



## MANDATE OF THE INVESTMENT COMMITTEE

The mandate of the Investment Committee (the “Committee”) of Industrial Alliance Insurance and Financial Services Inc. (the “Corporation”) is to approve investment policies, participate in the review, approval and supervision of the Corporation’s investment activities, supervise the management of risks inherent to investment management, and approve investment strategies.

### COMPOSITION AND QUORUM

---

The Committee must be constituted in accordance with the provisions of the Corporation’s by-laws, as may be amended from time to time.

The Committee is composed of at least three members appointed by the board of directors (the “Board”) from among the Corporation’s directors. The Committee members must have the skills needed to understand investment principles and practices.

All Committee members must be independent, as defined by the Canadian Securities Administrators.

The quorum at any meeting of the Committee is a majority of its members in office.

### RESPONSIBILITIES

---

The Committee has the following responsibilities:

#### 1. Supervision of investments

- Periodically review and recommend that the Board approve the investment policies of the Corporation and its U.S. branch (“iA U.S. Branch”);
- Periodically review and recommend that the Board approve the Corporation’s *Right to Consent to Mortgages and Guarantees Policy (Politique concernant le droit de consentir des hypothèques et garanties)*;

- Ensure investments are made in compliance with the investment policies of the Corporation and of iA U.S. Branch, in their best interests and pursuant to best business practices;
- Receive reports on the quality and performance of the investment portfolio of the Corporation and iA U.S. Branch;
- Review and approve investments or recommend that the Board approve them, as is the case, in compliance with the approval parameters and the governance structure established in the investment policies;
- Monitor the financial objectives and orientations set by the vice-presidency, investments;
- Receive and review investment strategy reports.

## **2. Investment compliance**

- Approve new planned investments that will exceed the limits identified in the investment policies or the investments in portfolios that exceed such limits and where it cannot be expected to meet such limits;
- Make sure the mortgages and other guarantees granted by the Corporation on its assets, comply with the *Right to Consent to Mortgages and Guarantees Policy (Politique concernant le droit de consentir des hypothèques et garanties)*;
- Receive reports and ensure the follow-up of any irregular or problematic investment activity, operation or situation;
- Receive and review the following reports:
  - Reports on default investments and investments under surveillance;
  - Detailed reports regarding compliance with investment policies, namely including any report with respect to corrected or uncorrected, temporary or permanent overrun of a maximum limit; and
  - Reports describing any exemption or failure to comply with the investment policies and the *Right to Consent to Mortgages and Guarantees Policy (Politique concernant le droit de consentir des hypothèques et garanties)*.

## **3. Investment risk management**

- Advise the Board of market trend in respect of investment-related risks.
- Receive and review the following reports:

- Reports on investment-related risk management, including those with respect to the management of liquidity, interest rate, stock market, currency, use of derivatives, the use of leverage and corporate credit exposure risks;
- Reports on the hedging program for risks related to segregated fund guarantees;
- Review and monitor the management of key risks related to the Corporation's investments.

#### 4. Other

- Retain, when deemed appropriate, the services of independent advisors to assist it in the fulfillment of its duties.
- Receive and review any other report provided in the investment policies and in the *Right to Consent to Mortgages and Guarantees Policy (Politique concernant le droit de consentir des hypothèques et garanties)*.
- Perform other responsibilities and mandates as assigned by the Board.

### METHOD OF OPERATION

---

**Frequency:** The Committee holds four regular meetings per year and may hold special meetings if required. The Committee chair, the Board chair, or the Corporation's president and chief executive officer may call a meeting at any time.

**Chair:** The Board designates the Committee chair. In the Chair's absence, the Committee members will elect a chair from among their number.

**Secretary:** The corporate secretary or, in his/her absence, the assistant secretary or any other person designated by the Committee members, acts as the Committee's secretary.

**Agenda:** The Committee chair establishes the agenda for each meeting of the Committee in consultation with the president and chief executive officer, the first responsible officer and the corporate secretary. The agenda and the necessary documents are provided to members of the Committee in a timely fashion prior to any Committee meeting.

**Report:** The Committee chair reports on a regular basis to the Board about the Committee's proceedings, findings and recommendations.

**In camera:** The Committee meets in camera following each meeting without members of management present.

**Review of mandate:** The Committee periodically reviews its mandate and reports to the Board on any modifications required thereto.

**Minutes:** The minutes of Committee meetings are approved by the Committee and submitted to the Board for information purposes. The corporate secretary places the minutes in a register kept for that purpose.

**Resolutions:** Written resolutions, signed by all Committee members, have the same value as if they had been adopted at a meeting of the Committee.

\* \* \* \* \*