Press Release

Intact Financial Corporation and Tryg A/S complete acquisition of RSA Insurance Group plc

TORONTO, June 1, 2021

Building a Leading P&C Insurer

- Expands our leadership position in Canada with a broader customer offering
- Bolsters our leading specialty lines platform and brings international expertise
- Entry into the U.K. and Ireland at scale with a strong and seasoned team
- Increases investment in our core capabilities to strengthen our outperformance
- High single digit NOIPS accretion expected in the first 12 months, increasing to upper teens within 36 months
- Maintaining mid-teens OROE target and BVPS to increase by over 20% at close
- Strong total capital margin at over $2 billion following close and debt-to-capital ratio expected to reach 20% within 36 months

Intact Financial Corporation (TSX: IFC) ("Intact" or the "Company") announced today that, together with Tryg A/S (CPH: TRYG) ("Tryg"), it has completed the acquisition (the "Acquisition") of RSA Insurance Group plc. ("RSA"), having received all required approvals.

"Bringing together Intact and RSA will expand our leadership and accelerate our strategy as we continue to focus on outperformance across our business," said Charles Brindamour, Chief Executive Officer, Intact Financial Corporation. "Our teams have worked hard and diligently since we announced the deal to plan the integration and transition process, and we are now ready to combine our businesses and start delivering on our financial objectives. We are delighted to welcome RSA employees into the Intact family. Together, we will continue to focus on delivering second-to-none customer experiences and creating significant value for our shareholders."

Pursuant to the Acquisition, Intact retains RSA's Canadian, U.K. and International entities, Tryg retains RSA's Swedish and Norwegian businesses, and Intact and Tryg co-own RSA's Danish business.

With the Acquisition, Intact is taking a significant step to accelerate its strategy and drive significant value creation.

Expands leadership in Canada

Intact's leadership position in Canada expands with an approximate 30% increase in premiums to an estimated $13 billion annually, representing close to two-thirds of the Company's aggregate premium base. The Company expects to continue to generate outperformance in Canada by leveraging its expertise in data, pricing and segmentation and through further internalization of its claims service. The Acquisition broadens Intact's customer base and product suite, enhancing its ability to deliver second-to-none customer experiences to people and businesses across Canada. With Johnson Insurance, Intact is entering the affinity market with a leading platform. The transaction also improves the Intact Insurance product suite, making the combined Company better positioned to service the broker channel, with expanded personal and commercial lines offerings.

Creates a leading specialty lines platform

Intact bolsters its North American specialty lines platform by adding international capabilities, scale and expertise in existing lines, as well as adding new verticals. The specialty lines platform will grow by approximately 30% to over $4 billion of annual premiums and will include leading global franchises in marine and specialty property. The Acquisition also adds a well-known Global Network to the Specialty platform, which facilitates the placement of tailored, multinational insurance programs through partnerships, allowing the Company to better service customers globally.

Entry into the U.K. and Ireland at scale

In the U.K. and Ireland, which represent approximately $4.4 billion of annual premiums, the Company will look to strengthen its leading position and continue the underwriting momentum in the business. Intact will build on the well-recognized RSA brands and scale in home and commercial lines, while leveraging its core competencies to continue to create best-in-class capabilities. In the near term, the fundamental pillars of the outperformance strategy are to optimize the underwriting performance, focus the footprint, and invest in data and technology. Beginning in the third quarter of fiscal 2021, the operating results for the U.K., Ireland, Europe and Middle East businesses will be consolidated and reported in the U.K. & International segment, which is expected to have approximately $5.1 billion of annual premiums.

Strengthens ability to outperform

The Acquisition increases Intact's premiums by approximately 70% and enables further investment in the Company's core capabilities of data, risk selection, claims and supply chain management to sustain and drive increased outperformance across the markets in which it operates.

Financially compelling with significant shareholder value creation

The Acquisition provides a unique opportunity to create significant value for Intact's shareholders, with an expected internal rate of return ("IRR") above the Company's 15% threshold.

The Acquisition is expected to generate high single digit net operating income per share ("NOIPS") accretion in the first 12 months following closing of the Acquisition, increasing to upper teens within 36 months. The expected NOIPS accretion is driven by adding RSA's profitable business to Intact and by generating over $250 million of expected pre-tax annual run-rate synergies within 36 months. Not included in the synergies are anticipated loss ratio improvements, driven by the benefit of the Company's data and analytics expertise.

Intact expects its operating ROE ("OROE") to be in the mid-teens level in the medium term. Book value per share ("BVPS") is estimated to increase by over 20% on the closing of the Acquisition, reflecting the equity issued to finance the Acquisition and the estimated current fair value of the net assets acquired.

The Acquisition supports Intact's financial objectives to grow NOIPS by 10% yearly over time and exceed the industry ROE by 500 basis points annually.

Strong capital position maintained

Intact will maintain its strong capital position, with an estimated total capital margin above $2 billion and solid regulated capital ratios in all jurisdictions, including the new U.K. & International perimeter. Intact's pro forma debt-to-capital ratio is expected to be below 26% as of June 30, 2021 and reach its target of 20% within 36 months.

Issuance of common shares pursuant to subscription receipts

A portion of Intact's approximately £3.0 billion ($5.2 billion) payment for the Acquisition was financed with the net proceeds from the private placement of approximately $3.2 billion of subscription receipts (the "Cornerstone Subscription Receipts") to Caisse de dépôt et placement du Québec, Canada Pension Plan Investment Board and Ontario Teachers' Pension Plan Board, and from an underwritten private placement of approximately $1.25 billion of subscription receipts (the "Underwritten Subscription Receipts") to accredited investors in Canada and other exempt purchasers.

Upon closing of the Acquisition, the common shares of Intact issuable pursuant to the 23,791,824 Cornerstone Subscription Receipts issued by Intact in November 2020 and the 9,272,000 Underwritten Subscription Receipts issued by Intact in December 2020 were automatically issued through the facilities of CDS Clearing and Depository Services Inc. in accordance with the terms of the Cornerstone Subscription Receipts and the Underwritten Subscription Receipts, as applicable, on a one-for-one basis. This issuance of common shares increased the number of Intact's outstanding common shares to approximately 176.0 million.

Trading in the Underwritten Subscription Receipts on the Toronto Stock Exchange (the "TSX") (TSX: IFC.R) will be halted effective prior to opening of trading on the TSX today and the Underwritten Subscription Receipts will be delisted as at the close of business today. The transfer register maintained by the subscription receipt agent for both the Cornerstone Subscription Receipts and the Underwritten Subscription Receipts will be closed as at the close of business today. The common shares issued in respect of the Cornerstone Subscription Receipts and the Underwritten Subscription Receipts are expected to begin trading on the TSX today.

In addition, pursuant to the terms of both of the Cornerstone Subscription Receipts and the Underwritten Subscription Receipts, a dividend equivalent payment of $1.66 per subscription receipt, less applicable withholding taxes, will be paid to former holders of such subscription receipts, which is an amount equal to the aggregate cash dividends declared on Intact's common shares for which record dates have occurred during the period from issuance of the subscription receipts to June 1, 2021, the closing date of the Acquisition. The dividend equivalent payments will be made on or about June 4, 2021.

About Intact Financial Corporation

Intact Financial Corporation (TSX: IFC) is the largest provider of property and casualty (P&C) insurance in Canada, a leading provider of global specialty insurance, and, with RSA, a leader in the U.K. and Ireland. Our business has grown organically and through acquisitions to over $20 billion of total annual premiums.

In Canada, Intact distributes insurance under the Intact Insurance brand through a wide network of brokers, including its wholly-owned subsidiary BrokerLink, and directly to consumers through belairdirect. Intact also provides affinity insurance solutions through the Johnson Affinity Groups.

In the U.S., Intact Insurance Specialty Solutions provides a range of specialty insurance products and services through independent agencies, regional and national brokers, and wholesalers and managing general agencies.

Outside of North America, the Company provides personal, commercial and specialty insurance solutions across the U.K., Ireland, Europe and the Middle East through the RSA brands.

About Tryg A/S

Tryg is one of the leading non-life insurance companies in the Nordic region with activities in Denmark, Norway and Sweden. Tryg had total premiums of DKK 21.7 billion (approx. EUR 3 billion) at year end 2019 and is active in the Private, Commercial and Corporate segment across the Nordic region. Tryg provides coverage to 4 million customers on a daily basis. Tryg is listed on Nasdaq Copenhagen.

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Forward-looking statements

Certain of the statements included in this press release about the Acquisition, including the anticipated impact and benefits thereof, the delisting of the Underwritten Subscription Receipts, the commencement of trading of the common shares issued in respect of the Cornerstone Subscription Receipts and the Underwritten Subscription Receipts, the timing for the payment of dividend equivalent payments or any other future events or developments constitute forward-looking statements. The words “may”, “will”, “would”, “should”, “could”, “expects”, “plans”, “intends”, “trends”, “indications”, “anticipates”, “believes”, “estimates”, “predicts”, “likely”, “potential” or the negative or other variations of these words or other similar or comparable words or phrases, are intended to identify forward-looking statements. Unless otherwise indicated, all forward-looking statements in this press release are made as of June 1, 2021 and are subject to change after that date.

Forward-looking statements are based on estimates and assumptions made by management based on management’s experience and perception of historical trends, current conditions and expected future developments, as well as other factors that management believes are appropriate in the circumstances. In addition to other estimates and assumptions which may be identified herein, estimates and assumptions have been made regarding, among other things, the realization of the expected strategic, financial and other benefits of the Acquisition, and economic and political environments and industry conditions. There can be no assurance that the strategic and financial benefits expected to result from the Acquisition will be realized. Many factors could cause the Company's actual results, financial performance or condition, or achievements to differ materially from those expressed or implied by the forward-looking statements herein, including, without limitation, the following factors:

- expected regulatory processes and outcomes in connection with the Company's business;
- the Company's ability to implement its strategy or operate its business as management currently expects;
- the Company's ability to accurately assess the risks associated with the insurance policies it writes;
- unfavourable capital market developments or other factors, including the impact of the COVID-19 pandemic and related economic conditions, which may affect the Company's investments, floating rate securities and funding obligations under its pension plans;
- the cyclical nature of the P&C insurance industry;
- management's ability to accurately predict future claims frequency and severity, including in the high net worth and personal auto lines of business;
- government regulations designed to protect policyholders and creditors rather than investors;
- litigation and regulatory actions, including with respect to the COVID-19 pandemic;
- periodic negative publicity regarding the insurance industry;
- intense competition;
- the Company's reliance on brokers and third parties to sell its products to clients and provide services to the Company and the impact of COVID-19 and related economic conditions on such brokers and third parties;
- the Company's ability to successfully pursue its acquisition strategy;
- the Company's ability to execute its business strategy;
- the Company's ability to improve its combined ratio, retain business and achieve synergies and maintain market position arising from successful integration plans relating to the Acquisition, as well as management's estimates and expectations in relation to future economic and business conditions and other factors in relation to the Acquisition and resulting impact on growth and accretion in various financial metrics;
- its ability to otherwise complete the integration of the business acquired within anticipated time periods and at expected cost levels;
- the Company's dependence on key employees and its ability to attract and retain key employees in connection with the Acquisition;
- the Company's ability to achieve synergies arising from successful integration plans relating to acquisitions generally;
- the Company's profitability and ability to improve its combined ratio in Canada and internationally;
- the Company's ability to retain and attract new business in connection with the Acquisition;
- the Company's participation in the Facility Association (a mandatory pooling arrangement among all industry participants) and similar mandated risk-sharing pools;
- terrorist attacks and ensuing events;
- the occurrence and frequency of catastrophe events, including a major earthquake;
- catastrophe losses caused by severe weather and other weather-related losses, as well as the impact of climate change;
- the occurrence of and response to public health crises including epidemics, pandemics or outbreaks of new infectious diseases, including most recently, the coronavirus (COVID-19) pandemic and ensuing events;
- the Company's ability to maintain its financial strength and issuer credit ratings;
- the Company's access to debt and equity financing;

- the Company's ability to compete for large commercial business;
- the Company's ability to alleviate risk through reinsurance;
- the Company's ability to successfully manage credit risk (including credit risk related to the financial health of reinsurers);
- the Company's ability to contain fraud and/or abuse;
- the Company's reliance on information technology and telecommunications systems and potential failure of or disruption to those systems, including in the context of the impact on the ability of our workforce to perform necessary business functions remotely, as well as in the context of evolving cybersecurity risk;
- the impact of developments in technology and use of data on the Company's products and distribution;
- changes in laws or regulations, including those adopted in response to COVID-19 that would, for example, require insurers to cover business interruption claims irrespective of terms after policies have been issued, and could result in an unexpected increase in the number of claims and have a material adverse impact on the Company's results;
- COVID-19 related coverage issues and claims, including certain class actions and related defence costs could negatively impact our claims reserves;
- general economic, financial and political conditions;
- the Company's dependence on the results of operations of its subsidiaries and the ability of the Company's subsidiaries to pay dividends;
- the volatility of the stock market and other factors affecting the trading prices of the Company's securities, including in the context of the COVID-19 pandemic;
- the Company's ability to hedge exposures to fluctuations in foreign exchange rates;
- future sales of a substantial number of the Company's common shares; and
- changes in applicable tax laws, tax treaties or tax regulations or the interpretation or enforcement thereof.

All of the forward-looking statements included in this press release are qualified by these cautionary statements and those made in the section entitled Risk Management (Sections 28-33) of our MD&A for the year ended December 31, 2020 ("Annual MD&A"), the section entitled Risk Management (section 19) of our MD&A for the quarter ended March 31, 2021 ("Q1 MD&A") and elsewhere in this press release. These factors are not intended to represent a complete list of the factors that could affect the Company. These factors should, however, be considered carefully. Although the forward-looking statements are based upon what management believes to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. Investors should not rely on forward-looking statements to make decisions, and investors should ensure the preceding information is carefully considered when reviewing forward-looking statements contained herein. The Company and management have no intention and undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Non-IFRS Measures

The Company uses both International Financial Reporting Standards ("IFRS") and certain non-IFRS measures to assess performance. Non-IFRS measures do not have any standardized meaning prescribed by IFRS and are unlikely to be comparable to any similar measures presented by other companies. Management analyzes performance based on underwriting ratios such as combined ratio and debt-to-total capital ratio, as well as other non-IFRS financial measures, including IRR, BVPS, NOIPS, OROE, ROE and total capital margin. See Section 36 of the Annual MD&A and Section 21 of the Q1 MD&A, each of which is posted under the

Company's profile on SEDAR at www.sedar.com, for the definition and historical reconciliation to the most comparable IFRS measure, where such a measure exists.