

definity.



# Q1-2025 Supplementary Information

Unaudited

Definity Financial Corporation (TSX : DFY)



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### Note:

Headings are included in each tab, as applicable, to distinguish amounts reported under IFRS 17 - *Insurance Contracts* and IFRS 9 - *Financial Instruments* and those reported under the previous accounting standards: IFRS 4 - *Insurance Contracts* and IAS 39 - *Financial Instruments: Recognition and Measurement*. Financial measures that have been added or renamed as a result of the adoption of IFRS 17 and IFRS 9 have been denoted in blue font.

## FINANCIAL HIGHLIGHTS

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

### Financial results

Insurance revenue	1	1,111.9	1,124.9	1,095.5	1,046.1	991.9	1,003.8	984.1	954.9	907.5	4,258.4	3,850.3	3,485.7
Insurance service expenses	2	(958.0)	(922.5)	(1,051.7)	(839.9)	(858.7)	(857.3)	(932.2)	(805.3)	(782.3)	(3,672.8)	(3,377.1)	(3,028.9)
Net (expenses) income from reinsurance contracts held	3	(30.6)	(37.5)	(18.2)	(40.0)	(9.6)	1.4	(1.5)	(17.4)	(31.3)	(105.3)	(48.8)	(14.9)
Insurance service result	4	123.3	164.9	25.6	166.2	123.6	147.9	50.4	132.2	93.9	480.3	424.4	441.9
Net earned premiums	5												
Net claims and adjustment expenses	6												
Underwriting expenses (net of other underwriting revenues) <sup>1</sup>	7												
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Net investment income	11	49.8	51.1	49.0	49.9	48.2	49.4	46.3	42.8	41.0	198.2	179.5	133.1
Recognized gains (losses) on FVTPL investments / Recognized (losses) gains on investments	12	52.2	7.7	172.8	8.9	25.0	222.6	(99.8)	(62.7)	91.7	214.4	151.8	(446.1)
Finance (expenses) income from insurance contracts issued	13	(57.3)	(20.4)	(74.6)	(54.2)	(16.8)	(79.0)	(27.5)	18.6	(64.5)	(166.0)	(152.4)	96.3
Finance income (expenses) from reinsurance contracts held	14	5.9	1.4	7.0	4.7	1.4	7.5	1.8	(1.6)	5.6	14.5	13.3	(5.2)
Distribution revenues	15	49.0	46.6	50.6	48.4	40.4	35.8	34.1	32.0	25.5	186.0	127.4	19.9
Other expenses	16	(97.0)	(92.7)	(87.2)	(79.5)	(79.7)	(78.7)	(67.9)	(65.5)	(59.4)	(339.1)	(271.5)	(125.5)
Interest expense	17	(2.6)	(2.0)	(2.6)	(3.1)	(1.9)	(1.7)	(1.7)	(1.3)	(0.6)	(9.6)	(5.3)	(0.6)
Income (loss) before income taxes	18	123.3	156.6	140.6	141.3	140.2	303.8	(64.3)	94.5	133.2	578.7	467.2	113.8
Income tax (expense) recovery	19	(30.5)	(39.1)	(34.3)	(35.9)	(34.5)	(77.4)	18.1	(22.3)	(31.1)	(143.8)	(112.7)	(2.3)
Effective tax rate	20	24.8%	25.0%	24.4%	25.4%	24.6%	25.5%	28.1%	23.6%	23.5%	24.8%	24.1%	2.0%
Net income (loss)	21	92.8	117.5	106.3	105.4	105.7	226.4	(46.2)	72.2	102.1	434.9	354.5	111.5
Net income (loss) attributable to common shareholders	22	92.0	116.6	104.8	103.8	105.2	225.9	(48.3)	71.6	100.9	430.4	350.1	110.9
Net income attributable to non-controlling interests	23	0.8	0.9	1.5	1.6	0.5	0.5	2.1	0.6	1.2	4.5	4.4	0.6
Gross written premiums <sup>1</sup>	24	1,030.1	1,109.5	1,143.3	1,239.7	955.6	1,033.2	1,040.0	1,085.1	846.9	4,448.1	4,005.2	3,662.3
Change YOY	25	7.8%	7.4%	9.9%	14.2%	12.8%	8.5%	9.0%	9.0%	11.4%	11.1%	9.4%	12.4%
Net underwriting revenue <sup>1</sup> / Net earned premiums	26	1,001.8	1,006.0	981.8	949.4	905.3	922.4	903.6	877.5	839.1	3,842.5	3,542.6	3,251.2
Change YOY	27	10.7%	9.1%	8.7%	8.2%	7.9%	8.5%	8.6%	9.3%	9.6%	8.5%	9.0%	n/a

### Operating income

Underwriting income (loss) <sup>1</sup>	28	55.0	97.0	(33.1)	93.7	54.8	87.0	(22.8)	41.2	39.5	212.4	144.9	189.4
Net investment income	29	49.8	51.1	49.0	49.9	48.2	49.4	46.3	42.8	41.0	198.2	179.5	133.1
Distribution income <sup>1</sup>	30	11.0	11.4	15.8	17.2	10.0	8.8	11.2	9.8	9.5	54.4	39.3	14.1
Interest expense	31	(2.6)	(2.0)	(2.6)	(3.1)	(1.9)	(1.7)	(1.7)	(1.3)	(0.6)	(9.6)	(5.3)	(0.6)
Other operating (expenses) income	32	(12.7)	(10.5)	(13.0)	(11.5)	(10.8)	(8.2)	(11.5)	(7.1)	(7.9)	(45.8)	(34.7)	(26.9)
Operating income <sup>1</sup>	33	100.5	147.0	161.1	146.2	100.3	135.3	21.5	85.4	81.5	409.6	323.7	309.1
Operating income tax expense	34	(24.6)	(36.6)	(1.5)	(37.1)	(24.2)	(34.3)	(3.5)	(20.3)	(17.4)	(99.4)	(75.5)	(71.3)
Operating effective tax rate	35	24.5%	24.9%	9.7%	25.4%	24.1%	25.3%	16.2%	23.8%	21.3%	24.3%	23.3%	23.1%
Operating net income <sup>1</sup>	36	75.9	110.4	14.6	109.1	76.1	101.0	18.0	65.1	64.1	310.2	248.2	237.8

### Underwriting ratios

Claims ratio <sup>1</sup>	37	64.2%	60.7%	74.5%	60.0%	62.6%	61.1%	72.9%	63.7%	62.6%	64.5%	65.1%	61.7%
Expense ratio <sup>1</sup>	38	30.3%	29.6%	28.9%	30.1%	31.3%	29.5%	29.6%	31.6%	32.7%	30.0%	30.8%	32.5%
Combined ratio <sup>1</sup>	39	94.5%	90.3%	103.4%	90.1%	93.9%	90.6%	102.5%	95.3%	95.3%	94.5%	95.9%	94.2%

### Return on equity (for the last 12 months)

ROE <sup>1</sup>	40	13.4%	14.2%	18.9%	13.6%	12.7%	13.0%	12.3%	15.5%	9.5%	14.2%	13.0%	4.3%
Operating ROE <sup>1</sup>	41	10.3%	10.6%	10.7%	10.8%	9.5%	9.2%	8.8%	9.9%	9.3%	10.6%	9.2%	9.5%

### Financial position

Total investments	42	5,448.3	5,270.5	5,069.4	4,828.4	4,783.5	4,931.0	4,604.3	4,758.2	4,881.5	5,270.5	4,931.0	4,897.2
Total assets	43	7,779.6	7,693.3	7,531.7	7,259.9	7,212.6	7,259.5	6,928.2	6,863.0	6,739.5	7,693.3	7,259.5	6,819.7
Total equity	44	3,582.7	3,506.1	3,259.8	3,170.9	3,088.0	3,006.9	2,789.7	2,850.3	2,746.8	3,506.1	3,006.9	2,658.3
Minimum capital test (MCT) ratio <sup>2</sup>	45	215%	204%	208%	212%	206%	205%	201%	213%	219%	204%	205%	
Financial capacity <sup>3</sup>	46	1,792.0	1,651.7	1,379.0	1,351.6	1,313.6	1,269.6	585.9	665.4	845.9	1,651.7	1,269.6	

### Per share (in \$) and share data (in 000's)

Earnings (loss) per common share, basic	47	\$ 0.81	\$ 1.02	\$ 0.91	\$ 0.90	\$ 0.92	\$ 1.96	\$ (0.42)	\$ 0.62	\$ 0.88	\$ 3.75	\$ 3.04	\$ 0.96
Earnings (loss) per common share, diluted	48	\$ 0.79	\$ 1.00	\$ 0.90	\$ 0.89	\$ 0.90	\$ 1.94	\$ (0.42)	\$ 0.61	\$ 0.87	\$ 3.69	\$ 3.00	\$ 0.95
Operating earnings per common share <sup>1</sup>	49	\$ 0.65	\$ 0.95	\$ 0.13	\$ 0.94	\$ 0.65	\$ 0.87	\$ 0.15	\$ 0.56	\$ 0.55	\$ 2.66	\$ 2.13	\$ 2.03
Book value per share <sup>1</sup>	50	\$ 29.52	\$ 29.13	\$ 26.96	\$ 26.17	\$ 25.40	\$ 24.78	\$ 22.87	\$ 23.42	\$ 22.90	\$ 29.13	\$ 24.78	\$ 22.30
Dividends paid per share	51	\$ 0.1875	\$ 0.160	\$ 0.160	\$ 0.160	\$ 0.160	\$ 0.1375	\$ 0.1375	\$ 0.1375	\$ 0.1375	\$ 0.640	\$ 0.550	\$ 0.550
Weighted average common shares outstanding, diluted	52	115,872	116,282	116,630	116,534	116,521	116,638	116,735	116,736	116,443	116,490	116,638	116,929

<sup>1</sup> This is a supplementary financial measure, non-GAAP financial measure, or a non-GAAP ratio. Refer to Section 11 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q1 2025 Management's Discussion and Analysis dated May 8, 2025 for further details, which is available on the Company's website at [www.definity.com](http://www.definity.com) and on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Refer to Section 12 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q4 2022 Management's Discussion and Analysis dated February 9, 2023 for further details of non-GAAP financial measures and ratios prior to the adoption of IFRS 17 and IFRS 9. For non-GAAP financial measures, refer to tabs 14 and 15 for the composition and reconciliation to the most directly comparable GAAP measure.

<sup>2</sup> Consolidated Definity Insurance Company.

## CONSOLIDATED RESULTS OF OPERATIONS

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

### Comprehensive income (loss)

	IFRS 17 / IFRS 9												IFRS 4 / IAS 39	
	2025	2024				2023				2024	2023	2022	2021	2020
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual	Annual
<b>Net income (loss)</b>	92.8	117.5	106.3	105.4	105.7	226.4	(46.2)	72.2	102.1	434.9	354.5	111.5	213.2	153.9
Net unrealized gains on AFS investments													96.6	76.8
Reclassification to net income (loss) of net recognized losses (gains) on AFS investments													(49.2)	5.0
Foreign exchange (loss) gain on investments in associates	(0.1)	2.3	(0.5)	0.5	0.8	(0.9)	0.8	(0.8)	-	3.1	(0.9)	2.2	(0.3)	(0.5)
Income tax expense													(11.2)	(21.6)
<b>Items that may be reclassified subsequently to net income (loss)</b>	(0.1)	2.3	(0.5)	0.5	0.8	(0.9)	0.8	(0.8)	-	3.1	(0.9)	2.2	35.9	59.7
Recognized (losses) gains on FVTOCI investments	(0.8)	5.7	6.6	3.8	14.8	11.7	(3.3)	(2.0)	2.1	30.9	8.5	(55.8)		
Post-employment benefit obligation (loss) gain	(2.4)	2.4	1.0	1.2	4.4	(1.1)	(1.6)	(0.2)	1.6	9.0	(1.3)	26.4	29.3	(8.8)
Income tax recovery (expense)	0.8	(2.2)	(1.9)	(1.4)	(5.0)	(2.8)	1.3	0.6	(1.0)	(10.5)	(1.9)	7.7	(7.6)	2.2
<b>Items that will not be reclassified subsequently to net income (loss)</b>	(2.4)	5.9	5.7	3.6	14.2	7.8	(3.6)	(1.6)	2.7	29.4	5.3	(21.7)	21.7	(6.6)
<b>Other comprehensive (loss) income</b>	(2.5)	8.2	5.2	4.1	15.0	6.9	(2.8)	(2.4)	2.7	32.5	4.4	(19.5)	57.6	53.1
<b>Comprehensive income (loss)</b>	90.3	125.7	111.5	109.5	120.7	233.3	(49.0)	69.8	104.8	467.4	358.9	92.0	270.8	207.0
<b>Comprehensive income (loss) attributable to common shareholders</b>	89.5	124.8	110.0	107.9	120.2	232.8	(51.1)	69.2	103.6	462.9	354.5	91.4	270.8	207.0
<b>Comprehensive income attributable to non-controlling interests</b>	0.8	0.9	1.5	1.6	0.5	0.5	2.1	0.6	1.2	4.5	4.4	0.6	-	-

### Net investment income

<b>Total interest income</b>	43.8	42.3	42.0	41.5	41.0	41.5	38.8	35.0	34.3	166.8	149.6	105.3	71.5	75.3
Preferred shares	4.3	5.4	4.2	5.2	4.5	4.9	4.6	4.7	4.5	19.3	18.7	17.2	18.2	18.6
Common shares	3.3	4.9	4.4	4.8	4.3	4.6	4.2	4.4	3.9	18.4	17.1	16.2	12.5	10.5
<b>Total dividend income</b>	7.6	10.3	8.6	10.0	8.8	9.5	8.8	9.1	8.4	37.7	35.8	33.4	30.7	29.1
<b>Investment income, before expenses</b>	51.4	52.6	50.6	51.5	49.8	51.0	47.6	44.1	42.7	204.5	185.4	138.7	102.2	104.4
Investment expenses	(1.6)	(1.5)	(1.6)	(1.6)	(1.6)	(1.6)	(1.3)	(1.3)	(1.7)	(6.3)	(5.9)	(5.6)	(5.4)	(4.1)
<b>Net investment income</b>	49.8	51.1	49.0	49.9	48.2	49.4	46.3	42.8	41.0	198.2	179.5	133.1	96.8	100.3

### Non-operating gains (losses)

Recognized gains (losses) on FVTPL investments / Total recognized gains (losses) on investments	52.2	7.7	172.8	8.9	25.0	222.6	(99.8)	(62.7)	91.7	214.4	151.8	(446.1)	(20.8)	79.8
Discounting / Impact of discounting	31.2	32.9	42.2	36.7	28.7	31.7	40.3	52.0	16.4	140.5	140.4	107.4	44.7	(114.0)
Risk adjustment	(1.2)	0.3	(6.4)	(1.3)	5.0	(0.7)	0.5	3.7	2.3	(2.4)	5.8	(6.6)		
Finance (expenses) income from insurance contracts issued	(57.3)	(20.4)	(74.6)	(54.2)	(16.8)	(79.0)	(27.5)	18.6	(64.5)	(166.0)	(152.4)	96.3		
Finance income (expenses) from reinsurance contracts held	5.9	1.4	7.0	4.7	1.4	7.5	1.8	(1.6)	5.6	14.5	13.3	(5.2)		
Underwriting loss from exited lines	(2.6)	(6.0)	(8.9)	-	-	-	-	-	-	(14.9)	-	-	-	-
Demutualization and IPO-related expenses, less interest on restricted cash	(1.8)	(1.1)	1.1	1.2	1.2	2.4	2.2	2.5	1.6	2.4	8.7	(0.7)	(30.1)	(3.8)
Amortization of intangible assets recognized in business combinations	(6.5)	(6.6)	(6.3)	(6.2)	(6.5)	(5.2)	(4.4)	(3.9)	(3.2)	(25.6)	(16.7)	(5.4)	(3.5)	(4.5)
Restructuring expenses	-	-	-	-	-	(11.1)	-	-	-	-	(11.1)	-	-	-
Revaluation gain on acquisition of McDougall Insurance Brokers Limited	-	-	-	-	-	-	-	-	-	-	-	67.0	-	-
Other	1.9	0.3	(4.4)	2.7	1.6	0.3	(1.6)	(0.2)	0.1	0.2	(1.4)	(2.8)	-	1.0
<b>Total non-operating gains (losses)</b> <sup>1</sup>	21.8	8.5	122.5	(7.5)	39.6	168.5	(88.5)	8.4	50.0	163.1	138.4	(196.1)	(9.7)	(41.5)

<sup>1</sup> This is a supplementary financial measure, non-GAAP financial measure, or a non-GAAP ratio. Refer to Section 11 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q1 2025 Management's Discussion and Analysis dated May 8, 2025 for further details, which is available on the Company's website at [www.definity.com](http://www.definity.com) and on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Refer to Section 12 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q4 2022 Management's Discussion and Analysis dated February 9, 2023 for further details of non-GAAP financial measures and ratios prior to the adoption of IFRS 17 and IFRS 9. For non-GAAP financial measures, refer to tabs 14 and 15 for the composition and reconciliation to the most directly comparable GAAP measure.

## UNDERWRITING PERFORMANCE

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

### Underwriting results

		IFRS 17											IFRS 4		
		2025	2024				2023				2024	2023	2022	2021	2020
		Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual	Annual
Net underwriting revenue <sup>1</sup> / Net earned premiums	1	1,001.8	1,006.0	981.8	949.4	905.3	922.4	903.6	877.5	839.1	3,842.5	3,542.6	3,251.2	2,833.6	2,508.7
Net claims and adjustment expenses <sup>1</sup>	2	643.2	610.4	731.7	569.4	566.4	563.1	658.4	559.1	525.1	2,477.9	2,305.7	2,004.5	1,721.5	1,562.3
Net underwriting expenses <sup>1</sup> / Underwriting expenses (net of other underwriting revenues) <sup>1</sup>	3	303.6	298.6	283.2	286.3	284.1	272.3	268.0	277.2	274.5	1,152.2	1,092.0	1,057.3	917.6	810.0
Underwriting income (loss) <sup>1</sup>	4	55.0	97.0	(33.1)	93.7	54.8	87.0	(22.8)	41.2	39.5	212.4	144.9	189.4	194.5	136.4
Claims ratio <sup>1</sup>	5	64.2%	60.7%	74.5%	60.0%	62.6%	61.1%	72.9%	63.7%	62.6%	64.5%	65.1%	61.7%	60.8%	62.3%
Expense ratio <sup>1</sup>	6	30.3%	29.6%	28.9%	30.1%	31.3%	29.5%	29.6%	31.6%	32.7%	30.0%	30.8%	32.5%	32.3%	32.3%
Combined ratio <sup>1</sup>	7	94.5%	90.3%	103.4%	90.1%	93.9%	90.6%	102.5%	95.3%	95.3%	94.5%	95.9%	94.2%	93.1%	94.6%

### Net claims and adjustment expenses

Core accident year claims and adjustment expenses <sup>1</sup>	8	614.0	601.0	584.1	569.7	544.4	547.6	556.2	533.9	512.8	2,299.2	2,150.5	1,970.9	1,705.8	1,498.8
Catastrophe losses <sup>1</sup>	9	50.0	28.1	169.9	14.8	33.4	28.3	122.3	47.6	20.0	246.2	218.2	119.9	91.7	93.1
Prior year favourable claims development <sup>1</sup>	10	(20.8)	(18.7)	(22.3)	(15.1)	(11.4)	(12.8)	(20.1)	(22.4)	(7.7)	(67.5)	(63.0)	(86.3)	(76.0)	(29.6)
Net claims and adjustment expenses <sup>1</sup>	11	643.2	610.4	731.7	569.4	566.4	563.1	658.4	559.1	525.1	2,477.9	2,305.7	2,004.5	1,721.5	1,562.3
Core accident year claims ratio <sup>1</sup>	12	61.3%	59.8%	59.5%	60.0%	60.2%	59.4%	61.6%	60.9%	61.1%	59.9%	60.7%	60.7%	60.2%	59.8%
Catastrophe losses ratio <sup>1,2</sup>	13	5.0%	2.8%	17.3%	1.6%	3.7%	3.1%	13.5%	5.4%	2.4%	6.4%	6.2%	3.7%	3.3%	3.7%
Prior year favourable claims development ratio <sup>1</sup>	14	(2.1%)	(1.9%)	(2.3%)	(1.6%)	(1.3%)	(1.4%)	(2.2%)	(2.6%)	(0.9%)	(1.8%)	(1.8%)	(2.7%)	(2.7%)	(1.2%)
Claims ratio <sup>1</sup>	15	64.2%	60.7%	74.5%	60.0%	62.6%	61.1%	72.9%	63.7%	62.6%	64.5%	65.1%	61.7%	60.8%	62.3%

### Net underwriting expenses

Net commissions <sup>1</sup>	16	147.2	142.3	138.8	136.6	133.8	128.1	125.4	127.4	124.8	551.5	505.7	502.2	426.5	379.6
Net operating expenses / Operating expenses (net of other underwriting revenues) <sup>1</sup>	17	118.8	118.6	107.0	113.1	116.4	109.7	108.6	116.0	118.4	455.1	452.7	433.5	384.2	337.3
Net premium taxes	18	37.6	37.7	37.4	36.6	33.9	34.5	34.0	33.8	31.3	145.6	133.6	121.6	106.9	93.1
Net underwriting expenses <sup>1</sup> / Underwriting expenses (net of other underwriting revenues) <sup>1</sup>	19	303.6	298.6	283.2	286.3	284.1	272.3	268.0	277.2	274.5	1,152.2	1,092.0	1,057.3	917.6	810.0
Net commissions ratio <sup>1</sup>	20	14.7%	14.1%	14.1%	14.4%	14.8%	13.9%	13.9%	14.5%	14.9%	14.4%	14.3%	15.4%	15.0%	15.1%
Net operating expenses ratio <sup>1</sup> / Operating expenses (net of other underwriting revenues) ratio <sup>1</sup>	21	11.8%	11.8%	11.0%	11.8%	12.8%	11.9%	11.9%	13.2%	14.1%	11.8%	12.7%	13.4%	13.5%	13.5%
Net premium taxes ratio <sup>1</sup>	22	3.8%	3.7%	3.8%	3.9%	3.7%	3.7%	3.8%	3.9%	3.7%	3.8%	3.8%	3.7%	3.8%	3.7%
Expense ratio <sup>1</sup>	23	30.3%	29.6%	28.9%	30.1%	31.3%	29.5%	29.6%	31.6%	32.7%	30.0%	30.8%	32.5%	32.3%	32.3%

<sup>1</sup> This is a supplementary financial measure, non-GAAP financial measure, or a non-GAAP ratio. Refer to Section 11 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q1 2025 Management's Discussion and Analysis dated May 8, 2025 for further details, which is available on the Company's website at [www.definity.com](http://www.definity.com) and on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Refer to Section 12 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q4 2022 Management's Discussion and Analysis dated February 9, 2023 for further details of non-GAAP financial measures and ratios prior to the adoption of IFRS 17 and IFRS 9. For non-GAAP financial measures, refer to tabs 14 and 15 for the composition and reconciliation to the most directly comparable GAAP measure.

<sup>2</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

	IFRS 17												IFRS 4	
	2025			2024			2023			2022			2021	2020
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual	Annual
<b>Policies in force (in '000)</b>	1,603.6	1,595.6	1,594.3	1,607.0	1,593.8	1,598.7	1,619.3	1,630.1	1,626.7	1,595.6	1,598.7	1,622.6	1,550.7	1,416.1
Change YOY	0.6%	(0.2%)	(1.5%)	(1.4%)	(2.0%)	(1.5%)	0.5%	2.1%	3.2%	(0.2%)	(1.5%)	4.6%	9.5%	5.5%
<b>Gross written premiums<sup>1</sup></b>	693.8	733.9	815.9	851.5	650.0	694.0	743.9	743.9	583.1	3,051.3	2,770.2	2,591.8	2,347.8	2,100.6
Change YOY	6.7%	5.7%	8.9%	14.5%	11.5%	6.0%	7.5%	6.3%	7.9%	10.1%	6.9%	10.4%	11.8%	9.6%
<b>Broker channel gross written premiums<sup>1</sup></b>	614.9	639.8	718.9	747.7	554.0	582.6	629.2	642.1	488.8	2,660.4	2,342.7	2,168.1	1,974.2	1,795.3
Change YOY	11.0%	9.8%	14.3%	16.4%	13.3%	7.0%	8.7%	8.3%	8.1%	13.6%	8.1%	9.8%	10.0%	8.6%
<b>Direct channel gross written premiums<sup>1</sup></b>	78.9	94.1	97.0	103.8	96.0	111.4	120.0	101.8	94.3	390.9	427.5	423.7	373.6	305.3
Change YOY	(17.8%)	(15.5%)	(19.1%)	2.0%	1.8%	1.5%	1.2%	(4.9%)	6.9%	(8.6%)	0.9%	13.4%	22.4%	15.3%
<b>Net underwriting revenue<sup>1</sup> / Net earned premiums</b>	711.4	712.7	699.0	680.1	646.4	659.5	650.7	632.8	606.7	2,738.2	2,549.7	2,373.7	2,093.7	1,892.9
Change YOY	10.1%	8.1%	7.4%	7.5%	6.5%	6.8%	7.1%	7.8%	8.0%	7.4%	7.4%	n/a	10.6%	8.3%
<b>Underwriting income (loss)<sup>1</sup></b>	27.4	64.7	(61.6)	57.5	34.4	69.3	(56.7)	2.8	18.3	95.0	33.7	102.8	127.6	114.2
<b>Combined ratio<sup>1</sup></b>	96.1%	90.9%	108.8%	91.6%	94.7%	89.5%	108.7%	99.6%	97.0%	96.5%	98.7%	95.7%	93.9%	94.0%

### Personal auto

<b>Policies in force (in '000)</b>	783.8	772.9	767.9	778.8	764.9	763.5	772.2	782.6	784.2	772.9	763.5	785.0	761.6	727.0
Change YOY	2.5%	1.2%	(0.6%)	(0.5%)	(2.5%)	(2.7%)	(1.6%)	0.5%	1.8%	1.2%	(2.7%)	3.1%	4.8%	1.1%
<b>Gross written premiums<sup>1</sup></b>	438.8	438.7	486.8	528.4	413.5	416.0	441.2	442.1	357.8	1,867.4	1,657.1	1,579.1	1,453.2	1,349.9
Change YOY	6.1%	5.5%	10.3%	19.5%	15.6%	7.6%	4.6%	2.6%	5.3%	12.7%	4.9%	8.7%	7.7%	5.1%
<b>Net underwriting revenue<sup>1</sup> / Net earned premiums</b>	428.2	433.4	423.3	413.4	385.7	392.4	389.1	382.0	365.7	1,655.8	1,529.2	1,457.8	1,332.5	1,251.2
Change YOY	11.0%	10.4%	8.8%	8.2%	5.5%	4.4%	4.3%	5.3%	5.6%	8.3%	4.9%	n/a	6.5%	4.7%
<b>Core accident year claims<sup>1</sup></b>	307.5	309.1	299.7	289.0	275.9	280.7	290.6	271.5	266.4	1,173.7	1,109.2	1,011.9	895.6	847.4
Catastrophe losses <sup>1</sup>	2.9	0.2	17.0	0.2	0.4	4.2	7.9	1.9	0.3	17.8	14.3	5.4	6.1	11.0
Prior year favourable claims development <sup>1</sup>	(3.4)	(4.3)	(4.8)	(2.2)	(3.2)	(5.5)	(11.8)	(6.4)	(2.0)	(14.5)	(25.7)	(45.1)	(72.6)	(11.3)
<b>Net claims and adjustment expenses<sup>1</sup></b>	307.0	305.0	311.9	287.0	273.1	279.4	286.7	267.0	264.7	1,177.0	1,097.8	972.2	829.1	847.1
<b>Net underwriting expenses<sup>1</sup> / Underwriting expenses (net of other underwriting revenues)<sup>1</sup></b>	110.6	111.6	104.3	106.3	101.7	96.8	98.1	105.8	104.2	423.9	404.9	415.9	386.6	358.9
<b>Underwriting income (loss)<sup>1</sup></b>	10.6	16.8	7.1	20.1	10.9	16.2	4.3	9.2	(3.2)	54.9	26.5	69.7	116.8	45.2
<b>Core accident year claims ratio<sup>1</sup></b>	71.8%	71.3%	70.8%	69.9%	71.5%	71.5%	74.7%	71.1%	72.9%	70.9%	72.6%	69.4%	67.1%	67.7%
Catastrophe losses ratio <sup>1,2</sup>	0.7%	0.1%	4.0%	-	0.1%	1.1%	2.0%	0.5%	0.1%	1.1%	0.9%	0.4%	0.5%	0.9%
Prior year favourable claims development ratio <sup>1</sup>	(0.8%)	(1.0%)	(1.1%)	(0.5%)	(0.8%)	(1.4%)	(3.0%)	(1.7%)	(0.6%)	(0.9%)	(1.7%)	(3.1%)	(5.4%)	(0.9%)
<b>Claims ratio<sup>1</sup></b>	71.7%	70.4%	73.7%	69.4%	70.8%	71.2%	73.7%	69.9%	72.4%	71.1%	71.8%	66.7%	62.2%	67.7%
<b>Net commissions ratio<sup>1</sup></b>	11.5%	11.3%	11.0%	10.8%	10.9%	9.7%	9.9%	10.5%	11.2%	11.0%	10.3%	11.7%	11.8%	11.8%
<b>Net operating expenses ratio<sup>1</sup> / Operating expenses (net of other underwriting revenues) ratio<sup>1</sup></b>	11.0%	11.1%	10.3%	11.7%	12.1%	11.7%	12.0%	13.7%	14.0%	11.3%	12.8%	13.4%	13.8%	13.5%
<b>Net premium taxes ratio<sup>1</sup></b>	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.5%	3.3%	3.3%	3.4%	3.4%	3.4%	3.4%
<b>Expense ratio<sup>1</sup></b>	25.8%	25.7%	24.6%	25.8%	26.3%	24.7%	25.2%	27.7%	28.5%	25.6%	26.5%	28.5%	29.0%	28.7%
<b>Combined ratio<sup>1</sup></b>	97.5%	96.1%	98.3%	95.2%	97.1%	95.9%	98.9%	97.6%	100.9%	96.7%	98.3%	95.2%	91.2%	96.4%

### Personal property<sup>3</sup>

<b>Policies in force (in '000)</b>	819.8	822.7	826.4	828.2	828.9	835.2	847.1	847.5	842.5	822.7	835.2	837.6	789.1	689.1
Change YOY	(1.1%)	(1.5%)	(2.4%)	(2.3%)	(1.6%)	(0.3%)	2.6%	3.7%	4.5%	(1.5%)	(0.3%)	6.1%	14.5%	10.6%
<b>Gross written premiums<sup>1</sup></b>	255.0	295.2	329.1	323.1	236.5	278.0	308.0	301.8	225.3	1,183.9	1,113.1	1,012.7	894.6	750.7
Change YOY	7.8%	6.2%	6.9%	7.1%	5.0%	3.7%	11.8%	12.3%	12.4%	6.4%	9.9%	13.2%	19.2%	18.7%
<b>Net underwriting revenue<sup>1</sup> / Net earned premiums</b>	283.2	279.3	275.7	266.7	260.7	267.1	261.6	250.8	241.0	1,082.4	1,020.5	915.9	761.2	641.7
Change YOY	8.6%	4.6%	5.4%	6.3%	8.2%	10.6%	11.7%	11.7%	11.8%	6.1%	11.4%	n/a	18.6%	16.3%
<b>Core accident year claims and adjustment expenses<sup>1</sup></b>	147.4	129.1	137.1	139.3	133.7	125.5	135.5	127.2	122.1	539.2	510.3	491.3	406.4	322.8
Catastrophe losses <sup>1</sup>	33.3	20.1	128.0	6.8	15.5	3.3	103.8	42.7	9.2	170.4	159.0	80.8	69.9	28.8
Prior year (favourable) adverse claims development <sup>1</sup>	(11.2)	(8.3)	(9.9)	(7.7)	(5.3)	(4.3)	(4.8)	(1.1)	(0.7)	(31.2)	(10.9)	(20.8)	3.5	(6.7)
<b>Net claims and adjustment expenses<sup>1</sup></b>	169.5	140.9	255.2	138.4	143.9	124.5	234.5	168.8	130.6	678.4	658.4	551.3	479.8	344.9
<b>Net underwriting expenses<sup>1</sup> / Underwriting expenses (net of other underwriting revenues)<sup>1</sup></b>	96.9	90.5	89.2	90.9	93.3	89.5	88.1	88.4	88.9	363.9	354.9	331.5	270.6	227.8
<b>Underwriting income (loss)<sup>1</sup></b>	16.8	47.9	(68.7)	37.4	23.5	53.1	(61.0)	(6.4)	21.5	40.1	7.2	33.1	10.8	69.0
<b>Core accident year claims ratio<sup>1</sup></b>	52.0%	46.2%	49.8%	52.2%	51.3%	47.0%	51.7%	50.7%	50.7%	49.9%	50.0%	53.7%	53.1%	50.2%
Catastrophe losses ratio <sup>1,2</sup>	11.8%	7.2%	46.4%	2.6%	5.9%	1.2%	39.7%	17.0%	3.8%	15.7%	15.6%	8.8%	9.4%	4.5%
Prior year (favourable) adverse claims development ratio <sup>1</sup>	(3.9%)	(3.0%)	(3.6%)	(2.9%)	(2.0%)	(1.6%)	(1.8%)	(0.4%)	(0.3%)	(2.9%)	(1.1%)	(2.3%)	0.5%	(1.0%)
<b>Claims ratio<sup>1</sup></b>	59.9%	50.4%	92.6%	51.9%	55.2%	46.6%	89.6%	67.3%	54.2%	62.7%	64.5%	60.2%	63.0%	53.7%
<b>Net commissions ratio<sup>1</sup></b>	19.3%	17.8%	18.5%	19.1%	19.8%	18.1%	18.8%	19.3%	19.7%	18.8%	19.0%	20.0%	18.6%	18.3%
<b>Net operating expenses ratio<sup>1</sup> / Operating expenses (net of other underwriting revenues) ratio<sup>1</sup></b>	10.8%	10.5%	9.6%	10.8%	12.0%	11.3%	10.8%	11.7%	13.4%	10.7%	11.8%	12.2%	12.8%	13.1%
<b>Net premium taxes ratio<sup>1</sup></b>	4.1%	4.1%	4.2%	4.2%	4.0%	4.1%	4.1%	4.2%	3.9%	4.1%	4.0%	4.0%	4.2%	4.1%
<b>Expense ratio<sup>1</sup></b>	34.2%	32.4%	32.3%	34.1%	35.8%	33.5%	33.7%	35.2%	36.9%	33.6%	34.8%	36.2%	35.6%	35.5%
<b>Combined ratio<sup>1</sup></b>	94.1%	82.8%	124.9%	86.0%	91.0%	80.1%	123.3%	102.5%	91.1%	96.3%	99.3%	96.4%	98.6%	89.2%

<sup>1</sup> This is a supplementary financial measure, non-GAAP financial measure, or a non-GAAP ratio. Refer to Section 11 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q1 2025 Management's Discussion and Analysis dated May 8, 2025 for further details, which is available on the Company's website at [www.definity.com](http://www.definity.com) and on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Refer to Section 12 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q4 2022 Management's Discussion and Analysis dated February 9, 2023 for further details of non-GAAP financial measures and ratios prior to the adoption of IFRS 17 and IFRS 9. For non-GAAP financial measures, refer to tabs 14 and 15 for the composition and reconciliation to the most directly comparable GAAP measure.

<sup>2</sup> The impact of reinsurance reinstatement premiums on the claims ratio is fully reflected in catastrophe losses.

<sup>3</sup> Includes Petline.

## COMMERCIAL INSURANCE

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

### Commercial insurance

	IFRS 17												IFRS 4	
	2025	2024				2023				2024	2023	2022	2021	2020
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual	Annual
<b>Gross written premiums<sup>1</sup></b>	336.3	375.6	327.4	388.2	305.6	339.2	290.8	341.2	263.8	1,396.8	1,235.0	1,070.5	910.3	728.6
Change YOY	10.0%	10.7%	12.6%	13.8%	15.8%	14.1%	13.0%	15.3%	20.0%	13.1%	15.4%	17.6%	24.9%	18.1%
<b>Net underwriting revenue<sup>1</sup> / Net earned premiums</b>	290.4	293.3	282.8	269.3	258.9	262.9	252.9	244.7	232.4	1,104.3	992.9	877.5	739.9	615.8
Change YOY	12.2%	11.6%	11.8%	10.1%	11.4%	12.8%	12.4%	13.3%	14.1%	11.2%	13.2%	n/a	20.2%	3.4%
Core accident year claims and adjustment expenses <sup>1</sup>	159.1	162.8	147.3	141.4	134.8	141.4	130.1	135.2	124.3	586.3	531.0	467.7	403.8	328.6
Catastrophe losses <sup>1</sup>	13.8	7.8	24.9	7.8	17.5	20.8	10.6	3.0	10.5	58.0	44.9	33.7	15.7	53.3
Prior year favourable claims development <sup>1</sup>	(6.2)	(6.1)	(7.6)	(5.2)	(2.9)	(3.0)	(3.5)	(14.9)	(5.0)	(21.8)	(26.4)	(20.4)	(6.9)	(11.6)
<b>Net claims and adjustment expenses<sup>1</sup></b>	166.7	164.5	164.6	144.0	149.4	159.2	137.2	123.3	129.8	622.5	549.5	481.0	412.6	370.3
Net underwriting expenses <sup>1</sup> / Underwriting expenses (net of other underwriting revenues) <sup>1</sup>	96.1	96.5	89.7	89.1	89.1	86.0	81.8	83.0	81.4	364.4	332.2	309.9	260.4	223.3
<b>Underwriting income<sup>1</sup></b>	27.6	32.3	28.5	36.2	20.4	17.7	33.9	38.4	21.2	117.4	111.2	86.6	66.9	22.2
Core accident year claims ratio <sup>1</sup>	54.7%	55.5%	52.0%	52.6%	52.0%	53.7%	51.5%	55.3%	53.5%	53.1%	53.5%	53.3%	54.4%	53.3%
Catastrophe losses ratio <sup>1,2</sup>	4.8%	2.7%	8.8%	2.9%	6.8%	7.9%	4.2%	1.2%	4.5%	5.3%	4.5%	3.8%	2.3%	8.7%
Prior year favourable claims development ratio <sup>1</sup>	(2.1%)	(2.1%)	(2.6%)	(2.0%)	(1.1%)	(1.1%)	(1.4%)	(6.1%)	(2.1%)	(2.0%)	(2.7%)	(2.3%)	(0.9%)	(1.9%)
<b>Claims ratio<sup>1</sup></b>	57.4%	56.1%	58.2%	53.5%	57.7%	60.5%	54.3%	50.4%	55.9%	56.4%	55.3%	54.8%	55.8%	60.1%
Net commissions ratio <sup>1</sup>	14.8%	14.8%	14.6%	15.2%	15.5%	15.8%	14.8%	16.0%	15.8%	15.0%	15.6%	17.0%	17.3%	18.6%
Net operating expenses ratio <sup>1</sup> / Operating expenses (net of other underwriting revenues) ratio <sup>1</sup>	14.2%	14.0%	12.8%	13.6%	14.7%	12.9%	13.4%	13.8%	15.2%	13.8%	13.8%	14.3%	13.9%	13.8%
Net premium taxes ratio <sup>1</sup>	4.1%	4.1%	4.3%	4.3%	4.2%	4.1%	4.1%	4.1%	4.0%	4.2%	4.1%	4.0%	4.0%	3.9%
<b>Expense ratio<sup>1</sup></b>	33.1%	32.9%	31.7%	33.1%	34.4%	32.8%	32.3%	33.9%	35.0%	33.0%	33.5%	35.3%	35.2%	36.3%
<b>Combined ratio<sup>1</sup></b>	90.5%	89.0%	89.9%	86.6%	92.1%	93.3%	86.6%	84.3%	90.9%	89.4%	88.8%	90.1%	91.0%	96.4%

<sup>1</sup> This is a supplementary financial measure, non-GAAP financial measure, or a non-GAAP ratio. Refer to Section 11 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q1 2025 Management's Discussion and Analysis dated May 8, 2025 for further details, which is available on the Company's website at [www.definity.com](http://www.definity.com) and on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Refer to Section 12 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q4 2022 Management's Discussion and Analysis dated February 9, 2023 for further details of non-GAAP financial measures and ratios prior to the adoption of IFRS 17 and IFRS 9. For non-GAAP financial measures, refer to tabs 14 and 15 for the composition and reconciliation to the most directly comparable GAAP measure.

<sup>2</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)

		IFRS 17											IFRS 4		
		2025	2024				2023				2024	2023	2022	2021	2020
		Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual	Annual
<b>By line of business</b>															
Personal auto	1	2.9	0.2	17.0	0.2	0.4	4.2	7.9	1.9	0.3	17.8	14.3	5.4	6.1	11.0
Personal property	2	33.3	20.1	128.0	6.8	15.5	3.3	103.8	42.7	9.2	170.4	159.0	80.8	69.9	28.8
Commercial lines	3	13.8	7.8	24.9	7.8	17.5	20.8	10.6	3.0	10.5	58.0	44.9	33.7	15.7	53.3
<b>Total catastrophe losses</b>	4	<b>50.0</b>	<b>28.1</b>	<b>169.9</b>	<b>14.8</b>	<b>33.4</b>	<b>28.3</b>	<b>122.3</b>	<b>47.6</b>	<b>20.0</b>	<b>246.2</b>	<b>218.2</b>	<b>119.9</b>	<b>91.7</b>	<b>93.1</b>
<b>By line of business, as % of net underwriting revenue<sup>1</sup>/net earned premiums<sup>2</sup></b>															
Personal auto	5	0.7%	0.1%	4.0%	-	0.1%	1.1%	2.0%	0.5%	0.1%	1.1%	0.9%	0.4%	0.5%	0.9%
Personal property	6	11.8%	7.2%	46.4%	2.6%	5.9%	1.2%	39.7%	17.0%	3.8%	15.7%	15.6%	8.8%	9.4%	4.5%
Commercial lines	7	4.8%	2.7%	8.8%	2.9%	6.8%	7.9%	4.2%	1.2%	4.5%	5.3%	4.5%	3.8%	2.3%	8.7%
<b>Total catastrophe losses</b>	8	<b>5.0%</b>	<b>2.8%</b>	<b>17.3%</b>	<b>1.6%</b>	<b>3.7%</b>	<b>3.1%</b>	<b>13.5%</b>	<b>5.4%</b>	<b>2.4%</b>	<b>6.4%</b>	<b>6.2%</b>	<b>3.7%</b>	<b>3.3%</b>	<b>3.7%</b>
<b>HISTORICAL PRIOR YEAR CLAIMS DEVELOPMENT</b>															
<b>By line of business</b>															
Personal auto	9	(3.4)	(4.3)	(4.8)	(2.2)	(3.2)	(5.5)	(11.8)	(6.4)	(2.0)	(14.5)	(25.7)	(45.1)	(72.6)	(11.3)
Personal property	10	(11.2)	(8.3)	(9.9)	(7.7)	(5.3)	(4.3)	(4.8)	(1.1)	(0.7)	(31.2)	(10.9)	(20.8)	3.5	(6.7)
Commercial lines	11	(6.2)	(6.1)	(7.6)	(5.2)	(2.9)	(3.0)	(3.5)	(14.9)	(5.0)	(21.8)	(26.4)	(20.4)	(6.9)	(11.6)
<b>Total favourable claims development<sup>1</sup></b>	12	<b>(20.8)</b>	<b>(18.7)</b>	<b>(22.3)</b>	<b>(15.1)</b>	<b>(11.4)</b>	<b>(12.8)</b>	<b>(20.1)</b>	<b>(22.4)</b>	<b>(7.7)</b>	<b>(67.5)</b>	<b>(63.0)</b>	<b>(86.3)</b>	<b>(76.0)</b>	<b>(29.6)</b>
<b>By line of business, as % of net underwriting revenue<sup>1</sup>/net earned premiums<sup>2</sup></b>															
Personal auto	13	(0.8%)	(1.0%)	(1.1%)	(0.5%)	(0.8%)	(1.4%)	(3.0%)	(1.7%)	(0.6%)	(0.9%)	(1.7%)	(3.1%)	(5.4%)	(0.9%)
Personal property	14	(3.9%)	(3.0%)	(3.6%)	(2.9%)	(2.0%)	(1.6%)	(1.8%)	(0.4%)	(0.3%)	(2.9%)	(1.1%)	(2.3%)	0.5%	(1.0%)
Commercial lines	15	(2.1%)	(2.1%)	(2.6%)	(2.0%)	(1.1%)	(1.1%)	(1.4%)	(6.1%)	(2.1%)	(2.0%)	(2.7%)	(2.3%)	(0.9%)	(1.9%)
<b>Total favourable claims development<sup>1</sup></b>	16	<b>(2.1%)</b>	<b>(1.9%)</b>	<b>(2.3%)</b>	<b>(1.6%)</b>	<b>(1.3%)</b>	<b>(1.4%)</b>	<b>(2.2%)</b>	<b>(2.6%)</b>	<b>(0.9%)</b>	<b>(1.8%)</b>	<b>(1.8%)</b>	<b>(2.7%)</b>	<b>(2.7%)</b>	<b>(1.2%)</b>

<sup>1</sup> This is a supplementary financial measure, non-GAAP financial measure, or a non-GAAP ratio. Refer to Section 11 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q1 2025 Management's Discussion and Analysis dated May 8, 2025 for further details, which is available on the Company's website at www.definity.com and on SEDAR+ at www.sedarplus.ca. Refer to Section 12 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q4 2022 Management's Discussion and Analysis dated February 9, 2023 for further details of non-GAAP financial measures and ratios prior to the adoption of IFRS 17 and IFRS 9. For non-GAAP financial measures, refer to tabs 14 and 15 for the composition and reconciliation to the most directly comparable GAAP measure.

<sup>2</sup> The impact of reinsurance reinstatement premiums on the claims ratio is fully reflected in catastrophe losses. Prior to the adoption of IFRS 17, reinstatement premiums were included in net earned premiums.

## INVESTMENT PORTFOLIO

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

### Total portfolio

#### By class

		IFRS 9											IAS 39		
		2025	2024				2023				2024	2023	2022	2021	2020
		Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual	Annual
Short-term investments	1	109.6	97.4	119.5	91.2	87.2	137.0	96.6	144.7	58.6	97.4	137.0	89.3	88.8	218.2
Bonds	2	4,415.6	4,043.1	3,857.0	3,688.2	3,610.3	3,773.0	3,570.1	3,679.1	3,906.3	4,043.1	3,773.0	3,923.7	4,233.8	3,400.7
Preferred stocks	3	330.7	326.5	322.9	331.2	355.2	332.8	300.2	299.9	305.2	326.5	332.8	298.0	405.7	336.6
Common stocks	4	488.1	698.4	677.1	627.9	642.5	595.5	549.5	559.1	544.2	698.4	595.5	517.7	570.5	329.8
Pooled funds	5	88.6	88.9	76.1	72.7	70.7	74.7	69.4	64.9	56.3	88.9	74.7	57.2	42.7	43.4
Commercial loans	6	15.7	16.2	16.8	17.2	17.6	18.0	18.5	10.5	10.9	16.2	18.0	11.3	24.3	37.6
<b>Total</b>	7	<b>5,448.3</b>	<b>5,270.5</b>	<b>5,069.4</b>	<b>4,828.4</b>	<b>4,783.5</b>	<b>4,931.0</b>	<b>4,604.3</b>	<b>4,758.2</b>	<b>4,881.5</b>	<b>5,270.5</b>	<b>4,931.0</b>	<b>4,897.2</b>	<b>5,365.8</b>	<b>4,366.3</b>

### Region of issuer

Canada	8	5,186.7	4,927.8	4,750.7	4,533.8	4,489.8	4,648.9	4,341.0	4,445.3	4,642.5	4,927.8	4,648.9	4,669.9	5,112.6	4,205.5
United States	9	188.5	251.6	228.8	209.0	209.3	197.4	181.7	236.5	162.2	251.6	197.4	152.8	164.6	86.2
Europe	10	31.0	42.0	43.6	40.7	39.8	39.5	37.6	40.0	42.9	42.0	39.5	36.9	37.0	25.2
Other	11	26.4	32.9	29.5	27.7	27.0	27.2	25.5	25.9	23.0	32.9	27.2	26.3	27.3	11.8
<b>Total</b>	12	<b>5,432.6</b>	<b>5,254.3</b>	<b>5,052.6</b>	<b>4,811.2</b>	<b>4,765.9</b>	<b>4,913.0</b>	<b>4,585.8</b>	<b>4,747.7</b>	<b>4,870.6</b>	<b>5,254.3</b>	<b>4,913.0</b>	<b>4,885.9</b>	<b>5,341.5</b>	<b>4,328.7</b>

### Credit quality

#### Fixed-income securities

AAA	13	1,896.4	1,607.2	1,514.8	1,403.4	1,265.5	1,474.1	1,320.4	1,298.8	1,302.2	1,607.2	1,474.1	1,323.9	1,071.9	1,052.3
AA	14	1,338.9	1,206.3	1,160.0	1,101.8	1,222.1	1,131.5	1,156.7	1,219.3	1,299.5	1,206.3	1,131.5	1,306.9	2,045.5	1,353.6
A	15	668.1	654.4	621.1	654.5	578.6	607.5	606.6	659.4	739.5	654.4	607.5	720.8	822.5	702.3
BBB	16	349.8	353.5	339.7	348.6	372.8	421.8	376.1	400.5	477.1	353.5	421.8	477.1	191.8	176.7
BB or not rated	17	162.4	221.7	221.4	179.9	171.3	138.1	110.3	101.1	88.0	221.7	138.1	95.0	102.1	115.8
<b>Total</b>	18	<b>4,415.6</b>	<b>4,043.1</b>	<b>3,857.0</b>	<b>3,688.2</b>	<b>3,610.3</b>	<b>3,773.0</b>	<b>3,570.1</b>	<b>3,679.1</b>	<b>3,906.3</b>	<b>4,043.1</b>	<b>3,773.0</b>	<b>3,923.7</b>	<b>4,233.8</b>	<b>3,400.7</b>

#### Preferred shares

P1	19	-	-	-	-	12.8	-	-	-	3.8	-	-	5.4	11.9	-
P2	20	297.3	296.4	292.7	297.5	279.1	271.0	237.1	253.7	257.6	296.4	271.0	246.3	316.9	280.6
P3 or not rated	21	33.4	30.1	30.2	33.7	63.3	61.8	63.1	46.2	43.8	30.1	61.8	46.3	76.9	56.0
<b>Total</b>	22	<b>330.7</b>	<b>326.5</b>	<b>322.9</b>	<b>331.2</b>	<b>355.2</b>	<b>332.8</b>	<b>300.2</b>	<b>299.9</b>	<b>305.2</b>	<b>326.5</b>	<b>332.8</b>	<b>298.0</b>	<b>405.7</b>	<b>336.6</b>

### Investment portfolio sector mix

Government	23	52%	48%	47%	46%	47%	51%	51%	50%	48%	48%	51%	48%	49%	49%
Financials	24	24%	24%	25%	25%	23%	22%	22%	22%	23%	24%	22%	24%	29%	29%
Energy	25	6%	6%	6%	6%	6%	6%	5%	6%	6%	6%	6%	6%	4%	4%
Communication services	26	3%	4%	4%	5%	5%	5%	5%	5%	5%	4%	5%	6%	2%	2%
Industrials	27	3%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%
Utilities	28	4%	4%	4%	4%	5%	4%	4%	3%	4%	4%	4%	4%	4%	5%
Consumer discretionary	29	2%	3%	3%	4%	4%	2%	3%	2%	3%	3%	2%	2%	2%	2%
Materials	30	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Consumer staples	31	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Information technology	32	2%	3%	3%	2%	2%	2%	2%	2%	2%	3%	2%	1%	2%	1%
Health care	33	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Real estate	34	1%	1%	1%	1%	1%	1%	1%	2%	2%	1%	1%	2%	1%	1%
<b>Total</b>	35	<b>100%</b>													

**INVESTMENT PORTFOLIO (continued)**

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

**Sector mix by asset class**
**Short-term investments and bonds**

		2025	2024				2023				2024	2023	2022	2021	2020
		Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual	Annual
Government	1	62%	61%	60%	58%	62%	65%	64%	62%	59%	61%	65%	59%	61%	60%
Financials	2	20%	20%	20%	20%	17%	16%	18%	18%	20%	20%	16%	20%	25%	25%
Energy	3	5%	5%	5%	5%	4%	4%	3%	4%	4%	5%	4%	4%	2%	2%
Communication services	4	3%	4%	4%	5%	5%	5%	5%	4%	5%	4%	5%	5%	2%	1%
Industrials	5	3%	3%	3%	3%	2%	3%	3%	4%	3%	3%	3%	3%	3%	4%
Utilities	6	3%	3%	3%	4%	4%	3%	3%	3%	3%	3%	3%	3%	4%	5%
Consumer discretionary	7	2%	2%	3%	3%	4%	2%	2%	2%	3%	2%	2%	2%	1%	1%
Materials	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Consumer staples	9	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Information technology	10	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health care	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Real estate	12	1%	1%	1%	1%	1%	1%	1%	2%	2%	1%	1%	2%	1%	1%
<b>Total</b>	13	<b>100%</b>													

**Preferred stocks**

Government	14	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financials	15	75%	77%	76%	75%	75%	71%	69%	66%	68%	77%	71%	68%	70%	75%
Energy	16	6%	6%	7%	9%	7%	12%	14%	17%	17%	6%	12%	17%	16%	14%
Communication services	17	4%	4%	5%	4%	5%	5%	5%	5%	4%	4%	5%	4%	4%	2%
Industrials	18	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	19	15%	13%	12%	12%	13%	12%	12%	11%	10%	13%	12%	10%	8%	7%
Consumer discretionary	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Materials	21	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Consumer staples	22	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Information technology	23	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health care	24	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Real estate	25	-	-	-	-	-	-	-	1%	1%	-	-	1%	2%	2%
<b>Total</b>	26	<b>100%</b>													

**Common stocks**

Government	27	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financials	28	29%	29%	29%	27%	29%	28%	27%	29%	29%	29%	28%	29%	29%	27%
Energy	29	14%	14%	14%	14%	14%	14%	15%	13%	14%	14%	14%	15%	11%	10%
Communication services	30	3%	5%	5%	5%	5%	5%	6%	7%	7%	5%	5%	6%	6%	6%
Industrials	31	12%	11%	12%	12%	13%	13%	13%	13%	12%	11%	13%	12%	11%	11%
Utilities	32	3%	2%	3%	2%	2%	2%	3%	3%	3%	2%	2%	3%	3%	3%
Consumer discretionary	33	6%	7%	6%	7%	7%	6%	6%	6%	6%	7%	6%	5%	6%	6%
Materials	34	11%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	11%
Consumer staples	35	3%	4%	4%	5%	4%	5%	5%	5%	6%	4%	5%	6%	5%	4%
Information technology	36	13%	15%	14%	15%	13%	13%	11%	11%	10%	15%	13%	10%	15%	16%
Health care	37	4%	3%	4%	4%	4%	4%	4%	4%	4%	3%	4%	4%	5%	5%
Real estate	38	2%	2%	1%	1%	1%	2%	2%	1%	1%	2%	2%	2%	1%	1%
<b>Total</b>	39	<b>100%</b>													

**Pooled funds**

Government	40	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financials	41	7%	7%	12%	6%	6%	7%	7%	8%	9%	7%	7%	9%	11%	14%
Energy	42	7%	8%	2%	2%	2%	2%	2%	3%	3%	8%	2%	3%	3%	3%
Communication services	43	6%	6%	5%	5%	5%	6%	6%	6%	7%	6%	6%	7%	10%	10%
Industrials	44	5%	5%	15%	11%	12%	5%	5%	16%	6%	5%	5%	6%	8%	9%
Utilities	45	16%	15%	16%	22%	22%	21%	21%	12%	15%	15%	21%	15%	2%	10%
Consumer discretionary	46	7%	7%	7%	7%	7%	8%	8%	8%	9%	7%	8%	9%	13%	7%
Materials	47	2%	2%	1%	2%	2%	2%	2%	2%	2%	2%	2%	2%	3%	5%
Consumer staples	48	4%	4%	3%	3%	3%	4%	4%	4%	5%	4%	4%	5%	6%	11%
Information technology	49	27%	27%	30%	33%	32%	34%	34%	30%	31%	27%	34%	31%	28%	16%
Health care	50	8%	8%	7%	7%	7%	9%	9%	9%	11%	8%	9%	11%	13%	12%
Real estate	51	11%	11%	2%	2%	2%	2%	2%	2%	2%	11%	2%	2%	3%	3%
<b>Total</b>	52	<b>100%</b>													

## CONSOLIDATED BALANCE SHEET

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

### Balance sheet

#### Cash and cash equivalents, and investments

		IFRS 17 / IFRS 9											IFRS 4 / IAS 39		
		2025	2024				2023				2024	2023	2022	2021	2020
		Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual	Annual
Cash and cash equivalents	1	151.0	322.1	245.9	248.1	230.6	197.5	405.1	185.7	164.2	322.1	197.5	200.5	387.3	510.3
Short-term investments	2	109.6	97.4	119.5	91.2	87.2	137.0	96.6	144.7	58.6	97.4	137.0	89.3	88.8	218.2
Bonds	3	4,415.6	4,043.1	3,857.0	3,688.2	3,610.3	3,773.0	3,570.1	3,679.1	3,906.3	4,043.1	3,773.0	3,923.7	4,233.8	3,400.7
Preferred stocks	4	330.7	326.5	322.9	331.2	355.2	332.8	300.2	299.9	305.2	326.5	332.8	298.0	405.7	336.6
Common stocks	5	488.1	698.4	677.1	627.9	642.5	595.5	549.5	559.1	544.2	698.4	595.5	517.7	570.5	329.8
Pooled funds	6	88.6	88.9	76.1	72.7	70.7	74.7	69.4	64.9	56.3	88.9	74.7	57.2	42.7	43.4
Commercial loans	7	15.7	16.2	16.8	17.2	17.6	18.0	18.5	10.5	10.9	16.2	18.0	11.3	24.3	37.6
<b>Total cash and cash equivalents, and investments</b>	8	<b>5,599.3</b>	<b>5,592.6</b>	<b>5,315.3</b>	<b>5,076.5</b>	<b>5,014.1</b>	<b>5,128.5</b>	<b>5,009.4</b>	<b>4,943.9</b>	<b>5,045.7</b>	<b>5,592.6</b>	<b>5,128.5</b>	<b>5,097.7</b>	<b>5,753.1</b>	<b>4,876.6</b>
Restricted cash	9	-	14.8	185.7	209.8	229.5	244.0	257.3	268.8	286.7	14.8	244.0	302.1	110.8	-
Premiums receivable	10	-	-	-	-	-	-	-	-	-	-	-	-	1,075.9	958.7
Income taxes receivable	11	15.7	6.7	5.7	3.4	4.8	-	22.0	21.3	45.8	6.7	-	81.7	0.2	2.1
Reinsurance receivable and recoverable	12	-	-	-	-	-	-	-	-	-	-	-	-	179.2	95.6
<b>Reinsurance contract assets</b>	13	<b>371.1</b>	<b>346.2</b>	<b>358.0</b>	<b>321.2</b>	<b>326.6</b>	<b>330.4</b>	<b>305.9</b>	<b>302.2</b>	<b>315.0</b>	<b>346.2</b>	<b>330.4</b>	<b>305.1</b>		
Deferred policy acquisition expenses	14	-	-	-	-	-	-	-	-	-	-	-	-	295.1	260.2
Property and equipment	15	102.9	104.8	105.0	106.0	105.3	103.1	105.0	104.6	82.8	104.8	103.1	83.8	57.0	56.9
Deferred income tax assets	16	11.1	13.2	14.4	20.1	21.9	23.6	21.9	22.2	22.5	13.2	23.6	25.2	62.5	40.2
Goodwill and intangible assets	17	1,446.8	1,397.5	1,327.6	1,309.8	1,297.8	1,229.9	1,005.2	1,005.5	771.1	1,397.5	1,229.9	771.6	219.7	211.6
Other assets	18	232.7	217.5	220.0	213.1	212.6	200.0	201.5	194.5	169.9	217.5	200.0	152.5	137.9	118.4
<b>Total assets</b>	19	<b>7,779.6</b>	<b>7,693.3</b>	<b>7,531.7</b>	<b>7,259.9</b>	<b>7,212.6</b>	<b>7,259.5</b>	<b>6,928.2</b>	<b>6,863.0</b>	<b>6,739.5</b>	<b>7,693.3</b>	<b>7,259.5</b>	<b>6,819.7</b>	<b>7,891.4</b>	<b>6,620.3</b>
Unearned premiums	20	-	-	-	-	-	-	-	-	-	-	-	-	1,599.2	1,433.1
Claim liabilities	21	-	-	-	-	-	-	-	-	-	-	-	-	3,336.1	3,026.3
<b>Insurance contract liabilities</b>	22	<b>3,584.5</b>	<b>3,603.3</b>	<b>3,659.0</b>	<b>3,416.0</b>	<b>3,375.5</b>	<b>3,493.8</b>	<b>3,527.9</b>	<b>3,381.6</b>	<b>3,463.6</b>	<b>3,603.3</b>	<b>3,493.8</b>	<b>3,577.7</b>		
Accounts payable and other liabilities	23	131.5	148.1	130.3	126.8	127.2	131.9	115.7	124.8	109.1	148.1	131.9	139.0	393.4	324.2
Income taxes payable	24	0.7	42.3	32.5	20.8	23.8	117.9	3.6	2.7	0.6	42.3	117.9	-	55.6	18.7
Deferred income tax liabilities	25	154.8	154.3	150.1	151.1	153.8	150.7	119.7	120.5	94.6	154.3	150.7	103.5	-	-
Securities sold under repurchase agreements	26	211.1	110.1	-	50.2	100.5	-	-	-	-	110.1	-	-	-	-
Debt outstanding	27	114.3	114.3	114.3	114.3	114.3	114.3	114.3	114.3	38.1	114.3	114.3	39.1	-	-
Demutualization amounts outstanding	28	-	14.8	185.7	209.8	229.5	244.0	257.3	268.8	286.7	14.8	244.0	302.1	110.8	-
<b>Total liabilities</b>	29	<b>4,196.9</b>	<b>4,187.2</b>	<b>4,271.9</b>	<b>4,089.0</b>	<b>4,124.6</b>	<b>4,252.6</b>	<b>4,138.5</b>	<b>4,012.7</b>	<b>3,992.7</b>	<b>4,187.2</b>	<b>4,252.6</b>	<b>4,161.4</b>	<b>5,495.1</b>	<b>4,802.3</b>
Share capital	30	2,224.4	2,220.4	2,254.5	2,269.3	2,284.4	2,273.0	2,281.6	2,281.6	2,281.6	2,220.4	2,273.0	2,254.2	2,307.8	-
Contributed surplus	31	30.0	42.4	34.5	28.9	22.7	40.4	34.7	30.1	24.4	42.4	40.4	40.2	19.3	-
Retained earnings (deficit)	32	1,115.7	1,058.1	808.2	721.0	634.9	561.3	352.3	417.7	362.1	1,058.1	561.3	287.8	(28.8)	1,755.9
Accumulated other comprehensive (loss) income (AOCI)	33	(1.8)	(1.1)	(7.6)	(12.1)	(15.3)	(27.0)	(34.8)	(33.2)	(30.9)	(1.1)	(27.0)	(32.4)	98.0	62.1
Equity attributable to common shareholders	34	3,368.3	3,319.8	3,089.6	3,007.1	2,926.7	2,847.7	2,633.8	2,696.2	2,637.2	3,319.8	2,847.7	2,549.8	2,396.3	1,818.0
Non-controlling interests	35	214.4	186.3	170.2	163.8	161.3	159.2	155.9	154.1	109.6	186.3	159.2	108.5	-	-
<b>Total equity</b>	36	<b>3,582.7</b>	<b>3,506.1</b>	<b>3,259.8</b>	<b>3,170.9</b>	<b>3,088.0</b>	<b>3,006.9</b>	<b>2,789.7</b>	<b>2,850.3</b>	<b>2,746.8</b>	<b>3,506.1</b>	<b>3,006.9</b>	<b>2,658.3</b>	<b>2,396.3</b>	<b>1,818.0</b>
<b>Total liabilities and equity</b>	37	<b>7,779.6</b>	<b>7,693.3</b>	<b>7,531.7</b>	<b>7,259.9</b>	<b>7,212.6</b>	<b>7,259.5</b>	<b>6,928.2</b>	<b>6,863.0</b>	<b>6,739.5</b>	<b>7,693.3</b>	<b>7,259.5</b>	<b>6,819.7</b>	<b>7,891.4</b>	<b>6,620.3</b>

## CAPITAL AND LIQUIDITY RESOURCES

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

### Capital management<sup>2</sup>

	IFRS 17 / IFRS 9										
	2025	2024				2023				2024	2023
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
Minimum capital test (MCT) ratio <sup>3</sup>	215%	204%	208%	212%	206%	205%	201%	213%	219%	204%	205%
Excess capital at 190% MCT for Definity Insurance Company (200% in 2022 and prior)	184.2	110.1	140.1	167.8	117.3	107.0	77.8	159.8	196.5	110.1	107.0
Additional capital at Definity Financial Corporation <sup>4</sup>	527.9	487.2	266.6	241.1	281.3	274.6	287.4	283.5	357.9	487.2	274.6
<b>Total excess capital</b>	<b>712.1</b>	<b>597.3</b>	<b>406.7</b>	<b>408.9</b>	<b>398.6</b>	<b>381.6</b>	<b>365.2</b>	<b>443.3</b>	<b>554.4</b>	<b>597.3</b>	<b>381.6</b>
Leverage capacity at target <sup>5</sup>	1,194.2	1,168.7	1,086.6	1,057.0	1,029.3	1,002.3	335.0	336.4	329.6	1,168.7	1,002.3
Less: debt outstanding	(114.3)	(114.3)	(114.3)	(114.3)	(114.3)	(114.3)	(114.3)	(114.3)	(38.1)	(114.3)	(114.3)
Leverage capacity <sup>1,5</sup>	1,079.9	1,054.4	972.3	942.7	915.0	888.0	220.7	222.1	291.5	1,054.4	888.0
<b>Financial capacity<sup>1</sup></b>	<b>1,792.0</b>	<b>1,651.7</b>	<b>1,379.0</b>	<b>1,351.6</b>	<b>1,313.6</b>	<b>1,269.6</b>	<b>585.9</b>	<b>665.4</b>	<b>845.9</b>	<b>1,651.7</b>	<b>1,269.6</b>

### Liquidity

	2025	2024	2024	2024	2023	2023	2023	2023	2024	2023	
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
<b>Net cash (used in) provided by operating activities</b>	<b>(73.1)</b>	<b>122.0</b>	<b>170.9</b>	<b>163.5</b>	<b>(149.2)</b>	<b>128.0</b>	<b>217.1</b>	<b>97.3</b>	<b>(90.6)</b>	<b>307.2</b>	<b>351.8</b>
Investments purchased, net of investments sold	(120.5)	(180.4)	(55.0)	(24.7)	194.4	(86.9)	64.5	61.7	112.2	(65.7)	151.5
Commercial loans collected, net of commercial loans advanced	0.6	0.5	0.5	0.6	0.4	0.4	(8.3)	0.9	0.4	2.0	(6.6)
Purchases of intangible assets and property and equipment	(30.7)	(14.3)	(19.6)	(11.5)	(30.2)	(17.4)	(26.1)	(15.7)	(28.3)	(75.6)	(87.5)
Business acquisitions, net of cash acquired	(39.0)	(58.7)	(14.8)	(26.2)	(59.0)	(206.7)	(11.6)	(182.8)	(8.2)	(158.7)	(409.3)
<b>Net cash (used in) provided by investing activities</b>	<b>(189.6)</b>	<b>(252.9)</b>	<b>(88.9)</b>	<b>(61.8)</b>	<b>105.6</b>	<b>(310.6)</b>	<b>18.5</b>	<b>(135.9)</b>	<b>76.1</b>	<b>(298.0)</b>	<b>(351.9)</b>
Net proceeds from the issuance of common shares	-	-	-	-	-	-	-	-	-	-	-
Dividends paid on common shares	(21.1)	(18.4)	(18.4)	(18.4)	(18.5)	(15.7)	(15.9)	(15.8)	(15.8)	(73.7)	(63.2)
Dividends paid to non-controlling interests	(0.6)	(0.4)	(1.0)	(0.4)	(0.9)	(0.3)	(0.3)	(0.3)	(0.1)	(2.7)	(1.0)
Common shares purchased and held in trust	(11.9)	(34.2)	(14.8)	(15.2)	(4.1)	(9.0)	-	-	(4.9)	(68.3)	(13.9)
Demutualization payments	(7.3)	(20.9)	(24.1)	(19.7)	(14.5)	(13.3)	(11.5)	(17.9)	(15.4)	(79.2)	(58.1)
Borrowing on credit facility	-	-	-	-	-	-	-	114.3	-	-	114.3
Repayment of demand loans	-	-	-	-	-	-	-	(38.1)	(1.0)	-	(39.1)
Net proceeds from (repurchase of) securities sold under repurchase agreements	100.9	110.1	(50.0)	(50.2)	100.2	-	-	-	-	110.1	-
Equity subscriptions	16.8	-	-	-	-	-	-	-	-	-	-
<b>Net cash provided by (used in) financing activities</b>	<b>76.8</b>	<b>36.2</b>	<b>(108.3)</b>	<b>(103.9)</b>	<b>62.2</b>	<b>(38.3)</b>	<b>(27.7)</b>	<b>42.2</b>	<b>(37.2)</b>	<b>(113.8)</b>	<b>(61.0)</b>
<b>Net (decrease) increase in cash and cash equivalents, and restricted cash</b>	<b>(185.9)</b>	<b>(94.7)</b>	<b>(26.3)</b>	<b>(2.2)</b>	<b>18.6</b>	<b>(220.9)</b>	<b>207.9</b>	<b>3.6</b>	<b>(51.7)</b>	<b>(104.6)</b>	<b>(61.1)</b>
Balance, beginning of the period	336.9	431.6	457.9	460.1	441.5	662.4	454.5	450.9	502.6	441.5	502.6
Balance, end of the period	151.0	336.9	431.6	457.9	460.1	441.5	662.4	454.5	450.9	336.9	441.5

## IFRS 4 / IAS 39

2022 2021 2020  
Annual Annual Annual

204%	275%	268%
28.7	485.9	376.3
357.5	273.4	n/a
<b>386.2</b>	<b>759.3</b>	<b>376.3</b>
311.4	298.5	n/a
(39.1)	-	-
272.3	298.5	n/a
<b>658.5</b>	<b>1,057.8</b>	<b>n/a</b>

305.8	655.2	490.2
(54.2)	(1,008.1)	(47.0)
12.3	13.3	15.2
(90.8)	(49.4)	(42.8)
(242.0)	-	-
<b>(374.7)</b>	<b>(1,044.2)</b>	<b>(74.6)</b>
-	2,285.7	-
(63.3)	-	-
-	-	-
(53.6)	-	-
191.3	(1,908.9)	-
-	-	-
(1.0)	-	-
-	-	-
-	-	-
<b>73.4</b>	<b>376.8</b>	<b>-</b>
<b>4.5</b>	<b>(12.2)</b>	<b>415.6</b>
498.1	510.3	94.7
502.6	498.1	510.3

<sup>1</sup> This is a supplementary financial measure, non-GAAP financial measure, or a non-GAAP ratio. Refer to Section 11 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q1 2025 Management's Discussion and Analysis dated May 8, 2025 for further details, which is available on the Company's website at [www.definity.com](http://www.definity.com) and on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Refer to Section 12 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q4 2022 Management's Discussion and Analysis dated February 9, 2023 for further details of non-GAAP financial measures and ratios prior to the adoption of IFRS 17 and IFRS 9. For non-GAAP financial measures, refer to tabs 14 and 15 for the composition and reconciliation to the most directly comparable GAAP measure.

<sup>2</sup> Results prior to 2023 do not reflect the adoption of IFRS 17 and IFRS 9, and have not been restated for OSFI's MCT 2023 guidelines.

<sup>3</sup> Consolidated Definity Insurance Company.

<sup>4</sup> Additional capital at Definity Financial Corporation measured as available cash and investments in Definity Financial Corporation and its non-ICA subsidiaries.

<sup>5</sup> Leverage capacity at target was limited by the *Insurance Companies Act* ("ICA") restrictions prior to Definity Financial Corporation's continuance to the *Canada Business Corporations Act* ("CBCA") on January 1, 2024. Leverage capacity as at December 31, 2023 is shown pro forma for the CBCA continuance.

## SHAREHOLDER INFORMATION

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

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

		2025	2024				2023				2024	2023	2022	2021
		Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual
<b>Common shares</b>														
End of period	1	115,834	115,839	115,893	115,893	115,893	115,893	115,893	115,893	115,893	115,839	115,893	115,893	115,893
Weighted average common shares outstanding (Basic)	2	113,996	114,335	114,770	115,080	115,020	115,033	115,141	115,139	114,659	114,800	114,994	115,123	105,249
Weighted average common shares outstanding (Diluted)	3	115,872	116,282	116,630	116,534	116,521	116,638	116,735	116,736	116,443	116,490	116,638	116,929	105,405

### Common share performance

		2025	2024				2023				2024	2023	2022	2021
		Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual
<b>Common share price (in \$)</b>														
High	4	64.16	60.78	55.53	47.33	47.50	39.68	39.13	37.90	39.05	60.78	39.68	40.84	30.27
Low	5	53.26	52.16	43.88	41.97	37.01	35.48	32.09	33.78	33.34	37.01	32.09	27.00	26.00
Close	6	63.94	58.45	54.51	44.98	43.14	37.54	37.50	35.15	35.27	58.45	37.54	38.48	29.53
Market capitalization (\$ millions)	7	7,406	6,771	6,317	5,213	5,000	4,351	4,346	4,074	4,088	6,771	4,351	4,460	3,422

### Dividends

		2025	2024				2023				2024	2023	2022	2021
		Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual
<b>Common shares</b>														
Dividends declared per share (in \$)	8	0.1875	0.160	0.160	0.160	0.160	0.1375	0.1375	0.1375	0.1375	0.640	0.550	0.550	n/a
Dividends paid per share (in \$)	9	0.1875	0.160	0.160	0.160	0.160	0.1375	0.1375	0.1375	0.1375	0.640	0.550	0.550	n/a

### Rating information

		2025	2024				2023				2024	2023	2022	2021
		Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual
<b>Financial strength ratings<sup>1</sup></b>														
AM Best	10	A (Excellent)	A (Excellent)	A- (Excellent)	A (Excellent)	A- (Excellent)	A- (Excellent)	A- (Excellent)						
DBRS	11	A	A	A	A	A	A	A	A	A (low)	A	A	A (low)	A (low)
<b>Issuer rating<sup>2</sup></b>														
DBRS	12	BBB (high)	BBB (high)	BBB (high)	BBB (high)	BBB (high)	BBB (high)	BBB (high)	BBB (high)	BBB	BBB (high)	BBB (high)	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)

### ROE

Net income (loss) attributable to common shareholders

Net income - last 12 months

Average adjusted equity attributable to common shareholders

ROE for the last 12 months

### Operating net income, Operating EPS, and Operating ROE

Net income (loss) attributable to common shareholders

Remove: income tax expense (recovery)

Remove: non-operating gains (losses)

Recognized gains (losses) on FVTPL investments / Total recognized gains (losses) on investments

Discounting / Impact of discounting

Risk adjustment

Finance (expenses) income from insurance contracts issued

Finance income (expenses) from reinsurance contracts held

Underwriting loss from exited lines

Demutualization and IPO-related expenses, less interest on restricted cash

Amortization of intangible assets recognized in business combinations

Restructuring expenses

Revaluation gain on acquisition of McDougall

Other

Non-operating gains (losses)

Operating income

Operating income tax expense

Operating net income

Weighted average common shares outstanding, diluted (in millions)

Operating EPS, diluted (in \$)

Operating net income - last 12 months

Average adjusted equity attributable to common shareholders, excluding AOCI

Operating ROE for the last 12 months

### Underwriting income (loss)

Net underwriting revenue

Less:

Net claims and adjustment expenses

Net commissions

Net operating expenses

Net premium taxes

Underwriting income (loss)

### Net underwriting revenue

Insurance revenue

Earned reinsurance premiums

Remove: impact of exited lines

Net underwriting revenue

### Net claims and adjustment expenses

Claims and adjustment expenses

Impact of onerous insurance contracts

Claims recoverable from reinsurers for incurred claims

Remove: impact of exited lines

Net claims and adjustment expenses

### Net commissions

Commissions

Commissions earned on ceded reinsurance

Remove: impact of exited lines

Net commissions

### Net operating expenses

Operating expenses

Remove: impact of exited lines

Net operating expenses

		IFRS 17 / IFRS 9												IFRS 4 / IAS 39	
		2024				2023				2022				2021	2020
		Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual	Annual
		92.0	116.6	104.8	103.8	105.2	225.9	(48.3)	71.6	100.9	430.4	350.1	110.9	213.2	153.9
		417.1	430.4	539.7	386.6	354.5	350.1	309.2	393.2	244.4	430.4	350.1	110.9	213.2	153.9
		3,103.1	3,023.1	2,861.7	2,851.7	2,781.9	2,698.7	2,513.1	2,543.1	2,572.0	3,023.1	2,698.7	2,552.1	1,993.3	1,714.5
		13.4%	14.2%	18.9%	13.6%	12.7%	13.0%	12.3%	15.5%	9.5%	14.2%	13.0%	4.3%	10.7%	9.0%
		92.0	116.6	104.8	103.8	105.2	225.9	(48.3)	71.6	100.9	430.4	350.1	110.9	213.2	153.9
		30.3	38.9	33.8	34.9	34.7	77.9	(18.7)	22.2	30.6	142.3	112.0	2.1	68.0	46.7
		52.2	7.7	172.8	8.9	25.0	222.6	(99.8)	(62.7)	91.7	214.4	151.8	(446.1)	(20.8)	79.8
		31.2	32.9	42.2	36.7	28.7	31.7	40.3	52.0	16.4	140.5	140.4	107.4	44.7	(114.0)
		(1.2)	0.3	(6.4)	(1.3)	5.0	(0.7)	0.5	3.7	2.3	(2.4)	5.8	(6.6)		
		(57.3)	(20.4)	(74.6)	(54.2)	(16.8)	(79.0)	(27.5)	18.6	(64.5)	(166.0)	(152.4)	96.3		
		5.9	1.4	7.0	4.7	1.4	7.5	1.8	(1.6)	5.6	14.5	13.3	(5.2)		
		(2.6)	(6.0)	(8.9)	-	-	-	-	-	-	(14.9)	-	-		
		(1.8)	(1.1)	1.1	1.2	1.2	2.4	2.2	2.5	1.6	2.4	8.7	(0.7)	(30.1)	(3.8)
		(6.5)	(6.6)	(6.3)	(6.2)	(6.5)	(5.2)	(4.4)	(3.9)	(3.2)	(25.6)	(16.7)	(5.4)	(3.5)	(4.5)
		-	-	-	-	-	(11.1)	-	-	-	-	(11.1)	-	-	-
		-	-	-	-	-	-	-	-	-	-	-	-	-	-
		1.9	0.3	(4.4)	2.7	1.6	0.3	(1.6)	(0.2)	0.1	0.2	(1.4)	(2.8)	-	1.0
		21.8	8.5	122.5	(7.5)	39.6	168.5	(88.5)	8.4	50.0	163.1	138.4	(196.1)	(9.7)	(41.5)
		100.5	147.0	16.1	146.2	100.3	135.3	21.5	85.4	81.5	409.6	323.7	309.1	290.9	242.1
		(24.6)	(36.6)	(1.5)	(37.1)	(24.2)	(34.3)	(3.5)	(20.3)	(17.4)	(99.4)	(75.5)	(71.3)	(70.5)	(57.7)
		75.9	110.4	14.6	109.1	76.1	101.0	18.0	65.1	64.1	310.2	248.2	237.8	220.4	184.4
		115.9	116.3	116.6	116.5	116.5	116.6	116.7	116.7	64.1	116.5	116.6	116.9	105.4	104.0
		0.65	0.95	0.13	0.94	0.65	0.87	0.15	0.56	0.55	2.66	2.13	2.03	2.09	1.77
		310.0	310.2	300.9	304.3	260.3	248.2	223.7	252.4	238.6	310.2	248.2	237.8	220.4	184.4
		3,023.1	2,935.8	2,806.7	2,816.4	2,738.1	2,690.2	2,531.8	2,549.0	2,553.9	2,935.8	2,690.2	2,515.3	1,913.3	1,682.3
		10.3%	10.6%	10.7%	10.8%	9.5%	9.2%	8.8%	9.9%	9.3%	10.6%	9.2%	9.5%	11.5%	11.0%
		1,001.8	1,006.0	981.8	949.4	905.3	922.4	903.6	877.5	839.1	3,842.5	3,542.6	3,251.2		
		643.2	610.4	731.7	569.4	566.4	563.1	658.4	559.1	525.1	2,477.9	2,305.7	2,004.5		
		147.2	142.3	138.8	136.6	133.8	128.1	125.4	127.4	124.8	551.5	505.7	502.2		
		118.8	118.6	107.0	113.1	116.4	109.7	108.6	116.0	118.4	455.1	452.7	433.5		
		37.6	37.7	37.4	36.6	33.9	34.5	34.0	33.8	31.3	145.6	133.6	121.6		
		55.0	97.0	(33.1)	93.7	54.8	87.0	(22.8)	41.2	39.5	212.4	144.9	189.4		
		1,111.9	1,124.9	1,095.5	1,046.1	991.9	1,003.8	984.1	954.9	907.5	4,258.4	3,850.3	3,485.7		
		(102.0)	(107.6)	(100.1)	(96.7)	(86.6)	(81.4)	(80.5)	(77.4)	(68.4)	(391.0)	(307.7)	(234.5)		
		(8.1)	(11.3)	(13.6)	-	-	-	-	-	-	(24.9)	-	-		
		1,001.8	1,006.0	981.8	949.4	905.3	922.4	903.6	877.5	839.1	3,842.5	3,542.6	3,251.2		
		714.3	688.0	824.1	616.8	634.8	637.8	727.4	613.5	557.5	2,763.7	2,536.2	2,198.2		
		(6.2)	(4.7)	(1.0)	(1.8)	(1.8)	(2.5)	0.4	(1.3)	(1.2)	(9.3)	(4.6)	1.4		
		(56.7)	(57.5)	(71.4)	(45.6)	(66.6)	(72.2)	(69.4)	(53.1)	(31.2)	(241.1)	(225.9)	(195.1)		
		(8.2)	(15.4)	(20.0)	-	-	-	-	-	-	(35.4)	-	-		
		643.2	610.4	731.7	569.4	566.4	563.1	658.4	559.1	525.1	2,477.9	2,305.7	2,004.5		
		165.0	158.5	153.2	152.5	148.1	141.0	137.9	140.6	136.5	612.3	556.0	538.7		
		(18.6)	(16.9)	(14.7)	(15.9)	(14.3)	(12.9)	(12.5)	(13.2)	(11.7)	(61.8)	(50.3)	(36.5)		
		0.8	0.7	0.3	-	-	-	-	-	-	1.0	-	-		
		147.2	142.3	138.8	136.6	133.8	128.1	125.4	127.4	124.8	551.5	505.7	502.2		
		121.7	120.8	109.2	113.1	116.4	109.7	108.6	116.0	118.4	459.5	452.7	433.5		
		(2.9)	(2.2)	(2.2)	-	-	-	-	-	-	(4.4)	-	-		
		118.8	118.6	107.0	113.1	116.4	109.7	108.6	116.0	118.4	455.1	452.7	433.5		

**NON-GAAP FINANCIAL MEASURES AND NON-GAAP RATIOS (continued)**

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

**Net premium taxes**

		IFRS 17 / IFRS 9											IFRS 4 / IAS 39		
		2025	2024				2023				2024	2023	2022	2021	2020
		Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual	Annual
Premium taxes	1	38.0	38.1	38.0	36.6	33.9	34.5	34.0	33.8	31.3	146.6	133.6	121.6		
Remove: impact of exited lines	2	(0.4)	(0.4)	(0.6)	-	-	-	-	-	-	(1.0)	-	-		
<b>Net premium taxes</b>	3	<b>37.6</b>	<b>37.7</b>	<b>37.4</b>	<b>36.6</b>	<b>33.9</b>	<b>34.5</b>	<b>34.0</b>	<b>33.8</b>	<b>31.3</b>	<b>145.6</b>	<b>133.6</b>	<b>121.6</b>		

**Prior year claims development**

Changes in fulfilment cash flows relating to the liabilities for incurred claims	4	(21.4)	(21.7)	(29.0)	(26.0)	6.5	(8.4)	(32.4)	(32.7)	(10.8)	(70.2)	(84.3)	(142.1)		
Changes to amounts recoverable for incurred claims	5	(0.8)	(0.2)	2.2	0.9	(19.7)	(13.8)	3.4	(9.3)	3.1	(16.8)	(16.6)	4.0		
Remove: discounting included above	6	(14.5)	(6.3)	(1.3)	-	(17.0)	0.8	(2.5)	4.9	(16.0)	(24.6)	(12.8)	17.1		
Remove: risk adjustment included above	7	16.0	11.4	7.6	10.0	18.8	8.6	11.4	14.7	16.0	47.8	50.7	34.7		
Remove: impact of exited lines	8	(0.1)	(1.9)	(1.8)	-	-	-	-	-	-	(3.7)	-	-		
<b>Prior year claims development</b>	9	<b>(20.8)</b>	<b>(18.7)</b>	<b>(22.3)</b>	<b>(15.1)</b>	<b>(11.4)</b>	<b>(12.8)</b>	<b>(20.1)</b>	<b>(22.4)</b>	<b>(7.7)</b>	<b>(67.5)</b>	<b>(63.0)</b>	<b>(86.3)</b>		

**Net underwriting expenses**

Net commissions	10	147.2	142.3	138.8	136.6	133.8	128.1	125.4	127.4	124.8	551.5	505.7	502.2		
Net operating expenses	11	118.8	118.6	107.0	113.1	116.4	109.7	108.6	116.0	118.4	455.1	452.7	433.5		
Net premium taxes	12	37.6	37.7	37.4	36.6	33.9	34.5	34.0	33.8	31.3	145.6	133.6	121.6		
<b>Net underwriting expenses</b>	13	<b>303.6</b>	<b>298.6</b>	<b>283.2</b>	<b>286.3</b>	<b>284.1</b>	<b>272.3</b>	<b>268.0</b>	<b>277.2</b>	<b>274.5</b>	<b>1,152.2</b>	<b>1,092.0</b>	<b>1,057.3</b>		

**Distribution income**

Distribution revenues	14	49.0	46.6	50.6	48.4	40.4	35.8	34.1	32.0	25.5	186.0	127.4	19.9	-	-
Distribution business expenses	15	(38.0)	(35.2)	(34.8)	(31.2)	(30.4)	(27.0)	(22.9)	(22.2)	(16.0)	(131.6)	(88.1)	(15.1)	-	-
Share of distribution profit from investments in associates	16	-	-	-	-	-	-	-	-	-	-	-	6.9	6.4	3.8
Remove: Income taxes included in share of distribution profit from investments in associates	17	-	-	-	-	-	-	-	-	-	-	-	2.4	1.6	0.3
<b>Distribution income</b>	18	<b>11.0</b>	<b>11.4</b>	<b>15.8</b>	<b>17.2</b>	<b>10.0</b>	<b>8.8</b>	<b>11.2</b>	<b>9.8</b>	<b>9.5</b>	<b>54.4</b>	<b>39.3</b>	<b>14.1</b>	<b>8.0</b>	<b>4.1</b>

**Other operating (expenses) income**

Corporate expenses	19	(8.8)	(8.9)	(8.2)	(7.5)	(6.7)	(6.6)	(6.6)	(5.8)	(6.8)	(31.3)	(25.8)	(25.9)	(7.3)	-
Other	20	(0.5)	1.5	(1.1)	0.3	(1.9)	0.4	(1.5)	1.6	1.5	(1.2)	2.0	0.8	(1.1)	1.3
Non-controlling interests on distribution income	21	(3.4)	(3.1)	(3.7)	(4.3)	(2.2)	(2.0)	(3.4)	(2.9)	(2.6)	(13.3)	(10.9)	(1.8)	-	-
<b>Other operating (expenses) income</b>	22	<b>(12.7)</b>	<b>(10.5)</b>	<b>(13.0)</b>	<b>(11.5)</b>	<b>(10.8)</b>	<b>(8.2)</b>	<b>(11.5)</b>	<b>(7.1)</b>	<b>(7.9)</b>	<b>(45.8)</b>	<b>(34.7)</b>	<b>(26.9)</b>	<b>(8.4)</b>	<b>1.3</b>

**Underwriting expenses (net of other underwriting revenues)**

Net claims and underwriting expenses	23													2,647.3	2,379.8
Remove: net claims and adjustment expenses	24													1,721.5	1,562.3
Remove: other underwriting revenues	25													8.2	7.5
<b>Underwriting expenses (net of other underwriting revenues)</b>	26													<b>917.6</b>	<b>810.0</b>

**Operating expenses (net of other underwriting revenues)**

Operating expenses	27													392.4	344.8
Remove: other underwriting revenues	28													8.2	7.5
<b>Operating expenses (net of other underwriting revenues)</b>	29													<b>384.2</b>	<b>337.3</b>

## 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 Q1 2025 Management's Discussion and Analysis dated May 8, 2025 which is available on our website at [www.definity.com](http://www.definity.com) and on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Refer to Section 12 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q4 2022 Management's Discussion and Analysis dated February 9, 2023 for further details of non-GAAP financial measures and ratios prior to the adoption of IFRS 17 and IFRS 9.

## GLOSSARY

Terms	Definitions
<b>Book value per share<sup>1</sup></b>	1 The Company's equity attributable to common shareholders 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 \$5 million. Catastrophe losses are presented net of reinsurance recoveries and exclude losses from exited lines. Prior to January 1, 2025, the single claim threshold was a gross loss in excess of \$3 million.
<b>Claims ratio<sup>1</sup></b>	3 Net claims and adjustment expenses during a defined period expressed as a percentage of net underwriting revenue for the same period.
<b>Combined ratio<sup>1</sup></b>	4 The total of our net claims and adjustment expenses and net underwriting expenses during a defined period expressed as a percentage of net underwriting revenue for the same period.
<b>Core accident year claims and adjustment expenses<sup>1</sup></b>	5 Net claims and adjustment expenses less catastrophe losses and prior year claims development.
<b>Discounting</b>	6 To reflect the time value of money, the expected future payments of claim liabilities are discounted back to present value using risk-free yield curves adjusted to reflect the characteristics of the cash flows and the liquidity of the insurance contracts. The risk-free yield curves are adjusted by an illiquidity premium using a reference portfolio to reflect the liquidity characteristics of the insurance contracts.
<b>Distribution income<sup>1</sup></b>	7 Income (loss) before taxes, amortization of intangible assets recognized in business combinations from our consolidated brokers and broker associates, acquisition-related expenses, and interest expense on debt. Distribution income is calculated as distribution revenues less distribution business expenses and share of distribution profit from investments in associates (which are included in other expenses).
<b>Excess capital</b>	8 The sum of capital above 190% MCT in regulated insurance subsidiaries and available cash and investments in unregulated entities.
<b>Expense ratio<sup>1</sup></b>	9 The total of our net commissions, net operating expenses, and net premium taxes during a defined period, expressed as a percentage of net underwriting revenue for the same period.
<b>Financial capacity<sup>1</sup></b>	10 The sum of excess capital and leverage capacity.
<b>Gross written premiums (GWP)<sup>1</sup></b>	11 The total premiums from the sale of insurance during a specified period including premiums assumed and excluding exited lines.
<b>Leverage capacity (under the CBCA)<sup>1</sup></b>	12 The amount of financial leverage available assuming a target capitalization level of 25% of total debt, preferred shares, and hybrids.
<b>Leverage capacity (under the ICA)<sup>1</sup></b>	13 The amount of financial leverage that can be assumed, comprised of the Company's current debt limit as an entity established under the ICA (2.5% of total assets) and a target capitalization level of 5% in preferred shares and hybrids.
<b>Minimum capital test (MCT)</b>	14 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 claims and adjustment expenses<sup>1</sup></b>	15 Claims and adjustment expenses (excluding the impact of discounting and risk adjustment) and gains or losses on onerous insurance contracts, net of amounts recoverable from reinsurers for incurred claims excluding those from exited lines.
<b>Net commissions<sup>1</sup></b>	16 Commissions expense less commissions earned on ceded reinsurance, excluding commissions associated with exited lines.
<b>Net operating expenses<sup>1</sup></b>	17 General expenses related to underwriting activities, excluding general expenses associated with exited lines.
<b>Net premium taxes<sup>1</sup></b>	18 Tax on insurance premiums excluding premium taxes associated with exited lines.
<b>Net underwriting expenses<sup>1</sup></b>	19 Net underwriting expenses consist of net commissions, net operating expenses, and net premium taxes.
<b>Net underwriting revenue<sup>1</sup></b>	20 Insurance revenue less earned reinsurance premiums, excluding those from exited lines.
<b>Non-operating gains (losses)<sup>1</sup></b>	21 Recognized gains or losses on FVTPL investments, discounting income or expense, risk adjustment income or expense, demutualization and IPO-related expenses, less interest on restricted cash, amortization of intangible assets recognized in business combinations, transaction costs in business combinations, restructuring costs, underwriting loss from exited lines, 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>	22 Operating net income for the period divided by the Company's weighted average diluted common shares outstanding during the period.
<b>Operating income<sup>1</sup></b>	23 Net income (loss) attributable to common shareholders excluding income tax expense (recovery) and non-operating gains (losses). This financial measure is used to calculate operating net income.
<b>Operating net income<sup>1</sup></b>	24 Net income (loss) attributable to common shareholders less (or plus) non-operating gains (losses) net of applicable income taxes.
<b>Operating return on equity (Operating ROE)<sup>1</sup></b>	25 Operating net income for the 12 months ended at a specified date divided by the average of equity attributable to common shareholders, excluding accumulated OCI and excluding unrealized gains or losses on FVTPL equity instruments, adjusted for significant capital transactions or other unusual adjustments to equity, if applicable, over the same 12-month period.
<b>Policies in force (PIF)</b>	26 The number of insurance policies that are in effect at a specified date, excluding insurance policies from exited lines.
<b>Prior year claims development<sup>1</sup></b>	27 The difference between prior year-end estimates of ultimate claim costs (excluding the effects of discounting, the risk adjustment for non-financial risk, and exited lines) 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>Return on equity (ROE)<sup>1</sup></b>	28 Net income (loss) attributable to common shareholders for the 12 months ended at a specified date divided by the average equity attributable to common shareholders, adjusted for significant capital transactions or other unusual adjustments to equity, if applicable, over the same 12-month period.
<b>Risk adjustment</b>	29 The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows, and reflects the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows arising from non-financial risk as the Company fulfills insurance contracts.
<b>Underwriting income (loss)<sup>1</sup></b>	30 Net underwriting revenue for a defined period less the sum of net claims and adjustment expenses, net commissions, net operating expenses, and net premium taxes during the same period. Underwriting income (loss) excludes the underwriting results from exited lines.
<b>Underwriting income (loss) from exited lines<sup>1</sup></b>	31 Underwriting income or loss from exited lines. Lines are classified as exited after we have made a formal decision to exit a specific line of business and/or geographical area of operations. This can be due to profitability concerns or other strategic reasons. The results of these lines are no longer part of the core business and are therefore considered non-operating.

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