

definity.

---

## Q3-2022 Supplementary Information

Unaudited

Definity Financial Corporation (TSX : DFY)

## INDEX

<b>Financial highlights</b>	<u>3</u>	<b>Investment portfolio</b>	<u>9</u>
Financial results		Total portfolio	
Underwriting ratios		Region of issuer	
Return on equity (for the last 12 months)		Credit quality	
Financial position		Unrealized gains (losses) on AFS securities	
Per share and share data		Investment portfolio sector mix	
<b>Consolidated results of operations</b>	<u>4</u>	<b>Investment portfolio (cont'd)</b>	<u>10</u>
Comprehensive income (loss)		Sector mix by asset class	
Net investment income		<b>Consolidated balance sheet</b>	<u>11</u>
Recognized gains (losses) on investments		Balance sheet	
Non-operating gains (losses)		<b>Capital and liquidity resources</b>	<u>12</u>
<b>Underwriting performance</b>	<u>5</u>	Capital management	
Underwriting results		Liquidity	
Net claims and adjustment expenses		<b>Shareholder information</b>	<u>13</u>
Underwriting expenses (net of other underwriting revenues)		Number of shares outstanding	
<b>Personal insurance</b>	<u>6</u>	Common share performance	
Personal insurance		Dividends	
Personal auto		Rating information	
Personal property		<b>Non-GAAP financial measures and non-GAAP ratios</b>	<u>14</u>
<b>Commercial insurance</b>	<u>7</u>	ROE	
Commercial insurance		Operating net income, Operating EPS, and Operating ROE	
<b>Catastrophe losses by line of business</b>	<u>8</u>	Underwriting expenses (net of other underwriting revenues)	
<b>Historical prior year claims development</b>	<u>8</u>	Operating expenses (net of other underwriting revenues)	
		<b>Supplementary financial measures and non-GAAP financial measures and ratios</b>	<u>15</u>
		<b>Glossary</b>	<u>15</u>
		Terms and definitions	

## FINANCIAL HIGHLIGHTS

(in millions of Canadian dollars, except as otherwise noted - unaudited)

	2022			2021			2020		2022		2021	2021	2020	2019	2018	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual	Annual	Annual	
<b>Financial results</b>																
<b>Gross written premiums</b>	1	<b>944.1</b>	<b>984.7</b>	<b>742.5</b>	<b>846.6</b>	<b>851.5</b>	<b>874.6</b>	<b>658.7</b>	<b>755.9</b>	<b>753.9</b>	<b>2,671.3</b>	<b>2,384.8</b>	<b>3,231.4</b>	<b>2,814.7</b>	<b>2,511.0</b>	<b>2,456.3</b>
Change YOY	2	10.9%	12.6%	12.7%	12.0%	12.9%	20.0%	14.3%	13.3%	11.7%	12.0%	15.8%	14.8%	12.1%	2.2%	7.4%
<b>Net written premiums</b>	3	<b>888.7</b>	<b>929.3</b>	<b>747.7</b>	<b>777.1</b>	<b>788.7</b>	<b>815.0</b>	<b>610.5</b>	<b>702.6</b>	<b>708.3</b>	<b>2,565.7</b>	<b>2,214.2</b>	<b>2,991.3</b>	<b>2,639.8</b>	<b>2,331.0</b>	<b>2,380.7</b>
Change YOY	4	12.7%	14.0%	22.5%	10.6%	11.4%	18.4%	13.0%	12.4%	11.2%	15.9%	14.3%	13.3%	13.2%	(2.1%)	7.3%
<b>Net earned premiums</b>	5	<b>830.0</b>	<b>799.6</b>	<b>768.4</b>	<b>745.0</b>	<b>725.1</b>	<b>697.2</b>	<b>666.3</b>	<b>665.5</b>	<b>645.0</b>	<b>2,398.0</b>	<b>2,088.6</b>	<b>2,833.6</b>	<b>2,508.7</b>	<b>2,343.2</b>	<b>2,244.6</b>
Change YOY	6	14.5%	14.7%	15.3%	11.9%	12.4%	14.7%	12.8%	13.7%	8.6%	14.8%	13.3%	13.0%	7.1%	4.4%	3.6%
Net claims and adjustment expenses	7	530.9	501.1	455.8	470.2	439.0	422.5	389.8	379.9	398.3	1,487.8	1,251.2	1,721.5	1,562.3	1,713.9	1,694.7
Underwriting expenses (net of other underwriting revenues)	8	271.2	264.5	252.4	234.5	231.0	233.5	218.5	212.9	207.6	788.1	683.2	917.6	810.0	747.6	815.5
<b>Underwriting income (loss)</b>	9	<b>27.9</b>	<b>34.0</b>	<b>60.2</b>	<b>40.3</b>	<b>55.1</b>	<b>41.2</b>	<b>58.0</b>	<b>72.7</b>	<b>39.1</b>	<b>122.1</b>	<b>154.2</b>	<b>194.5</b>	<b>136.4</b>	<b>(118.3)</b>	<b>(265.6)</b>
Impact of discounting	10	15.5	61.3	83.0	9.4	1.9	(10.1)	43.4	(10.1)	(13.7)	159.8	35.2	44.7	(114.0)	(29.0)	4.3
<b>Underwriting income (loss) after the impact of discounting</b>	11	<b>43.4</b>	<b>95.3</b>	<b>143.2</b>	<b>49.7</b>	<b>57.0</b>	<b>31.1</b>	<b>101.4</b>	<b>62.6</b>	<b>25.4</b>	<b>281.9</b>	<b>189.4</b>	<b>239.2</b>	<b>22.4</b>	<b>(147.3)</b>	<b>(261.3)</b>
Net investment income	12	36.0	31.8	25.8	25.1	24.6	24.2	22.9	23.7	25.0	93.6	71.8	96.8	100.3	105.4	102.6
Recognized (losses) gains on investments	13	(23.6)	(97.5)	(102.3)	(9.2)	(7.1)	5.0	(9.5)	4.0	7.7	(223.4)	(11.6)	(20.8)	79.8	68.3	58.9
Other (expenses) income	14	(4.7)	(4.8)	(3.9)	(20.5)	(5.0)	(3.6)	(4.9)	(1.5)	-	(13.4)	(13.5)	(34.0)	(1.9)	(6.0)	(0.4)
Restructuring recovery (expense)	15	-	-	-	-	-	-	-	-	-	-	-	-	-	0.8	(17.3)
<b>Income (loss) before income taxes</b>	16	<b>51.1</b>	<b>24.8</b>	<b>62.8</b>	<b>45.1</b>	<b>69.5</b>	<b>56.7</b>	<b>109.9</b>	<b>88.8</b>	<b>58.1</b>	<b>138.7</b>	<b>236.1</b>	<b>281.2</b>	<b>200.6</b>	<b>21.2</b>	<b>(117.5)</b>
Income tax (expense) recovery	17	(10.0)	(3.8)	(14.5)	(11.4)	(16.2)	(12.8)	(27.5)	(22.1)	(12.5)	(28.3)	(56.5)	(68.0)	(46.7)	(3.8)	44.5
Effective tax rate	18	19.4%	15.5%	23.1%	25.3%	23.3%	22.6%	25.1%	24.8%	21.6%	20.4%	23.9%	24.2%	23.3%	18.0%	37.9%
<b>Net income (loss)</b>	19	<b>41.1</b>	<b>21.0</b>	<b>48.3</b>	<b>33.7</b>	<b>53.3</b>	<b>43.9</b>	<b>82.4</b>	<b>66.7</b>	<b>45.6</b>	<b>110.4</b>	<b>179.6</b>	<b>213.2</b>	<b>153.9</b>	<b>17.4</b>	<b>(73.0)</b>
Non-operating (losses) gains	20	(7.2)	(37.8)	(22.1)	(17.3)	(10.1)	(11.8)	29.6	(9.1)	(7.8)	(67.1)	7.6	(9.7)	(41.5)	31.1	37.6
Operating income (loss)	21	<b>58.3</b>	<b>62.6</b>	<b>84.9</b>	<b>62.4</b>	<b>79.6</b>	<b>68.5</b>	<b>80.3</b>	<b>97.9</b>	<b>65.9</b>	<b>205.8</b>	<b>228.5</b>	<b>290.9</b>	<b>242.1</b>	<b>(9.9)</b>	<b>(155.1)</b>
<b>Operating net income (loss)</b>	22	<b>46.5</b>	<b>48.8</b>	<b>64.6</b>	<b>46.5</b>	<b>60.7</b>	<b>52.6</b>	<b>60.6</b>	<b>73.4</b>	<b>51.3</b>	<b>159.9</b>	<b>174.0</b>	<b>220.4</b>	<b>184.4</b>	<b>(5.4)</b>	<b>(100.5)</b>
<b>Underwriting ratios</b>																
Claims ratio	23	64.0%	62.7%	59.3%	63.1%	60.5%	60.6%	58.5%	57.1%	61.8%	62.0%	59.9%	60.8%	62.3%	73.1%	75.5%
Expense ratio	24	32.6%	33.1%	32.9%	31.5%	31.9%	33.5%	32.8%	32.0%	32.1%	32.9%	32.7%	32.3%	32.3%	31.9%	36.3%
Combined ratio	25	<b>96.6%</b>	<b>95.8%</b>	<b>92.2%</b>	<b>94.6%</b>	<b>92.4%</b>	<b>94.1%</b>	<b>91.3%</b>	<b>89.1%</b>	<b>93.9%</b>	<b>94.9%</b>	<b>92.6%</b>	<b>93.1%</b>	<b>94.6%</b>	<b>105.0%</b>	<b>111.8%</b>
<b>Return on equity (for the last 12 months)</b>																
ROE	26	6.8%	7.6%	8.8%	10.7%	13.1%	13.2%	14.1%	9.0%	5.7%	6.8%	13.1%	10.7%	9.0%	1.1%	(4.4%)
Operating ROE	27	9.7%	10.7%	11.2%	11.5%	13.6%	13.5%	13.5%	11.0%	7.0%	9.7%	13.6%	11.5%	11.0%	(0.3%)	(6.2%)
<b>Financial position</b>																
Total investments	28	4,854.9	4,915.5	5,142.9	5,365.8	4,969.8	4,828.6	4,601.0	4,366.3	4,430.9	4,854.9	4,969.8	5,365.8	4,366.3	4,191.0	3,940.7
Total assets	29	7,943.4	7,770.5	7,519.0	7,891.4	7,251.6	6,941.1	6,547.9	6,620.3	6,432.8	7,943.4	7,251.6	7,891.4	6,620.3	5,956.5	5,710.4
Total equity	30	2,240.9	2,244.7	2,359.7	2,396.3	2,029.8	1,961.0	1,879.2	1,818.0	1,722.7	2,240.9	2,029.8	2,396.3	1,818.0	1,611.0	1,567.3
Minimum capital test (MCT) ratio <sup>1</sup>	31	204%	206%	215%	275%	272%	272%	275%	268%	253%	204%	272%	275%	268%	239%	227%
Financial capacity	32	884.4	909.5	1,020.9	1,057.8	n/a	n/a	n/a	n/a	n/a	884.4	n/a	1,057.8	n/a	n/a	n/a
<b>Per share (in \$) and share data (in 000's)</b>																
Earnings (loss) per common share, basic	33	\$ 0.36	\$ 0.18	\$ 0.42	\$ 0.31	\$ 0.51	\$ 0.42	\$ 0.79	\$ 0.64	\$ 0.44	\$ 0.96	\$ 1.72	\$ 2.03	\$ 1.48	\$ 0.17	\$ (0.70)
Earnings (loss) per common share, diluted	34	\$ 0.35	\$ 0.18	\$ 0.41	\$ 0.31	\$ 0.51	\$ 0.42	\$ 0.79	\$ 0.64	\$ 0.44	\$ 0.94	\$ 1.72	\$ 2.02	\$ 1.48	\$ 0.17	\$ (0.70)
Operating earnings (loss) per share	35	\$ 0.40	\$ 0.42	\$ 0.55	\$ 0.42	\$ 0.58	\$ 0.51	\$ 0.								

## CONSOLIDATED RESULTS OF OPERATIONS

(in millions of Canadian dollars, except as otherwise noted - unaudited)

### Comprehensive income (loss)

	2022			2021			2020			2022		2021		2020		2019		2018	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual	Annual	Annual	Annual	Annual		
<b>Net income (loss)</b>																			
Net unrealized (losses) gains on AFS investments	1	41.1	21.0	48.3	33.7	53.3	43.9	82.4	66.7	45.6	110.4	179.6	213.2	153.9	17.4	(73.0)			
Reclassification to net income (loss) of net recognized losses (gains) on AFS investments	2	(49.1)	(186.9)	(110.4)	24.8	3.9	53.3	14.6	51.9	48.6	(346.4)	71.7	96.6	76.8	73.7	(90.3)			
Foreign exchange gain (loss) on investments in associates	3	13.4	35.3	10.5	(2.8)	(2.2)	(1.1)	(43.0)	(2.5)	(0.2)	59.2	(46.3)	(49.2)	5.0	(39.2)	(58.9)			
Income tax recovery (expense)	4	2.1	0.9	(0.4)	(0.1)	0.6	(0.4)	(0.5)	(1.2)	(0.6)	2.6	(0.2)	(0.3)	(0.5)	(1.5)	2.4			
<b>Items that may be reclassified subsequently to net income (loss)</b>	5	9.3	39.4	26.6	(4.6)	(0.4)	(13.9)	7.7	(13.0)	(13.3)	75.3	(6.6)	(11.2)	(21.6)	(9.6)	40.2			
Post-employment benefit obligation gain (loss)	6	(24.3)	(111.3)	(73.7)	17.3	1.9	37.9	(21.2)	35.2	34.5	(209.3)	18.6	35.9	59.7	23.4	(106.6)			
Income tax (expense) recovery	7	-	6.6	17.5	10.9	18.4	-	-	(8.8)	-	24.1	18.4	29.3	(8.8)	4.2	22.6			
<b>Items that may not be reclassified subsequently to net income (loss)</b>	8	-	(1.7)	(4.6)	(2.9)	(4.8)	-	-	2.2	-	(6.3)	(4.8)	(7.6)	2.2	(1.3)	(6.1)			
Other comprehensive (loss) income	9	-	4.9	12.9	8.0	13.6	-	-	(6.6)	-	17.8	13.6	21.7	(6.6)	2.9	16.5			
<b>Comprehensive income (loss)</b>	10	(24.3)	(106.4)	(60.8)	25.3	15.5	37.9	(21.2)	28.6	34.5	(191.5)	32.2	57.6	53.1	26.3	(90.1)			
	11	16.8	(85.4)	(12.5)	59.0	68.8	81.8	61.2	95.3	80.1	(81.1)	211.8	270.8	207.0	43.7	(163.1)			

### Net investment income

<b>Total interest income</b>	12	28.5	24.8	19.7	18.5	18.0	17.6	17.4	17.7	18.4	73.0	53.0	71.5	75.3	82.5	71.8
Preferred shares	13	4.4	4.3	4.3	4.6	4.5	4.6	4.5	4.6	4.7	13.0	13.6	18.2	18.6	17.1	16.5
Common shares	14	4.3	3.9	3.4	3.9	3.2	3.0	2.4	2.8	2.6	11.6	8.6	12.5	10.5	9.9	18.9
<b>Total dividend income</b>	15	8.7	8.2	7.7	8.5	7.7	7.6	6.9	7.4	7.3	24.6	22.2	30.7	29.1	27.0	35.4
<b>Investment income, before expenses</b>	16	37.2	33.0	27.4	27.0	25.7	25.2	24.3	25.1	25.7	97.6	75.2	102.2	104.4	109.5	107.2
Investment expenses	17	(1.2)	(1.2)	(1.6)	(1.9)	(1.1)	(1.0)	(1.4)	(1.4)	(0.7)	(4.0)	(3.4)	(5.4)	(4.1)	(4.6)	
<b>Net investment income</b>	18	36.0	31.8	25.8	25.1	24.6	24.2	22.9	23.7	25.0	93.6	71.8	96.8	100.3	105.4	102.6

### Recognized gains (losses) on investments

Realized (losses) gains on AFS investments	19	(12.2)	(16.0)	(10.5)	3.3	2.2	1.1	43.0	4.5	2.1	(38.7)	46.3	49.7	12.6	39.5	74.6
Realized (losses) gains on FVTPL investments	20	(6.8)	(17.5)	(3.8)	(2.5)	0.9	(0.8)	(2.9)	(1.0)	(0.7)	(28.1)	(2.7)	(5.3)	0.2	12.6	(22.4)
Unrealized (losses) gains on FVTPL investments	21	(3.4)	(44.7)	(88.0)	(9.5)	(10.2)	4.7	(49.6)	2.5	8.2	(136.1)	(55.2)	(64.7)	84.6	16.5	22.4
Impairment losses on AFS investments	22	(1.2)	(19.3)	-	(0.5)	-	-	-	(2.0)	(1.9)	(20.5)	-	(0.5)	(17.6)	(0.3)	(15.7)
<b>Total recognized (losses) gains on investments</b>	23	(23.6)	(97.5)	(102.3)	(9.2)	(7.1)	5.0	(9.5)	4.0	7.7	(223.4)	(11.6)	(20.8)	79.8	68.3	58.9

### Non-operating gains (losses)

Recognized (losses) gains on investments	24	(12.2)	(16.0)	(10.5)	3.3	2.2	1.1	43.0	4.5	2.1	(38.7)	46.3	49.7	12.6	39.5	74.6
Realized (losses) gains on sale of AFS investments	25	(10.2)	(62.2)	(91.8)	(12.0)	(9.3)	3.9	(52.5)	1.5	7.5	(164.2)	(57.9)	(70.0)	84.8	29.1	-
Net (losses) gains on FVTPL investments	26	(1.2)	(19.3)	-	(0.5)	-	-	-	(2.0)	(1.9)	(20.5)	-	(0.5)	(17.6)	(0.3)	(15.7)
Impairment losses on AFS investments	27	15.5	61.3	83.0	9.4	1.9	(10.1)	43.4	(10.1)	(13.7)	159.8	35.2	44.7	(114.0)	(29.0)	4.3
Impact of discounting	28	1.3	(0.4)	(1.9)	(16.7)	(4.7)	(5.2)	(3.5)	(1.6)	(0.5)	(1.0)	(13.4)	(30.1)	(3.8)	(4.8)	(9.7)
Demutualization and IPO-related expenses	29	(0.7)	(0.7)	(0.6)	(0.6)	(0.8)	(1.1)	(1.0)	(1.2)	(1.1)	(1.9)	(2.9)	(3.5)	(4.5)	(4.4)	(4.3)
Amortization of intangible assets recognized in business combinations	30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.5
Gain on sale of investments in associates	31	-	-	-	-	-	-	-	-	-	-	-	-	-	0.8	(17.3)
Restructuring recovery (expenses)	32	0.3	(0.5)	(0.3)	(0.2)	0.6	(0.4)	0.2	(0.2)	(0.2)	(0.6)	0.3	-	1.0	0.2	0.2
<b>Total non-operating (losses) gains</b>	33	(7.2)	(37.8)	(22.1)	(17.3)	(10.1)	(11.8)	29.6	(9.1)	(7.8)	(67.1)	7.6	(9.7)	(41.5)	31.1	37.6

## UNDERWRITING PERFORMANCE

(in millions of Canadian dollars, except as otherwise noted - unaudited)

	2022			2021			2020			2022		2021		2021		2020		2019		2018	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual		
<b>Underwriting results</b>																					
Net earned premiums	1	830.0	799.6	768.4	745.0	725.1	697.2	666.3	665.5	645.0	2,398.0	2,088.6	2,833.6	2,508.7	2,343.2	2,244.6					
Net claims and adjustment expenses	2	530.9	501.1	455.8	470.2	439.0	422.5	389.8	379.9	398.3	1,487.8	1,251.2	1,721.5	1,562.3	1,713.9	1,694.7					
Underwriting expenses (net of other underwriting revenues)	3	271.2	264.5	252.4	234.5	231.0	233.5	218.5	212.9	207.6	788.1	683.2	917.6	810.0	747.6	815.5					
<b>Underwriting income (loss)</b>	4	27.9	34.0	60.2	40.3	55.1	41.2	58.0	72.7	39.1	122.1	154.2	194.5	136.4	(118.3)	(265.6)					
Claims ratio	5	64.0%	62.7%	59.3%	63.1%	60.5%	60.6%	58.5%	57.1%	61.8%	62.0%	59.9%	60.8%	62.3%	73.1%	75.5%					
Expense ratio	6	32.6%	33.1%	32.9%	31.5%	31.9%	33.5%	32.8%	32.0%	32.1%	32.9%	32.7%	32.3%	32.3%	31.9%	36.3%					
<b>Combined ratio</b>	7	96.6%	95.8%	92.2%	94.6%	92.4%	94.1%	91.3%	89.1%	93.9%	94.9%	92.6%	93.1%	94.6%	105.0%	111.8%					
<b>Net claims and adjustment expenses</b>																					
Core accident year claims	8	510.3	480.8	460.8	469.3	416.9	417.7	401.8	369.1	387.1	1,451.9	1,236.3	1,705.8	1,498.8	1,685.4	1,608.4					
Catastrophe losses	9	45.8	41.5	17.3	33.8	37.0	12.6	8.3	19.5	9.8	104.6	57.9	91.7	93.1	66.4	105.1					
Prior year (favourable) adverse claims development	10	(25.2)	(21.2)	(22.3)	(32.9)	(14.9)	(7.8)	(20.3)	(8.7)	1.4	(68.7)	(43.0)	(76.0)	(29.6)	(37.9)	(18.8)					
<b>Net claims and adjustment expenses</b>	11	530.9	501.1	455.8	470.2	439.0	422.5	389.8	379.9	398.3	1,487.8	1,251.2	1,721.5	1,562.3	1,713.9	1,694.7					
Core accident year claims ratio	12	61.3%	59.5%	59.9%	62.7%	57.5%	59.9%	60.4%	55.5%	60.1%	60.3%	59.2%	60.2%	59.8%	71.9%	71.6%					
Catastrophe losses ratio <sup>1</sup>	13	5.7%	5.8%	2.3%	4.8%	5.1%	1.8%	1.2%	2.9%	1.5%	4.6%	2.8%	3.3%	3.7%	2.8%	4.7%					
Prior year (favourable) adverse claims development ratio	14	(3.0%)	(2.6%)	(2.9%)	(4.4%)	(2.1%)	(1.1%)	(3.1%)	(1.3%)	0.2%	(2.9%)	(2.1%)	(2.7%)	(1.2%)	(1.6%)	(0.8%)					
<b>Claims ratio</b>	15	64.0%	62.7%	59.3%	63.1%	60.5%	60.6%	58.5%	57.1%	61.8%	62.0%	59.9%	60.8%	62.3%	73.1%	75.5%					
<b>Underwriting expenses (net of other underwriting revenues)</b>																					
Net commissions	16	130.3	127.2	126.6	100.8	109.3	110.8	105.5	97.9	100.8	384.1	325.7	426.5	379.6	361.3	381.0					
Operating expenses (net of other underwriting revenues)	17	110.0	107.6	97.6	105.4	94.3	96.5	88.0	90.1	82.9	315.2	278.9	384.2	337.3	300.1	353.8					
Premium taxes	18	30.9	29.7	28.2	28.3	27.4	26.2	25.0	24.9	23.9	88.8	78.6	106.9	93.1	86.2	80.7					
<b>Underwriting expenses (net of other underwriting revenues)</b>	19	271.2	264.5	252.4	234.5	231.0	233.5	218.5	212.9	207.6	788.1	683.2	917.6	810.0	747.6	815.5					
Net commissions ratio	20	15.7%	15.9%	16.5%	13.5%	15.1%	15.9%	15.8%	14.7%	15.6%	16.0%	15.6%	15.0%	15.1%	15.4%	17.0%					
Operating expenses (net of other underwriting revenues) ratio	21	13.2%	13.5%	12.7%	14.2%	13.0%	13.8%	13.2%	13.6%	12.8%	13.2%	13.3%	13.5%	13.5%	12.8%	15.7%					
Premium taxes ratio	22	3.7%	3.7%	3.7%	3.8%	3.8%	3.8%	3.8%	3.7%	3.7%	3.7%	3.8%	3.8%	3.7%	3.7%	3.6%					
<b>Expense ratio</b>	23	32.6%	33.1%	32.9%	31.5%	31.9%	33.5%	32.8%	32.0%	32.1%	32.9%	32.7%	32.3%	32.3%	31.9%	36.3%					

<sup>1</sup> The impact of reinsurance reinstatement premiums on the claims ratio is fully reflected in catastrophe losses.

## PERSONAL INSURANCE

(in millions of Canadian dollars, except as otherwise noted - unaudited)

### Personal insurance

	2022			2021			2020		2022		2021		2020		2019		2018	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual	Annual	Annual	Annual	Annual	
<b>Policies in force (in '000)</b>																		
Change YOY	5.5%	7.4%	9.4%	9.5%	9.8%	8.9%	7.1%	5.5%	3.2%	5.5%	9.8%	9.5%	5.5%	0.6%	7.5%			
<b>Gross written premiums</b>	<b>686.8</b>	<b>688.7</b>	<b>522.6</b>	<b>592.6</b>	<b>631.0</b>	<b>623.6</b>	<b>473.9</b>	<b>540.3</b>	<b>578.5</b>	<b>1,898.1</b>	<b>1,728.5</b>	<b>2,321.1</b>	<b>2,086.1</b>	<b>1,894.2</b>	<b>1,778.5</b>			
Change YOY	8.8%	10.4%	10.3%	9.7%	9.1%	16.7%	9.4%	9.7%	9.0%	9.8%	11.8%	11.3%	10.1%	6.5%	15.7%			
<b>Broker channel gross written premiums</b>	<b>572.1</b>	<b>584.7</b>	<b>439.8</b>	<b>497.0</b>	<b>526.0</b>	<b>531.6</b>	<b>405.4</b>	<b>458.4</b>	<b>492.5</b>	<b>1,596.6</b>	<b>1,463.0</b>	<b>1,960.1</b>	<b>1,787.2</b>	<b>1,632.8</b>	<b>1,595.3</b>			
Change YOY	8.8%	10.0%	8.5%	8.4%	6.8%	16.0%	7.2%	9.2%	8.6%	9.1%	10.1%	9.7%	9.5%	2.4%	13.4%			
<b>Direct channel gross written premiums<sup>1</sup></b>	<b>114.7</b>	<b>104.0</b>	<b>82.8</b>	<b>95.6</b>	<b>105.0</b>	<b>92.0</b>	<b>68.5</b>	<b>81.9</b>	<b>86.0</b>	<b>301.5</b>	<b>265.5</b>	<b>361.0</b>	<b>298.9</b>	<b>261.4</b>	<b>183.2</b>			
Change YOY	9.2%	13.0%	20.9%	16.7%	22.1%	21.1%	24.5%	12.5%	11.6%	13.6%	22.3%	20.8%	14.3%	42.7%	41.1%			
<b>Net written premiums</b>	<b>672.4</b>	<b>670.1</b>	<b>555.2</b>	<b>559.1</b>	<b>597.6</b>	<b>593.0</b>	<b>448.9</b>	<b>513.5</b>	<b>550.7</b>	<b>1,897.7</b>	<b>1,639.5</b>	<b>2,198.5</b>	<b>1,982.2</b>	<b>1,764.9</b>	<b>1,752.5</b>			
Change YOY	12.5%	13.0%	23.7%	8.9%	8.5%	16.8%	9.4%	10.0%	8.9%	15.7%	11.6%	10.9%	12.3%	0.7%	16.3%			
<b>Net earned premiums</b>	<b>607.3</b>	<b>585.3</b>	<b>565.6</b>	<b>548.0</b>	<b>532.7</b>	<b>517.6</b>	<b>495.4</b>	<b>500.7</b>	<b>486.9</b>	<b>1,758.2</b>	<b>1,545.6</b>	<b>2,093.7</b>	<b>1,892.9</b>	<b>1,747.4</b>	<b>1,593.8</b>			
Change YOY	14.0%	13.1%	14.2%	9.4%	9.4%	13.2%	10.6%	13.0%	8.5%	13.8%	11.0%	10.6%	8.3%	9.6%	11.4%			
<b>Underwriting income (loss)</b>	<b>13.6</b>	<b>18.0</b>	<b>30.7</b>	<b>31.5</b>	<b>28.9</b>	<b>21.2</b>	<b>46.1</b>	<b>54.2</b>	<b>32.2</b>	<b>62.3</b>	<b>96.1</b>	<b>127.6</b>	<b>114.2</b>	<b>(108.4)</b>	<b>(173.3)</b>			
<b>Combined ratio</b>	<b>97.7%</b>	<b>96.9%</b>	<b>94.6%</b>	<b>94.3%</b>	<b>94.6%</b>	<b>95.9%</b>	<b>90.7%</b>	<b>89.2%</b>	<b>93.4%</b>	<b>96.5%</b>	<b>93.8%</b>	<b>93.9%</b>	<b>94.0%</b>	<b>106.2%</b>	<b>110.9%</b>			

### Personal auto

<b>Policies in force (in '000)</b>	<b>785.1</b>	<b>778.6</b>	<b>770.5</b>	<b>761.6</b>	<b>759.4</b>	<b>748.6</b>	<b>733.4</b>	<b>727.0</b>	<b>719.1</b>	<b>785.1</b>	<b>759.5</b>	<b>761.6</b>	<b>727.0</b>	<b>718.8</b>	<b>751.8</b>
Change YOY	3.4%	4.0%	5.1%	4.8%	5.6%	5.2%	3.3%	1.1%	(2.1%)	3.4%	5.6%	4.8%	1.1%	(4.4%)	8.4%
<b>Gross written premiums</b>	<b>411.2</b>	<b>420.0</b>	<b>322.2</b>	<b>355.5</b>	<b>381.7</b>	<b>386.6</b>	<b>302.7</b>	<b>339.2</b>	<b>369.2</b>	<b>1,153.4</b>	<b>1,071.0</b>	<b>1,426.5</b>	<b>1,335.4</b>	<b>1,261.9</b>	<b>1,224.4</b>
Change YOY	7.7%	8.6%	6.4%	4.8%	3.4%	14.7%	4.4%	5.1%	3.6%	7.7%	7.5%	6.8%	5.8%	3.1%	17.6%
<b>Net written premiums</b>	<b>409.6</b>	<b>417.6</b>	<b>347.8</b>	<b>341.0</b>	<b>366.2</b>	<b>370.9</b>	<b>290.1</b>	<b>325.5</b>	<b>354.5</b>	<b>1,175.0</b>	<b>1,027.2</b>	<b>1,368.1</b>	<b>1,280.8</b>	<b>1,183.5</b>	<b>1,219.9</b>
Change YOY	11.8%	12.6%	19.9%	4.8%	3.3%	14.9%	4.4%	5.5%	3.7%	14.4%	7.5%	6.8%	8.2%	(3.0%)	17.6%
<b>Net earned premiums</b>	<b>375.5</b>	<b>366.7</b>	<b>349.1</b>	<b>344.3</b>	<b>337.0</b>	<b>331.8</b>	<b>319.4</b>	<b>327.4</b>	<b>321.7</b>	<b>1,091.3</b>	<b>988.2</b>	<b>1,332.5</b>	<b>1,251.2</b>	<b>1,195.6</b>	<b>1,099.2</b>
Change YOY	11.4%	10.5%	9.3%	5.2%	4.8%	9.8%	6.5%	9.9%	4.2%	10.4%	7.0%	6.5%	4.7%	8.8%	12.1%
Core accident year claims	259.3	244.9	237.9	260.5	217.8	207.3	209.7	215.0	207.9	742.1	634.9	895.6	847.4	1,015.3	905.3
Catastrophe losses	1.3	3.0	0.4	0.3	5.0	0.6	0.2	3.0	-	4.7	5.8	6.1	11.0	3.5	12.7
Prior year (favourable) adverse claims development	(12.1)	(15.0)	(6.6)	(31.4)	(10.8)	(15.7)	(14.6)	-	2.1	(33.7)	(41.2)	(72.6)	(11.3)	(25.7)	(44.9)
<b>Net claims and adjustment expenses</b>	<b>248.5</b>	<b>232.9</b>	<b>231.7</b>	<b>229.4</b>	<b>212.0</b>	<b>192.2</b>	<b>195.3</b>	<b>218.0</b>	<b>210.0</b>	<b>713.1</b>	<b>599.5</b>	<b>829.1</b>	<b>847.1</b>	<b>993.1</b>	<b>873.1</b>
Underwriting expenses (net of other underwriting revenues)	111.5	107.1	104.2	97.2	95.5	101.1	92.9	93.3	90.8	322.8	289.6	386.6	358.9	341.9	381.3
<b>Underwriting income (loss)</b>	<b>15.5</b>	<b>26.7</b>	<b>13.2</b>	<b>17.7</b>	<b>29.5</b>	<b>38.5</b>	<b>31.2</b>	<b>16.1</b>	<b>20.9</b>	<b>55.4</b>	<b>99.1</b>	<b>116.8</b>	<b>45.2</b>	<b>(139.4)</b>	<b>(155.2)</b>
Core accident year claims ratio	69.1%	66.8%	68.2%	75.7%	64.6%	62.5%	65.7%	65.7%	64.7%	68.0%	64.3%	67.1%	67.7%	84.9%	82.3%
Catastrophe losses ratio	0.3%	0.8%	0.1%	0.1%	1.5%	0.2%	-	0.9%	-	0.4%	0.6%	0.5%	0.9%	0.3%	1.2%
Prior year (favourable) adverse claims development ratio	(3.2%)	(4.1%)	(1.9%)	(9.1%)	(3.2%)	(4.7%)	(4.6%)	-	0.6%	(3.1%)	(4.2%)	(5.4%)	(0.9%)	(2.1%)	(4.1%)
<b>Claims ratio</b>	<b>66.2%</b>	<b>63.5%</b>	<b>66.4%</b>	<b>66.7%</b>	<b>62.9%</b>	<b>58.0%</b>	<b>61.1%</b>	<b>66.6%</b>	<b>65.3%</b>	<b>65.3%</b>	<b>60.7%</b>	<b>62.2%</b>	<b>67.7%</b>	<b>83.1%</b>	<b>79.4%</b>
Net commissions ratio	12.7%	12.5%	13.5%	10.3%	11.8%	12.5%	12.5%	11.6%	12.3%	12.9%	12.3%	11.8%	11.8%	12.1%	13.7%
Operating expenses (net of other underwriting revenues) ratio	13.7%	13.4%	13.0%	14.5%	13.2%	14.5%	13.2%	13.5%	12.5%	13.4%	13.6%	13.8%	13.5%	13.1%	17.7%
Premium taxes ratio	3.3%	3.3%	3.3%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.3%	3.4%	3.4%	3.4%	3.4%	3.3%
<b															

## COMMERCIAL INSURANCE

(in millions of Canadian dollars, except as otherwise noted - unaudited)

### Commercial insurance

	2022			2021			2020			2022	2021	2021	2020	2019	2018	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual	Annual	Annual	
<b>Gross written premiums</b>	1	<b>257.3</b>	<b>296.0</b>	<b>219.9</b>	<b>254.0</b>	<b>220.5</b>	<b>251.0</b>	<b>184.8</b>	<b>215.6</b>	<b>175.4</b>	<b>773.2</b>	<b>656.3</b>	<b>910.3</b>	<b>728.6</b>	<b>616.8</b>	<b>677.8</b>
Change YOY	2	16.7%	17.9%	19.0%	17.8%	25.7%	29.0%	29.1%	23.6%	21.8%	17.8%	27.9%	24.9%	18.1%	(9.0%)	(9.6%)
<b>Net written premiums</b>	3	<b>216.3</b>	<b>259.2</b>	<b>192.5</b>	<b>218.0</b>	<b>191.2</b>	<b>222.0</b>	<b>161.6</b>	<b>189.1</b>	<b>157.7</b>	<b>668.0</b>	<b>574.8</b>	<b>792.8</b>	<b>657.5</b>	<b>566.1</b>	<b>628.2</b>
Change YOY	4	13.1%	16.8%	19.1%	15.3%	21.2%	22.8%	24.4%	19.5%	19.9%	16.2%	22.7%	20.6%	16.1%	(9.9%)	(11.6%)
<b>Net earned premiums</b>	5	<b>222.7</b>	<b>214.3</b>	<b>202.8</b>	<b>197.0</b>	<b>192.4</b>	<b>179.6</b>	<b>170.9</b>	<b>164.8</b>	<b>158.1</b>	<b>639.8</b>	<b>543.0</b>	<b>739.9</b>	<b>615.8</b>	<b>595.8</b>	<b>650.8</b>
Change YOY	6	15.7%	19.3%	18.7%	19.5%	21.7%	19.3%	20.0%	15.6%	8.8%	17.8%	20.4%	20.2%	3.4%	(8.5%)	(11.5%)
Core accident year claims	7	121.1	111.1	109.7	113.2	99.0	94.4	97.3	82.7	86.0	342.0	290.6	403.8	328.6	370.5	434.9
Catastrophe losses	8	20.0	14.5	1.5	9.0	1.6	-	5.1	12.4	9.1	35.9	6.7	15.7	53.3	25.9	37.8
Prior year (favourable) adverse claims development	9	(8.5)	(2.8)	(7.9)	(2.9)	(1.0)	1.7	(4.7)	(7.1)	(1.7)	(19.2)	(4.0)	(6.9)	(11.6)	(5.3)	33.7
<b>Net claims and adjustment expenses</b>	10	<b>132.6</b>	<b>122.8</b>	<b>103.3</b>	<b>119.3</b>	<b>99.6</b>	<b>96.1</b>	<b>97.7</b>	<b>88.0</b>	<b>93.4</b>	<b>358.7</b>	<b>293.3</b>	<b>412.6</b>	<b>370.3</b>	<b>391.1</b>	<b>506.4</b>
Underwriting expenses (net of other underwriting revenues)	11	75.8	75.5	70.0	68.9	66.6	63.5	61.3	58.3	57.8	221.3	191.6	260.4	223.3	214.6	236.7
<b>Underwriting income (loss)</b>	12	<b>14.3</b>	<b>16.0</b>	<b>29.5</b>	<b>8.8</b>	<b>26.2</b>	<b>20.0</b>	<b>11.9</b>	<b>18.5</b>	<b>6.9</b>	<b>59.8</b>	<b>58.1</b>	<b>66.9</b>	<b>22.2</b>	<b>(9.9)</b>	<b>(92.3)</b>
Core accident year claims ratio	13	54.3%	51.7%	54.1%	57.0%	51.5%	52.4%	57.0%	50.2%	54.4%	53.4%	53.5%	54.4%	53.3%	62.2%	66.8%
Catastrophe losses ratio <sup>1</sup>	14	9.1%	6.9%	0.7%	5.0%	0.8%	-	3.0%	7.5%	5.8%	5.7%	1.2%	2.3%	8.7%	4.3%	5.8%
Prior year (favourable) adverse claims development ratio	15	(3.8%)	(1.3%)	(3.9%)	(1.5%)	(0.5%)	1.0%	(2.8%)	(4.3%)	(1.1%)	(3.0%)	(0.7%)	(0.9%)	(1.9%)	(0.9%)	5.2%
<b>Claims ratio</b>	16	<b>59.6%</b>	<b>57.3%</b>	<b>50.9%</b>	<b>60.5%</b>	<b>51.8%</b>	<b>53.4%</b>	<b>57.2%</b>	<b>53.4%</b>	<b>59.1%</b>	<b>56.1%</b>	<b>54.0%</b>	<b>55.8%</b>	<b>60.1%</b>	<b>65.6%</b>	<b>77.8%</b>
Net commissions ratio	17	16.6%	17.4%	17.7%	16.2%	17.0%	17.9%	18.4%	17.8%	18.5%	17.2%	17.7%	17.3%	18.6%	19.5%	19.9%
Operating expenses (net of other underwriting revenues) ratio	18	13.3%	13.8%	12.9%	14.8%	13.6%	13.6%	13.4%	13.6%	14.2%	13.4%	13.6%	13.9%	13.8%	12.8%	12.7%
Premium taxes ratio	19	4.1%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	3.8%	4.0%	4.0%	4.0%	3.9%	3.8%	3.8%
<b>Expense ratio</b>	20	<b>34.0%</b>	<b>35.2%</b>	<b>34.6%</b>	<b>35.0%</b>	<b>34.6%</b>	<b>35.5%</b>	<b>35.8%</b>	<b>35.4%</b>	<b>36.5%</b>	<b>34.6%</b>	<b>35.3%</b>	<b>35.2%</b>	<b>36.3%</b>	<b>36.1%</b>	<b>36.4%</b>
<b>Combined ratio</b>	21	<b>93.6%</b>	<b>92.5%</b>	<b>85.5%</b>	<b>95.5%</b>	<b>86.4%</b>	<b>88.9%</b>	<b>93.0%</b>	<b>88.8%</b>	<b>95.6%</b>	<b>90.7%</b>	<b>89.3%</b>	<b>91.0%</b>	<b>96.4%</b>	<b>101.7%</b>	<b>114.2%</b>

<sup>1</sup> The impact of reinsurance reinstatement premiums on the claims ratio is fully reflected in catastrophe losses.

## CATASTROPHE LOSSES BY LINE OF BUSINESS

(in millions of Canadian dollars, except as otherwise noted - unaudited)

	2022				2021				2020				2022		2021		2020		2019		2018	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual	
<b>By line of business</b>																						
Personal auto	1	1.3	3.0	0.4	0.3	5.0	0.6	0.2	3.0	-	4.7	5.8	6.1	11.0	3.5	12.7						
Personal property	2	24.5	24.0	15.4	24.5	30.4	12.0	3.0	4.1	0.7	64.0	45.4	69.9	28.8	37.0	54.6						
Commercial lines	3	20.0	14.5	1.5	9.0	1.6	-	5.1	12.4	9.1	35.9	6.7	15.7	53.3	25.9	37.8						
<b>Total catastrophe losses (excluding reinstatement premiums)</b>	<b>4</b>	<b>45.8</b>	<b>41.5</b>	<b>17.3</b>	<b>33.8</b>	<b>37.0</b>	<b>12.6</b>	<b>8.3</b>	<b>19.5</b>	<b>9.8</b>	<b>104.6</b>	<b>57.9</b>	<b>91.7</b>	<b>93.1</b>	<b>66.4</b>	<b>105.1</b>						

### By line of business, as % of NEP<sup>1</sup>

Personal auto	5	0.3%	0.8%	0.1%	0.1%	1.5%	0.2%	-	0.9%	-	0.4%	0.6%	0.5%	0.9%	0.3%	1.2%					
Personal property	6	10.9%	12.5%	7.1%	12.7%	15.5%	6.5%	1.7%	2.4%	0.4%	10.2%	8.2%	9.4%	4.5%	6.7%	11.0%					
Commercial lines	7	9.1%	6.9%	0.7%	5.0%	0.8%	-	3.0%	7.5%	5.8%	5.7%	1.2%	2.3%	8.7%	4.3%	5.8%					
<b>Total catastrophe losses</b>	<b>8</b>	<b>5.7%</b>	<b>5.8%</b>	<b>2.3%</b>	<b>4.8%</b>	<b>5.1%</b>	<b>1.8%</b>	<b>1.2%</b>	<b>2.9%</b>	<b>1.5%</b>	<b>4.6%</b>	<b>2.8%</b>	<b>3.3%</b>	<b>3.7%</b>	<b>2.8%</b>	<b>4.7%</b>					

## HISTORICAL PRIOR YEAR CLAIMS DEVELOPMENT

### By line of business

Personal auto	9	(12.1)	(15.0)	(6.6)	(31.4)	(10.8)	(15.7)	(14.6)	-	2.1	(33.7)	(41.2)	(72.6)	(11.3)	(25.7)	(44.9)					
Personal property	10	(4.6)	(3.4)	(7.8)	1.4	(3.1)	6.2	(1.0)	(1.6)	1.0	(15.8)	2.2	3.5	(6.7)	(6.9)	(7.6)					
Commercial lines	11	(8.5)	(2.8)	(7.9)	(2.9)	(1.0)	1.7	(4.7)	(7.1)	(1.7)	(19.2)	(4.0)	(6.9)	(11.6)	(5.3)	33.7					
<b>Total (favourable) adverse claims development</b>	<b>12</b>	<b>(25.2)</b>	<b>(21.2)</b>	<b>(22.3)</b>	<b>(32.9)</b>	<b>(14.9)</b>	<b>(7.8)</b>	<b>(20.3)</b>	<b>(8.7)</b>	<b>1.4</b>	<b>(68.7)</b>	<b>(43.0)</b>	<b>(76.0)</b>	<b>(29.6)</b>	<b>(37.9)</b>	<b>(18.8)</b>					

### By line of business, as % of NEP

Personal auto	13	(3.2%)	(4.1%)	(1.9%)	(9.1%)	(3.2%)	(4.7%)	(4.6%)	-	0.6%	(3.1%)	(4.2%)	(5.4%)	(0.9%)	(2.1%)	(4.1%)					
Personal property	14	(2.0%)	(1.5%)	(3.6%)	0.7%	(1.6%)	3.4%	(0.6%)	(1.0%)	0.6%	(2.4%)	0.4%	0.5%	(1.0%)	(1.3%)	(1.5%)					
Commercial lines	15	(3.8%)	(1.3%)	(3.9%)	(1.5%)	(0.5%)	1.0%	(2.8%)	(4.3%)	(1.1%)	(3.0%)	(0.7%)	(0.9%)	(1.9%)	(0.9%)	5.2%					
<b>Total (favourable) adverse claims development</b>	<b>16</b>	<b>(3.0%)</b>	<b>(2.6%)</b>	<b>(2.9%)</b>	<b>(4.4%)</b>	<b>(2.1%)</b>	<b>(1.1%)</b>	<b>(3.1%)</b>	<b>(1.3%)</b>	<b>0.2%</b>	<b>(2.9%)</b>	<b>(2.1%)</b>	<b>(2.7%)</b>	<b>(1.2%)</b>	<b>(1.6%)</b>	<b>(0.8%)</b>					

### Total YTD favourable claims development as % of prior year closing unpaid claim liabilities, undiscounted

	17	(2.3%)	(1.4%)	(0.7%)	(2.8%)	(1.6%)	(1.0%)	(0.7%)	(1.1%)	(0.8%)	(2.3%)	(1.6%)	(2.8%)	(1.1%)	(1.5%)	(0.8%)					
--	----	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--	--	--	--	--

<sup>1</sup> The impact of reinsurance reinstatement premiums on the claims ratio is fully reflected in catastrophe losses.

## INVESTMENT PORTFOLIO

(in millions of Canadian dollars, except as otherwise noted - unaudited)

### Total portfolio

#### By class

	2022				2021				2020				2021		2020		2019	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q4	Q3	Annual	Annual	Annual	Annual	Annual	Annual	
<b>Total portfolio</b>																		
Short-term investments	1	175.2	112.9	74.5	88.8	148.1	173.1	153.9	218.2	266.1	88.8	218.2	228.1	329.7				
Bonds	2	3,808.8	3,897.6	4,033.7	4,233.8	3,826.6	3,744.8	3,598.6	3,400.7	3,442.2	4,233.8	3,400.7	3,223.8	2,792.4				
Preferred stocks	3	327.4	349.6	390.9	405.7	404.1	384.4	388.1	336.6	338.6	405.7	336.6	345.1	334.0				
Common stocks	4	488.6	492.5	570.1	570.5	522.2	487.6	420.9	329.8	304.1	570.5	329.8	296.8	329.9				
Pooled funds	5	40.3	40.3	45.3	42.7	34.2	3.1	2.9	43.4	40.9	42.7	43.4	44.4	53.2				
Commercial loans	6	14.6	22.6	28.4	24.3	34.6	35.6	36.6	37.6	39.0	24.3	37.6	52.8	101.5				
<b>Total</b>	<b>7</b>	<b>4,854.9</b>	<b>4,915.5</b>	<b>5,142.9</b>	<b>5,365.8</b>	<b>4,969.8</b>	<b>4,828.6</b>	<b>4,601.0</b>	<b>4,366.3</b>	<b>4,430.9</b>	<b>5,365.8</b>	<b>4,366.3</b>	<b>4,191.0</b>	<b>3,940.7</b>				

### Region of issuer

Canada	8	4,645.4	4,700.4	4,895.9	5,112.6	4,729.3	4,621.7	4,421.2	4,205.5	4,276.6	5,112.6	4,205.5	4,034.2	3,636.5				
United States	9	141.6	139.5	158.2	164.6	145.0	123.4	103.1	86.2	79.5	164.6	86.2	69.0	142.2				
Europe	10	31.6	30.3	35.3	37.0	34.1	31.7	26.2	25.2	24.1	37.0	25.2	25.6	35.1				
Other	11	21.7	22.7	25.1	27.3	26.8	16.2	13.9	11.8	11.7	27.3	11.8	9.4	25.4				
<b>Total</b>	<b>12</b>	<b>4,840.3</b>	<b>4,892.9</b>	<b>5,114.5</b>	<b>5,341.5</b>	<b>4,935.2</b>	<b>4,793.0</b>	<b>4,564.4</b>	<b>4,328.7</b>	<b>4,391.9</b>	<b>5,341.5</b>	<b>4,328.7</b>	<b>4,138.2</b>	<b>3,839.2</b>				

### Credit quality

#### Fixed-income securities

AAA	13	1,346.0	1,139.2	1,157.7	1,072.6	1,034.2	1,125.2	1,027.3	1,102.9	1,180.3	1,072.6	1,102.9	1,189.3	1,642.5				
AA	14	1,139.0	1,322.0	1,509.7	1,800.5	1,578.4	1,416.1	1,381.0	1,170.3	1,028.5	1,800.5	1,170.3	980.5	358.7				
A	15	1,048.0	1,140.0	1,059.8	1,080.1	974.9	948.1	916.3	854.3	960.7	1,080.1	854.3	767.8	589.3				
BBB	16	275.3	296.4	306.5	280.6	239.1	255.4	274.0	273.2	272.7	280.6	273.2	286.2	201.9				
BB	17	0.5	-	-	-	-	-	-	-	-	-	-	-	-				
<b>Total</b>	<b>18</b>	<b>3,808.8</b>	<b>3,897.6</b>	<b>4,033.7</b>	<b>4,233.8</b>	<b>3,826.6</b>	<b>3,744.8</b>	<b>3,598.6</b>	<b>3,400.7</b>	<b>3,442.2</b>	<b>4,233.8</b>	<b>3,400.7</b>	<b>3,223.8</b>	<b>2,792.4</b>				

#### Preferred shares

P1	19	5.5	6.0	12.5	11.9	12.3	8.6	4.2	-	-	11.9	-	-	3.2				
P2	20	250.2	273.0	308.4	305.4	304.4	294.8	297.1	272.9	281.6	305.4	272.9	288.5	278.3				
P3 or not rated	21	71.7	70.6	70.0	88.4	87.4	81.0	86.8	63.7	57.0	88.4	63.7	56.6	52.5				
<b>Total</b>	<b>22</b>	<b>327.4</b>	<b>349.6</b>	<b>390.9</b>	<b>405.7</b>	<b>404.1</b>	<b>384.4</b>	<b>388.1</b>	<b>336.6</b>	<b>338.6</b>	<b>405.7</b>	<b>336.6</b>	<b>345.1</b>	<b>334.0</b>				

### Unrealized gains (losses) on AFS securities

Short-term investments	23	0.4	-	-	0.1	0.1	0.1	0.2	0.3	0.8	0.1	0.3	1.9	0.8				
Bonds	24	(115.0)	(115.8)	(65.9)	9.3	12.3	17.6	8.7	54.8	56.6	9.3	54.8	(0.2)	(5.6)				
Preferred stocks	25	(60.9)	(34.2)	(1.0)	10.9	14.6	4.6	(11.9)	(48.2)	(77.1)	10.9	(48.2)	(58.6)	(56.1)				
Common stocks	26	24.0	34.0	97.0	106.8	77.8	79.9	53.3	71.9	53.4	106.8	71.9	53.7	27.0				
Pooled funds	27	(8.5)	(8.3)	(2.8)	0.1	0.4	1.3	1.1	1.0	(3.4)	0.1	1.0	1.2	(2.6)				
<b>Total</b>	<b>28</b>	<b>(160.0)</b>	<b>(124.3)</b>	<b>27.3</b>	<b>127.2</b>	<b>105.2</b>	<b>103.5</b>	<b>51.4</b>	<b>79.8</b>	<b>30.3</b>	<b>127.2</b>	<b>79.8</b>	<b>(2.0)</b>	<b>(36.5)</b>				

### Investment portfolio sector mix

Government	29	49%	49%	48%	49%	49%	48%	48%	49%	51%	49%	49%	46%	45%				

<tbl\_r cells="19" ix="1" maxcspan

## INVESTMENT PORTFOLIO (cont'd)

(in millions of Canadian dollars, except as otherwise noted - unaudited)

	2022			2021			2020			2021	2020	2019	2018
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Annual	Annual	Annual	Annual
<b>Sector mix by asset class</b>													
<b>Short-term investments and bonds</b>													
Government	1	60%	60%	61%	61%	62%	59%	59%	60%	60%	61%	60%	56%
Financials	2	25%	25%	24%	25%	24%	26%	27%	25%	25%	25%	25%	29%
Energy	3	2%	2%	2%	2%	2%	2%	1%	2%	2%	2%	2%	4%
Communication services	4	2%	2%	2%	2%	1%	2%	2%	1%	1%	2%	1%	1%
Industrials	5	3%	3%	3%	3%	3%	3%	3%	4%	4%	3%	4%	1%
Utilities	6	5%	4%	5%	4%	5%	5%	5%	5%	4%	4%	5%	3%
Consumer discretionary	7	1%	2%	1%	1%	1%	1%	1%	1%	1%	1%	1%	-
Materials	8	-	-	-	-	-	-	-	-	-	-	-	-
Consumer staples	9	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	3%
Information technology	10	-	-	-	-	-	-	-	-	-	-	-	1%
Health care	11	-	-	-	-	-	-	-	-	1%	-	1%	-
Real estate	12	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
<b>Total</b>	13	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>Preferred stocks</b>													
Government	14	-	-	-	-	-	-	-	-	-	-	-	-
Financials	15	67%	67%	71%	70%	69%	70%	72%	75%	77%	70%	75%	77%
Energy	16	17%	17%	16%	16%	16%	16%	15%	14%	13%	16%	14%	15%
Communication services	17	4%	4%	4%	4%	4%	4%	4%	2%	2%	4%	2%	2%
Industrials	18	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	19	10%	10%	7%	8%	9%	8%	7%	7%	7%	8%	7%	9%
Consumer discretionary	20	-	-	-	-	-	-	-	-	-	-	-	-
Materials	21	-	-	-	-	-	-	-	-	-	-	-	-
Consumer staples	22	-	-	-	-	-	-	-	-	-	-	-	-
Information technology	23	-	-	-	-	-	-	-	-	-	-	-	-
Health care	24	-	-	-	-	-	-	-	-	-	-	-	-
Real estate	25	2%	2%	2%	2%	2%	2%	2%	2%	1%	2%	2%	2%
<b>Total</b>	26	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>Common stocks</b>													
Government	27	-	-	-	-	-	-	-	-	-	-	-	-
Financials	28	29%	30%	32%	29%	30%	28%	28%	27%	24%	29%	27%	28%
Energy	29	15%	15%	13%	11%	11%	11%	11%	10%	10%	11%	10%	18%
Communication services	30	6%	6%	6%	6%	6%	7%	7%	6%	6%	6%	6%	6%
Industrials	31	12%	11%	11%	11%	11%	10%	11%	11%	12%	11%	11%	11%
Utilities	32	3%	3%	3%	3%	3%	3%	3%	3%	4%	3%	3%	1%
Consumer discretionary	33	5%	5%	5%	6%	6%	6%	6%	6%	6%	6%	6%	7%
Materials	34	9%	8%	9%	8%	8%	8%	9%	11%	12%	8%	11%	11%
Consumer staples	35	6%	6%	5%	5%	4%	4%	4%	4%	6%	5%	4%	3%
Information technology	36	10%	10%	11%	15%	15%	16%	15%	16%	14%	15%	16%	7%
Health care	37	4%	5%	4%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Real estate	38	1%	1%	1%	1%	1%	2%	1%	1%	1%	1%	1%	-
<b>Total</b>	39	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>Pooled funds</b>													
Government	40	-	-	-	-	-	-	-	-	-	-	-	-
Financials	41	10%	10%	10%	11%	11%	14%	15%	14%	12%	11%	14%	16%
Energy	42	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	7%
Communication services	43	8%	8%	8%	10%	11%	9%	9%	10%	8%	10%	10%	12%
Industrials	44	7%	7%	7%	8%	8%	10%	10%	9%	9%	8%	9%	6%
Utilities	45	2%	2%	2%	2%	2%	3%	3%	10%	12%	2%	10%	16%
Consumer discretionary	46	10%	10%	11%	13%	12%	13%	13%	7%	7%	13%	7%	6%
Materials	47	2%	2%	2%	3%	3%	5%	5%	5%	3%	3%	5%	4%
Consumer staples	48	5%	5%	5%	6%	6%	7%	7%	11%	13%	6%	11%	12%
Information technology	49	38%	38%	37%	28%	28%	22%	21%	16%	15%	28%	16%	8%
Health care	50	12%	12%	12%	13%	13%	11%	11%	12%	15%	13%	12%	13%
Real estate	51	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	4%	5%
<b>Total</b>	52	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

## CONSOLIDATED BALANCE SHEET

(in millions of Canadian dollars, except as otherwise noted - unaudited)

	2022				2021				2020			2021	2020	2019	2018
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Annual	Annual	Annual	Annual	Annual	Annual
<b>Balance sheet</b>															
<b>Cash and investments</b>															
Cash and cash equivalents	1	193.9	268.3	252.5	387.3	339.9	257.4	231.9	510.3	251.3	387.3	510.3	94.7	135.3	
Short-term investments	2	175.2	112.9	74.5	88.8	148.1	173.1	153.9	218.2	266.1	88.8	218.2	228.1	329.7	
Bonds	3	3,808.8	3,897.6	4,033.7	4,233.8	3,826.6	3,744.8	3,598.6	3,400.7	3,442.2	4,233.8	3,400.7	3,223.8	2,792.4	
Preferred stocks	4	327.4	349.6	390.9	405.7	404.1	384.4	388.1	336.6	338.6	405.7	336.6	345.1	334.0	
Common stocks	5	488.6	492.5	570.1	570.5	522.2	487.6	420.9	329.8	304.1	570.5	329.8	296.8	329.9	
Pooled funds	6	40.3	40.3	45.3	42.7	34.2	3.1	2.9	43.4	40.9	42.7	43.4	44.4	53.2	
Commercial loans	7	14.6	22.6	28.4	24.3	34.6	35.6	36.6	37.6	39.0	24.3	37.6	52.8	101.5	
<b>Total cash and investments</b>	8	<b>5,048.8</b>	<b>5,183.8</b>	<b>5,395.4</b>	<b>5,753.1</b>	<b>5,309.7</b>	<b>5,086.0</b>	<b>4,832.9</b>	<b>4,876.6</b>	<b>4,682.2</b>	<b>5,753.1</b>	<b>4,876.6</b>	<b>4,285.7</b>	<b>4,076.0</b>	
Restricted cash	9	310.3	319.1	116.8	110.8	-	-	-	-	-	110.8	-	-	-	
Cash held in escrow	10	203.1	-	-	-	-	-	-	-	-	-	-	-	-	
Accrued investment income	11	28.0	23.6	25.4	21.3	23.3	18.1	23.0	16.8	23.2	21.3	16.8	18.8	15.5	
Premiums receivable	12	1,160.1	1,133.9	1,018.4	1,075.9	1,052.0	1,014.1	908.0	958.7	920.9	1,075.9	958.7	850.7	837.0	
Income taxes receivable	13	103.4	103.1	46.8	0.2	0.9	2.6	3.6	2.1	2.8	0.2	2.1	3.0	13.0	
Reinsurance receivable and recoverable	14	247.7	185.9	147.6	179.2	140.4	127.9	115.1	95.6	111.3	179.2	95.6	95.1	64.7	
Deferred policy acquisition expenses	15	319.1	307.9	282.5	295.1	288.4	275.2	250.8	260.2	253.9	295.1	260.2	235.6	230.1	
Property and equipment	16	62.1	62.4	56.1	57.0	54.8	56.6	57.4	56.9	58.0	57.0	56.9	61.1	38.9	
Deferred income tax assets	17	59.3	56.8	56.8	62.5	42.5	43.3	39.7	40.2	55.1	62.5	40.2	89.8	105.0	
Goodwill and intangible assets	18	234.5	229.0	227.2	219.7	213.6	210.5	216.1	211.6	215.5	219.7	211.6	210.9	225.6	
<b>Other assets</b>	19	167.0	165.0	146.0	116.6	126.0	106.8	101.3	101.6	109.9	116.6	101.6	105.8	104.6	
<b>Total assets</b>	20	<b>7,943.4</b>	<b>7,770.5</b>	<b>7,519.0</b>	<b>7,891.4</b>	<b>7,251.6</b>	<b>6,941.1</b>	<b>6,547.9</b>	<b>6,620.3</b>	<b>6,432.8</b>	<b>7,891.4</b>	<b>6,620.3</b>	<b>5,956.5</b>	<b>5,710.4</b>	
Unearned premiums	21	1,725.2	1,665.7	1,533.5	1,599.2	1,564.0	1,498.6	1,374.9	1,433.1	1,394.6	1,599.2	1,433.1	1,294.5	1,268.5	
Claim liabilities	22	3,323.2	3,246.8	3,239.4	3,336.1	3,246.5	3,124.8	3,023.3	3,026.3	3,024.1	3,336.1	3,026.3	2,808.2	2,670.6	
Accounts payable and other liabilities	23	343.8	294.2	269.6	393.4	363.8	322.1	257.3	324.2	288.4	393.4	324.2	240.6	204.0	
Income taxes payable	24	-	-	-	55.6	47.5	34.6	13.2	18.7	3.0	55.6	18.7	2.2	-	
Demutualization amounts outstanding	25	310.3	319.1	116.8	110.8	-	-	-	-	-	110.8	-	-	-	
<b>Total liabilities</b>	26	<b>5,702.5</b>	<b>5,525.8</b>	<b>5,159.3</b>	<b>5,495.1</b>	<b>5,221.8</b>	<b>4,980.1</b>	<b>4,668.7</b>	<b>4,802.3</b>	<b>4,710.1</b>	<b>5,495.1</b>	<b>4,802.3</b>	<b>4,345.5</b>	<b>4,143.1</b>	
Share capital	27	2,267.4	2,279.9	2,299.7	2,307.8	-	-	-	-	-	2,307.8	-	-	-	
Contributed surplus	28	34.4	28.2	23.6	19.3	-	-	-	-	-	19.3	-	-	-	
Retained earnings (deficit)	29	50.4	23.6	12.1	(28.8)	1,949.1	1,882.2	1,838.3	1,755.9	1,695.8	(28.8)	1,755.9	1,608.6	1,588.3	
Accumulated other comprehensive (loss) income (AOCI)	30	(111.3)	(87.0)	24.3	98.0	80.7	78.8	40.9	62.1	26.9	98.0	62.1	2.4	(21.0)	
<b>Total equity</b>	31	<b>2,240.9</b>	<b>2,244.7</b>	<b>2,359.7</b>	<b>2,396.3</b>	<b>2,029.8</b>	<b>1,961.0</b>	<b>1,879.2</b>	<b>1,818.0</b>	<b>1,722.7</b>	<b>2,396.3</b>	<b>1,818.0</b>	<b>1,611.0</b>	<b>1,567.3</b>	
<b>Total liabilities and equity</b>	32	<b>7,943.4</b>	<b>7,770.5</b>	<b>7,519.0</b>	<b>7,891.4</b>	<b>7,251.6</b>	<b>6,941.1</b>	<b>6,547.9</b>	<b>6,620.3</b>	<b>6,432.8</b>	<b>7,891.4</b>	<b>6,620.3</b>	<b>5,956.5</b>	<b>5,710.4</b>	

## CAPITAL AND LIQUIDITY RESOURCES

(in millions of Canadian dollars, except as otherwise noted - unaudited)

### Capital management

	2022			2021				2020		2021	2020	2019	2018
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Annual	Annual	Annual	Annual
Capital available <sup>1</sup>	1 1,285.5	1,278.7	1,368.1	1,789.1	1,711.4	1,652.6	1,555.3	1,477.8	1,356.3	1,789.1	1,477.8	1,217.3	1,146.4
Capital required <sup>1</sup>	2 629.7	621.0	636.1	651.6	629.1	607.9	566.5	550.8	535.6	651.6	550.8	509.2	504.9
Minimum capital test (MCT) ratio <sup>1</sup>	3 204%	206%	215%	275%	272%	272%	275%	268%	253%	275%	268%	239%	227%
Excess capital at 200% for Definity Insurance Company	4 26.1	36.7	95.8	485.9	453.2	436.8	422.3	376.3	285.1	485.9	376.3	198.8	136.5
Additional capital at Definity Financial Corporation	5 567.0	585.0	636.5	273.4	n/a	n/a	n/a	n/a	n/a	273.4	n/a	n/a	n/a
<b>Total excess capital</b>	<b>6 593.1</b>	<b>621.7</b>	<b>732.3</b>	<b>759.3</b>	<b>453.2</b>	<b>436.8</b>	<b>422.3</b>	<b>376.3</b>	<b>285.1</b>	<b>759.3</b>	<b>376.3</b>	<b>198.8</b>	<b>136.5</b>
Leverage capacity <sup>2</sup>	7 291.3	287.8	288.6	298.5	n/a	n/a	n/a	n/a	n/a	298.5	n/a	n/a	n/a
<b>Financial capacity</b>	<b>8 884.4</b>	<b>909.5</b>	<b>1,020.9</b>	<b>1,057.8</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>1,057.8</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

### Liquidity

	2022	2021	2020	2021	2020	2019	2018
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Cash provided by (used in) operating activities</b>	<b>9 173.0</b>	<b>113.7</b>	<b>(93.4)</b>	<b>176.7</b>	<b>256.2</b>	<b>206.8</b>	<b>15.5</b>
Investments purchased, net of investments sold	10 (7.1)	(30.6)	19.1	(399.3)	(152.7)	(177.0)	(279.1)
Commercial loans collected, net of commercial loans advanced	11 8.0	5.8	(4.1)	10.3	1.0	1.0	1.4
Other assets purchased	12 (18.5)	(23.9)	(28.0)	(6.3)	(22.0)	(5.3)	(15.8)
Business acquisitions	13 -	(15.0)	-	-	-	-	-
<b>Cash (used in) provided by investing activities</b>	<b>14 (17.6)</b>	<b>(63.7)</b>	<b>(13.0)</b>	<b>(395.3)</b>	<b>(173.7)</b>	<b>(181.3)</b>	<b>(293.9)</b>
Net proceeds from the issuance of common shares	15 -	-	-	2,285.7	-	-	-
Dividends paid on common shares	16 (14.3)	(14.4)	(20.3)	-	-	-	-
Common shares purchased and held in trust	17 (12.5)	(19.8)	(8.1)	-	-	-	-
Change in demutualization amounts outstanding	18 (8.7)	202.3	6.0	(1,908.9)	-	-	(1,908.9)
<b>Cash (used in) provided by financing activities</b>	<b>19 (35.5)</b>	<b>168.1</b>	<b>(22.4)</b>	<b>376.8</b>	-	-	-
<b>Net increase (decrease) in cash and cash equivalents, restricted cash, and cash held in escrow</b>	<b>20 119.9</b>	<b>218.1</b>	<b>(128.8)</b>	<b>158.2</b>	<b>82.5</b>	<b>25.5</b>	<b>(278.4)</b>
Balance, beginning of the period	21 587.4	369.3	498.1	339.9	257.4	231.9	510.3
Balance, end of the period	22 707.3	587.4	369.3	498.1	339.9	257.4	231.9

<sup>1</sup> Consolidated Definity Insurance Company.

<sup>2</sup> Leverage capacity is monitored prospectively from the date of the IPO. Of this amount, approximately \$83.7 million of the 2% debt limit under the ICA was utilized as at September 30, 2022.

## SHAREHOLDER INFORMATION

(in millions of Canadian dollars, except as otherwise noted - unaudited)

### Number of shares outstanding (in 000's)

#### Common shares

	2022		2021		2021
	Q3	Q2	Q1	Q4	Annual
1	115,893	115,893	115,893	115,893	115,893
2	114,855	115,317	115,855	109,028	105,249
3	116,774	117,241	117,523	109,647	105,405

### Common share performance

#### Common share price (in \$)

High	4	40.84	35.56	33.18	30.27	30.27
Low	5	32.35	30.60	27.00	26.00	26.00
Close	6	38.82	33.27	31.93	29.53	29.53
Market capitalization (\$ millions)	7	4,499	3,856	3,700	3,422	3,422

### Dividends

#### Common shares

Dividends declared per share (in \$)	8	0.125	0.125	0.175	n/a	n/a
Dividends paid per share (in \$)	9	0.125	0.125	0.175	n/a	n/a

### Rating information

#### Financial strength ratings (FSR)<sup>1</sup>

AM Best	10	A- (Excellent)				
DBRS	11	A (low)				
Issuer rating <sup>2</sup>	12	BBB	BBB	BBB	BBB	BBB

<sup>1</sup> Definity Insurance Company.

<sup>2</sup> Definity Financial Corporation.

**NON-GAAP FINANCIAL MEASURES AND NON-GAAP RATIOS**

(in millions of Canadian dollars, except as otherwise noted - unaudited)

	2022			2021			2020		2022		2021	2021	2020	2019	2018	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Annual	Annual	Annual	Annual	
<b>ROE</b>																
<b>Net income (loss)</b>	1	41.1	21.0	48.3	33.7	53.3	43.9	82.4	66.7	45.6	110.4	179.6	213.2	153.9	17.4	(73.0)
<b>Net income (loss) - last 12 months</b>	2	144.1	156.3	179.2	213.2	246.3	238.5	239.5	153.9	94.0	144.1	246.3	213.2	153.9	17.4	(73.0)
Average adjusted total equity	3	2,116.8	2,052.2	2,037.1	1,993.3	1,876.2	1,801.8	1,702.2	1,714.5	1,661.5	2,116.8	1,876.2	1,993.3	1,714.5	1,589.2	1,648.9
<b>ROE for the last 12 months</b>	4	6.8%	7.6%	8.8%	10.7%	13.1%	13.2%	14.1%	9.0%	5.7%	6.8%	13.1%	10.7%	9.0%	1.1%	(4.4%)
<b>Operating net income, Operating EPS, and Operating ROE</b>																
<b>Net income (loss)</b>	5	41.1	21.0	48.3	33.7	53.3	43.9	82.4	66.7	45.6	110.4	179.6	213.2	153.9	17.4	(73.0)
Remove: income tax (expense) recovery	6	(10.0)	(3.8)	(14.5)	(11.4)	(16.2)	(12.8)	(27.5)	(22.1)	(12.5)	(28.3)	(56.5)	(68.0)	(46.7)	(3.8)	44.5
Remove: non-operating gains (losses)																
Recognized (losses) gains on investments																
Realized (losses) gains on sale of AFS investments	7	(12.2)	(16.0)	(10.5)	3.3	2.2	1.1	43.0	4.5	2.1	(38.7)	46.3	49.7	12.6	39.5	74.6
Net (losses) gains on FVTPL investments	8	(10.2)	(62.2)	(91.8)	(12.0)	(9.3)	3.9	(52.5)	1.5	7.5	(164.2)	(57.9)	(70.0)	84.8	29.1	-
Impairment losses on AFS investments	9	(1.2)	(19.3)	-	(0.5)	-	-	-	(2.0)	(1.9)	(20.5)	-	(0.5)	(17.6)	(0.3)	(15.7)
Impact of discounting	10	15.5	61.3	83.0	9.4	1.9	(10.1)	43.4	(10.1)	(13.7)	159.8	35.2	44.7	(114.0)	(29.0)	4.3
Demutualization and IPO-related expenses	11	1.3	(0.4)	(1.9)	(16.7)	(4.7)	(5.2)	(3.5)	(1.6)	(0.5)	(1.0)	(13.4)	(30.1)	(3.8)	(4.8)	(9.7)
Amortization of intangible assets recognized in business combinations	12	(0.7)	(0.7)	(0.6)	(0.6)	(0.8)	(1.1)	(1.0)	(1.2)	(1.1)	(1.9)	(2.9)	(3.5)	(4.5)	(4.4)	(4.3)
Gain on sale of investments in associates	13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.5
Restructuring recovery (expenses)	14	-	-	-	-	-	-	-	-	-	-	-	-	-	0.8	(17.3)
Other	15	0.3	(0.5)	(0.3)	(0.2)	0.6	(0.4)	0.2	(0.2)	(0.2)	(0.6)	0.3	-	1.0	0.2	0.2
Non-operating (losses) gains	16	(7.2)	(37.8)	(22.1)	(17.3)	(10.1)	(11.8)	29.6	(9.1)	(7.8)	(67.1)	7.6	(9.7)	(41.5)	31.1	37.6
<b>Operating income (loss)</b>	17	58.3	62.6	84.9	62.4	79.6	68.5	80.3	97.9	65.9	205.8	228.5	290.9	242.1	(9.9)	(155.1)
Operating income tax (expense) recovery	18	(11.8)	(13.8)	(20.3)	(15.9)	(18.9)	(15.9)	(19.7)	(24.5)	(14.6)	(45.9)	(54.5)	(70.5)	(57.7)	4.5	54.6
<b>Operating net income (loss)</b>	19	46.5	48.8	64.6	46.5	60.7	52.6	60.6	73.4	51.3	159.9	174.0	220.4	184.4	(5.4)	(100.5)
Weighted average common shares outstanding, diluted (in millions)	20	116.8	117.2	117.5	109.6	104.0	104.0	104.0	104.0	104.0	117.1	104.0	105.4	104.0	104.0	104.0
<b>Operating EPS, diluted (in \$)</b>	21	0.40	0.42	0.55	0.42	0.58	0.51	0.58	0.71	0.49	1.37	1.67	2.09	1.77	(0.05)	(0.97)
<b>Operating net income (loss) - last 12 months</b>	22	206.3	220.6	224.4	220.4	247.4	237.9	232.3	184.4	115.6	206.3	247.4	220.4	184.4	(5.4)	(100.5)
Average adjusted total equity, excluding AOCI	23	2,132.2	2,056.4	2,004.4	1,913.3	1,822.4	1,766.2	1,721.9	1,682.3	1,647.3	2,132.2	1,822.4	1,913.3	1,682.3	1,598.5	1,616.6
<b>Operating ROE for the last 12 months</b>	24	9.7%	10.7%	11.2%	11.5%	13.6%	13.5%	13.5%	11.0%	7.0%	9.7%	13.6%	11.5%	11.0%	(0.3%)	(6.2%)
<b>Underwriting expenses (net of other underwriting revenues)</b>																
<b>Net claims and underwriting expenses</b>	25	804.5	767.8	710.4	706.7	672.1	658.0	610.4	594.8	607.7	2,282.7	1,940.6	2,647.3	2,379.8	2,471.6	2,525.6
Remove: net claims and adjustment expenses	26	530.9	501.1	455.8	470.2	439.0	422.5	389.8	379.9	398.3	1,487.8	1,251.2	1,721.5	1,562.3	1,713.9	1,694.7
Remove: other underwriting revenues	27	2.4	2.2	2.2	2.0	2.1	2.0	2.1	2.0	1.8	6.8	6.2	8.2	7.5	10.1	15.4
<b>Underwriting expenses (net of other underwriting revenues)</b>	28	271.2	264.5	252.4	234.5	231.0	233.5	218.5	212.9	207.6	788.1	683.2	917.6	810.0	747.6	815.5
<b>Operating expenses (net of other underwriting revenues)</b>																
<b>Operating expenses</b>	29	112.4	109.8	99.8	107.4	96.4	98.5	90.1	92.1	84.7	322.0	285.1	392.4	344.8	310.2	369.2
Remove: other underwriting revenues	30	2.4	2.2	2.2	2.0	2.1	2.0	2.1	2.0	1.8	6.8	6.2	8.2	7.5	10.1	15.4
<b>Operating expenses (net of other underwriting revenues)</b>	31	110.0	107.6	97.6	105.4	94.3	96.5	88.0	90.1	82.9	315.2	278.9	384.2	337.3	300.1	353.8

## SUPPLEMENTARY FINANCIAL MEASURES AND NON-GAAP FINANCIAL MEASURES AND RATIOS

We measure and evaluate performance of our business using a number of financial measures. Among these measures are the “supplementary financial measures”, “non-GAAP financial measures”, and “non-GAAP ratios” (as such terms are defined under Canadian Securities Administrators’ National Instrument 52-112 – Non-GAAP and Other Financial Measures Disclosure), and in each case are not standardized financial measures under GAAP. The supplementary financial measures, non-GAAP financial measures, and non-GAAP ratios in this supplementary information may not be comparable to similar measures presented by other companies. These measures should not be considered in isolation or as a substitute for analysis of our financial information reported under GAAP. These measures are used by financial analysts and others in the P&C insurance industry and facilitate management’s comparisons to our historical operating results in assessing our results and strategic and operational decision-making. For more information about these supplementary financial measures, non-GAAP financial measures, and non-GAAP ratios, including (where applicable) definitions and explanations of how these measures provide useful information, refer to Section 11 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q3-2022 Management’s Discussion and Analysis dated November 10, 2022, which is available on our website at [www.definityfinancial.com](http://www.definityfinancial.com) and on SEDAR at [www.sedar.com](http://www.sedar.com).

## GLOSSARY

Terms	Definitions
<b>Book value per share<sup>1</sup></b>	1 The Company's total equity divided by the total common shares outstanding, net of shares held in trust, as at the balance sheet date.
<b>Catastrophe losses<sup>1</sup></b>	2 An event causing gross losses in excess of \$2 million, and generally greater than 100 claims, or a single claim with a gross loss in excess of \$3 million.
<b>Claims development</b>	3 The difference between prior year-end estimates of ultimate undiscounted claim costs and the current estimates for the same block of claims. A favourable development represents a reduction in the estimated ultimate claim costs during the period for that block of claims.
<b>Claims ratio<sup>1</sup></b>	4 Net claims and adjustment expenses during a defined period expressed as a percentage of net earned premiums for the same period.
<b>Combined ratio<sup>1</sup></b>	5 The total of our net claims and adjustment expenses and underwriting expenses (net of other underwriting revenues) during a defined period expressed as a percentage of net earned premiums for the same period.
<b>Core accident year claims ratio<sup>1</sup></b>	6 Net claims and adjustment expenses less catastrophe losses and prior year claims development during a defined period expressed as a percentage of net earned premiums for the same period.
<b>Discounting</b>	7 To reflect the time value of money, the expected future payments of claim liabilities are discounted back to present value using the market yield rate of the investments used to support those liabilities. Provisions for adverse deviation are also included when determining the discounted value.
<b>Expense ratio<sup>1</sup></b>	8 The total of our net commissions, operating expenses (net of other underwriting revenues), and premium taxes during a defined period, expressed as a percentage of net earned premiums for the same period.
<b>Financial capacity<sup>1</sup></b>	9 The sum of excess capital at 200% and leverage capacity.
<b>Gross written premiums (GWP)</b>	10 The total premiums from the sale of insurance during a specific period.
<b>Leverage capacity<sup>1</sup></b>	11 The amount of financial leverage that can be assumed, comprised of the Company's current debt limit as an ICA (2% of total assets) and a target capitalization level of 5% in preferred shares and hybrids.
<b>Minimum capital test (MCT)</b>	12 A regulatory formula defined by the Office of the Superintendent of Financial Institutions, that is a risk-based test of capital available relative to capital required.
<b>Net earned premiums (NEP)</b>	13 The portion of NWP equal to the expired period of time an insurance policy is in effect in the current period presented.
<b>Net written premiums (NWP)</b>	14 GWP less the cost of reinsurance coverage.
<b>Non-operating gains (losses)<sup>1</sup></b>	15 Recognized gains (losses) on investments, impact of discounting, demutualization and IPO-related expenses, amortization of intangible assets recognized in business combinations, transaction costs in business combinations, restructuring costs, and other expenses or revenues that in the view of management are not part of our insurance operations.
<b>Operating earnings per share<sup>1</sup></b>	16 Operating net income for the 12 months ended at a specified date divided by the Company's weighted average diluted common shares outstanding during the period.
<b>Operating net income<sup>1</sup></b>	17 Net income less (or plus) non-operating gains (losses) net of applicable income taxes.
<b>Operating return on equity (Operating ROE)<sup>1</sup></b>	18 Operating net income for the 12 months ended at a specified date divided by the average of total equity, excluding accumulated OCI, adjusted for significant capital transactions if applicable, over the same 12-month period.
<b>Policies in force (PIF)</b>	19 The number of insurance policies that are in effect at a specified date.
<b>Provision for adverse deviation (PfAD)</b>	20 An amount that is added to claim liabilities to reduce the uncertainty of potential adverse effects that are inherent in the assumptions and data used to estimate such liabilities.
<b>Return on equity (ROE)<sup>1</sup></b>	21 Net income (loss) for the 12 months ended at a specific date divided by the average total equity, adjusted for significant capital transactions if applicable, over the same 12-month period.
<b>Underwriting income (loss)</b>	22 Net earned premiums for a defined period less the sum of net claims and adjustment expenses, net commissions, operating expenses (net of other underwriting revenues), and premium taxes during the same period.
<b>Underwriting expenses (net of other underwriting revenues) / Operating expenses (net of other underwriting revenues)<sup>1</sup></b>	23 Underwriting expenses consist of net commissions, operating expenses (net of other underwriting revenues), and premium taxes. When calculating our combined ratio and expense ratio, we deduct other underwriting revenues (which consist of various customer service fees).

<sup>1</sup>This is a supplementary financial measure, non-GAAP financial measure, or a non-GAAP ratio.