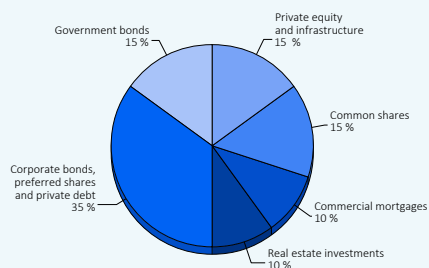




Target asset mix of the portfolio



Common shares

The common share portfolio is invested primarily in the shares of large capitalization companies around the world. The portfolio is also well diversified across several sectors of the economy in order to diversify risk while taking advantage of various growth opportunities.

Government and corporate bonds

The government and corporate bond portfolio targets geographic diversification through credit rating and maturity. For the entire bond portfolio, we aim for an average duration of between 5 and 15 years and an average investment grade credit rating.

Alternative assets

Commercial mortgages

The commercial mortgage portfolio consists primarily of mortgages on multi-residential, retail, industrial and office properties. Our goal is to build a diversified portfolio through a rigorous selection process.

Private debt

We primarily target mid-term and diversified investments like infrastructures and favour high-quality borrowers. Private debt is not traded in public markets and its yield is higher than comparable corporate bonds.

Real estate investments

iA Financial Group owns and manages an impressive and well-diversified portfolio of real estate assets. This asset class provides a stable income base as well as protection against inflation.

Private equity and infrastructure

Capital and infrastructure investments are made in unlisted companies around the world, mainly in renewable energy, transportation and telecommunications. Generally, they offer superior returns and a lower volatility profile relative to public equities.

Preferred shares

Preferred shares are an asset class that provides dividends which are generally stable and predictable over time. The selection of preferred shares is based on the following principles: the level and stability of the dividends over time, the sector of exposure and the quality of the issuer.

Investment Advisor



Investment Management

Team composed of several managers

Establishment date: March 2022

Current annual fees: 1.25%
Maximum annual fees: 2.00%

Smoothed Return

The net credited rate for the Smoothed Return Diversified Account for a given year is equal to the declared rate for the Smoothed Return Diversified Fund (the Fund), less management fees.

Before the end of each calendar year, the Fund declared rate will be set for the forthcoming calendar year. This declared rate is based on returns earned on the Fund assets to which the company applies a smoothing formula. This formula amortizes the major fluctuations in returns (positive and negative) and provides a stable, low-volatility declared rate from year to year. The declared rate for the Fund should never vary more than 0.5% from one year to the next.

The net rate credited for the SRDA is subject to a minimum of 0% and a maximum of 8.5%. If, in a given year, the net credited rate is capped at 8.5%, the portion of the return that exceeds 8.5% for that year will be retained in the fund and used in subsequent years to increase the credited rate.

Investment style

Strategy focused on balancing the various asset classes.

Objectives of the Fund

Optimize the asset allocation to provide attractive long-term return potential while minimizing risks through an actively managed approach to investment diversification.

To optimize the risk/return relationship, in addition to its fixed income securities and equities, the Fund includes such assets as commercial mortgages, private debt, real estate and private equity & infrastructure, which offer various advantages, including higher returns with equal or lower risk, a low correlation with traditional asset classes, and additional portfolio diversification.

Guaranteed Credited Rate¹

This table shows the guaranteed rate after deduction of current annual fees.

Period	Guarantee
2022	3.25%
January 1, 2023 and thereafter	Declared rate for the Fund less management fees

¹ In December of each year, the credited rate established for the upcoming year will be published in the *Rate Schedule – Life Insurance* available in the Document Centre of the Advisor Centre.

Market Value Adjustment (MVA)

Some types of transactions may trigger a market value adjustment (MVA). To find out the current MVA factor, advisors can refer to the *Rate Schedule – Life Insurance* available in the Document Centre in Advisor Centre.