



# IGM Financial Q3, 2020 Results

November 6, 2020



# Conference Call Participants



**JAMES O'SULLIVAN**

PRESIDENT & CEO  
IGM FINANCIAL



**DAMON MURCHISON**

PRESIDENT & CEO  
IG WEALTH MANAGEMENT



**BARRY S. MCINERNEY**

PRESIDENT & CEO  
MACKENZIE INVESTMENTS



**LUKE GOULD**

EXECUTIVE VICE-PRESIDENT  
& CFO  
IGM FINANCIAL

# Caution Concerning Forward-looking Statements

Certain statements in this report other than statements of historical fact, are forward-looking statements based on certain assumptions and reflect IGM Financial's current expectations. Forward-looking statements are provided to assist the reader in understanding the Company's financial position and results of operations as at and for the periods ended on certain dates and to present information about management's current expectations and plans relating to the future. Readers are cautioned that such statements may not be appropriate for other purposes. These statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of the Company, as well as the outlook for North American and international economies, for the current fiscal year and subsequent periods. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "plans", "believes", "estimates", "seeks", "intends", "targets", "projects", "forecasts" or negative versions thereof and other similar expressions, or future or conditional verbs such as "may", "will", "should", "would" and "could".

This information is based upon certain material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking statements, including the perception of historical trends, current conditions and expected future developments, as well as other factors that are believed to be appropriate in the circumstances. While the Company considers these assumptions to be reasonable based on information currently available to management, they may prove to be incorrect.

By its nature, this information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved.

A variety of material factors, many of which are beyond the Company's, and its subsidiaries' control, affect the operations, performance and results of the Company, and its subsidiaries, and their businesses, and could cause actual results to differ materially from current expectations of estimated or anticipated events or results. These factors include, but are not limited to: the impact or unanticipated impact of general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, management of market liquidity and funding risks, changes in accounting policies and methods used to report financial condition (including uncertainties associated with critical accounting assumptions and estimates), the effect of applying future accounting changes, operational and reputational risks, business competition, technological change, changes in government regulations and legislation, changes in tax laws, unexpected judicial or regulatory proceedings, catastrophic events, outbreaks of disease or pandemics (such as COVID-19), the Company's ability to complete strategic transactions, integrate acquisitions and implement other growth strategies, and the Company's and its subsidiaries' success in anticipating and managing the foregoing factors.

The reader is cautioned that the foregoing list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. The reader is also cautioned to consider these and other factors, uncertainties and potential events carefully and not place undue reliance on forward-looking statements.

Other than as specifically required by applicable Canadian law, the Company undertakes no obligation to update any forward-looking statements to reflect events or circumstances after the date on which such statements are made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results, or otherwise.

Additional information about the risks and uncertainties of the Company's business and material factors or assumptions on which information contained in forward-looking statements is based is provided in its disclosure materials filed with the securities regulatory authorities in Canada, available at [www.sedar.com](http://www.sedar.com).

# Non-IFRS Financial Measures & Additional IFRS Measures

Net earnings available to common shareholders, which is an additional measure in accordance with IFRS, may be subdivided into two components consisting of:

- Adjusted net earnings available to common shareholders; and
- Other items, which include the after tax impact of any item that management considers to be of a non-recurring nature or that could make the period-over-period comparison of results from operations less meaningful.

This report may also contain non-IFRS financial measures. Non-IFRS financial measures are used to provide management and investors with additional measures of performance. However, we caution that non-IFRS financial measures do not have standard meanings prescribed by IFRS and are not directly comparable to similar measures used by other companies. Specific instances of such measures that may be referred to within this document include “Adjusted Net Earnings”, “Adjusted Earnings per Share”, “Earnings before Interest and Taxes” (EBIT), “Adjusted earnings before interest and taxes (Adjusted EBIT)”, “Earnings before interest, taxes, depreciation and amortization before sales commissions” (EBITDA before sales commissions) and “earnings before interest, taxes, depreciation and amortization after sales commissions” (EBITDA after sales commissions).

We refer you to the appropriate reconciliation in the Management’s Discussion and Analysis of these non-IFRS financial measures to measures prescribed by IFRS.

Other items for the three months ended September 30, 2020 consisted of:

- A gain on the sale of the investment in Personal Capital Corporation of \$31.4 million after-tax (\$37.2 million pre-tax).
- Restructuring and other charges of \$54.7 million after-tax (\$74.5 million pre-tax) resulting from our ongoing multi-year transformation initiatives and efforts to enhance our operational effectiveness and also from the acquisition of GLC Asset Management (GLC) and other changes to our investment management teams. This included activities to improve efficiency and capabilities by leveraging the scale and expertise of scaled providers through outsourcing partnerships, as well as process automation initiatives relating to key internal processes. During the quarter, IGM Financial announced outsourcing initiatives with Soroc for IT end-user services, with IBM for hosting of mainframe solutions, with Google for cloud-based data storage and other services, and also announced an agreement with CAPCO for process automation. As a result of these initiatives, the Company is recording costs relating to restructuring and downsizing activities as well as impairment of redundant internally generated software assets. During the quarter, the Company also incurred severance and other charges relating to the acquisition of GLC as well as other personnel changes.

Other items for the three months ended December 31, 2019 consisted of:

- After-tax charges of \$9.2 million representing the Company’s proportionate share in Great-West Lifeco Inc.’s adjustments related to the revaluation of a deferred tax asset, restructuring costs and the net gain on the Scottish Friendly transaction.

Other items for the three months ended June 30, 2019 consisted of:

- An after-tax loss of \$8.0 million representing the Company’s proportionate share in Great-West Lifeco Inc.’s (GWL) loss on the sale of substantially all of its United States individual life insurance and annuity business.

# Documents Incorporated By Reference

This summary document and webcast are meant to discuss, not to serve as a substitute for, information included in these documents. The reader is hereby cautioned to refer to the following documents relating to IGM Financial's results:

1. Documents related to IGM Financial's Q3, 2020 results issued on November 5, 2020:
  - IGM Financial Q3, 2020 financial results press release. This press release includes financial highlights as well as a summary earnings statement.
  - IGM Financial Q3, 2020 Interim Condensed Consolidated Financial Statements and Notes.
  - IGM Financial Q3, 2020 Management's Discussion and Analysis ("MD&A").
  - IGM Financial Q3, 2020 Supplemental Information.
2. IGM Financial October 2020 Total Assets Under Management and Advisement and Net Flows press release issued November 4, 2020.
3. Documents related to IGM Financial's enhanced and restated results issued on October 7, 2020:
  - IGM Financial press release announcing disclosure enhancements to emphasize components of value and reflect the evolution of business lines.
  - IGM Financial disclosure enhancements analyst presentation.
4. IGM Financial 2019 Corporate Responsibility Report issued on June 26, 2020.
5. IGM Financial 2019 Annual Report issued on March 19, 2020.
6. IGM Financial 2017 Investor Day Presentation issued on November 28, 2017.

Each of these documents are available on the Company's website at [www.igmfinc.com](http://www.igmfinc.com) and/or at [www.sedar.com](http://www.sedar.com).



# IGM FINANCIAL



**JAMES O'SULLIVAN**

PRESIDENT & CEO  
IGM FINANCIAL

# IGM Q3, 2020 Highlights

## 1 Record high AUM&A of \$196.4B; up over 4% from Q2

- Client returns of 4.2% in the quarter and 1.0% year-to-date, with full recovery from Q1 declines

## 2 Solid overall net flows of \$408MM and investment fund net sales of \$610MM<sup>1</sup>

- Increase in IG Wealth net flows relative to last year and Mackenzie all time record high net sales
- Second best Q3 in the last decade

## 3 Adjusted EPS of 90 cents (up 17% from Q2 and 6% from last year); EPS of 80 cents

- Second highest quarterly adjusted EPS in IGM's history
- Non-IFRS adjustment from restructuring and other charges partially offset by gain on sale of Personal Capital

## 4 Significant Q3 milestones in technology and operations transformation program

- Significant technology outsourcing and process automation milestones announced during the quarter
- \$74.5MM pre-tax (\$54.7MM after tax) restructuring and downsizing costs relating to technology and operations initiatives as well as costs relating to the acquisition of GLC and investment management changes

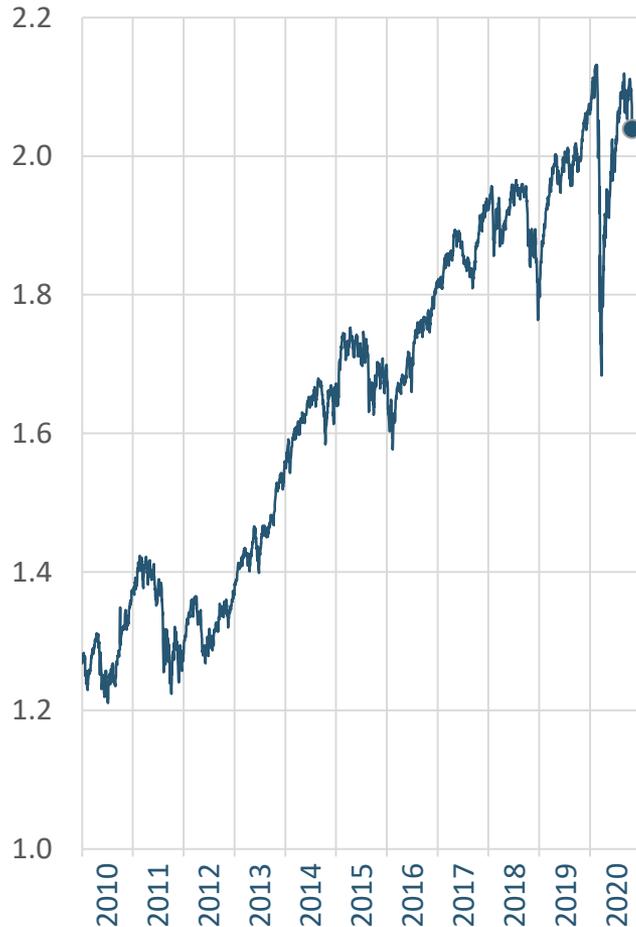
## 5 Significant progress with strategic investments; enhancing capabilities & fair value of ~\$2.9B<sup>2</sup>

- Completed acquisition of interest in Northleaf Capital Partners providing new private markets capabilities
- Gain on sale of Personal Capital of \$31.4MM (after-tax)
- Adjusted the fair value assessment of WealtheSimple by \$298 million, increasing to \$550 million
- China AMC earnings of \$10.5 million; up 36% from Q3, 2019

1) Includes gross and net sales of \$290MM during Q3, 2020 related to certain fund allocation changes by institutional clients which include Mackenzie mutual funds within their investment offerings. 2) Based on market value of Great-West Lifeco and carrying value for other investments and unallocated capital.

# Financial Market and Client Investment Returns

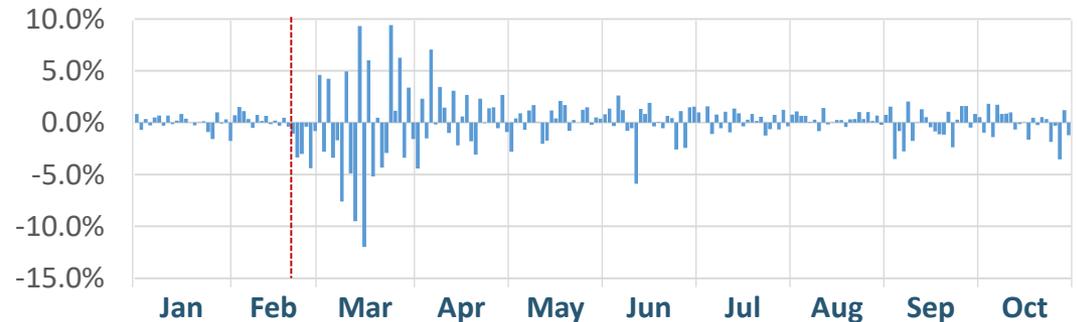
## IGM Client Return Index<sup>1</sup>



## Investment Performance

		Q1/20	Q2/20	Q3/20	Q4/20 at Oct 31/20	Oct 31 2020 YTD
<b>IGM Client Investment Returns<sup>2</sup></b>		<b>(11.7%)</b>	<b>9.7%</b>	<b>4.2%</b>	<b>(1.9%)</b>	<b>(1.0%)</b>
<b>Equity Markets:</b>						
Canada	(S&P / TSX Composite)	(21.6%)	16.0%	3.9%	(3.4%)	(8.7%)
U.S.	(S&P 500)	(20.0%)	20.0%	8.5%	(2.8%)	1.2%
Europe	(MSCI Europe)	(23.1%)	11.7%	(0.3%)	(5.1%)	(18.7%)
Asia	(MSCI AC Asia Pacific)	(19.8%)	15.4%	7.7%	1.0%	0.6%
China	(CSI 300)	(10.0%)	13.0%	10.2%	2.4%	14.6%
<b>Fixed Income</b> (FTSE TMX Canada Universe)		0.9%	5.2%	(0.2%)	(1.0%)	4.9%
<b>Currency:</b>						
	USD relative to CAD	8.3%	(3.5%)	(1.9%)	0.0%	2.5%
	Euro relative to CAD	6.5%	(1.7%)	2.4%	(0.6%)	6.5%
	CNY relative to CAD	7.3%	(3.8%)	1.9%	1.5%	6.9%

## S&P 500 Daily Returns Year-to-date 2020



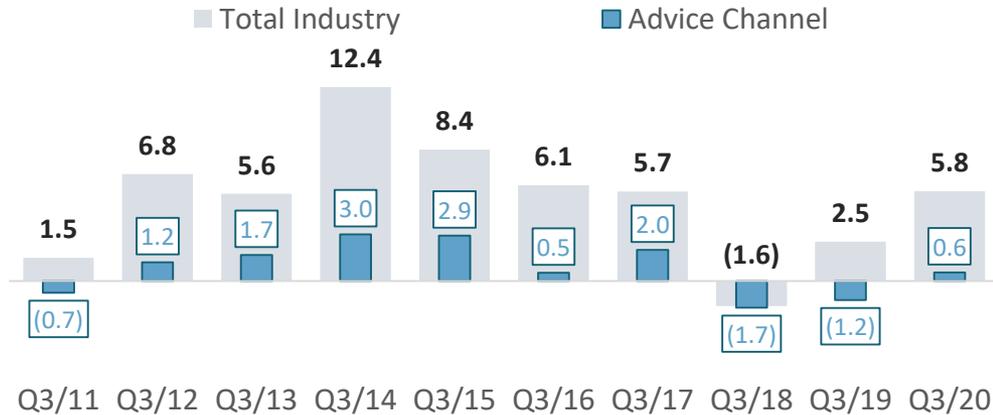
Index returns are local market price returns, except Asia is reported in USD.

1) Weighted average return on AUM, indexed to December 31, 2001.

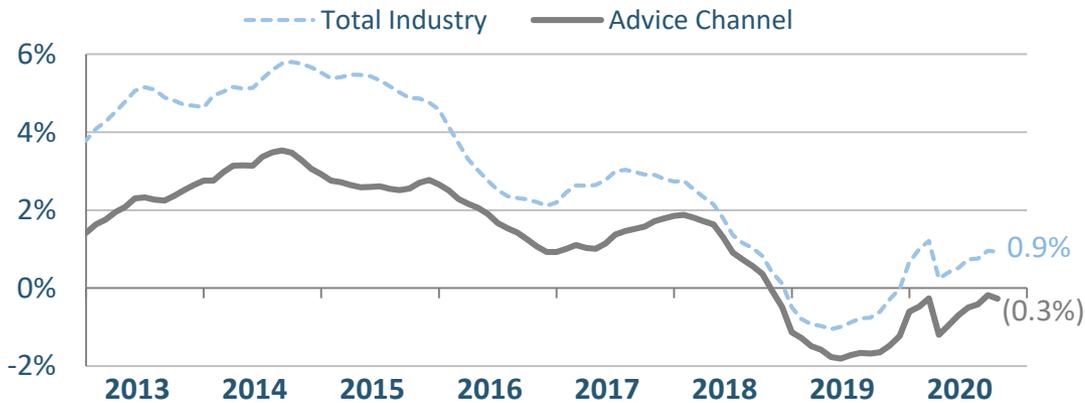
2) IGM Financial's asset mix for total assets under management as at September 30, 2020 was 63.8% equities, 31.3% fixed income, and 4.9% other.

# Industry Operating Environment

## Industry Long-term Net Sales (\$B)



## Long-term Mutual Fund Net Sales Rate (Last Twelve Month Trailing, % of Average AUM)



Source: ISS Market Intelligence Simfund data reflecting the "Funds Administration View" and excluding exchange traded funds. "Advice channel" includes "Independents" (including IGM Financial), "Life Insurers" and other select companies. "Other" includes direct sellers, unions & associations and others. "Net Sales" reflects gross sales less redemptions and is presented by ISS Market Intelligence Simfund as "Net New Money". Industry net sales include net flows for sponsors who do not publish net sales. Net transfers are excluded from all reported figures.

# IGM Financial has Realigned our Three Reportable Segments so that Financial Reporting and Related Disclosures Better Characterize our Distinct Business Lines and Help Stakeholders Understand and Assess Components of Value

Wealth Management	Asset Management	Strategic Investments & Other
  <p>AUA \$125B</p> <p>68% of EBIT<sup>1</sup></p>	 <p>MACKENZIE Investments</p> <p>AUM \$147B</p> <p>20% of EBIT<sup>1</sup></p>	<p>12% of EBIT<sup>1</sup></p>
<p>Reflects the activities of operating companies that are principally focused on providing financial planning and related services to Canadian households.</p> <ol style="list-style-type: none"> <li>Includes the activities of IG Wealth Management and Investment Planning Counsel</li> <li>Retail distribution organizations, providing personalized financial services primarily through mutual fund and securities dealers.</li> <li>Majority of the revenues derived from financial advisory fees and other product distribution revenue. Most fees are earned on “assets under advisement” versus “assets under management”.</li> <li>While these firms have no in-house portfolio management capabilities, through their product offerings they retain leading sub-advisors and earn revenue from mutual fund management and discretionary portfolio management services.</li> </ol>	<p>Reflects the activities of operating companies primarily focused on providing investment management services.</p> <ol style="list-style-type: none"> <li>Represents the operations of Mackenzie Investments.</li> <li>Investment management services are provided to:             <ol style="list-style-type: none"> <li>a suite of investment funds that are distributed through third party dealers and financial advisors,</li> <li>institutional advisory mandates to pension and other institutional investors, and</li> <li>sub-advisory services to the Wealth Management segment.</li> </ol> </li> </ol>	<p>Represents strategic investments made by the company and capital not allocated for use by underlying operating businesses:</p> <ol style="list-style-type: none"> <li> <b>ChinaAMC</b></li> <li> <b>LIFECO</b> INC.</li> <li> <b>Wealthsimple</b></li> <li> <b>PORTAGE</b> ventures</li> <li> <b>Northleaf</b> Capital Partners <span style="float: right;">Closed Oct. 28<sup>th</sup>, 2020</span></li> <li>Unallocated Capital</li> </ol> <ul style="list-style-type: none"> <li>Investments are classified in this segment (as opposed to the Wealth Management or Asset Management segment) when warranted due to different market segments, growth profiles or other unique characteristics.</li> </ul>

Note: AUM and AUA presented as at September 30, 2020.  
 1) EBIT percentage based on full-year 2019.

# IGM Financial Q3, 2020 Results

## Daily Total AUM & AUA (\$B)

— Total AUM&A      — Annual Average AUM&A  
— Quarterly Average AUM&A      — Investment Fund Assets



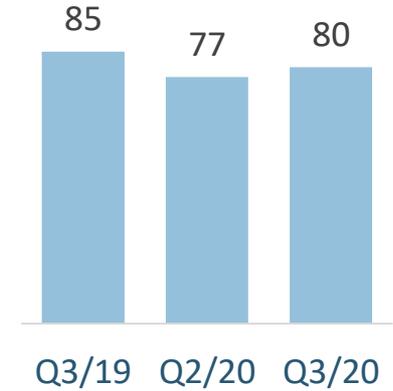
## Net Earnings (\$MM)



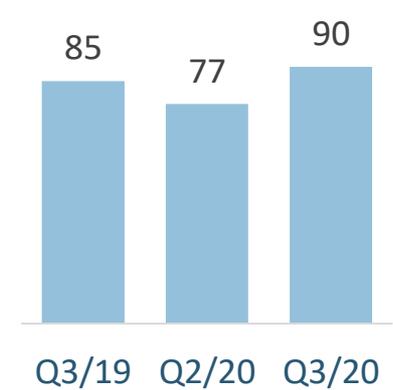
## Adjusted Net Earnings<sup>1</sup> (\$MM)



## Net Earnings Per Share (¢)



## Adjusted Net Earnings Per Share<sup>1</sup> (¢)



1) Excludes other items of net (\$23.3MM) after-tax in Q3, 2020 (see slide 4 for additional details).

# Adjusted Earnings before Interest & Tax by Segment

\$ millions	Wealth Management		Asset Management	Strategic Investments & Other				IGM Financial
	 			     				
<b>Quarter</b>								
<b>Q3 2020</b>	<b>181.7</b>	<b>5.3</b>	<b>70.5</b>	<b>33.0</b>	<b>10.5</b>	<b>-</b>	<b>(0.6)</b>	<b>300.4</b>
Quarter-over-quarter change	<b>17.5%</b>	<b>15.2%</b>	<b>28.9%</b>	(4.3%)	1.9%			<b>16.0%</b>
Year-over-year change	(5.7%)	(18.5%)	<b>16.7%</b>	<b>29.4%</b>	<b>36.4%</b>			<b>3.8%</b>
Q2 2020	154.6	4.6	54.7	34.5	10.3	(1.5)	1.7	258.9
Q3 2019	192.7	6.5	60.4	25.5	7.7	(4.3)	1.0	289.5
<b>Year-to-date</b>								
<b>2020</b>	<b>497.4</b>	<b>15.3</b>	<b>174.2</b>	<b>81.8</b>	<b>29.7</b>	<b>(4.6)</b>	<b>1.7</b>	<b>795.5</b>
% Change	(5.3%)	(17.0%)	2.8%	3.3%	29.7%			(1.3%)
2019	525.1	18.4	169.4	79.2	22.9	(12.3)	3.1	805.8

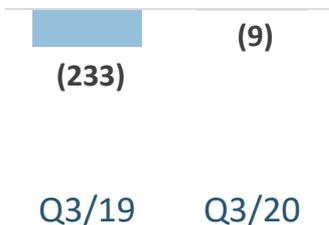
# Third Quarter and Year-to-Date Net Flows

## Wealth Management

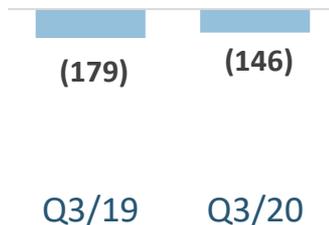


Up \$224MM

Quarter  
(\$MM)



Up \$33MM



## Asset Management



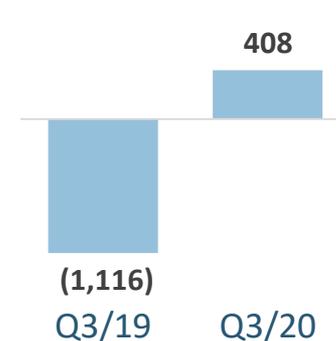
Up \$1,305MM



## IGM Consolidated

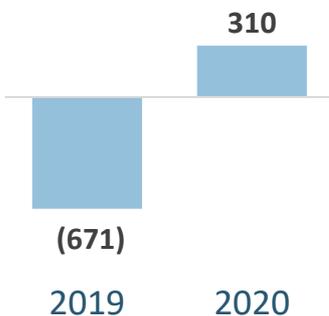


Up \$1,524MM

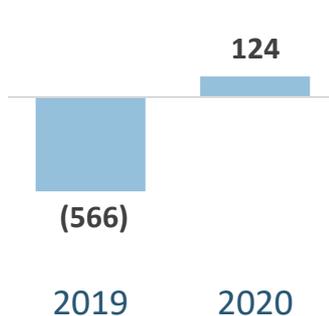


Year-to-date  
(\$MM)

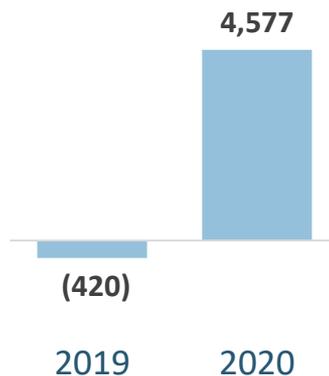
Up \$981MM



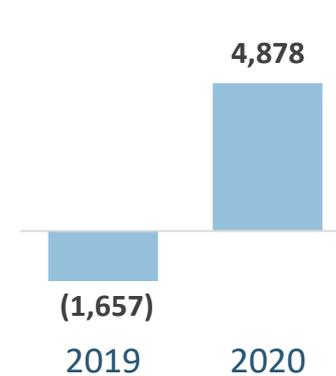
Up \$690MM



Up \$4,997MM



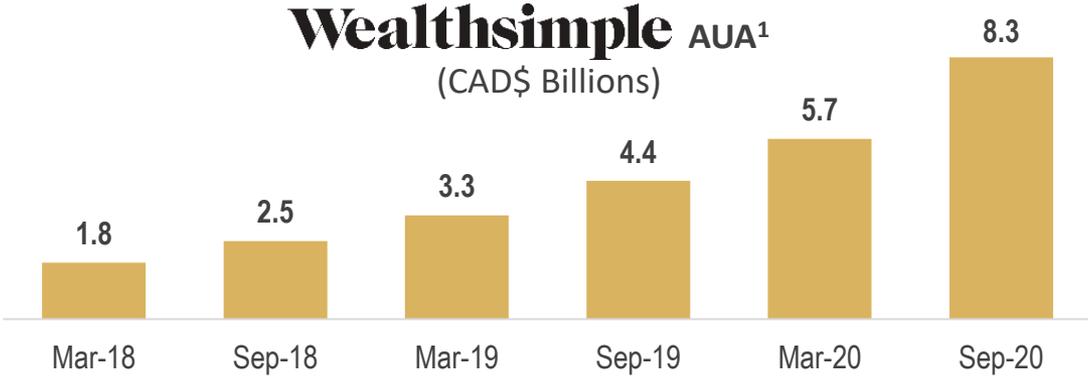
Up \$6,535MM



# Wealthsimple Equity Fundraising Reinforces Momentum and Enhances Value For IGM Shareholders

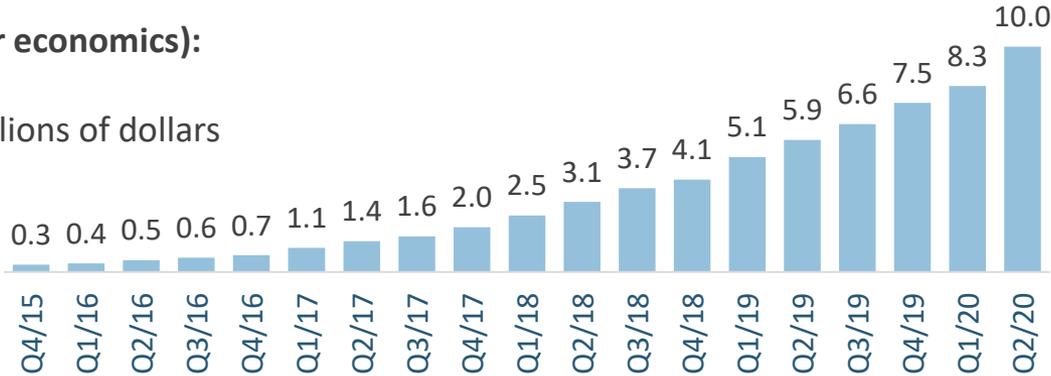
- CAD \$114MM equity fundraising led by TCV, one of the largest growth equity investors focused on technology
- IGM is the largest shareholder with a 36% fully diluted proforma interest and, collectively, the Power group holds 62%
- As a result, IGM adjusted the fair value assessment of its investment up to \$550 million

Wealthsimple AUA of CAD \$8.3B increased 89.5% year-over-year<sup>1</sup>



## Canadian Robo-advice Industry (per investor economics): Online Advice Expands Across Canada

Robo-advice assets under management in billions of dollars



Source: Investor Economics, Fintech Advisory Services—Canada

1) Excludes AUA related to W4A which has been disposed.

# Execution of Transformation Program Continues in Q3 with New Initiatives to Modernize our Technology Platform by Partnering with Leading Firms



Launched new dealer platform in Q4/16 for IG Wealth Management. Migration of all client accounts onto new platform substantively complete  
 New fee-based account made available to all clients in Jan. 2020 (previously only available to high net worth) with ongoing migration of client accounts

## Client & Advisor Experience

IGM announced five year plan to modernize its technology and operations to enhance efficiency and elevate the client and advisor experience



Q4/18 Launched IG National Service Centre to serve mass market clients and improve advisor efficiency



Q3/19 Financial well-being score tool



Q4/19 Launched IG Advisor Portal (CRM tool) through mobile and web channels for IG Wealth Management advisors and their clients. Powered by Salesforce's financial services cloud and delivered with the support of Slalom, a technology consulting firm, IG Advisor Portal enhances the advisor and client experience



Q1/20 DocuSign & e-signatures implemented to help serve advisors and clients in remote environment



Q2/20 Announced partnership with Conquest, a best-in class financial planning tool to replace existing PFP software. Roll-out in Q4/20



## Back-office Transformation (Savings helping to fund enhancements to client and advisor experiences)

Q3/19 Outsourced fund services to CIBC Mellon Global Securities Services



Q4/19 Announced adoption of Google Cloud to manage data platform and enhance capabilities including advanced analytics, data mining and Artificial Intelligence



**H2/19 initiatives**  
 ~\$20 million per year in savings

Q3/20 Mainframe Hosting: Outsourcing to IBM



Q3/20 End-User IT Services: Outsourcing to Soroc Technology



Q3/20 Process Automation: Accelerate automation of core business process leveraging investment in new dealer platform & salesforce; partnering with Capco



**New Q3 initiatives**  
 ~\$20 million per year in savings





# IG WEALTH MANAGEMENT



**DAMON MURCHISON**

PRESIDENT & CEO

IG WEALTH MANAGEMENT

# IG Wealth Management Q3, 2020 Highlights

**1** IG record high quarter-end AUM&A of \$97.5B as at September 30, 2020, up 3.9% during Q3

- Third quarter client returns were positive ~4%

**2** IG net flows of negative \$9MM, an improvement of \$224MM relative to Q3 2019

- Year-to-date September 2020 net flows are positive \$310MM, up roughly \$1B relative to last year
- Strong October 2020 net flows of \$111MM, second best in the last 10 years

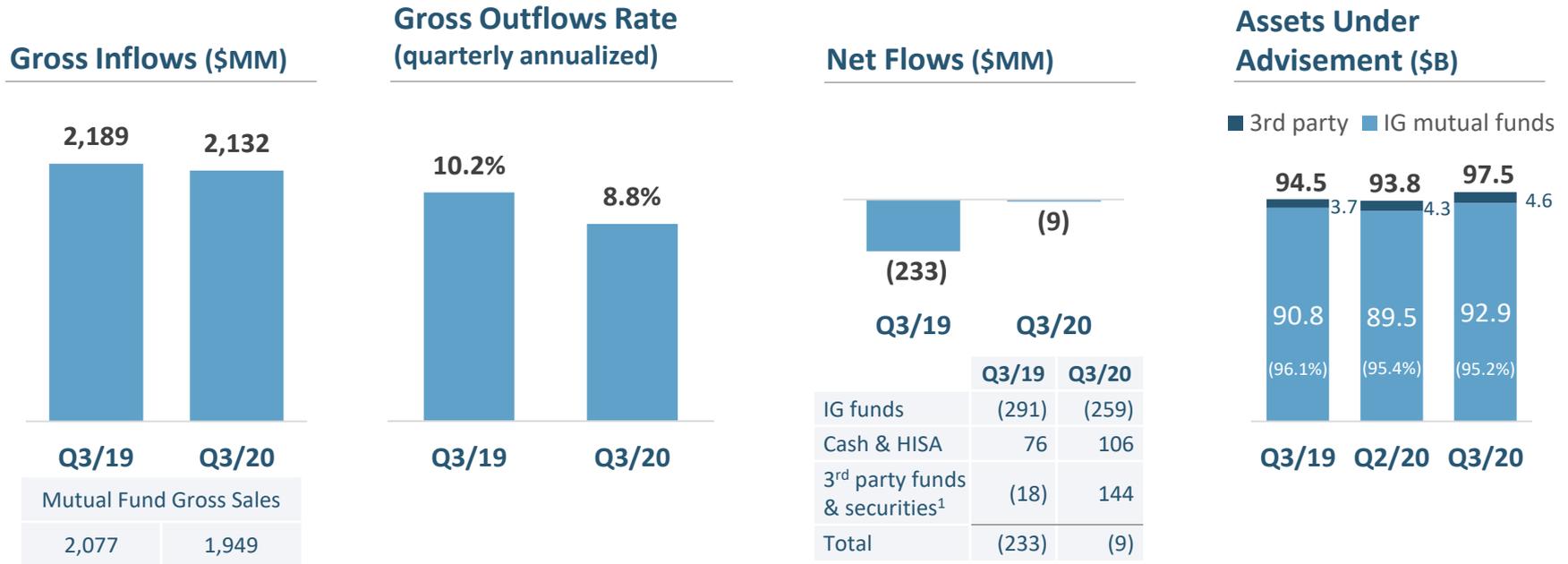
**3** Gross inflow momentum accelerated starting in August, driven by high net worth client acquisition

- Strong momentum has continued into the fourth quarter, with the best October gross inflows in a decade

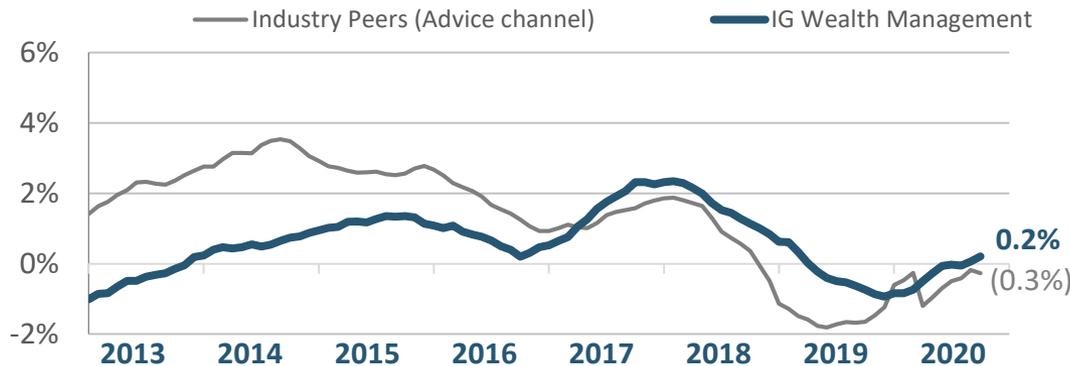
**4** IG Consultant practices increased by 13 to 1,856, reflecting strong recruiting of experienced advisors and success of past recruits

- Highest number of quality recruits appointed in a quarter since Q4/17
- Total IG Consultant network reached 3,363, up 45 during the third quarter

# IG Wealth Management Q3, 2020 Operating Results



## Net Flows Rate<sup>2</sup> (Last Twelve Month Trailing, % of Average Assets)



Source: ISS Market Intelligence Simfund

- Gross inflows of \$2.1B
- Gross outflows rate improved to 8.8% from 10.2%
- Net flows were (\$9MM), up \$224MM year-over-year

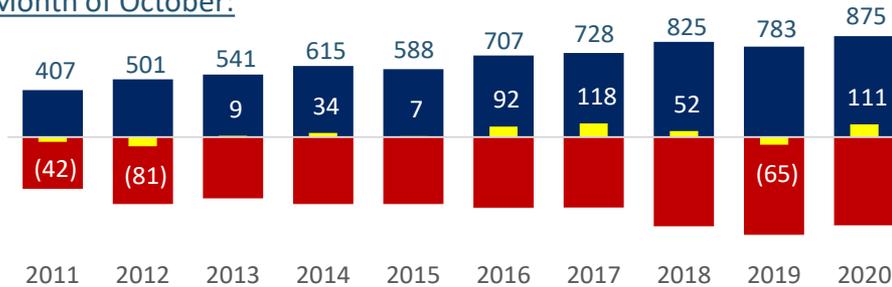
1) 3<sup>rd</sup> party funds & securities net flows primarily relate to in-kind transfers to IG Wealth from other financial institutions. 2) Advice channel reflects long-term mutual fund net sales and average AUM. IG Wealth Management reflects total net client flows and average AUA effective Q1, 2019. Prior to 2019, IG Wealth reflects total mutual fund net sales and average AUM.

# Momentum Accelerating in August and into October at IG Wealth

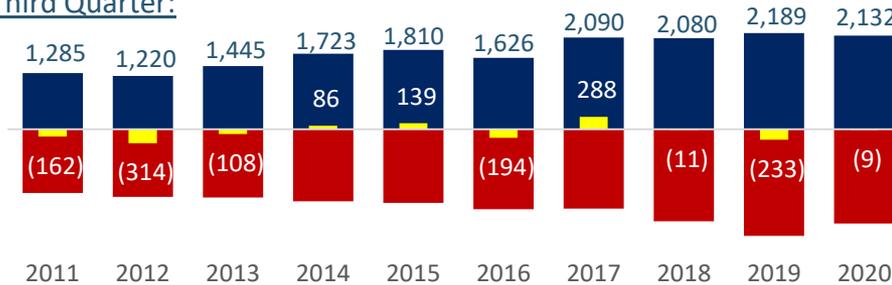
## IG Wealth Management Gross and Net Flows<sup>1</sup> (\$MM)

■ Gross Inflows ■ Gross Outflows ■ Net Flows

### Month of October:



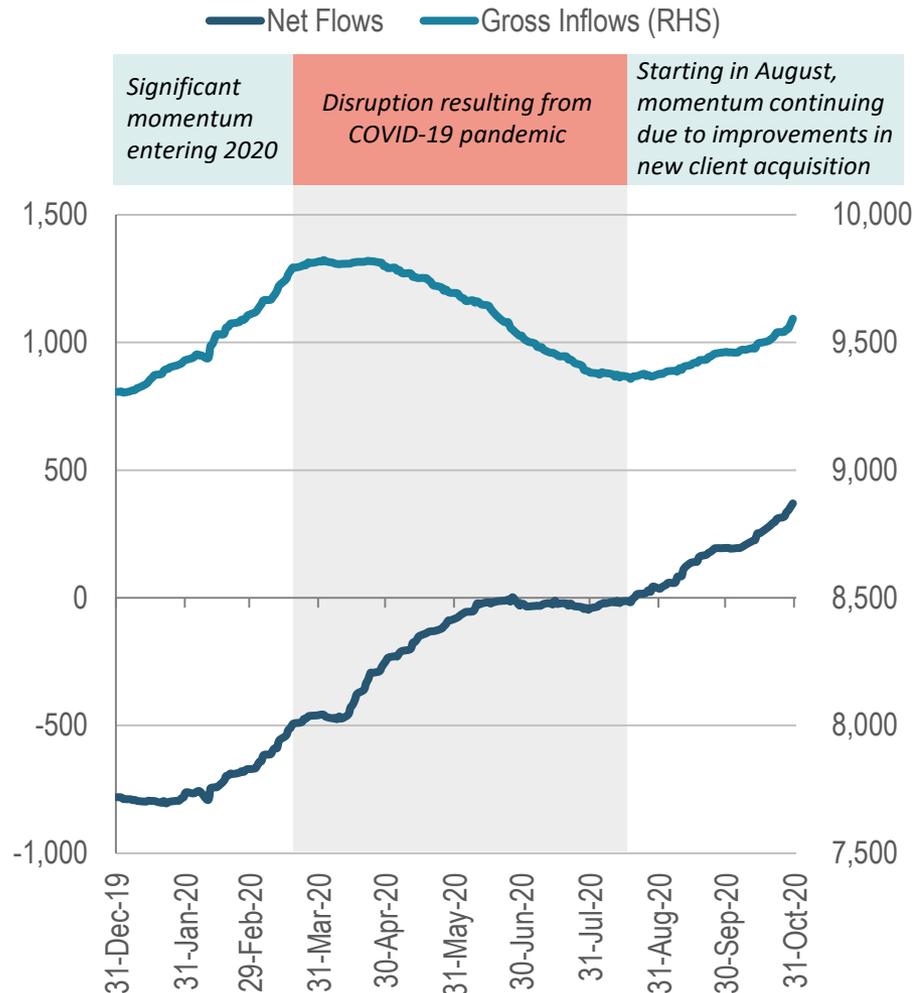
### Third Quarter:



### Year-to-date October:



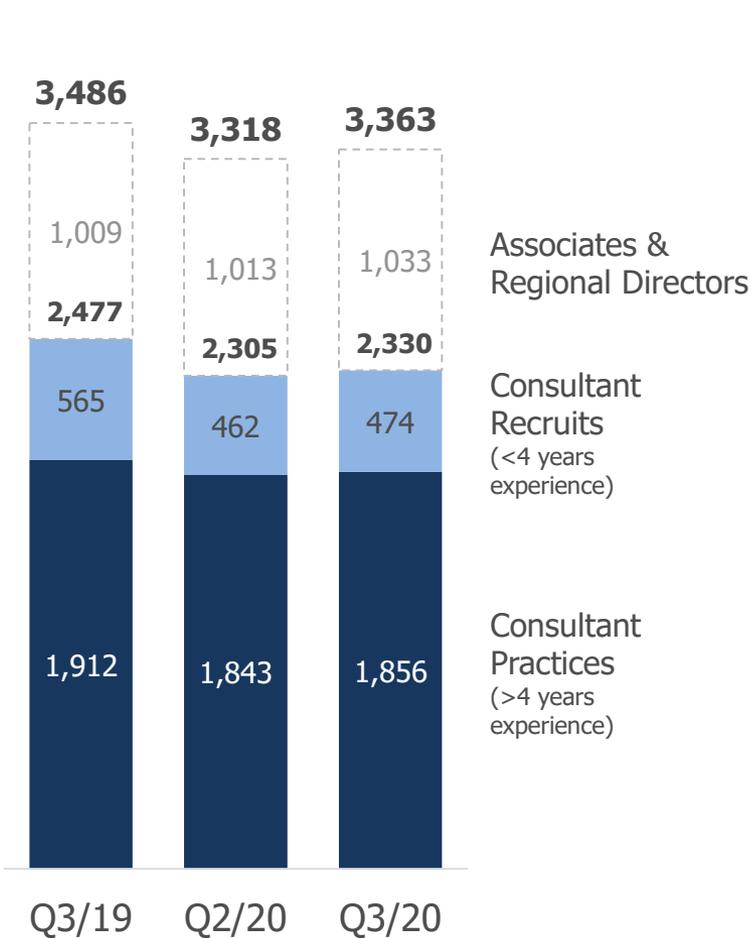
## IG Wealth Management Flows (Last Twelve Month Trailing, \$MM)



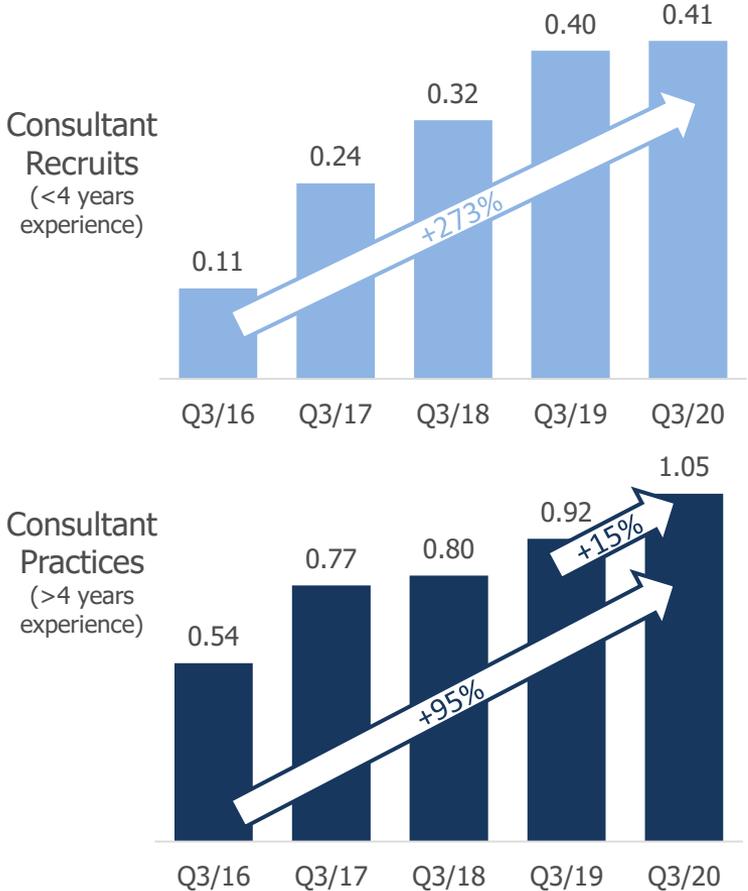
1) Reflects total client flows effective January, 2018 and total mutual fund sales in prior periods.

# Strong Recruiting in Q3 Leading to Growth of Consultant Network; Continued Improvements in Consultant Productivity

## Consultant Network



## Consultant Productivity – Gross Sales per Consultant (\$MM)





# MACKENZIE INVESTMENTS



**BARRY S. MCINERNEY**

PRESIDENT & CEO  
MACKENZIE INVESTMENTS

# Mackenzie Q3, 2020 Highlights

**1** Record high total AUM was \$147.3B at September 30, 2020, up 4.5% in the quarter

**2** All-time record high third quarter investment fund net sales of \$946MM

- Continued market share gains
- Retail investment fund net sales of \$840MM, marking the 16<sup>th</sup> consecutive quarter of positive retail investment fund net sales

**3** Investment performance reaches a decade high with 61% of mutual fund AUM in 4 or 5 star funds by Morningstar

**4** Mackenzie's overall perception rank improves to 2<sup>nd</sup> in both the 2020 Mutual Fund Advisor Perception Study and the 2020 ETF Advisor Perception Study published by Environics

- Mackenzie ranked 1<sup>st</sup> in the overall quality of its sales organization in the mutual fund Advisor Perception Study

**5** Acquisitions of GLC Asset Management and Northleaf Capital Partners bolsters AUM, adds scale, expands distribution, and enhances product capabilities into private markets

- Both transactions are expected to be accretive to earnings in 2021

# Mackenzie Q3, 2020 Operating Results

## Mutual Fund Gross Sales (\$MM)<sup>3</sup>

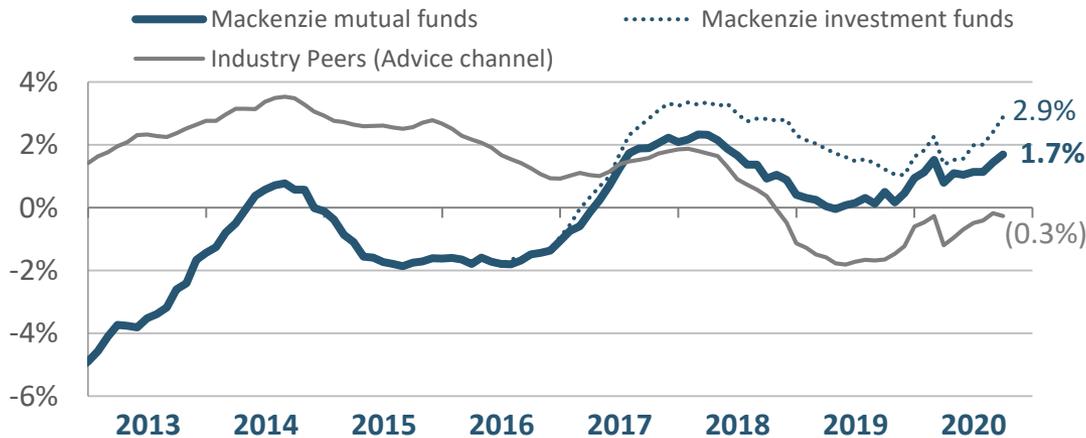


## Net Sales (\$MM)<sup>1,3,4</sup>

	Q3/19	Q3/20
Retail mutual Funds	242	441
Retail ETFs	107	399
<b>Retail investment funds</b>	<b>349</b>	<b>840</b>
Institutional investment funds	105	106
<b>Total investment funds</b>	<b>454</b>	<b>946</b>
Institutional SMA	(1,132) <sup>2</sup>	(319)
<b>Total</b>	<b>(678)</b>	<b>627</b>

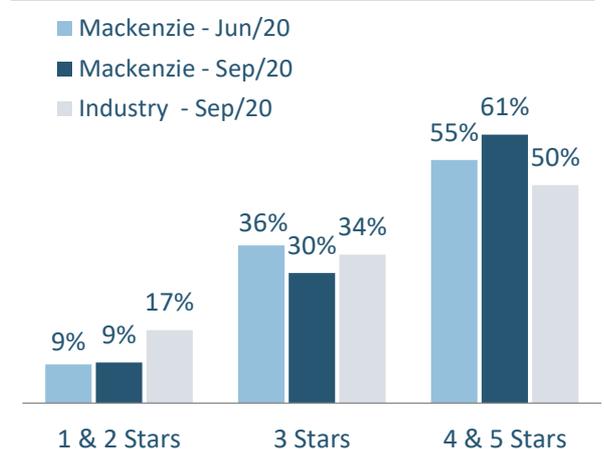
- \$840MM retail net sales, up \$491MM
- 2.9% long-term investment fund net sales rate over the twelve months ending September 30, 2020
- 61% of AUM in 4 or 5 star funds rated by Morningstar, the best in over a decade

## Long-term Fund Net Sales Rate (Last Twelve Month Trailing, % of Average AUM)



Source: ISS Market Intelligence Simfund

## Morningstar Star Ratings<sup>5</sup> (Proportion of Assets)



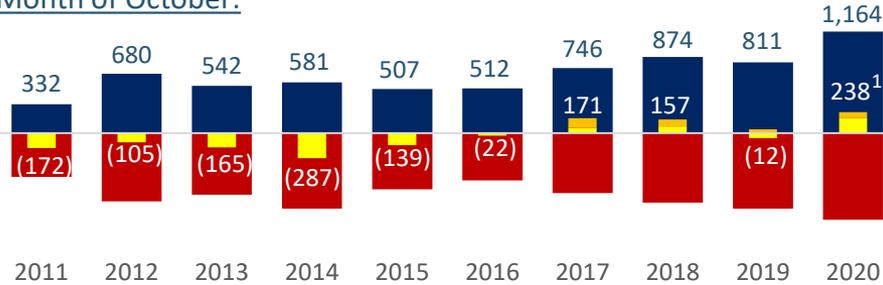
1) Excludes sub-advisory to Wealth Management. 2) During Q3 2019, MD Financial Management reassigned sub-advisory responsibilities totalling \$1.2B on mandates advised upon by Mackenzie. 3) During the third quarter of 2020, institutional clients which include Mackenzie mutual funds within their investment offerings made fund allocation changes which resulted in sales and net sales of \$290 million. 4) During the third quarter of 2020, Wealthsimple made allocation changes which resulted in \$325 million of redemptions from Mackenzie's ETFs. 5) Based on Morningstar data and excludes Quadrus funds.

# Continued Strong Momentum at Mackenzie with a Record-breaking October

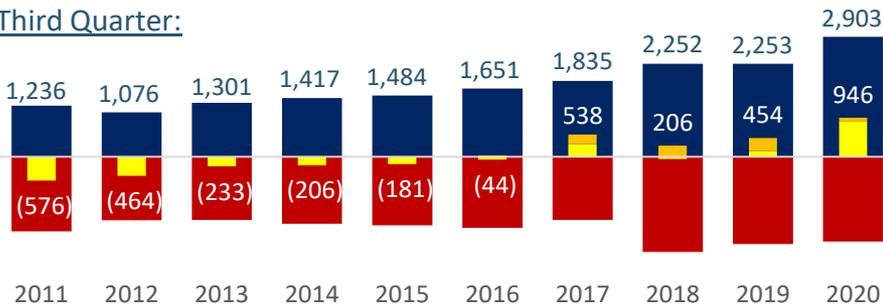
## Mackenzie Investment Fund Flows<sup>1</sup> (\$MM)

■ Gross Sales ■ Redemptions ■ Mutual Fund Net Sales ■ ETF Net Flows

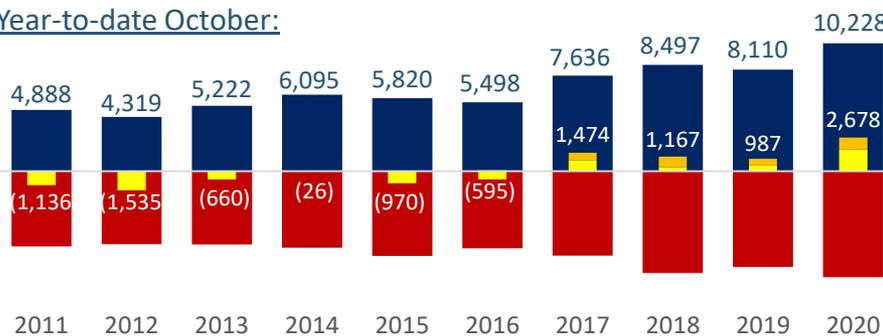
### Month of October:



### Third Quarter:



### Year-to-date October:



## Mackenzie Investment Funds Net Flows<sup>1</sup> (Last Twelve Month Trailing, \$MM)



1) Excludes net sales from Mackenzie, IG and IPC mutual fund investment in Mackenzie ETFs. Includes gross sales, redemptions, and net sales related to fund allocation changes by clients which include Mackenzie mutual funds within their investment offerings. In October 2020, these fund allocation changes resulted in net redemptions of \$173MM.

# 2020 Advisor Perception Results Show Continued Momentum

Mutual Fund Advisor Perception Study – Mackenzie Results	2013	2015	2017	2018	2019	2020
Overall Perception Rank	12 <sup>th</sup>	5 <sup>th</sup>	3 <sup>rd</sup>	3 <sup>rd</sup>	3 <sup>rd</sup>	2 <sup>nd</sup> ↑
Brand Equity Rank	N/A	2 <sup>nd</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>
Overall Quality of Sales Organization	12 <sup>th</sup>	7 <sup>th</sup> <sup>2</sup>	2 <sup>nd</sup>	1 <sup>st</sup> <sup>2</sup>	2 <sup>nd</sup> <sup>2</sup>	1 <sup>st</sup> ↑
MFDA Sales Penetration <sup>1</sup>	49%   3 <sup>rd</sup>	50%   3 <sup>rd</sup>	52%   2 <sup>nd</sup>	57%   2 <sup>nd</sup>	61%   2 <sup>nd</sup>	60%   2 <sup>nd</sup>
IIROC Sales Penetration <sup>1</sup>	34%   6 <sup>th</sup>	36%   5 <sup>th</sup>	38%   3 <sup>rd</sup> <sup>2</sup>	41%   3 <sup>rd</sup>	49%   2 <sup>nd</sup>	50%   2 <sup>nd</sup>

ETF Advisor Perception Study – Mackenzie Results	2017 (NEW)	2018	2019	2020
Overall Perception Rank	10 <sup>th</sup>	3 <sup>rd</sup> <sup>2</sup>	5 <sup>th</sup> <sup>2</sup>	2 <sup>nd</sup> ↑
Overall Quality of Sales Organization	7 <sup>th</sup>	1 <sup>st</sup> <sup>2</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>
Range of Product – Actively Managed	7 <sup>th</sup>	3 <sup>rd</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>
Range of Product – Smart Beta	10 <sup>th</sup>	2 <sup>nd</sup>	4 <sup>th</sup>	3 <sup>rd</sup> ↑

Sources: Environics Advisor Perception Study Investment Reports & Environics Advisor Perception Study ETF Reports. 1) Sales Penetration is the proportion of people in a target market that purchase from a particular company. In 2020, IIROC sale penetration is categorized as bank and independent. Percentage shown reflects the weighted average. 2) Tied with one other firm.

# Five Areas of Product Emphasis for Mackenzie

Areas of Emphasis	Macro Thesis	Mackenzie Capabilities		Selected Highlights	Current AUM
		Dedicated Leader/Team	Capabilities		
<b>1. Sustainable, Responsible and Impact Investing</b>	<i>\$23T market with diversified retail and institutional interest</i>	✓ (est. 2019)	<ul style="list-style-type: none"> <li>ESG integration across boutiques</li> <li>In-house capabilities supported by exclusive sub-advisors</li> </ul>	<ul style="list-style-type: none"> <li>Mackenzie Global Environmental Equity Fund (\$100MM net inflows YTD; 99<sup>th</sup> percentile over 1 year<sup>5</sup>)</li> </ul>	<ul style="list-style-type: none"> <li>SRI: \$1B</li> </ul>
<b>2. Alternative &amp; Private Investments</b>	<i>Alternatives are expected to account for ~50% of the global asset management revenue pool by 2024<sup>1</sup></i>	✓ (est. 2019)	<ul style="list-style-type: none"> <li>56% economic interest in Northleaf, a leading private equity, private credit and infrastructure firm with global capability (acquired in 2020)</li> </ul>	<ul style="list-style-type: none"> <li>Mackenzie's liquid alternative funds</li> <li>Near-term launch of private markets solutions with Northleaf</li> </ul>	<ul style="list-style-type: none"> <li>Mackenzie liquid alts: \$3.5B</li> <li>Northleaf privates: \$13.7B<sup>2</sup></li> </ul>
<b>3. Exchange Traded Funds</b>	<i>Continued growth in Canada &amp; globally; Advantage to diversified solutions providers</i>	✓ (est. 2016)	<ul style="list-style-type: none"> <li>6<sup>th</sup> largest ETF provider in Canada</li> <li>Ranked #2 in Advisor Perception Study</li> </ul>	<ul style="list-style-type: none"> <li>Diversified across active, smart beta, and traditional passive</li> </ul>	<ul style="list-style-type: none"> <li>ETFs: \$7.5B</li> </ul>
<b>4. Retirement-focused solutions</b>	<i>Canadian retirement wealth expected to double by 2026<sup>3</sup></i>	✓ (est. 2020)	<ul style="list-style-type: none"> <li>Product &amp; investment management</li> <li>GLC acquisition establishes Mackenzie as top 3 provider to group retirement channel<sup>6</sup></li> </ul>	<ul style="list-style-type: none"> <li>AUM in retirement-focused solutions up 16% year-over-year</li> </ul>	<ul style="list-style-type: none"> <li>Retirement solutions: \$7.2B</li> <li>Group channel: ~\$13B<sup>6</sup></li> </ul>
<b>5. China</b>	<i>China will account for nearly 50% of global net new flows between 2017 and 2030<sup>4</sup>; 2<sup>nd</sup> largest capital markets &amp; economy</i>	✓ (est. 2018)	<ul style="list-style-type: none"> <li>13.9% stake in China AMC, top 3 asset manager in China (acquired in 2017)</li> <li>Mackenzie Beijing office (est. 2018)</li> <li>Hong Kong-based Asia boutique (est. 2000)</li> </ul>	<ul style="list-style-type: none"> <li>Mackenzie All China Equity Fund (99<sup>th</sup> percentile over 1 year<sup>5</sup>)</li> <li>China AMC's AUM &amp; Q3 earnings up 30%+ year-over-year</li> </ul>	<ul style="list-style-type: none"> <li>Mackenzie: \$100MM+</li> <li>China AMC: RMB 1.2T (C\$240B) as at June 30, 2020</li> </ul>

1) BCG Global Asset Management 2020. 2) Northleaf AUM represents invested and committed uninvested capital as at September 30, 2020. 3) Investor Economics 2017 Household Balance Sheet Report - Canada. 4) CaseyQuirk by Deloitte, Leadership in Times of Plenty: Future Winners in China's Asset Management Industry. 5) Percentiles based on Morningstar and illustrate Mackenzie mutual fund gross returns relative to gross returns of other funds in the same category. Management believes that a comparison using gross returns is more reflective of investment performance relative to peers. This is for illustrative purposes only to assist in assessing the portfolio management capabilities of Mackenzie Investments and its affiliates (generally) and is not intended to provide performance information to investors considering investing in one or more of Mackenzie's funds. 6) Pro forma GLC Asset Management acquisition.

# Northleaf Capital Partners Strategic Relationship Expands Asset Management Capabilities and Strengthens Distribution Offering

## About Northleaf

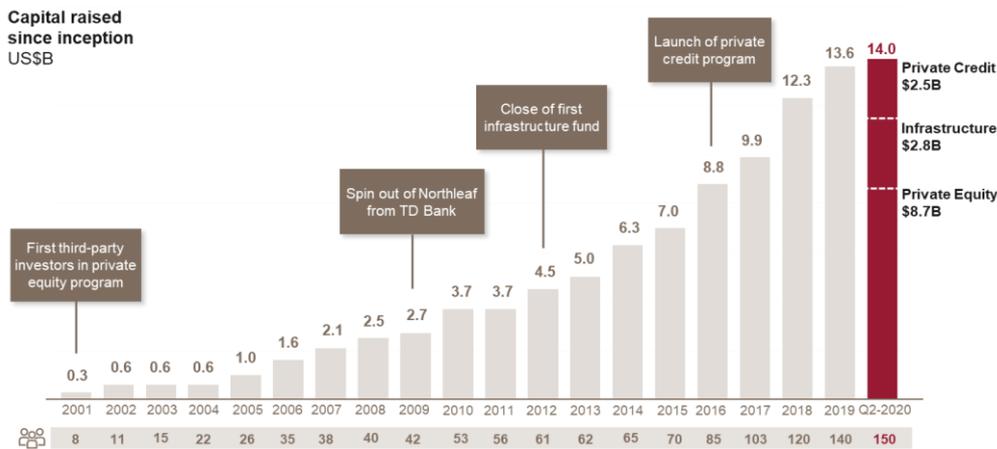
1. An independent mid-market global private equity, private credit and infrastructure investment firm
2. Serving highly reputable institutional investors
3. Headquartered in Toronto, Canada, Northleaf employs 140 experienced professionals across 7 global offices
4. Established track-record with private equity launch in 2001 (Infrastructure 2010 & private credit in 2016)
5. C\$17.6B in capital raised since inception and ~\$13.7B in AUM<sup>1</sup>

## Key Terms

1. **Mackenzie & Lifeco jointly acquire 70% economic interest in Northleaf (49.9% voting)** through an acquisition vehicle 80% owned by Mackenzie and 20% owned by Lifeco
  - Mackenzie and Lifeco will have an obligation and right to purchase an additional equity and voting interest in the firm commencing in approximately five years and extending into future periods
2. **Purchase price of \$241MM<sup>2</sup> up-front;** Earn-out payable in five years with exceptional growth of firm

## Strategic Rationale

1. **Expands Mackenzie's capabilities** to offer global private equity, private credit and infrastructure investment solutions; Mackenzie product launches imminent
2. **Enhances offering at IG Wealth Management,** with emphasis on high-net worth and mass affluent client segments; IG managed solutions allocations to Northleaf products in Q3
3. **Advances Lifeco's strategy** to expand alternative investments for its balance sheet & global distribution channels.
4. **Accelerates Northleaf's growth strategy** by providing additional access to balance sheet capital, global relationships and best-in-class retail product development and distribution; No change to investment processes.
5. **Provides financial benefit** from vertical integration and expected to be accretive in 2021



1) Northleaf AUM represents invested and committed uninvested capital as at September 30, 2020. 2) Net of purchase price adjustments.



# IGM FINANCIAL

## Financial Highlights



**LUKE GOULD**

EXECUTIVE VICE-PRESIDENT & CFO  
IGM FINANCIAL

# Assets Under Management & Advisement

## IGM Assets Under Management & Advisement (\$B)



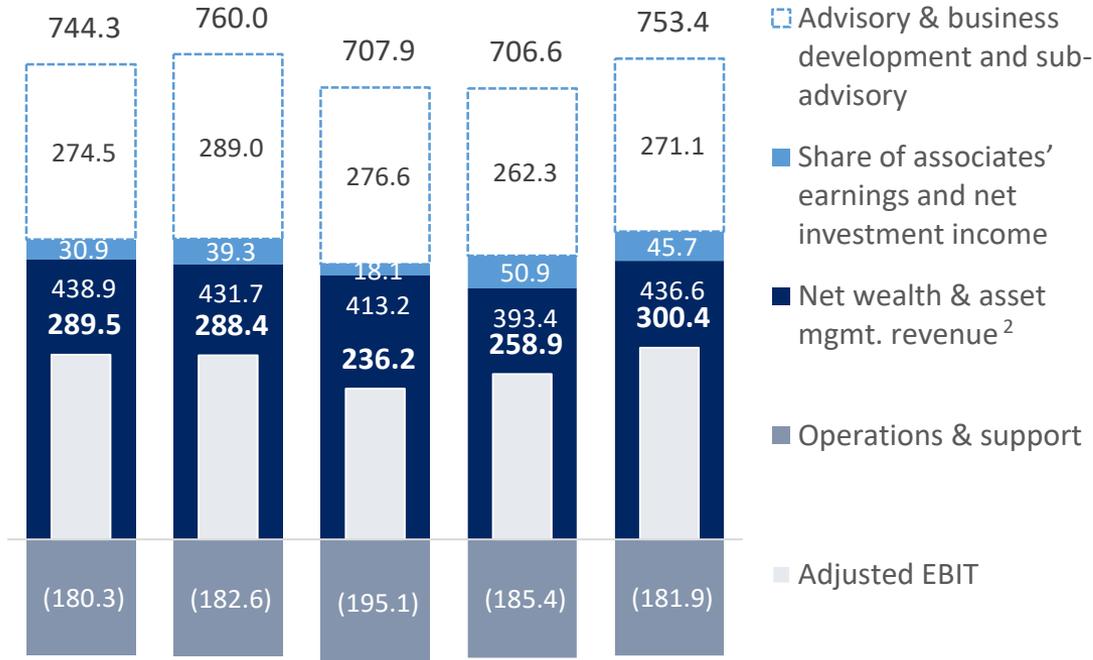
## Change in IGM AUM & AUA (\$B)

	Q3/19	Q4/19	Q1/20	Q2/20	Q3/20	LTM
Opening AUM & AUA	184.9	185.1	190.0	168.4	188.3	185.1
IG Wealth Management Net Flows	(0.2)	(0.1)	0.4	(0.1)	(0.0)	0.2
IPC Net Flows	(0.2)	(0.0)	0.1	0.2	(0.1)	0.1
Mackenzie Investment Funds	0.5	0.2	0.4	1.1	0.9	2.7
Mackenzie SMA	(1.1) <sup>1</sup>	(0.1)	(0.1)	2.5	(0.3)	2.1
<b>IGM Total Net Flows (includes eliminations)</b>	<b>(1.1)</b>	<b>(0.0)</b>	<b>0.8</b>	<b>3.6</b>	<b>0.4</b>	<b>4.9</b>
Investment Returns	1.4	4.9	(22.5)	16.2	7.7	6.2
<b>Ending AUM &amp; AUA</b>	<b>185.1</b>	<b>190.0</b>	<b>168.4</b>	<b>188.3</b>	<b>196.4</b>	<b>196.4</b>
% Change in AUM & AUA	0.1%	2.6%	-11.4%	11.8%	4.3%	6.1%
<b>Average Total AUM &amp; AUA</b>	<b>184.7</b>	<b>187.4</b>	<b>186.0</b>	<b>181.5</b>	<b>194.9</b>	<b>187.4</b>
Annualized Net Flows Rate:						
Total Net Flows (including eliminations)	-2.4%	0.0%	1.8%	8.1%	0.8%	<b>2.6%</b>
Investment Returns Rate	0.8%	2.6%	-11.8%	9.6%	4.1%	<b>3.4%</b>
S&P / TSX Total Return	2.5%	3.2%	-20.9%	17.0%	4.7%	0.0%
S&P 500 Total Return (in \$USD)	1.7%	9.1%	-19.6%	20.5%	8.9%	15.1%
USD vs. CAD	1.1%	-1.9%	8.3%	-3.5%	-1.9%	0.6%

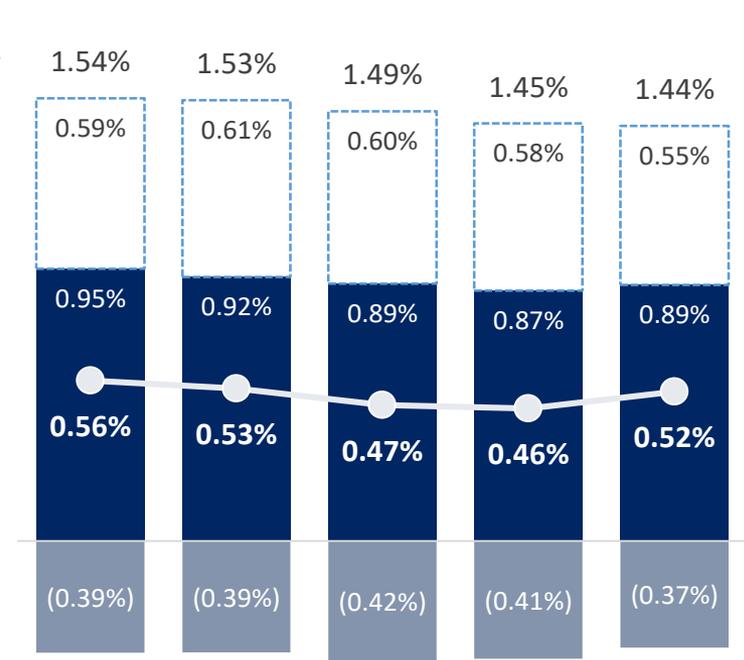
1) Includes \$1,156MM net redemptions during Q3/19 relating to MD Financial Management's re-assignment of sub-advisory responsibilities previously advised by Mackenzie.

# IGM Adjusted EBIT & Margins

## IGM Adjusted EBIT<sup>1</sup> (\$MM)



## IGM Adjusted EBIT Margin<sup>1,3</sup> (% of AUM&A)



Q3/19    Q4/19    Q1/20    Q2/20    Q3/20

Q3/19    Q4/19    Q1/20    Q2/20    Q3/20

184.7    187.4    186.0    181.5    194.9

Average assets under management and advisement (AUM&A, \$B)

1) Excludes other items where appropriate (see slide 4 for additional details). 2) Net wealth & asset mgmt. revenue reflects total wealth and net asset management revenue less i) advisory & business development expenses, and ii) sub-advisory expenses. 3) Excludes net investment income & share of associates' earnings.

# IGM Financial Consolidated Profitability<sup>1</sup>

\$ Millions (unless otherwise noted):

IGM Financial Consolidated	Q3/19	Q2/20	Q3/20	Change YoY		Change QoQ	
				\$	%	\$	%
Days in the period	92	91	92		0.0%		1.1%
<b>Average AUM &amp; AUA (\$ Billions)</b>							
Wealth Management AUM & AUA	121.2	117.1	124.3	3.1	2.5%	7.2	6.2%
Asset Management AUM (3rd party)	66.3	67.3	73.7	7.4	11.1%	6.4	9.5%
Consolidated AUM & AUA	<b>184.7</b>	<b>181.5</b>	<b>194.9</b>	<b>10.2</b>	<b>5.5%</b>	<b>13.4</b>	<b>7.4%</b>
<b>Revenues</b>	<i>Colour shading conveys key drivers and related revenue &amp; expense items<sup>2</sup></i>						
Wealth management	<b>581.1</b>	<b>531.1</b>	<b>571.6</b>	(9.5)	(1.6%)	40.6	7.6%
Net asset management	<b>132.3</b>	<b>124.6</b>	<b>136.1</b>	3.8	2.9%	11.5	9.3%
Wealth & net asset management revenue	<b>713.4</b>	<b>655.7</b>	<b>707.7</b>	(5.7)	(0.8%)	52.0	7.9%
Net investment income and other	2.0	7.6	2.2	0.2	8.6%	(5.4)	(70.8%)
Proportionate share of associates' earnings	28.9	43.3	43.5	14.6	50.5%	0.2	0.5%
	<b>744.3</b>	<b>706.6</b>	<b>753.4</b>	<b>9.1</b>	<b>1.2%</b>	<b>46.8</b>	<b>6.6%</b>
<b>Expenses</b>							
Advisory and business development	257.1	245.4	252.6	(4.5)	(1.7%)	7.2	2.9%
Operations and support	<b>180.3</b>	<b>185.4</b>	<b>181.9</b>	1.6	0.9%	(3.5)	(1.9%)
Sub-advisory	17.4	16.9	18.5	1.1	6.6%	1.6	9.6%
	<b>454.8</b>	<b>447.7</b>	<b>453.0</b>	<b>(1.8)</b>	<b>(0.4%)</b>	<b>5.3</b>	<b>1.2%</b>
<b>Adjusted EBIT</b>	<b>289.5</b>	<b>258.9</b>	<b>300.4</b>	<b>10.9</b>	<b>3.8%</b>	<b>41.6</b>	<b>16.1%</b>
Interest expense	27.8	27.5	27.9	0.1	0.5%	0.4	1.6%
Income taxes	59.2	47.9	58.3	(0.9)	(1.6%)	10.4	21.7%
<b>Adjusted net earnings</b>	<b>202.5</b>	<b>183.5</b>	<b>214.2</b>	<b>11.7</b>	<b>5.8%</b>	<b>30.7</b>	<b>16.7%</b>
Wtd. average diluted shares outstanding	238.4	238.3	238.3	(0.1)	(0.0%)	-	0.0%
<b>Adjusted EPS (cents)</b>	<b>85</b>	<b>77</b>	<b>90</b>	<b>5</b>	<b>5.8%</b>	<b>13</b>	<b>16.7%</b>

- 1 In Q2, 2020, net investment income included favourable fair value adjustments on seed capital
- 2 Lower operations and support expenses quarter-over-quarter reflects expense management initiatives.

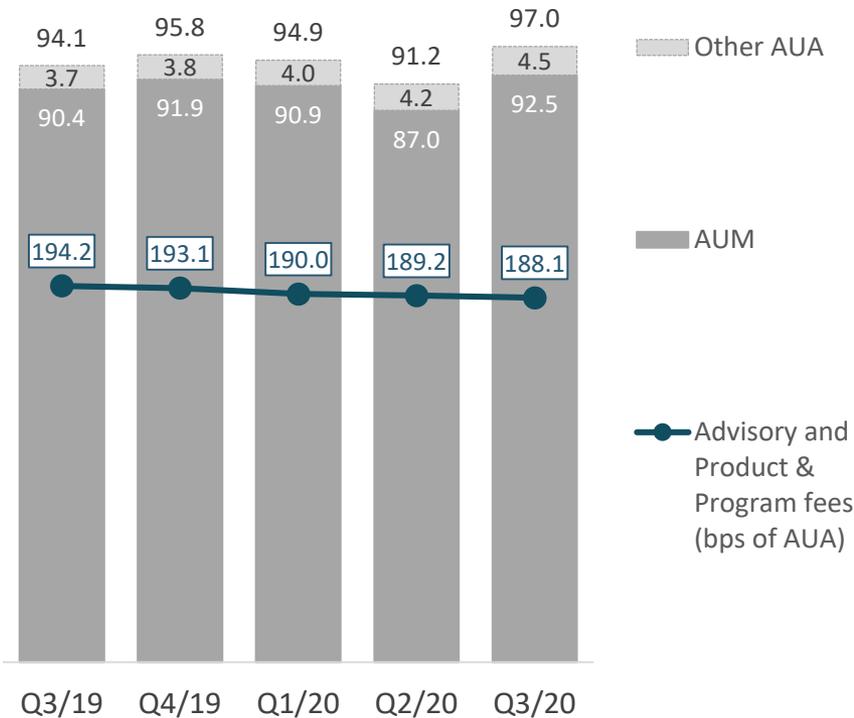
1) Excludes restructuring and other items (see slide 4 for additional details).

2) Colour shading conveys key drivers and related revenue & expense items:

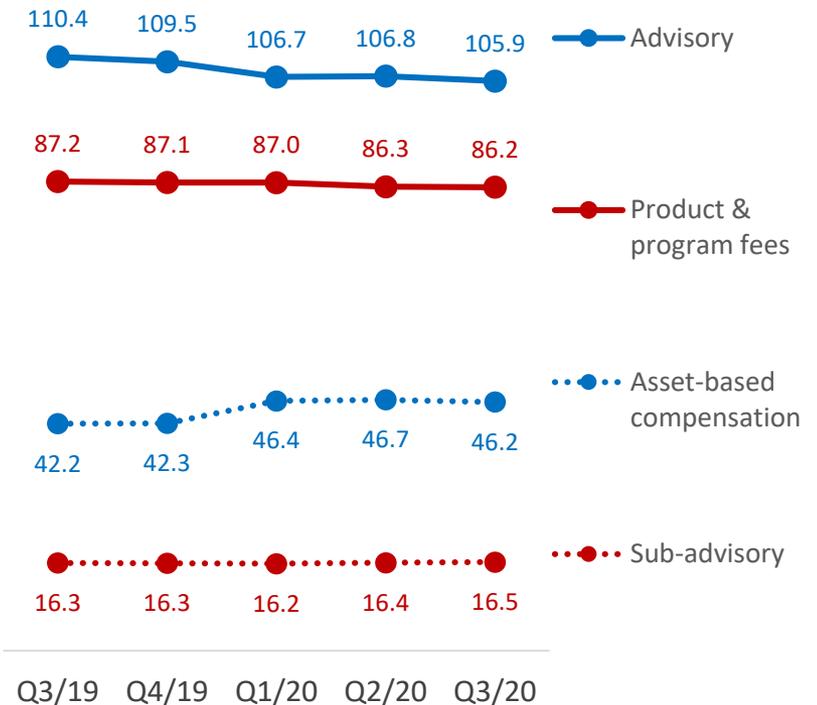
- Blue: Average Wealth Management assets under management and advisement
- Green: Average Asset Management assets under management

# IG Wealth Management Key Profitability Drivers

**Average Assets (\$B), Advisory and Product & Program Fee Rate (bps)<sup>1</sup>**



**Key Revenue & Expenses as bps of Respective Driver (AUA or AUM)<sup>1</sup>**



1) Rates are annualized

# Reminder: IG Wealth Management's Better Gamma (better advice) Leads to 60-65% of Client Outcomes



Gamma – the value of all efforts that sit outside of investment portfolio construction. This includes the value that a financial advisor adds to a client relationship, and comes from the creation and follow through of a well-constructed financial plan.

Beta – the value created by well-constructed investment portfolios – achieving expected investment returns for the lowest possible risk.

Alpha – the value of active management – achieving returns superior to passive benchmarks with a similar composition and risk profile.

## 2019 Operating and Financial Metrics:

<b>\$93.5B in AUA</b>		<b>\$89.9B in AUM</b>	
<b>\$1,034MM (110bps of AUA)</b>	<b>\$190MM</b>	<b>\$785MM (87bps of AUM)</b>	
<b>Advisory fees</b>	<b>Other financial planning revenues<sup>1</sup></b>	<b>Product and program fees</b>	

~60% of Total Fee Revenue (for Advisory fees and Other financial planning revenues)

~40% of Total Fee Revenue (for Product and program fees)

1) Includes redemption fees of \$26MM.

# IG Wealth Management Profitability

\$ Millions (unless otherwise noted)<sup>1</sup>

IG Wealth Management	Q3/19	Q2/20	Q3/20	Change YoY		Change QoQ	
				\$	%	\$	%
Days in the period	92	91	92		0.0%		1.1%
Average Assets under advisement (\$B)	94.1	91.2	97.0	3.0	3.2%	5.9	6.5%
Average Assets under management (\$B)	90.4	87.0	92.5	2.2	2.4%	5.6	6.4%
Gross Inflows (\$B) <sup>2</sup>	2.1	1.9	2.1	0.1	2.6%	0.2	12.2%
<b>Revenues</b>							
<i>Colour shading conveys key drivers and related revenue &amp; expense items<sup>1</sup></i>							
Wealth Management							
Advisory	261.1	242.8	259.1	(2.0)	(0.8%)	16.3	6.7%
Product and program fees	198.1	187.1	201.0	2.9	1.5%	13.9	7.4%
	<b>459.2</b>	<b>429.9</b>	<b>460.1</b>	<b>0.9</b>	<b>0.2%</b>	<b>30.2</b>	<b>7.0%</b>
Redemption fees	6.0	2.9	3.7	(2.3)	(38.6%)	0.8	29.5%
Other financial planning revenues	42.7	31.1	37.2	(5.5)	(12.8%)	6.1	19.5%
	<b>507.9</b>	<b>463.9</b>	<b>501.0</b>	<b>(6.9)</b>	<b>(1.4%)</b>	<b>37.1</b>	<b>8.0%</b>
Net investment income and other	1.7	1.6	0.6	(1.1)	(65.1%)	(1.0)	(63.8%)
	<b>509.6</b>	<b>465.5</b>	<b>501.6</b>	<b>(8.0)</b>	<b>(1.6%)</b>	<b>36.1</b>	<b>7.8%</b>
<b>Expenses</b>							
Advisory and business development							
Asset-based compensation	99.8	106.0	113.1	13.3	13.4%	7.1	6.7%
Sales-based compensation	22.3	8.6	9.5	(12.8)	(57.5%)	0.9	10.0%
Other							
Other Product commissions	16.4	13.2	12.9	(3.5)	(21.6%)	(0.3)	(2.3%)
Business development	46.4	50.0	46.0	(0.4)	(0.8%)	(4.0)	(8.0%)
	184.9	177.8	181.5	(3.4)	(1.8%)	3.7	2.1%
Operations and support	95.0	97.6	100.0	5.0	5.3%	2.4	2.4%
Sub-advisory	37.0	35.5	38.4	1.4	3.8%	2.9	8.3%
	<b>316.9</b>	<b>310.9</b>	<b>319.9</b>	<b>3.0</b>	<b>1.0%</b>	<b>9.0</b>	<b>2.9%</b>
<b>Adjusted EBIT</b>	<b>192.7</b>	<b>154.6</b>	<b>181.7</b>	<b>(11.0)</b>	<b>(5.7%)</b>	<b>27.1</b>	<b>17.5%</b>

- 1 Other financial planning revenues increased as Q2/20 had depressed mortgage income relating to interest rate changes
- 2 Operations and support expenses were relatively flat quarter-over-quarter.

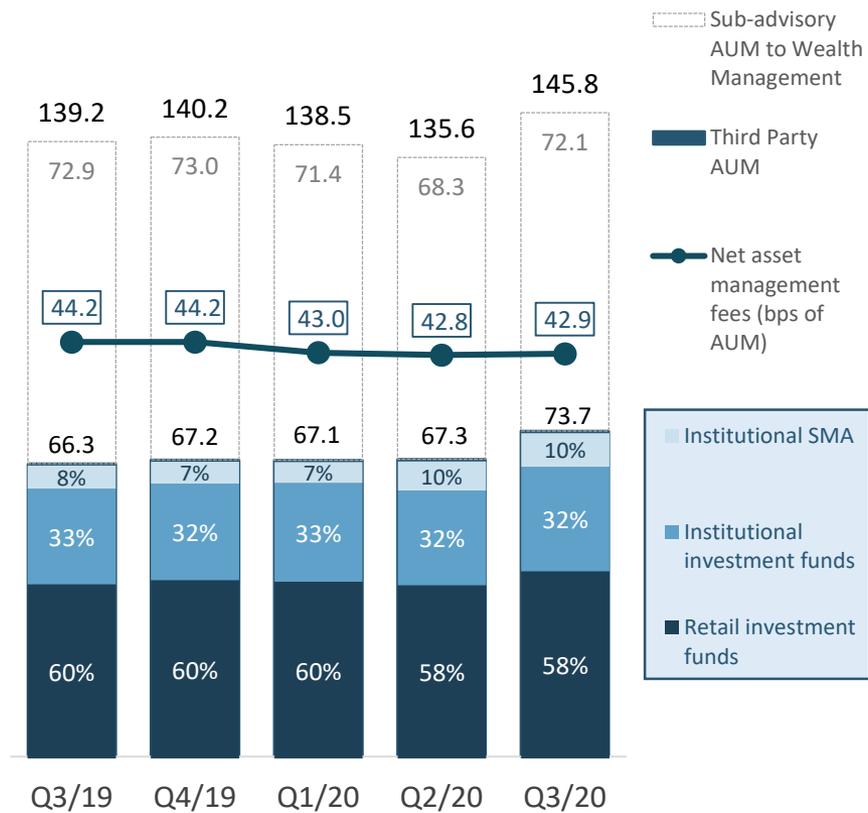
1) Colour shading conveys key drivers and related revenue & expense items:

- Blue: Average assets under advisement
- Orange: Average assets under management
- Yellow: Other product commissions are driven by Other financial planning revenues
- Green: Gross inflows

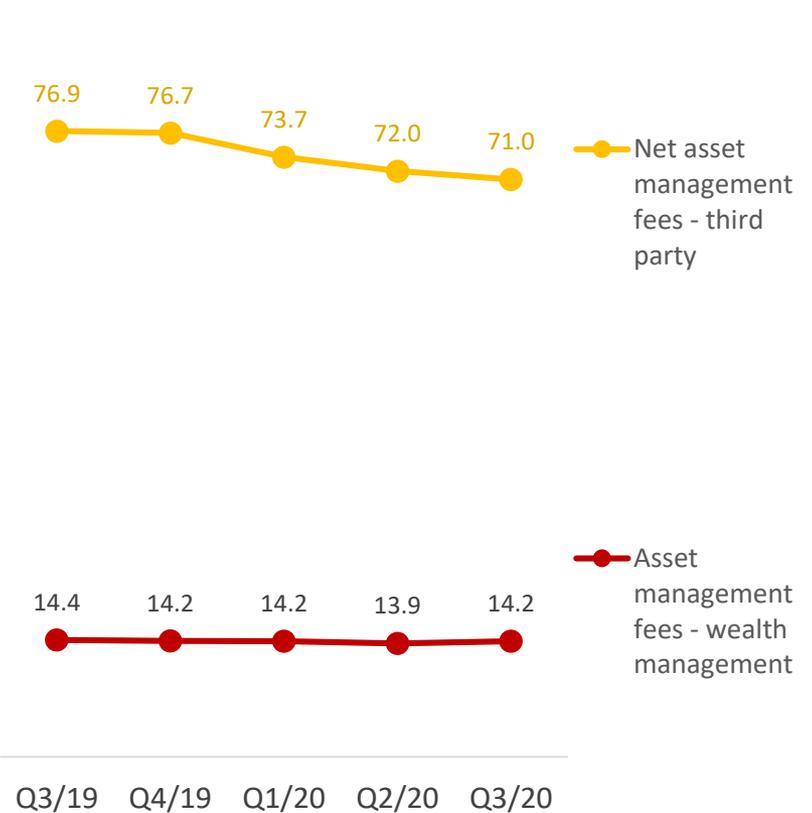
2) For periods Q4 2019 and earlier, reflects mutual fund gross sales.

# Asset Management Key Profitability Drivers

Average AUM (\$B), Net Asset Management Fees (bps)<sup>1</sup>



Key Revenue as bps of Respective Driver<sup>1</sup>  
(Third-party AUM or Sub-advisory AUM to Wealth Mgmt.)



1) Rates are annualized

# Asset Management Segment Profitability

\$ Millions (unless otherwise noted):<sup>1</sup>

Asset Management	Q3/19	Q2/20	Q3/20	Change YoY		Change QoQ	
				\$	%	\$	%
Days in the period	92	91	92		0.0%		1.1%
<b>Assets under Management (\$B)</b>							
Excluding sub-advisory to Wealth Mgmt.	66.3	67.3	73.7	7.4	11.1%	6.4	9.5%
Sub-advisory to Wealth Management	72.9	68.3	72.1	(0.8)	(1.1%)	3.7	5.5%
	<b>139.2</b>	<b>135.6</b>	<b>145.8</b>	<b>6.5</b>	<b>4.7%</b>	<b>10.1</b>	<b>7.5%</b>
<b>Revenues</b>	<i>Colour shading conveys key drivers and related revenue &amp; expense items<sup>1</sup></i>						
Asset management							
Asset management fees - third party	201.2	190.7	207.3	6.1	3.0%	16.6	8.7%
Dealer compensation expenses	(73.0)	(69.9)	(75.5)	(2.5)	3.4%	(5.6)	8.1%
Net asset management fees - third party	<b>128.2</b>	<b>120.8</b>	<b>131.8</b>	<b>3.6</b>	<b>2.8%</b>	<b>11.0</b>	<b>9.1%</b>
Asset management fees - wealth management	26.3	23.8	25.8	(0.5)	(2.0%)	2.0	8.5%
Net asset management fees	<b>154.5</b>	<b>144.6</b>	<b>157.6</b>	<b>3.1</b>	<b>2.0%</b>	<b>13.0</b>	<b>9.0%</b>
Net investment income and other	(1.3)	3.0	1.1	2.4	n/m	(1.9)	(63.3%)
	<b>153.2</b>	<b>147.6</b>	<b>158.7</b>	<b>5.5</b>	<b>3.6%</b>	<b>11.1</b>	<b>7.5%</b>
<b>Expenses</b>							
Business development	17.5	16.0	16.0	(1.5)	(8.6%)	(0.0)	(0.2%)
Operations and support	<b>72.7</b>	<b>74.7</b>	<b>69.7</b>	<b>(3.0)</b>	<b>(4.1%)</b>	<b>(5.0)</b>	<b>(6.7%)</b>
Sub-advisory	2.6	2.2	2.5	(0.1)	(4.2%)	0.3	13.8%
	<b>92.8</b>	<b>92.9</b>	<b>88.2</b>	<b>(4.6)</b>	<b>(4.9%)</b>	<b>(4.7)</b>	<b>(5.0%)</b>
<b>Adjusted EBIT</b>	<b>60.4</b>	<b>54.7</b>	<b>70.5</b>	<b>10.1</b>	<b>16.7%</b>	<b>15.8</b>	<b>28.9%</b>

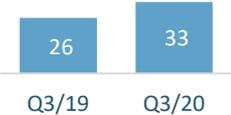
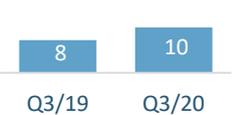
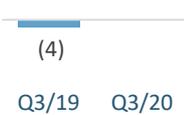
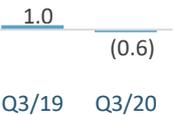
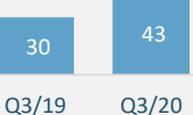
- ① Operations and support expenses were down 7% quarter-over-quarter.

1) Colour shading conveys key drivers and related revenue & expense items:

- Yellow: AUM excluding sub-advisory to Wealth Mgmt.
- Orange: AUM sub-advised to Wealth Management
- Blue: Total AUM

# Strategic Investments & Other Segment as at September 30, 2020

- The Strategic Investments & Other segment has a fair value of ~\$2.9B at September 30, 2020

	<b>Great-West Lifeco:</b>  (TSX:GWO)	<b>China:</b> 	<b>Fintech:</b>		<b>Unallocated Capital</b>	<b>Total</b>
			<b>Wealthsimple</b> PORTAGE VENTURES	<b>PERSONAL CAPITAL</b> <sup>1</sup>		
<i>\$ millions unless otherwise noted</i>						
<b>IGM ownership</b>	4%	13.9%	WS: 36% fully diluted <sup>4</sup>			
<b>Accounting basis</b>	Equity	Equity	FVTOCI <sup>3</sup>	Disposed <sup>1</sup>	FVP&L <sup>3</sup>	
<b>Carrying value</b>	943	713	598 <sup>2</sup>	0 <sup>1</sup>	580	<b>2,834</b>
<b>Fair value</b>	<b>971<sup>5</sup></b>	<b>713+</b>	<b>598<sup>2</sup></b>	<b>0<sup>1</sup></b>	<b>580</b>	<b>2,862</b>
<b>Contribution to EBIT<sup>6</sup></b>						

- Adjusted the fair value assessment of Wealthsimple by \$298 million, increasing to \$550 million, as a result of the October 2020 equity fundraising round led by TCV valuing Wealthsimple at \$1.5 billion.
- Unallocated capital to be used to fund Northleaf acquisition of \$193MM (closed October 28, 2020) and GLC acquisition of \$145MM. The remainder is excess of \$242MM.

1) During August 2020, IGM completed the sale of its investment in Personal Capital to Empower Retirement, a subsidiary of Great-West Lifeco, for after-tax proceeds of CAD \$227MM with further earnout potential of USD \$24.6MM pre-tax. 2) Majority of Fintech value is in Wealthsimple & Portage3. 3) FVTOCI refers to fair value through other comprehensive income. FVP&L refers to fair value through profit & loss. 4) Wealthsimple ownership reflects interest held directly and indirectly held through Portage3 Ventures LP. 5) After-tax fair value of GWO equity interest estimated to be \$914MM. 6) Proportionate share of associates' earnings are recorded after-tax within revenue.



# Q&A

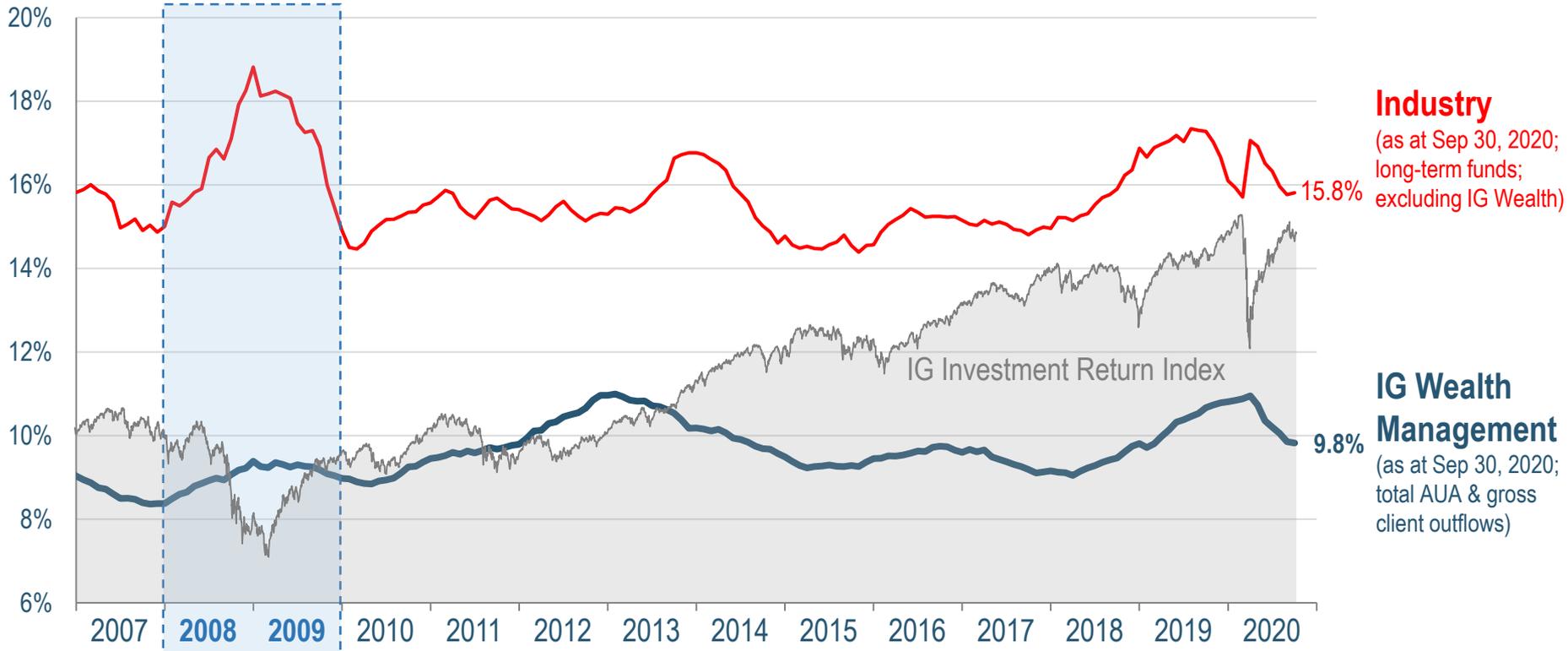


# Appendix

# IG Wealth's Clients Remaining Committed to Financial Plans, IG Focused on Client Engagement & Gamma

## Redemption Rates<sup>1</sup>

(Last Twelve Month Trailing % of Average Assets)

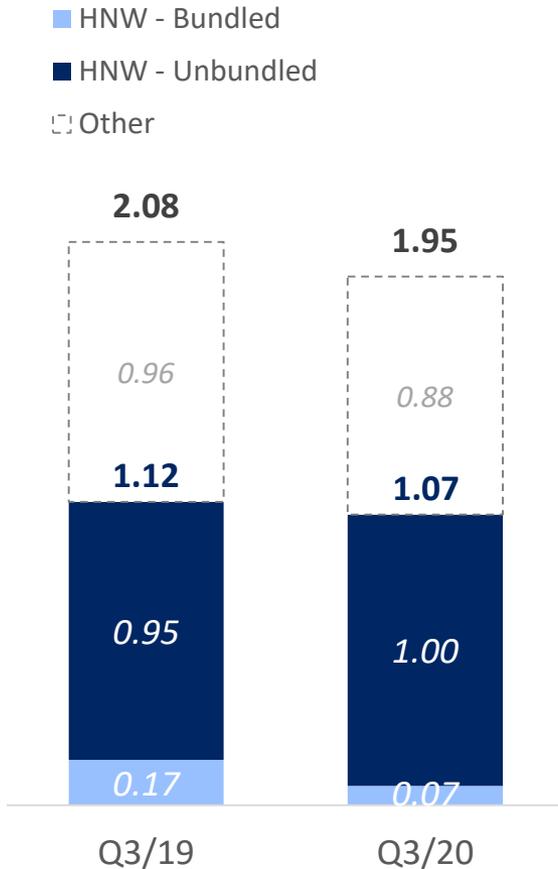


Clients remain focused on financial plans throughout periods of market volatility

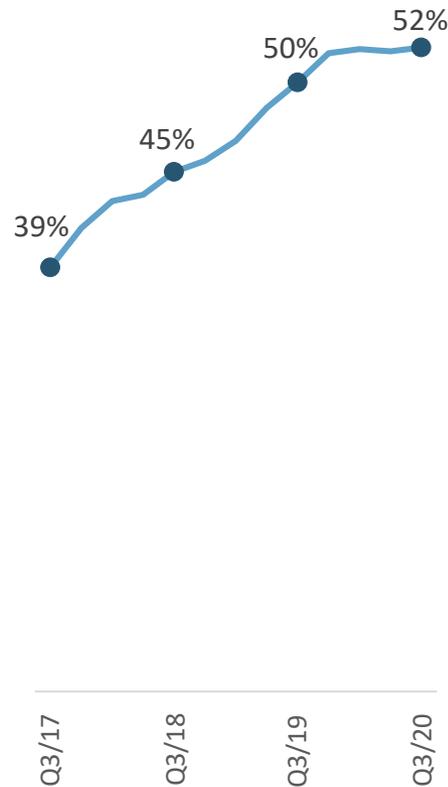
1) All numbers exclude CI Investments and Invesco from the date that they discontinued reporting to IFIC. CI discontinued reporting to IFIC during December, 2008 and Invesco discontinued reporting to IFIC during October, 2010. Invesco has since started reporting again in January 2020. Changed to Funds Administration view in Q1 2019. Historical industry figures were restated back to January, 2010. IG Wealth Management reflects total client outflows and average AUA effective January, 2019. Prior to 2019, IG Wealth reflects total mutual fund redemptions and average AUM.

# Continued Emphasis on High Net Worth Solutions and Managed Solutions

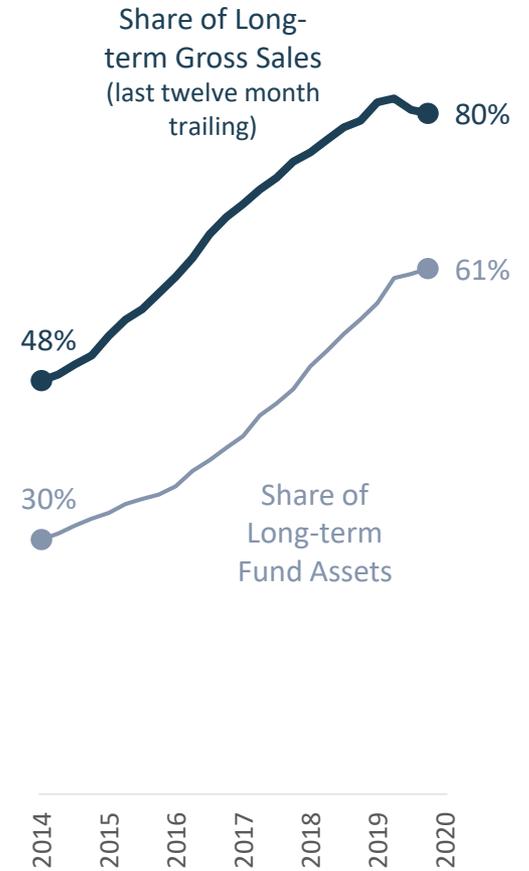
## Gross Sales of HNW Solutions (\$B)



## HNW Solutions % of Total Sales (Last Twelve Month Trailing)



## Managed Solutions Share of Long-term Funds



Managed solutions include fund of funds and high net worth programs.

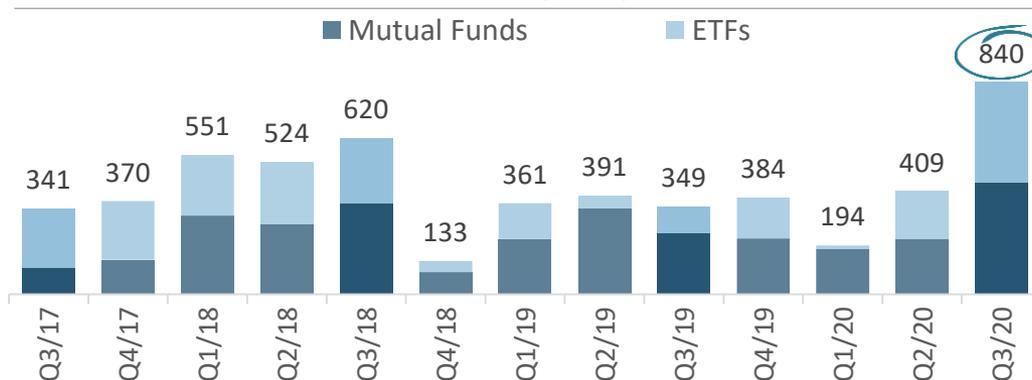
High Net Worth (HNW) solutions include iProfile and Series J, as well as Series U where household assets are >\$500,000. "Unbundled" or "Fee-Based" arrangements are where dealer compensation is charged directly to the end client through advisory or other fees. "HNW - Unbundled" includes Series U and iProfile. "HNW - Bundled" includes Series J. Series J is available to households with investment assets >\$500,000. iProfile is available to households with investment assets >\$250,000.

# Mackenzie Retail Investment Fund Net Sales

\$MM	Mutual Fund Gross Sales			Net Sales		
	Q3/19	Q3/20	% Change	Q3/19	Q3/20	\$ Change
<b>Retail Investment Funds</b>						
<b>Mutual Funds</b>						
Income	206	308	49.3	24	172	148
Balanced	705	700	(0.8)	207	236	29
Canadian Equity	127	110	(12.9)	(15)	(14)	1
Foreign / Global Equity	449	448	(0.1)	7	27	20
Sector / Specialty	7	20	n/m	(2)	10	11
Alternatives	46	28	(39.9)	13	(28)	(41)
<b>Subtotal Long Term</b>	1,540	1,614	4.8	233	403	169
Money Market	46	74	60.5	9	37	28
<b>Total Mutual Funds</b>	1,586	1,689	6.5	242	441	199
<b>Total ETFs</b>				107	399	292
<b>Total Retail Investment Funds</b>				349	840	491

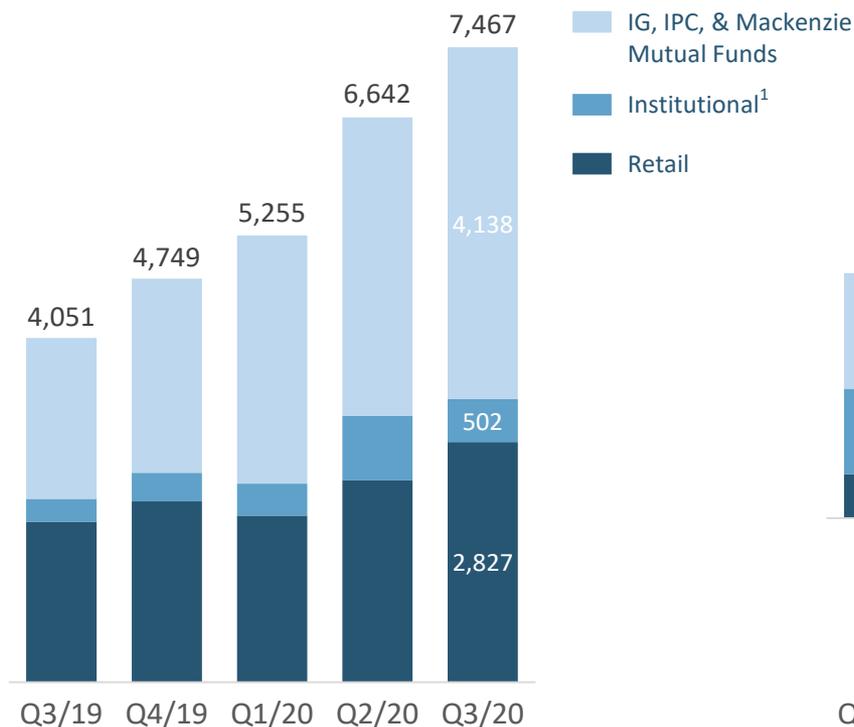
- Retail investment fund net sales were \$840MM, representing Mackenzie's 16<sup>th</sup> consecutive quarter of positive retail net sales

## Retail Investment Fund Net Sales (\$MM)

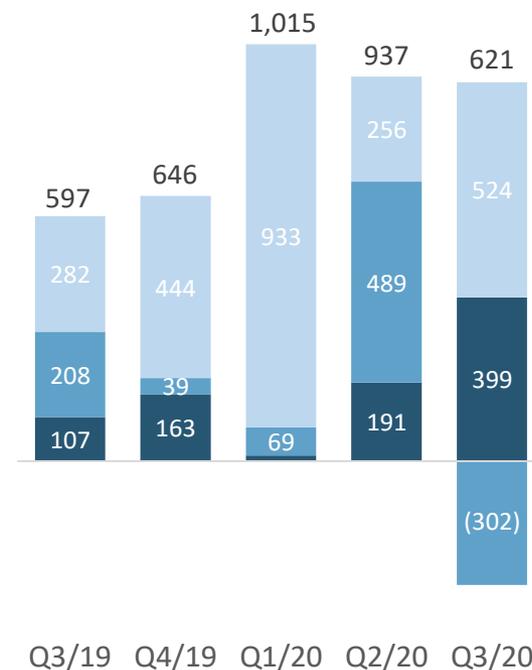


# Mackenzie's Continued ETF Growth Across Channels

## ETF AUM by Quarter (\$MM)



## ETF Net Creations by Quarter (\$MM)



% Active ETFs	43%	38%	31%	28%	28%
% Strategic Beta ETFs	23%	20%	15%	20%	20%
% Traditional Beta ETFs	34%	42%	54%	52%	52%

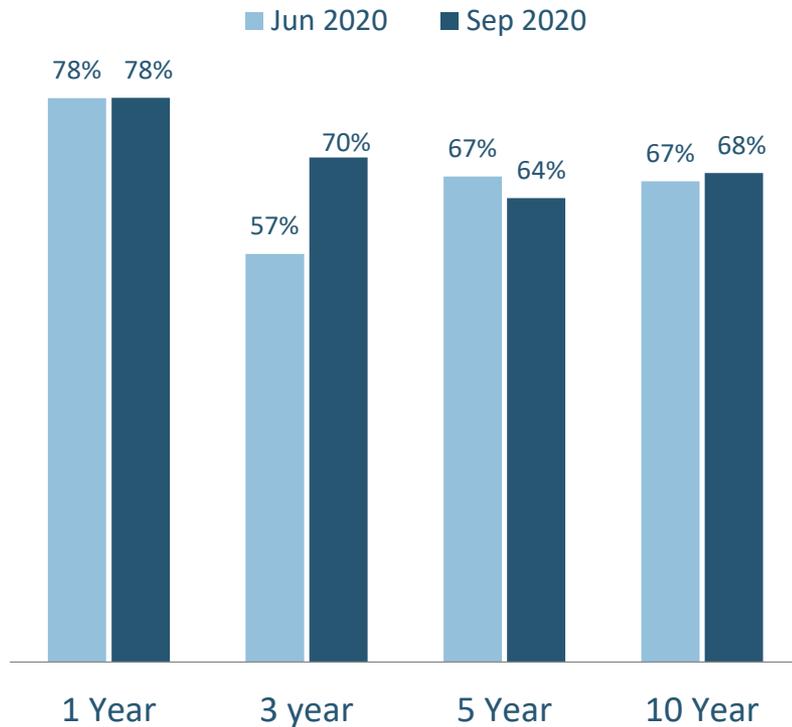
104	77	(59)	109	185	Active ETFs (\$MM)
34	(15)	14	389	101	Strategic Beta ETFs (\$MM)
459	584	1,060	439	335	Traditional Beta ETFs (\$MM)

1) Represents instances where Mackenzie has been informed that an institutional investor includes Mackenzie ETFs within its investment offerings.

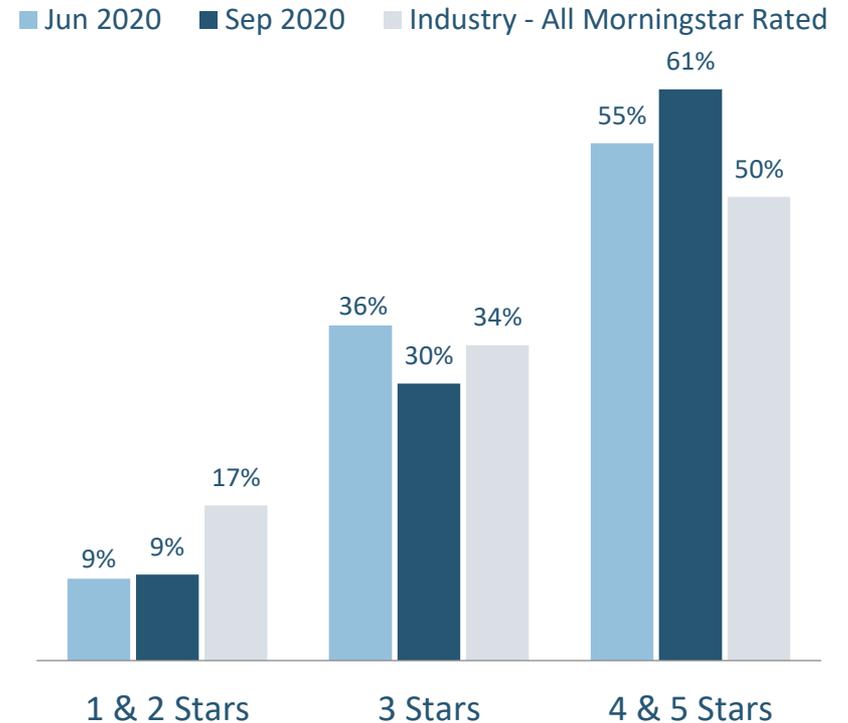
# Investment Performance Highlights

**61% of AUM is 4/5 star;  
18 of 20 largest rated funds  
are 4/5 star and 10 of 20  
are rated 5 star (series F)**

**Mackenzie Mutual Funds in 1<sup>st</sup> or 2<sup>nd</sup> Quartile<sup>1</sup>  
(Proportion of Assets)**

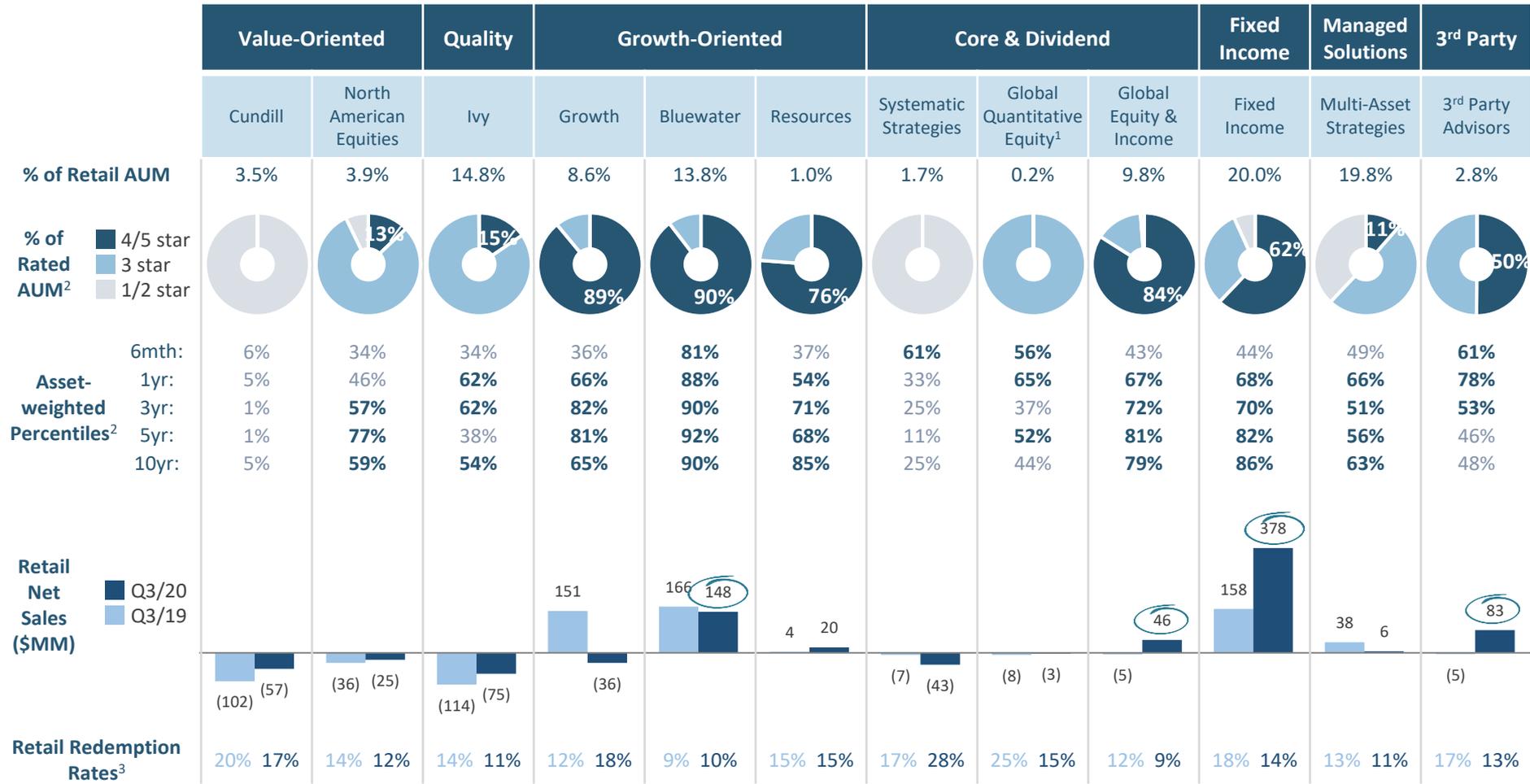


**Mackenzie Mutual Funds  
Morningstar Star Ratings<sup>1</sup>  
(Proportion of Assets)**



1) Based on Morningstar data as at September 30, 2020 unless otherwise stated and excludes Quadrus funds.

# Investment Boutique Retail Mutual Fund Performance & Net Sales



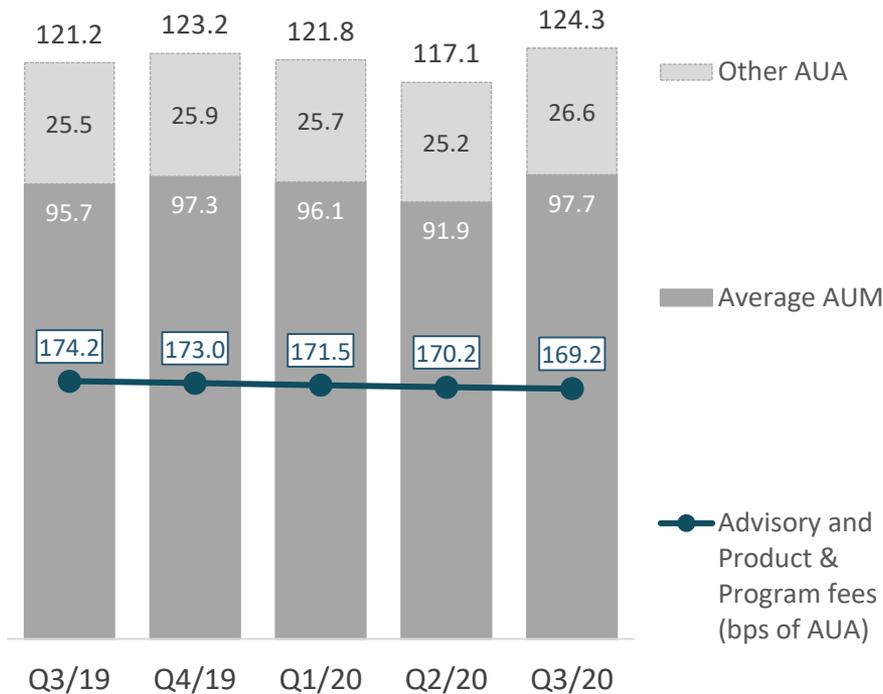
Total Retail Net Sales Q3/20: \$441MM Q3/19: \$242M

Mutual Funds Only.

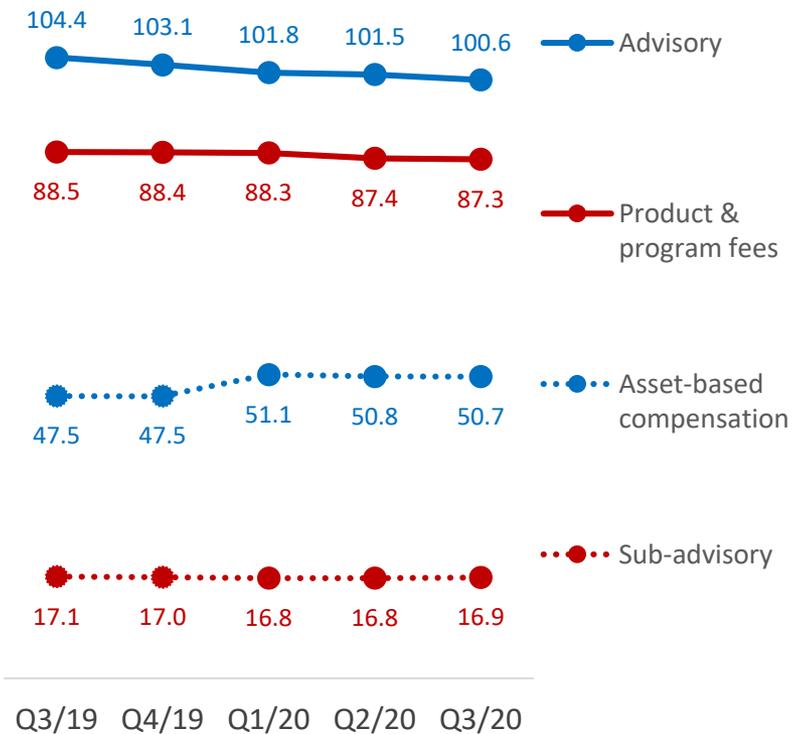
1) On May 17, 2018, the Global Quantitative Equity boutique began managing Mackenzie's emerging market offerings which were previously managed by a third party sub-advisor. 2) Star ratings and percentiles based on Morningstar and reflect all retail series (non-rated funds excluded from the calculation). Asset-weighted percentiles are based on retail assets and illustrate Mackenzie mutual fund gross returns relative to gross returns of other funds in the same category. Management believes that a comparison using gross returns is more reflective of investment performance relative to peers. This is for illustrative purposes only to assist in assessing the portfolio management capabilities of Mackenzie Investments and its affiliates (generally) and is not intended to provide performance information to investors considering investing in one or more of Mackenzie's funds. 3) Annualized redemption rate on retail mutual funds.

# Wealth Management Segment Key Profitability Drivers (reflects IG Wealth and IPC)

**Average Assets (\$B), Advisory and Product & Program Fee Rate (bps)<sup>1</sup>**



**Key Revenue & Expenses as bps of Respective Driver (AUA or AUM)<sup>1</sup>**



1) Rates are annualized

# Wealth Management Segment Profitability

(reflects IG Wealth and IPC)

\$ Millions (unless otherwise noted):<sup>1</sup>

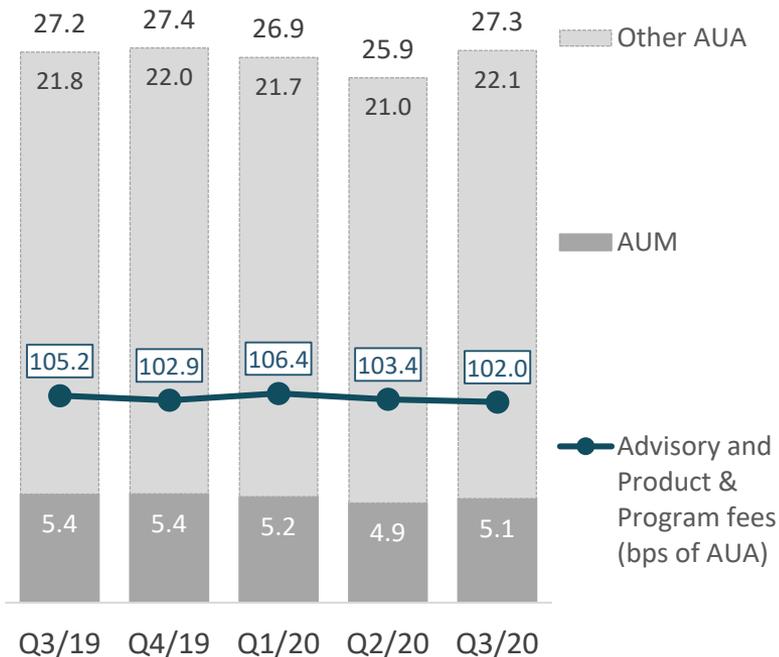
Wealth Management	Q3/19	Q2/20	Q3/20	Change YoY		Change QoQ	
				\$	%	\$	%
Days in the period	92	91	92		0.0%		1.1%
Average Assets under advisement (\$B)	121.2	117.1	124.3	3.1	2.5%	7.2	6.2%
Average Assets under management (\$B)	95.7	91.9	97.7	2.0	2.0%	5.8	6.3%
<b>Revenues</b>							
<i>Colour shading conveys key drivers and related revenue &amp; expense items<sup>1</sup></i>							
<b>Wealth Management</b>							
Advisory	318.1	296.4	315.3	(2.8)	(0.9%)	18.9	6.4%
Product and program fees	213.0	200.4	214.9	1.9	0.9%	14.5	7.2%
	<b>531.1</b>	<b>496.8</b>	<b>530.2</b>	<b>(0.9)</b>	<b>(0.2%)</b>	<b>33.4</b>	<b>6.7%</b>
Redemption fees	6.1	2.9	3.7	(2.4)	(39.7%)	0.8	27.0%
Other financial planning revenues	48.0	35.3	41.8	(6.2)	(13.0%)	6.5	18.4%
	<b>585.2</b>	<b>535.0</b>	<b>575.7</b>	<b>(9.5)</b>	<b>(1.6%)</b>	<b>40.7</b>	<b>7.6%</b>
Net investment income and other	2.0	1.8	0.7	(1.3)	(64.4%)	(1.1)	(60.4%)
	<b>587.2</b>	<b>536.8</b>	<b>576.4</b>	<b>(10.8)</b>	<b>(1.8%)</b>	<b>39.6</b>	<b>7.4%</b>
<b>Expenses</b>							
<b>Advisory and business development</b>							
Asset-based compensation	144.7	148.1	158.9	14.2	9.8%	10.8	7.3%
Sales-based compensation	22.4	8.6	9.5	(12.9)	(57.7%)	0.9	10.0%
<b>Other</b>							
Other Product commissions	19.6	15.8	15.7	(3.9)	(20.0%)	(0.1)	(0.7%)
Business development	53.0	56.9	52.4	(0.6)	(1.0%)	(4.5)	(7.9%)
	239.7	229.4	236.5	(3.2)	(1.3%)	7.1	3.1%
<b>Operations and support</b>							
Sub-advisory	107.2	109.6	111.2	4.0	3.7%	1.6	1.5%
	41.1	38.6	41.7	0.6	1.5%	3.1	8.1%
	<b>388.0</b>	<b>377.6</b>	<b>389.4</b>	<b>1.4</b>	<b>0.4%</b>	<b>11.8</b>	<b>3.1%</b>
<b>Adjusted EBIT</b>							
	<b>199.2</b>	<b>159.2</b>	<b>187.0</b>	<b>(12.2)</b>	<b>(6.1%)</b>	<b>27.8</b>	<b>17.5%</b>

1) Colour shading conveys key drivers and related revenue & expense items:

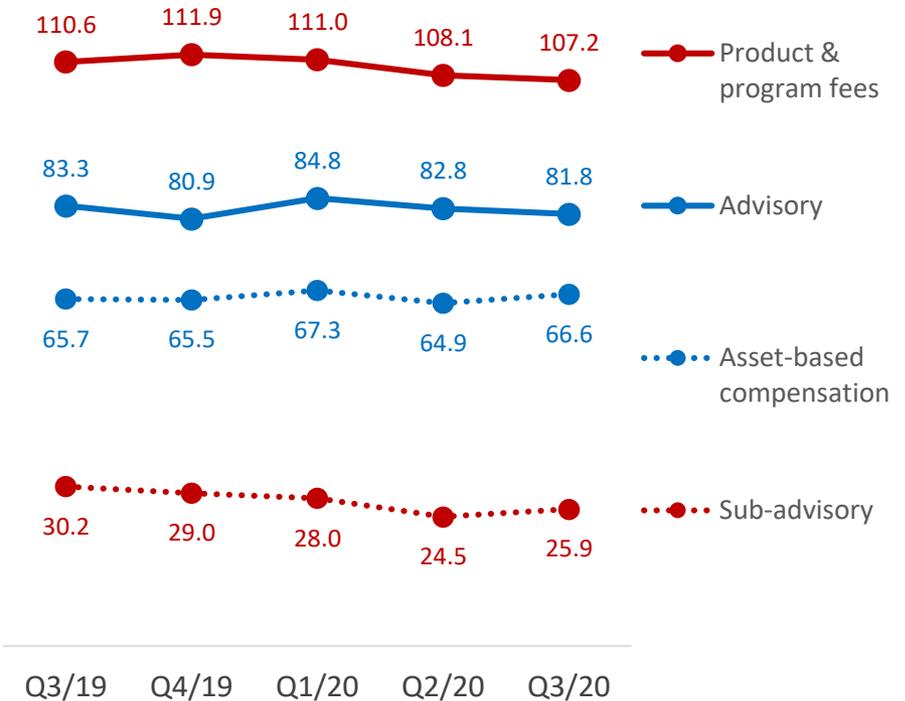
- Blue: Average assets under advisement
- Orange: Average assets under management
- Yellow: Other product commissions are driven by other financial planning revenues

# IPC Key Profitability Drivers

Average Assets (\$B), Advisory and Product & Program Fee Rate (bps)<sup>1</sup>



Key Revenue & Expenses as bps of Respective Driver (AUA or AUM)<sup>1</sup>



1) Rates are annualized

# IPC Profitability

\$ Millions (unless otherwise noted):<sup>1</sup>

IPC	Q3/19	Q2/20	Q3/20	Change YoY		Change QoQ	
				\$	%	\$	%
Days in the period	92	91	92		0.0%		1.1%
Average Assets under advisement(\$B)	27.2	25.9	27.3	0.1	0.3%	1.4	5.2%
Average Assets under management (\$B)	5.4	4.9	5.1	(0.2)	(4.3%)	0.2	4.4%
<b>Revenues</b>							
<i>Shading indicates key driver<sup>1</sup></i>							
Wealth Management							
Advisory	57.0	53.6	56.3	(0.7)	(1.3%)	2.7	5.0%
Product and program fees	14.9	13.3	13.9	(1.0)	(7.0%)	0.6	4.7%
	<b>71.9</b>	<b>66.8</b>	<b>70.1</b>	<b>(1.8)</b>	<b>(2.5%)</b>	<b>3.3</b>	<b>5.0%</b>
Redemption fees	0.1	0.1	0.1	(0.1)	(56.4%)	(0.0)	(10.5%)
Other financial planning revenues	5.3	4.2	4.6	(0.8)	(14.5%)	0.3	7.8%
	<b>77.4</b>	<b>71.1</b>	<b>74.8</b>	<b>(2.6)</b>	<b>(3.4%)</b>	<b>3.6</b>	<b>5.1%</b>
Net investment income and other	0.3	0.2	0.1	(0.2)	(76.4%)	(0.1)	(57.9%)
	<b>77.7</b>	<b>71.3</b>	<b>74.8</b>	<b>(2.9)</b>	<b>(3.7%)</b>	<b>3.5</b>	<b>4.9%</b>
<b>Expenses</b>							
Advisory and business development							
Asset-based compensation	44.9	42.0	45.8	0.9	2.1%	3.8	9.1%
Sales-based compensation	0.1	-	-	(0.1)	n/m	-	n/m
Other							
Other Product commissions	3.2	2.6	2.8	(0.4)	(11.7%)	0.2	6.8%
Business development	6.6	6.9	6.3	(0.2)	(3.5%)	(0.6)	(8.5%)
	<b>54.8</b>	<b>51.6</b>	<b>55.0</b>	<b>0.2</b>	<b>0.4%</b>	<b>3.4</b>	<b>6.7%</b>
Operations and support	12.3	12.1	11.2	(1.1)	(9.3%)	(0.9)	(7.5%)
Sub-advisory	4.1	3.0	3.4	(0.7)	(17.5%)	0.4	11.8%
	<b>71.1</b>	<b>66.6</b>	<b>69.5</b>	<b>(1.6)</b>	<b>(2.3%)</b>	<b>2.9</b>	<b>4.3%</b>
<b>Adjusted EBIT</b>	<b>6.5</b>	<b>4.7</b>	<b>5.3</b>	<b>(1.2)</b>	<b>(18.8%)</b>	<b>0.6</b>	<b>14.0%</b>

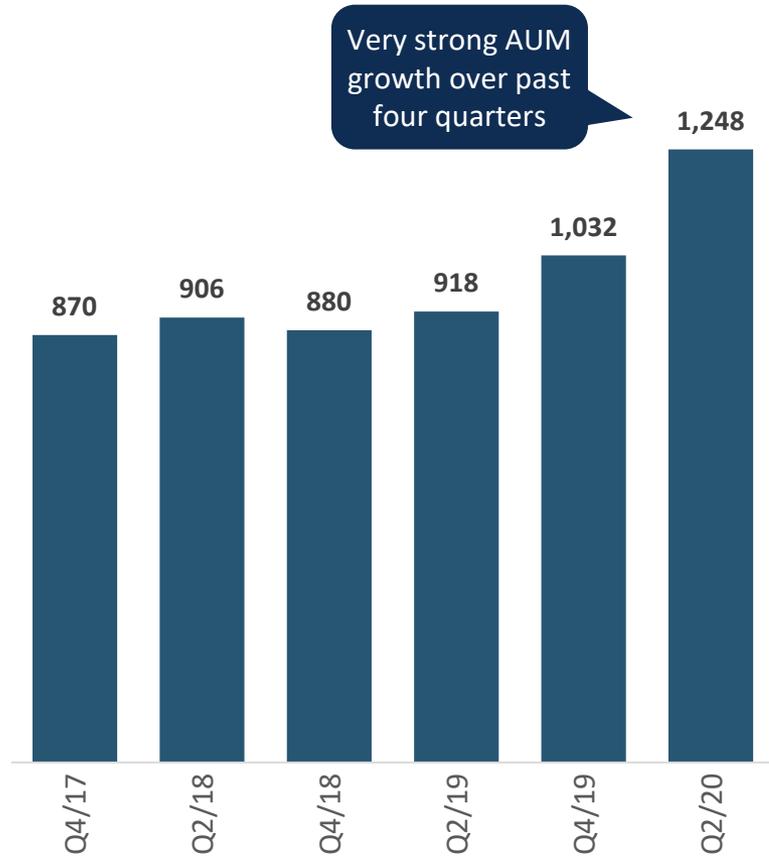
1) Shading indicates key driver:

- Blue: Average assets under advisement
- Orange: Average assets under management

# China AMC's Growth has Accelerated in 2020

CAD/RMB = 5.194<sup>2</sup>

**China AMC Ending AUM<sup>1</sup>**  
(RMB billions)



**China AMC Net Earnings**  
(RMB millions)



IGM share of earnings (CAD millions)	Q2/18	Q3/18	Q4/18	Q1/19	Q2/19	Q3/19	Q4/19	Q1/20	Q2/20	Q3/20
	7.7	6.2	7.2	7.4	7.9	7.7	7.3	8.9	10.3	10.5

1) China AMC's assets under management is reported semi-annually and excludes China Asset Management Co., Ltd subsidiary assets under management. 2) Q3 2020 average foreign exchange rate for CAD/RMB.

# New Presentation of Wealth Management & Asset Management Business Operations Compared to Prior Disclosure Presentation

Three months ended September 30, 2020  
\$ millions

	Prior Presentation	Management Fees	Administration Fees	Distribution Fees	Net Investment Income & Other	Proportionate Share of Associates	Commission Expense	Non-commission expense	Adjusted EBIT
<b>New Presentation</b>		581	102	83	18	43	272	255	300
<b>Revenues</b>									
Wealth Management Fees	572	398	76	82	15				
Advisory fees	311 <sup>1</sup>	240	25	46	<i>reflects advisory fees, surplus management and service fees on bundled mutual funds in excess of unbundled fee rates, and dealer compensation from third party products</i>				
Product & program fees	215	158	51	6	<i>reflects management and admin fees at fee rate levels earned on unbundled products</i>				
Redemption fees	4			4					
Other financial planning revenues	42 <sup>2</sup>			26	15				
<b>Asset Management Fees</b>									
Asset Management Fee	207	183	26	1					(3)
Dealer Compensation Expense	(71)						(71)		(3) <sup>3</sup>
Net Asset Management Fee	136	183	26	1	0	0	(71)		(3)
Net Investment Income & Other	2				2				
Prop. Share of Associates' earnings	43					43			
	753	581	102	83	18	43	(71)		(3)
<b>Expenses</b>									
Advisory & Business Dev.	253						201		52
Asset-based compensation	159						159		
Sales-based compensation	10						10		
Other product commissions	16						16		
Business development	68 <sup>4</sup>						17		52 <sup>6</sup>
Operation & Support	182								182
Sub-advisory	18 <sup>5</sup>								18
	453						201		252
<b>Adjusted EBIT</b>	<b>300</b>								

<sup>1</sup> Advisory fees are derived from AUA and are the largest part of Wealth Management revenue

<sup>2</sup> Mortgage, insurance and banking revenues included in "other financial planning" revenue

<sup>3</sup> Mackenzie dealer compensation recorded within Asset Management Net Revenue

<sup>4</sup> Represents business development activities which do not vary directly with asset or sales levels, such as direct marketing and advertising, financial planning specialist support, wholesaling and other costs incurred to support our adviser networks.

<sup>5</sup> Sub-advisory fees added as a separate line item

<sup>6</sup> Remain committed to expense management, additional disclosure on lines that are more variable