualty (P&C) insurance in Canada and a leading provider of specialty insurance in North America, with over CAD\$11 billion in total annual premiums. The Company has approximately 16,000 employees who serve more than five million personal, business and public sector clients through offices in Canada and the U.S.

In Canada, Intact distributes insurance under the Intact Insurance brand through a wide network of brokers, including its wholly-owned subsidiary BrokerLink, and directly to consumers through belairdirect. Frank Cowan Company, a leading MGA, distributes public entity insurance programs including risk and claims management services in Canada.

In the U.S., Intact Insurance Specialty Solutions provides a range of specialty insurance products and services through independent agencies, regional and national brokers, and wholesalers and managing general agencies. Products are underwritten by the insurance company subsidiaries of Intact Insurance Group USA, LLC.

About CDPQ

Caisse de dépôt et placement du Québec (CDPQ) is a long-term institutional investor that manages funds primarily for public and para-public pension and insurance plans. As at June 30, 2020, it held CA\$333.0 billion in net assets. As one of Canada's leading institutional fund managers, CDPQ invests globally in major financial markets, private equity, infrastructure, real estate and private debt. For more information, visit www.cdpq.com, follow us on Twitter @LaCDPQ or consult our [Facebook](#) or [LinkedIn](#) pages.

Cautionary note about forward-looking statements

Certain of the statements included in this press release constitute forward-looking statements. They include statements relating to, among other things, IFC's offer to acquire RSA, its integration and growth plans, and its investment and hiring intentions in Quebec and in the digital, technology, AI development and software engineering sectors over the next five years. Forward looking statements often use words such as "believe", "expect", "estimate", "intend", "anticipate" and words of a similar meaning. Although the forward-looking statements are based upon what management believes to be reasonable assumptions, IFC cannot assure investors that actual results will be consistent with these forward-looking statements. Investors should not rely on forward-looking statements to make decisions, as they are subject to risks and uncertainties about IFC and are dependent on many factors, some of which are outside of IFC's control. Investors should ensure the preceding information is carefully considered when reviewing forward-looking statements contained herein. The Company and management have no intention and undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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