

Intact Financial Corporation Announces Agreement with Cornerstone Investors to Finance a Portion of the Purchase Price of the Possible Offer for RSA Insurance Group PLC (“RSA”)

November 12, 2020 – Further to the announcement on November 5, 2020 relating to the possible offer for RSA by Intact Financial Corporation (TSX: IFC) (“Intact” or the “Company”) and Tryg A/S (“Tryg”) (together the “Consortium”), Intact announced today that it has entered into subscription agreements with subsidiaries of each of Caisse de dépôt et placement du Québec (“CDPQ”), Canada Pension Plan Investment Board (“CPP Investments”) and Ontario Teachers’ Pension Plan Board (“Ontario Teachers”) for the aggregate issuance of 23.8 million subscription receipts at a price of \$134.50 per subscription receipt for gross proceeds of \$3.2 billion. CDPQ, CPP Investments, and Ontario Teachers’ are committing \$1.5 billion, \$1.2 billion, and \$0.5 billion, respectively. Completion of the offering is conditional upon the Consortium announcing a firm offer for RSA. Additional information on the proposed transaction is available at Intact’s website at <https://www.intactfc.com/English/investors/>.

Each subscription receipt will entitle the holder to receive one common share of Intact as well as a commitment fee upon closing of the acquisition of RSA. The completion of the offering is subject to approval of the Toronto Stock Exchange and other customary closing conditions.

The subscription receipts and the common shares of Intact have not been, and will not be, registered under the U.S. Securities Act, or the securities laws of any state of the United States and may not be offered, sold or delivered, directly or indirectly, within the United States, except in certain transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. This press release does not constitute an offer to sell or a solicitation of an offer to buy any of these subscription receipts within the United States.

About Intact

Intact Financial Corporation 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 \$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, wholesalers and managing general agencies. Products are underwritten by the insurance company subsidiaries of Intact Insurance Group USA, LLC.

About Caisse de dépôt et placement du Québec

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.

About Canada Pension Plan Investment Board

Canada Pension Plan Investment Board (CPP Investments™) is a professional investment management organization that invests around the world in the best interests of the more than 20 million contributors and beneficiaries of the Canada Pension Plan. In order to build diversified portfolios of assets, investments in public equities, private equities, real estate, infrastructure and fixed income are made by CPP Investments. Headquartered in Toronto, with offices in Hong Kong, London, Luxembourg, Mumbai, New York City, San Francisco, São Paulo and Sydney, CPP Investments is governed and managed independently of the Canada Pension Plan and at arm's length from governments. At June 30, 2020, the Fund totalled C\$434.4 billion. For more information, please visit www.cppinvestments.com or follow us on LinkedIn, Facebook or Twitter.

About Ontario Teachers' Pension Plan

The Ontario Teachers' Pension Plan Board (Ontario Teachers') is the administrator of Canada's largest single-profession pension plan, with \$204.7 billion in net assets (all figures at June 30, 2020 unless noted). It holds a diverse global portfolio of assets, approximately 80% of which is managed in-house, and has earned an annual total-fund net return of 9.5% since the plan's founding in 1990. Ontario Teachers' is an independent organization headquartered in Toronto. Its Asia-Pacific regional offices are in Hong Kong and Singapore, and its Europe, Middle East & Africa region office is in London. The defined-benefit plan, which is fully funded as at January 1, 2020, invests and administers the pensions of the province of Ontario's 329,000 active and retired teachers. For more information, visit otpp.com and follow us on Twitter @OtpInfo.

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Forward-looking statements

Certain of the statements included in this press release about the proposed cornerstone private placement, the proposed acquisition of RSA (the "Acquisition") or any other future events or developments constitute forward-looking statements. The words "may", "will", "would", "should", "could", "expects", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "predicts", "likely", "potential" or the negative or other variations of these words or other similar or comparable words or phrases, are intended to identify forward-looking statements. Unless

otherwise indicated, all forward-looking statements in this press release are made as of November 12, 2020, and are subject to change after that date.

Forward-looking statements are based on estimates and assumptions made by management based on management's experience and perception of historical trends, current conditions and expected future developments, as well as other factors that management believes are appropriate in the circumstances. In addition to other estimates and assumptions which may be identified herein, estimates and assumptions have been made regarding, among other things, the receipt of all requisite approvals in a timely manner and on terms acceptable to the Company, the realization of the expected strategic, financial and other benefits of the Acquisition, and economic and political environments and industry conditions. However, the completion of the Acquisition is expected to be subject to customary closing conditions, termination rights and other risks and uncertainties, including, without limitation, regulatory approvals, and there can be no assurance that the Acquisition will be completed. There can also be no assurance that if the Acquisition is completed, the strategic and financial benefits expected to result from the Acquisition will be realized. Many factors could cause the Company's actual results, financial performance or condition, or achievements to differ materially from those expressed or implied by the forward-looking statements herein, including, without limitation, the following factors:

- expected regulatory processes and outcomes in connection with the Company's business;
- the Company's ability to implement its strategy or operate its business as management currently expects;
- the Company's ability to accurately assess the risks associated with the insurance policies it writes;
- unfavourable capital market developments or other factors, including the impact of the COVID-19 pandemic and related economic conditions, which may affect the Company's investments, floating rate securities and funding obligations under its pension plans;
- the cyclical nature of the P&C insurance industry;
- management's ability to accurately predict future claims frequency and severity, including in the high net worth and personal auto lines of business;
- government regulations designed to protect policyholders and creditors rather than investors;
- litigation and regulatory actions, including with respect to the COVID-19 pandemic;
- periodic negative publicity regarding the insurance industry;
- intense competition;
- the Company's reliance on brokers and third parties to sell its products to clients and provide services to the Company and the impact of COVID-19 and related economic conditions on such brokers and third parties;
- the Company's ability to successfully pursue its acquisition strategy;
- the Company's ability to execute its business strategy;
- the uncertainty of obtaining in a timely manner, or at all, the regulatory approvals required to complete the Acquisition, the issuance of the subscription receipts and the issuance of the common shares issuable pursuant to the subscription agreements;
- unfavourable capital markets developments or other factors that may adversely affect the Company's ability to finance the Acquisition;
- the Company's ability to improve its combined ratio, retain business and achieve synergies and maintain market position arising from successful integration plans relating to the Acquisition, as well as management's estimates and expectations in relation to future economic and business conditions and other factors in relation to the Acquisition and resulting impact on growth and accretion in various financial metrics;

- its ability to otherwise complete the integration of the business acquired within anticipated time periods and at expected cost levels;
- the Company's dependence on key employees and its ability to attract and retain key employees in connection with the Acquisition;
- the Company's ability to achieve synergies arising from successful integration plans relating to acquisitions generally;
- the Company's profitability and ability to improve its combined ratio in the United States;
- the Company's ability to retain and attract new business in connection with the Acquisition;
- the Company's participation in the Facility Association (a mandatory pooling arrangement among all industry participants) and similar mandated risk-sharing pools;
- terrorist attacks and ensuing events;
- the occurrence and frequency of catastrophe events, including a major earthquake;
- catastrophe losses caused by severe weather and other weather-related losses, as well as the impact of climate change;
- the occurrence of and response to public health crises including epidemics, pandemics or outbreaks of new infectious diseases, including most recently, the coronavirus (COVID-19) pandemic and ensuing events;
- the Company's ability to maintain its financial strength and issuer credit ratings;
- the Company's access to debt and equity financing;
- the Company's ability to compete for large commercial business;
- the Company's ability to alleviate risk through reinsurance;
- the Company's ability to successfully manage credit risk (including credit risk related to the financial health of reinsurers);
- the Company's ability to contain fraud and/or abuse;
- the Company's reliance on information technology and telecommunications systems and potential failure of or disruption to those systems, including in the context of the impact on the ability of our workforce to perform necessary business functions remotely, as well as in the context of evolving cybersecurity risk;
- the impact of developments in technology and use of data on the Company's products and distribution;
- changes in laws or regulations, including those adopted in response to COVID-19 that would, for example, require insurers to cover business interruption claims irrespective of terms after policies have been issued, and could result in an unexpected increase in the number of claims and have a material adverse impact on the Company's results;
- COVID-19 related coverage issues and claims, including certain class actions and related defence costs could negatively impact our claims reserves;
- general economic, financial and political conditions;
- the Company's dependence on the results of operations of its subsidiaries and the ability of the Company's subsidiaries to pay dividends;
- the volatility of the stock market and other factors affecting the trading prices of the Company's securities, including in the context of the COVID-19 crisis;
- the Company's ability to hedge exposures to fluctuations in foreign exchange rates;
- future sales of a substantial number of the Company's common shares; and
- changes in applicable tax laws, tax treaties or tax regulations or the interpretation or enforcement thereof.

All of the forward-looking statements included in this press release are qualified by these cautionary statements and those made in the section entitled Risk Management (Sections 22-27) of our MD&A for the year ended December 31, 2019, the section entitled Risk Management (sections 17-18) of our MD&A for the quarter ended September 30, 2020 and elsewhere in this press release. These factors are not intended to represent a complete list of the factors that could

affect the Company. These factors should, however, be considered carefully. Although the forward-looking statements are based upon what management believes to be reasonable assumptions, the Company 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, and 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.

Disclaimer

This press release does not constitute or form part of any offer for sale or solicitation of any offer to buy or subscribe for any securities nor shall it or any part of it form the basis of or be relied on in connection with, or act as any inducement to enter into, any contract or commitment whatsoever.

The information contained in this press release concerning the Company does not purport to be all-inclusive or to contain all the information that an investor may desire to have in evaluating whether or not to make an investment in the Company. The information is qualified entirely by reference to the Company's publicly disclosed information and the cautionary note regarding forward-looking statements included in this press release.

No representation or warranty, express or implied, is made or given by or on behalf of the Company or any of its the directors, officers or employees as to the accuracy, completeness or fairness of the information or opinions contained in this press release and no responsibility or liability is accepted by any person for such information or opinions. In furnishing this press release, the Company does not undertake or agree to any obligation to provide investors with access to any additional information or to update this press release or to correct any inaccuracies in, or omissions from, this press release that may become apparent. The information and opinions contained in this press release are provided as at the date of this press release. The contents of this press release are not to be construed as legal, financial or tax advice. Each investor should contact his, her or its own legal adviser, independent financial adviser or tax adviser for legal, financial or tax advice.