



Intact Financial Corporation Completes \$3.2 billion Private Placement Subscription Receipt Offering with Cornerstone Investors to Finance a Portion of the Purchase Price for RSA Insurance Group PLC (“RSA”)

November 25, 2020 – Intact Financial Corporation (TSX: IFC) (“Intact” or the “Company”) announced today that it has completed its previously announced private placement of subscription receipts (the “Private Placement”) to Caisse de dépôt et placement du Québec (“CDPQ”), Canada Pension Plan Investment Board (“CPP Investments”) and Ontario Teachers' Pension Plan Board (“Ontario Teachers”) of an aggregate of 23.8 million Subscription Receipts at a price of \$134.50 per subscription receipt for aggregate gross proceeds of approximately \$3.2 billion. CDPQ, CPP Investments, and Ontario Teachers’ have committed \$1.5 billion, \$1.2 billion, and \$0.5 billion, respectively and will be entitled to a transaction fee upon closing of the Acquisition (as defined below).

The proceeds from the Private Placement will be held in escrow and are intended to be used by Intact to fund a portion of the purchase price for its previously announced proposed acquisition (the “Acquisition”) of the entire issued and to be issued share capital of RSA, to be carried out by the Company together with Tryg A/S.

Each subscription receipt will entitle the holder to receive one common share of Intact as well as a dividend equivalent payment upon closing of the Acquisition.

The closing of the Acquisition is expected to occur in the second quarter of 2021 subject to receipt of the relevant approvals or clearances from RSA shareholders and the relevant regulatory and antitrust authorities and the satisfaction or (where capable of waiver) waiver of other conditions to closing.

Additional information on the Acquisition is available at Intact’s website at <https://www.intactfc.com/English/investors/>.

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 Financial Corporation

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 manages the Funds in the best interest of the more than 20 million contributors and beneficiaries of the Canada Pension Plan. In order to build diversified portfolios of assets, investments are made around the world in public equities, private equities, real estate, infrastructure and fixed income. 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 September 30, 2020, the Fund totalled C\$456.7 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 @OtpplInfo.

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Cautionary note regarding forward-looking statements

Certain of the statements included in this press release about the Private Placement, 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 25, 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 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 within the anticipated timeframe or at all.

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 the section entitled Risk Factors - Risks Related to the Acquisition of our presentation entitled “Building a Leading P&C Insurer” dated November 18, 2020 and available on our website. 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.

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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.

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