



SRIA and CLF Rates for 2024

The credited rate for iA's Stabilized Return Index Account (SRIA) for 2024 will increase from 2.50% to 2.90%. As a result, the CLF loan rate for 2024 will increase from 4.00% to 4.40%. Please review the information below concerning the SRIA.

Smoothing Formula

The SRIA credited rate is determined using a smoothing formula. The smoothing formula is based on the company's long-term return expectations related to the fund asset allocation, while amortizing major fluctuations of the Fund's actual returns. The objective of the smoothing formula is to significantly reduce yield volatility levels for those policyholders who have chosen to invest in the SRIA while at the same time ensuring that all fund earnings, after deducting applicable annual management fees, accrue to the benefit of policyholders.

SRIA Results

The main factor accounting for the net increase in the credited rate for 2024 is the rise in the company's long-term return expectations, as a consequence of the recent economic environment and the rise in interest rates.

SRIA Asset Mix

As at October 31, 2023, the total asset value of the SRIA was \$666 million. As at that date, approximately 72% of the assets were invested in private loans, 23% in high-quality bonds, 3% in common shares and 2% in alternative asset (essentially mortgages). The average duration of the bonds is approximately ten years.