



MURRAY J. TAYLOR

President and Chief Executive Officer
Investors Group Inc.

Investors Group is committed to comprehensive planning delivered through long-term client and Consultant relationships. We provide advice and services through a network of over 5,300 Consultants to nearly one million Canadians.

HIGHLIGHTS

- Our Consultant network grew from 5,145 to 5,320 during 2015, a record high for the company. We added four new region offices, bringing the total number to 114.
- Driven by the strength of our client relationships, the redemption rate for Investors Group's long-term mutual funds was 8.7% for 2015, unchanged from 2014 and substantially below industry levels.
- Mutual fund sales in 2015 were \$7.9 billion, up 5.7% over 2014 and the best result in the history of the company. Net sales of mutual funds were \$754 million.
- Assets under management increased 2.0% to \$74.9 billion at December 31, 2015, a record year-end high for the company.
- For households with financial assets over \$500,000, assets under management at December 31, 2015, were approximately \$28 billion.
- Introduced July 15, 2015, using dynamic asset allocation, Maestro Portfolios™ assets under management grew to \$720 million at December 31, 2015.
- Results of the new and existing client experience surveys measuring various aspects of client interactions with Consultants indicated 96% and 92% of respondents, respectively were satisfied with the service they received.



Invest in life.



REPORT ON OPERATIONS

In 2015, Investors Group continued to make progress in a number of key areas. We augmented our investment management team and saw growth in our Consultant network reach an all-time high. We responded to the new CRM2 regulatory changes by providing robust client account rate of return information to clients on their June 30, 2015 statements. Our new Maestro Portfolios, which provide dynamic asset allocation including a mix of low volatility equity funds, have been very successful since their launch in July.

CONSULTANT NETWORK STRENGTH

Investors Group's commitment to training and support is integral to our Consultants' abilities to deliver effective financial advice. New Consultants refine their skills through an emphasis on experience-based training delivered by qualified field leadership and through mentorship from senior Consultants. Our annual Apex conference offers advanced financial planning and practice management training to approximately 1,500 Consultants each year.

At December 31, 2015, 1,531 Consultants held the Certified Financial Planner (CFP) designation, or its Quebec equivalent, the Financial Planner (F.Pl.) designation and another 722 were enrolled in the programs. The combination of those preparing for and those holding these

designations rose 22% during the year. These designations are nationally accepted financial planning qualifications that require financial planning competence through education, standardized examinations, continuing education requirements and accountability to ethical standards.

Our clients gain financial confidence and enhance their financial literacy skills as our Consultants assist them with the development and deployment of their financial plans.

PRODUCTS AND SERVICES WITH A CLIENT FOCUS

"Our vision is to improve our clients' financial well-being." The financial planning needs of Canadians are growing as economic uncertainties become more apparent and retirement and lifestyle decisions become more complex. Investors Group provides an industry-leading range of products and services to meet the diverse needs of our clients.

In September 2015, we launched our new national advertising campaign using the tagline "Invest in life." With additional exposure in print, television and online media, our new campaign focuses on all the elements of financial planning but centres around the importance of making memories and experiencing life to the fullest.

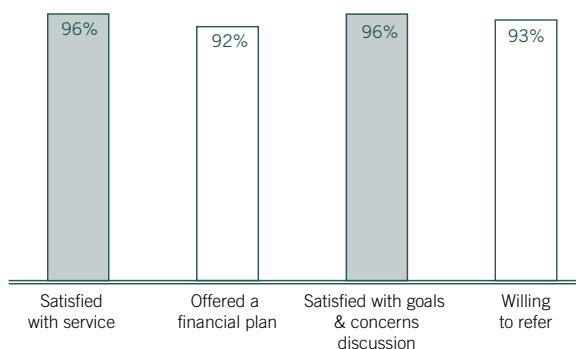
The Investors Group website was also refreshed and highlights the six elements of our financial plans: Investments, Tax Planning, Retirement, Estate Planning, Insurance, Mortgages.

Through our client experience survey we solicit feedback from every new client after three months and from every existing client annually. Results are as follows:

Client Experience Survey

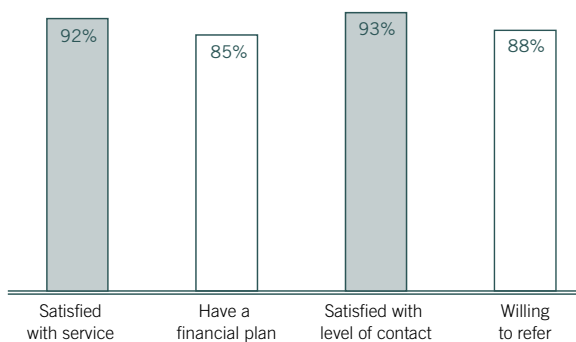
New Clients

(to December 31, 2015)



Existing Clients

(to December 31, 2015)



In January 2015, we launched two new investment options aimed at providing income for clients: Investors U.S. Dividend Registered Fund which invests in a combination of U.S. dividend-paying equity securities and other types of income producing investments; and Allegro Income Balanced Portfolio Class which invests in underlying funds that provide equity and/or fixed income exposure.

And in July, we introduced two new low volatility mandates – Investors Low Volatility Canadian Equity Fund/Class and Investors Low Volatility Global Equity Fund/Class – and three distinct Maestro Portfolios available in both unit trust and Corporate Class offerings – Maestro Income Balanced Portfolio, Maestro Balanced Portfolio, and Maestro Growth Focused Portfolio. The new portfolios combine a long-term investment management outlook with dynamic asset allocation strategies which will better manage volatility and help clients continue to build wealth.

Investors Group was recognized at the 2015 Lipper® Fund Awards for outstanding fund performance. Investors European Mid-Cap Equity Class was selected as the best three- and 10-year, risk-adjusted performance within the European Equity category and Investors International Small Cap Class was selected as the best three- and five-year, risk-adjusted performance within the International Equity category.

Our commitment to the ongoing evolution and expansion of our product and service offering enhances our ability to deliver comprehensive financial planning to Canadians.

CORPORATE RESPONSIBILITY

Investors Group has a long-standing commitment to corporate responsibility. We believe that considering the environmental, social and governance impacts of our business contributes to long-term profitability and value creation. We continue to address these impacts through the advancement of our corporate responsibility strategy.

As a signatory to the Principles for Responsible Investment (PRI), Investors Group continued its commitment to incorporate the six principles into investment analysis and decision making processes.

In 2015, Investors Group expanded its use of renewable energy and furthered its commitment to carbon reduction through a new initiative to heat our head office in Winnipeg with renewable natural gas. Our employees formed a Green Committee to educate and empower employees to reduce their environmental impacts at home and at work.

We continued to make a contribution to the many communities across Canada in which we operate by supporting local and national activities, events and organizations. We are part of an ongoing effort to advance the financial literacy and financial security of Canadians.

We have a culture of “people who care,” with a strong focus on supporting and encouraging our employees and Consultants to give back to their communities. As part of this focus:

- The 12th annual Herbert H. Carnegie Community Service Award was presented to Ontario Northeast Consultant Steve Deacon. Steve’s genuine desire to help people in his community is reflected in the great number of charitable organizations he supports.
- The President’s Lifetime Volunteer Achievement Award went to Richmond Client Service Administrator Kathleen Seymour, for her long-time volunteer efforts with a number of organizations that support the health care needs in her community.

BUILDING ON STRENGTH

Investors Group continues to focus on our strengths as we build for the future. In 2015, our Consultant network growth, the active engagement of over 2,000 employees, the continual refinement of financial planning, expanded investment management resources and increased product and service offerings demonstrate our commitment to meet the financial needs of Canadians.

“Our vision is to improve our clients’ financial well-being.”