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THIS ANNOUNCEMENT DOES NOT CONSTITUTE AN ANNOUNCEMENT OF A FIRM INTENTION TO MAKE AN OFFER UNDER RULE 2.7 OF THE CODE. THERE CAN BE NO CERTAINTY THAT ANY OFFER WILL BE MADE.

9 November 2020

**Intact Financial Corporation (“Intact”)
Possible Offer for RSA Insurance Group plc (“RSA”)
Update and Investor Presentation**

On 5 November 2020 RSA announced that it had received an approach from Intact and Tryg A/S (“Tryg”) (together the “Consortium”) regarding a possible cash offer by the Consortium for RSA at a price of 685 pence per RSA share (the “Proposal”). Under the Proposal RSA shareholders will receive in addition the announced interim dividend of 8 pence per RSA share. Further information regarding the Proposal was announced by RSA and the Consortium later on the same day.

Intact today provides further information regarding its proposed participation in the Consortium and its plans for the RSA businesses in its Canada and Specialty lines segments, as well as the opportunities in the UK & International businesses and from co-ownership in a top 3 franchise in Denmark (together, the “Transaction”). Intact will also today make available an investor presentation via its website at <https://www.intactfc.com/English/investors> and looks forward to engaging further with all stakeholders regarding this strategic potential Transaction.

The Transaction would strengthen Intact’s position as a world-class P&C insurer through:

1. Expanding Intact’s leadership position in Canada with the combination of Intact’s 17% share and RSA’s 5% share of the competitive CAD\$60 billion Canadian P&C industry, resulting in proforma 2019 direct premiums written of CAD\$13 billion;
2. Creating a leading global specialty lines business, bolstering Intact’s existing North American Specialty franchise with RSA’s UK & International geographies to broaden the distribution footprint. Provides opportunity to create strong global franchises in highly competitive lines such as Marine, Specialty Property and E&O/D&O. This will drive Specialty to over CAD\$4 billion in premiums with a sustainable low 90’s combined ratio objective;
3. Entering the UK & Ireland markets at scale through RSA’s top 5 position with strong brands in the UK, which at CAD\$80 billion is Europe’s largest P&C sector, and its top 10 position in Ireland. Intact will also benefit from entry into several attractive European and Middle Eastern markets; and
4. Delivering financially compelling returns. Net assets expected to be acquired at 0.9x book value, with an expected internal rate of return (IRR) in excess of Intact’s 15% threshold. Value creation is expected to drive upper teens net operating income per share (NOIPS) accretion within 36 months. The value creation is expected to be delivered approximately 75% in Canada, 20% in UK & International, and 5% in Global Specialty lines.

The Transaction will build on Intact’s strengths and further expand its market opportunity. The Transaction also provides Intact a unique opportunity to deploy its best-in-class operating model which is expected to allow Intact to continue achieving its financial objectives of 10% NOIPS growth annually over time, and 500bps of annual ROE outperformance. Canada will remain at the core of Intact’s business where outperformance is well established.

Intact will retain the RSA pension scheme obligations as part of the Transaction. Intact believes that the Schemes are well-managed with significant steps already taken to de-risk. The UK pension schemes’ IFRS surplus was estimated at £416 million at September 30, 2020, with funding arrangements in place at £75m per year. Constructive discussions with the pension Trustees are well advanced, and the metrics for the proposed

Transaction reflect the financial impact of the pension schemes' obligations. Intact will also assume RSA's issued debt and preferred shares / hybrid instruments.

Intact expects to maintain a strong capital position following the Transaction, with an estimated capital margin above CAD\$1.5 billion and an MCT above 194% in Canada, a Solvency II coverage ratio above 160% in the UK and an RBC above 400% in the US. Intact's debt-to-capital proforma for the closing of the Transaction is expected to be approximately 26%, which is expected to fall to 20% within 36 months of completion. Intact does not anticipate the Transaction and its planned financing structure to lead to a change in its current credit ratings.

Please refer to the announcement made by RSA and the Consortium dated 5 November 2020 for the reservations allowed to the Consortium to announce an offer on less favourable terms than the Proposal. There can be no certainty that an offer will be made for RSA under the Code. A further announcement will be made as appropriate.

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Further Information

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 adds scale to Intact's MGA platform to manufacture and distribute public entity insurance products in Canada. In the U.S., Intact Insurance Group USA (previously known as OneBeacon Insurance Group), a wholly-owned subsidiary, provides specialty insurance products through independent agencies, brokers, wholesalers and managing general agencies.

Barclays Bank PLC, acting through its Investment Bank ("Barclays"), which is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the Financial Conduct Authority and the Prudential Regulation Authority, is acting exclusively for Intact and no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than Intact for providing advice in relation to any possible offer or any other matters referred to in this announcement.

In accordance with the Code, normal United Kingdom market practice and Rule 14e-5(b) of the Exchange Act, Barclays will continue to act as exempt principal trader in RSA securities on the London Stock Exchange. These purchases and activities by exempt principal traders which are required to be made public in the United Kingdom pursuant to the Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. This information will also be publicly disclosed in the United States to the extent that such information is made public in the United Kingdom.

This announcement is not intended to, and does not, constitute or form part of any offer, invitation or solicitation of any offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities or the solicitation of any vote or approval in any jurisdiction. Any offer (if made) will be made solely by certain offer

documentation which will contain the full terms and conditions of any offer (if made), including details of how such offer may be accepted.

This announcement has been prepared in accordance with English law and the Code, and information disclosed may not be the same as that which would have been prepared in accordance with laws outside of the United Kingdom. The release, distribution or publication of this announcement in jurisdictions outside of the United Kingdom may be restricted by laws of the relevant jurisdictions, and therefore persons into whose possession this announcement comes should inform themselves about, and observe, any such restrictions. Any failure to comply with the restrictions may constitute a violation of the securities law of any such jurisdiction.

Notice to US investors

If Intact and Tryg made an offer for RSA, then US holders of RSA shares should note that the steps of any Transaction requiring approval by RSA shareholders may be implemented under a UK scheme of arrangement provided for under English company law. If so, it is expected that any shares to be issued under the Transaction to RSA shareholders would be issued in reliance upon the exemption from the registration requirements of the US Securities Act of 1933, provided by Section 3(a)(10) thereof and would be subject to UK disclosure requirements (which are different from those of the United States). The Transaction may instead be implemented by way of a takeover offer under English law. If so, any securities to be issued under the Transaction to RSA shareholders will either be registered under the US Securities Act or subject to an applicable exemption from registration. If the Transaction is implemented by way of UK takeover offer, it will also be effected in compliance with the applicable rules under the US Exchange Act of 1934, including any applicable exemptions provided under Rule 14d-1(d) thereunder.

This filing shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

Neither the acquisition nor this announcement have been approved or disapproved by the Securities and Exchange Commission, any state securities commission in the United States or any other US regulatory authority, nor have such authorities passed upon or determined the adequacy or accuracy of the information contained in this announcement or the merits of this acquisition. Any representation to the contrary is a criminal offence in the US.

Cautionary note about forward-looking statements

This news release includes "forward looking statements". The forward-looking statements contained in this announcement include statements relating to Intact's intention in relation to the Transaction, the Consortium and RSA, pro-forma entities following completion of the Transaction and expected benefits including financial accretion, and other statements other than historical facts. Forward looking statements often use words such as "believe", "expect", "estimate", "intend", "anticipate" and words of a similar meaning. You should not place undue reliance on these forward-looking statements, which reflect the current views of Intact, are subject to risks and uncertainties about Intact and are dependent on many factors, some of which are outside of Intact's control. There are important factors, risks and uncertainties that could cause actual outcomes and results to be materially different. Except as required by law, Intact undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Please refer to Intact's investor presentation dated November 9, 2020 on Intact's website at <https://www.intactfc.com/English/investors>.

Non-IFRS financial measures

Intact uses both IFRS and non-IFRS financial measures to assess its performance. Non-IFRS financial measures do not have standardized meanings prescribed by IFRS and may not be comparable to similar measures used by other companies in Intact's industry. The non-IFRS measures included in this announcement are: direct premiums written (DPW), net operating income per share (NOIPS) and internal rate of return (IRR). Non-IFRS financial measures and other insurance-related terms are defined in the glossary available in the "Investors" section of Intact's web site at www.intactfc.com