Interim Condensed Consolidated Financial Statements (Unaudited)

Consolidated Statements of Earnings

(unaudited) (in thousands of Canadian dollars, except per share amounts)

	Three months ended June 30		Six months ended June 30	
	2026	2025	**2026**	2025
Revenues				
Wealth management *(Note 3)*	**$ 771,443**	$ 649,456	**$ 1,501,176**	$ 1,288,940
Asset management	**280,044**	253,816	**555,486**	511,748
Dealer compensation expense	**(87,643)**	(82,309)	**(174,697)**	(167,401)
Net asset management *(Note 3)*	**192,401**	171,507	**380,789**	344,347
Net investment income and other	**17,743**	11,665	**28,122**	19,397
Gain on partial sale of investment in associates *(Note 8)*	**9,925**	–	**9,925**	–
Proportionate share of associates' earnings *(Note 8)*	**75,551**	60,092	**144,954**	115,835
	1,067,063	892,720	**2,064,966**	1,768,519
Expenses *(Note 4)*				
Advisory and business development	**359,526**	304,796	**698,056**	606,051
Operations and support	**311,218**	212,359	**542,850**	426,724
Sub-advisory	**30,697**	23,147	**58,825**	46,311
Interest	**33,828**	32,260	**65,892**	64,234
	735,269	572,562	**1,365,623**	1,143,320
Earnings before income taxes	**331,794**	320,158	**699,343**	625,199
Income taxes	**68,798**	71,578	**151,036**	141,178
Net earnings	**262,996**	248,580	**548,307**	484,021
Non-controlling interest *(Note 8)*	**(1,544)**	(1,871)	**(3,039)**	(3,535)
Net earnings available to common shareholders	**$ 261,452**	$ 246,709	**$ 545,268**	$ 480,486
Earnings per share *(in dollars) (Note 16)*				
Net earnings available to common shareholders				
– Basic	**$ 1.13**	$ 1.04	**$ 2.34**	$ 2.03
– Diluted	**$ 1.12**	$ 1.04	**$ 2.32**	$ 2.02

(See accompanying notes to interim condensed consolidated financial statements)

Consolidated Statements of Comprehensive Income

(unaudited) (in thousands of Canadian dollars)

	Three months ended June 30		Six months ended June 30	
	2026	2025	**2026**	2025
Net earnings	**$ 262,996**	$ 248,580	**$ 548,307**	$ 484,021
Other comprehensive income (loss), net of tax				
Items that will not be reclassified to Net earnings				
Fair value through other comprehensive income investments				
Other comprehensive income (loss) *(Note 5), net of tax of $(46,796), $(34,702), $(46,930) and $(36,762)*	**306,912**	229,879	**307,774**	243,074
Employee benefits				
Net actuarial gains (losses), *net of tax of $(359), $(4,854), $2,250 and $(4,689)*	**978**	13,211	**(6,121)**	12,764
Investment in associates – employee benefits and other				
Other comprehensive income (loss), *net of tax of nil*	**1,168**	406	**1,707**	785
Items that may be reclassified subsequently to Net earnings				
Investment in associates and other				
Other comprehensive income (loss), *net of tax of $(11,855), $7,518, $(19,480) and $7,010*	**80,730**	(115,361)	**136,745**	(95,050)
	389,788	128,135	**440,105**	161,573
Total comprehensive income	**652,784**	376,715	**988,412**	645,594
Non-controlling interest	**(1,544)**	(1,871)	**(3,039)**	(3,535)
Total comprehensive income available to common shareholders	**$ 651,240**	$ 374,844	**$ 985,373**	$ 642,059

(See accompanying notes to interim condensed consolidated financial statements)

Consolidated Balance Sheets

(unaudited) (in thousands of Canadian dollars)

	June 30 2026	December 31 2025
Assets		
Cash and cash equivalents	**$ 1,515,482**	$ 1,274,211
Other investments *(Note 5)*	**2,911,007**	2,522,120
Client funds on deposit	**2,978,575**	4,316,736
Accounts and other receivables	**314,243**	292,050
Income taxes recoverable	**12,342**	13,396
Loans *(Note 6)*	**5,183,306**	5,262,064
Derivative financial instruments	**80,651**	69,961
Other assets	**178,321**	183,478
Investment in associates *(Note 8)*	**3,871,506**	3,753,535
Capital assets	**354,388**	343,753
Capitalized sales commissions	**450,867**	440,784
Deferred income taxes	**1,032**	2,206
Intangible assets	**1,291,515**	1,290,685
Goodwill	**2,636,771**	2,636,771
Total assets	**$ 21,780,006**	$ 22,401,750
Liabilities		
Accounts payable and accrued liabilities	**$ 554,794**	$ 570,358
Income taxes payable	**20,776**	29,123
Derivative financial instruments	**10,993**	15,150
Client deposits	**2,932,248**	4,299,128
Other liabilities	**445,346**	355,460
Obligations to securitization entities *(Note 7)*	**4,707,315**	4,815,312
Lease obligations	**169,179**	165,210
Deferred income taxes	**759,396**	713,725
Long-term debt *(Note 9)*	**2,800,000**	2,400,000
Total liabilities	**12,400,047**	13,363,466
Equity		
Share capital		
Common shares	**1,897,541**	1,867,055
Contributed surplus	**47,235**	50,718
Retained earnings	**5,051,696**	5,166,596
Accumulated other comprehensive income (loss)	**2,297,831**	1,859,958
Total shareholders' equity	**9,294,303**	8,944,327
Non-controlling interest	**85,656**	93,957
Total equity	**9,379,959**	9,038,284
Total liabilities and equity	**$ 21,780,006**	$ 22,401,750

These interim condensed consolidated financial statements were approved and authorized for issuance by the Board of Directors on July 29, 2026.

(See accompanying notes to interim condensed consolidated financial statements)

Consolidated Statements of Changes in Equity

(unaudited) (in thousands of Canadian dollars)

Six months ended June 30	Share capital – Common shares *(Note 10)*	Contributed surplus	Retained earnings	Accumulated other comprehensive income (loss) *(Note 13)*	Non-controlling interest	Total equity
2026						
Balance, beginning of period	**$ 1,867,055**	**$ 50,718**	**$ 5,166,596**	**$ 1,859,958**	**$ 93,957**	**$ 9,038,284**
Net earnings	**–**	**–**	**545,268**	**–**	**3,039**	**548,307**
Other comprehensive income (loss), net of tax	**–**	**–**	**–**	**440,105**	**–**	**440,105**
Total comprehensive income (loss)	**–**	**–**	**545,268**	**440,105**	**3,039**	**988,412**
Common shares						
Issued under stock option plan	**74,504**	**–**	**–**	**–**	**–**	**74,504**
Purchased for cancellation	**(44,018)**	**–**	**–**	**–**	**–**	**(44,018)**
Stock options						
Current period expense	**–**	**1,838**	**–**	**–**	**–**	**1,838**
Exercised	**–**	**(5,321)**	**–**	**–**	**–**	**(5,321)**
Common share dividends	**–**	**–**	**(288,267)**	**–**	**–**	**(288,267)**
Dividends to non-controlling interest *(Note 8)*	**–**	**–**	**–**	**–**	**(11,340)**	**(11,340)**
Transfer out of fair value through other comprehensive income	**–**	**–**	**2,232**	**(2,232)**	**–**	**–**
Common share cancellation excess and other	**–**	**–**	**(374,133)**	**–**	**–**	**(374,133)**
Balance, end of period	**$ 1,897,541**	**$ 47,235**	**$ 5,051,696**	**$ 2,297,831**	**$ 85,656**	**$ 9,379,959**
2025						
Balance, beginning of period	$ 1,785,233	$ 54,589	$ 4,890,896	$ 1,070,057	$ 69,631	$ 7,870,406
Net earnings	–	–	480,486	–	3,535	484,021
Other comprehensive income (loss), net of tax	–	–	–	161,573	–	161,573
Total comprehensive income (loss)	–	–	480,486	161,573	3,535	645,594
Common shares						
Issued under stock option plan	30,534	–	–	–	–	30,534
Purchased for cancellation	(19,369)	–	–	–	–	(19,369)
Stock options						
Current period expense	–	1,764	–	–	–	1,764
Exercised	–	(1,812)	–	–	–	(1,812)
Common share dividends	–	–	(266,003)	–	–	(266,003)
Increase of non-controlling interest	–	–	–	–	12,200	12,200
Transfer out of fair value through other comprehensive income	–	–	18,871	(18,871)	–	–
Common share cancellation excess and other	–	–	(99,936)	–	–	(99,936)
Balance, end of period	$ 1,796,398	$ 54,541	$ 5,024,314	$ 1,212,759	$ 85,366	$ 8,173,378

(See accompanying notes to interim condensed consolidated financial statements)

Consolidated Statements of Cash Flows

(unaudited) (in thousands of Canadian dollars)

Six months ended June 30	2026	2025
Operating activities		
Earnings before income taxes	$ **699,343**	$ 625,199
Income taxes paid	**(175,634)**	(168,383)
Adjustments to determine net cash from operating activities		
Capitalized sales commission amortization	**61,629**	56,170
Capitalized sales commissions paid	**(72,029)**	(61,635)
Amortization of capital, intangible and other assets	**50,659**	48,957
Proportionate share of associates' earnings, net of dividends received	**2,889**	(22,825)
Pension and other post-employment benefits	**2,311**	2,510
Restructuring provisions and other	**95,255**	–
Gain on partial sale of investment in associates	**(9,925)**	–
Changes in operating assets and liabilities and other	**(89,575)**	(115,167)
Cash from operating activities before restructuring provision payments	**564,923**	364,826
Restructuring provision cash payments	**(16,526)**	(9,197)
	548,397	355,629
Financing activities		
Increase in obligations to securitization entities	**792,553**	646,748
Repayments of obligations to securitization entities and other	**(908,531)**	(737,942)
Repayment of lease obligations	**(12,199)**	(9,642)
Issue of common shares	**69,184**	28,722
Issue of debentures	**400,000**	–
Common shares purchased for cancellation	**(385,822)**	(113,645)
Common share dividends paid	**(277,039)**	(267,030)
	(321,854)	(452,789)
Investing activities		
Purchase of other investments	**(55,186)**	(68,637)
Proceeds from the sale of other investments	**32,644**	57,047
Increase in loans	**(974,497)**	(913,233)
Repayment of loans and other	**1,046,728**	995,363
Net additions to capital assets	**(17,449)**	(19,887)
Net cash used in additions to intangible assets and other	**(29,588)**	(33,070)
Proceeds from the partial sale of investment in associates	**12,076**	–
	14,728	17,583
Increase (decrease) in cash and cash equivalents	**241,271**	(79,577)
Cash and cash equivalents, beginning of period	**1,274,211**	910,278
Cash and cash equivalents, end of period	$ **1,515,482**	$ 830,701
Cash	$ **1,062,195**	$ 598,002
Cash equivalents	**453,287**	232,699
	$ **1,515,482**	$ 830,701
Supplemental disclosure of cash flow information related to operating activities		
Interest and dividends received	$ **253,223**	$ 208,642
Interest paid	$ **150,005**	$ 157,472

(See accompanying notes to interim condensed consolidated financial statements)

Notes to the Interim Condensed Consolidated Financial Statements

June 30, 2026 *(unaudited) (in thousands of Canadian dollars, except shares and per share amounts)*

Note 1. Corporate information

IGM Financial Inc. (the Company) is a publicly listed company (TSX: IGM), incorporated and domiciled in Canada. The registered address of the Company is 447 Portage Avenue, Winnipeg, Manitoba, Canada. The Company is controlled by Power Corporation of Canada (Power).

IGM Financial Inc. is a wealth and asset management company which serves the financial needs of Canadians through its principal subsidiaries, each operating distinctly within the advice segment of the financial services market. The Company's wholly-owned principal subsidiaries are IGWM Inc. and Mackenzie Financial Corporation (Mackenzie).

Note 2. Summary of material accounting policies

The unaudited Interim Condensed Consolidated Financial Statements of the Company (Interim Financial Statements) have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting*, using the accounting policies as set out in Note 2 to the Consolidated Financial Statements for the year ended December 31, 2025. The Interim Financial Statements should be read in conjunction with the Consolidated Financial Statements in the 2025 IGM Financial Inc. Annual Report.

Changes in accounting policies

IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Amendments

As of January 1, 2026, the Company has adopted the amendments to IFRS 9 and IFRS 7. The amendments introduce additional disclosures intended to enhance transparency around changes in fair value of equity instruments designated at FVTOCI, and clarify the timing of derecognition for financial liabilities settled through electronic payment systems.

The amendments did not have material impact on the Company's Interim Financial Statements.

Comparative figures

The Company reclassified certain comparative figures in its Consolidated Statements of Earnings to conform to the current year's presentation which resulted in prior year expenses being reclassified from Operations and support to Sub-advisory. The reclassifications are intended to provide additional details on the nature of the Company's expense categorizations and had no impact on the net earnings of the Company.

Future accounting changes

The Company continuously monitors changes proposed by the International Accounting Standards Board (IASB) and analyzes the effect that changes in the standards may have on the Company's operations.

Note 3. Revenues from contracts with customers

	Three months ended June 30		Six months ended June 30	
	2026	2025	**2026**	2025
Advisory fees	**$ 402,280**	$ 346,285	**$ 787,474**	$ 688,358
Product and program fees	**308,111**	260,149	**601,010**	520,752
	710,391	606,434	**1,388,484**	1,209,110
Other financial planning revenues	**61,052**	43,022	**112,692**	79,830
Wealth management	**771,443**	649,456	**1,501,176**	1,288,940
Asset management	**280,044**	253,816	**555,486**	511,748
Dealer compensation expense	**(87,643)**	(82,309)	**(174,697)**	(167,401)
Net asset management	**192,401**	171,507	**380,789**	344,347
Net revenues from contracts with customers	**$ 963,844**	$ 820,963	**$ 1,881,965**	$ 1,633,287

Wealth management revenue is earned by providing financial planning, investment advisory and related financial services. Advisory fees, related to financial planning, are associated with assets under management and advisement. Product and program fees, related to investment management and administration services, are associated with assets under management. Other financial planning revenues include insurance, banking products and services, and mortgage lending activities.

Asset management revenue, related to investment management advisory and administrative services, depends on the level and composition of assets under management.

Note 4. Expenses

During the second quarter, the Company incurred restructuring and other charges of $95.3 million ($70.1 million after-tax) related to actions taken to simplify the Company's organizational structure and operating model, and to improve efficiency. These actions are intended to create capacity for the Company to further invest in artificial intelligence (AI) capabilities. The initiatives include organizational structure changes, consolidation of certain team structures and streamlined workflows. The charge is primarily severance and also includes other related costs associated with these activities.

Note 5. Other investments

	June 30, 2026		December 31, 2025	
	Cost	**Fair value**	Cost	Fair value
Fair value through other comprehensive income (FVTOCI)				
Corporate investments	**$ 404,219**	**$ 2,765,926**	$ 403,284	$ 2,412,868
Fair value through profit or loss (FVTPL)				
Equity securities	**2**	**3**	2	2
Proprietary investment funds	**138,405**	**145,078**	107,680	109,250
	138,407	**145,081**	107,682	109,252
	$ 542,626	**$ 2,911,007**	$ 510,966	$ 2,522,120

Wealthsimple Financial Corp. (Wealthsimple) is a financial company that provides simple digital tools for growing and managing client money. The Company's investment in Wealthsimple is primarily held through a limited partnership controlled by Power and economic interest is presented net of certain partnership costs. The investment is classified at FVTOCI.

IGM Financial Inc. holds a 25.1% economic interest in Wealthsimple (December 31, 2025 – 25.5%) calculated using the treasury method which includes options that are in the money and assumes option proceeds are used to repurchase shares. The Company holds a 22.2% fully diluted economic interest (December 31, 2025 – 22.3%).

At June 30, 2026, the Company increased the fair value of its investment in Wealthsimple, net of certain partnership costs, to $2,592 million (December 31, 2025 – $2,258 million). The increase in fair value considers public market peer valuations, Wealthsimple's business performance and revenue expectations, as well as transactions which closed in the fourth quarter of 2025. Fair value is determined by using observable transactions in the investments' securities where available, discounted cash flows, and other valuation metrics, including revenue multiples used in the valuation of comparable public companies.

Note 6. Loans

	Contractual maturity				
	1 year or less	**1 – 5 years**	**Over 5 years**	**June 30 2026 Total**	December 31 2025 Total
Amortized cost					
Residential mortgages	**$ 1,101,496**	**$ 4,049,756**	**$ 14,984**	**$ 5,166,236**	$ 5,262,769
Less: Allowance for expected credit losses				**648**	705
				5,165,588	5,262,064
Fair value through profit or loss				**17,718**	–
				$ 5,183,306	$ 5,262,064
The change in the allowance for expected credit losses is as follows:					
Balance, beginning of period				**$ 705**	$ 783
Write-offs, net of recoveries				**(65)**	(187)
Change in expected credit losses				**8**	109
Balance, end of period				**$ 648**	$ 705

Total credit impaired loans as at June 30, 2026 were $4.8 million (December 31, 2025 – $5.5 million).

Total interest income on loans was $107.0 million (2025 – $107.3 million). Total interest expense on obligations to securitization entities, related to securitized loans, was $87.9 million (2025 – $94.5 million). Gains realized on the sale of residential mortgages totalled $2.6 million (2025 – $2.8 million). Fair value adjustments related to mortgage banking operations totalled $0.4 million (2025 – negative $2.2 million). These amounts were included in Wealth management revenue. Wealth management revenue also includes other mortgage banking related items including portfolio insurance, issue costs, and other items.

Note 7. Securitizations

The Company securitizes residential mortgages through the Canada Mortgage and Housing Corporation (CMHC) sponsored National Housing Act Mortgage-Backed Securities (NHA MBS) Program and Canada Mortgage Bond (CMB) Program and through Canadian bank-sponsored asset-backed commercial paper (ABCP) programs. These transactions do not meet the requirements for derecognition as the Company retains prepayment risk and certain elements of credit risk. Accordingly, the Company has retained these mortgages on its balance sheets and has recorded offsetting liabilities for the net proceeds received as Obligations to securitization entities which are recorded at amortized cost.

The Company earns interest on the mortgages and pays interest on the obligations to securitization entities. As part of the CMB transactions, the Company enters into a swap transaction whereby the Company pays coupons on CMBs and receives investment returns on the NHA MBS and the reinvestment of repaid mortgage principal. A component of this swap, related to the obligation to pay CMB coupons and receive investment returns on repaid mortgage principal, and the hedging swap used to manage exposure to changes in variable rate investment returns, are recorded as derivatives with a fair value of negative $3.4 million at June 30, 2026 (December 31, 2025 – negative $4.7 million).

All mortgages securitized under the NHA MBS and CMB Program are insured by CMHC or another approved insurer under the program. As part of the ABCP transactions, the Company has provided cash reserves for credit enhancement which are recorded at cost. Credit risk is limited to these cash reserves and future net interest income as the ABCP Trusts have no recourse to the Company's other assets for failure to make payments when due.

	Securitized mortgages	Obligations to securitization entities	Net
June 30, 2026			
Carrying value			
NHA MBS and CMB Program	**$ 2,619,282**	**$ 2,646,433**	**$ (27,151)**
Bank sponsored ABCP	**2,033,181**	**2,060,882**	**(27,701)**
Total	**$ 4,652,463**	**$ 4,707,315**	**$ (54,852)**
Fair value	**$ 4,811,152**	**$ 4,837,350**	**$ (26,198)**
December 31, 2025			
Carrying value			
NHA MBS and CMB Program	$ 2,580,268	$ 2,597,439	$ (17,171)
Bank sponsored ABCP	2,179,719	2,217,873	(38,154)
Total	$ 4,759,987	$ 4,815,312	$ (55,325)
Fair value	$ 4,890,342	$ 4,916,463	$ (26,121)

The carrying value of Obligations to securitization entities, which is recorded net of issue costs, includes principal payments received on securitized mortgages that are not due to be settled until after the reporting period. Issue costs are amortized over the life of the obligation on an effective interest rate basis.

Note 8. Investment in associates

	Great West	ChinaAMC	Rockefeller	Northleaf	Other	Total
June 30, 2026						
Balance, beginning of period	**$ 670,005**	**$ 2,081,216**	**$ 480,679**	**$ 471,901**	**$ 49,734**	**$ 3,753,535**
Dispositions	**–**	**–**	**–**	**–**	**(2,151)**	**(2,151)**
Dividends	**(29,663)**	**(61,480)**	**–**	**(56,700)**	**–**	**(147,843)**
Proportionate share of:						
Earnings (losses)	**54,572**	**78,498**	**(2,387)**	**15,191** [1]	**(920)**	**144,954**
Other comprehensive income (loss) and other adjustments	**(25,852)**	**132,998**	**15,865**	**–**	**–**	**123,011**
Balance, end of period	**$ 669,062**	**$ 2,231,232**	**$ 494,157**	**$ 430,392**	**$ 46,663**	**$ 3,871,506**
June 30, 2025						
Balance, beginning of period	$ 633,475	$ 2,030,081	$ 903,208	$ 353,565	$ 59,415	$ 3,979,744
Additions	–	–	–	61,000	–	61,000
Dividends	(27,006)	(66,004)	–	–	–	(93,010)
Proportionate share of:						
Earnings (losses)	41,989	60,261	(4,976)	17,677 [1]	884	115,835
Other comprehensive income (loss) and other adjustments	17,954	(72,434)	(47,235)	(3,296)	–	(105,011)
Balance, end of period	$ 666,412	$ 1,951,904	$ 850,997	$ 428,946	$ 60,299	$ 3,958,558

(1) The Company's proportionate share of Northleaf's earnings net of Non-controlling interest was $12,153 (2025 – $14,142).

The Company uses the equity method to account for its investments in associates, which include Great-West Lifeco Inc. (Great West), China Asset Management Co., Ltd. (ChinaAMC), Rockefeller Capital Management (Rockefeller), and Northleaf Capital Group Ltd. (Northleaf), as it exercises significant influence.

During the second quarter of 2026, Northleaf declared and paid dividends of $56.7 million ($45.4 million net of Non-controlling interest (NCI)), including a distribution of excess cash, in preparation for transactions that closed in the third quarter of 2026.

Subsequent to June 30, 2026, pursuant to the 2020 Northleaf transaction and related rights and obligations, the Company completed a series of transactions that aligned its voting rights and economic interests and increased its ownership in Northleaf by 4.9%, from 56.0% to 60.9%, for cash consideration of $43 million (Note 19).

Note 9. Long-term debt

On June 2, 2026, the Company issued $200 million of 10-year, 4.407% debentures and $200 million of 30-year, 5.002% debentures. The net proceeds were used by the Company to fund the early redemption on July 2, 2026 of all of its $400 million aggregate principal amount of 3.44% debentures due January 26, 2027.

Interest on debentures is recorded in interest expense in the Statements of Earnings.

Note 10. Share capital

Authorized

Unlimited number of:
- First preferred shares, issuable in series
- Second preferred shares, issuable in series
- Class 1 non-voting shares
- Common shares, no par value

Issued and outstanding

	June 30, 2026		June 30, 2025	
	Shares	**Stated value**	Shares	Stated value
Common shares:				
Balance, beginning of period	**235,137,873**	**$ 1,867,055**	237,878,838	$ 1,785,233
Issued under Stock Option Plan	**1,838,877**	**74,504**	735,055	30,534
Purchased for cancellation	**(5,461,800)**	**(44,018)**	(2,559,100)	(19,369)
Balance, end of period	**231,514,950**	**$ 1,897,541**	236,054,793	$ 1,796,398

Normal course issuer bid

On December 23, 2025, the Company commenced a Normal Course Issuer Bid (NCIB) which will continue until December 22, 2026, when the bid expires, or such earlier date as the Company completes its purchases pursuant to the notice of intention filed with the TSX. Pursuant to this bid, the Company may purchase up to 11.8 million or 5.0% of its common shares outstanding as at December 9, 2025. On December 23, 2024, the Company commenced an NCIB, effective until December 22, 2025, which authorized it to purchase up to 5.0 million or 2.1% of its common shares outstanding as at December 9, 2024. On November 13, 2025, the Company amended its NCIB to increase the maximum number of common shares that can be repurchased to 6.0 million shares or 2.5% of its common shares outstanding as at December 9, 2024.

In the second quarter of 2026, there were 2,631,800 shares (2025 – 804,400) purchased at a cost of $200.4 million (2025 – $34.9 million). In the six months ended June 30, 2026, there were 5,461,800 shares (2025 – 2,559,100) purchased at a cost of $385.8 million (2025 – $113.6 million). The premium paid to purchase the shares in excess of the stated value was charged to Retained earnings.

In connection with its NCIB, the Company has established an automatic securities purchase plan for its common shares. The automatic securities purchase plan provides standard instructions regarding how IGM Financial's common shares are to be purchased under the NCIB during certain pre-determined trading blackout periods, subject to pre-established parameters. Outside of these pre-determined trading blackout periods, purchases under the Company's NCIB will be completed based upon management's discretion.

Note 11. Capital management

The capital management policies, procedures and activities of the Company are discussed in the Capital Resources section of the Company's Management's Discussion and Analysis contained in the Second Quarter 2026 Report to Shareholders and in Note 19 to the Consolidated Financial Statements in the 2025 IGM Financial Inc. Annual Report and have not changed significantly since December 31, 2025.

Note 12. Share-based payments

Stock option plan

	June 30 2026	December 31 2025
Common share options		
– Outstanding	**4,039,765**	5,427,636
– Exercisable	**1,718,740**	2,654,864

In the second quarter of 2026, the Company granted 125,145 options to employees (2025 – 1,164). In the six months ended June 30, 2026, the Company granted 462,185 options to employees (2025 – 539,310). The weighted-average fair value of options granted during the six months ended June 30, 2026, has been estimated at $14.04 per option (2025 – $6.58) using the Black-Scholes option pricing model. The weighted-average closing share price at the grant date was $71.48.

Other assumptions used in these valuation methods include:

Six months ended June 30	**2026**	2025
Exercise price	**$ 70.43**	$ 44.55
Risk-free interest rate	**3.17%**	3.09%
Expected option life	**7 years**	7 years
Expected volatility	**24.27%**	24.00%
Expected dividend yield	**3.48%**	4.98%

Expected volatility has been estimated based on the historic volatility of the Company's share price over seven years which is reflective of the expected option life. Options vest over a period of up to 7.5 years from the grant date and are exercisable no later than 10 years after the grant date.

Note 13. Accumulated other comprehensive income (loss)

	Employee benefits	Other investments	Investment in associates and other	Total
June 30, 2026				
Balance, beginning of period	**$ 22,800**	**$ 1,739,295**	**$ 97,863**	**$ 1,859,958**
Other comprehensive income (loss)	**(6,121)**	**307,774**	**138,452**	**440,105**
Transfer out of FVTOCI	**–**	**(2,232)**	**–**	**(2,232)**
Balance, end of period	**$ 16,679**	**$ 2,044,837**	**$ 236,315**	**$ 2,297,831**
June 30, 2025				
Balance, beginning of period	$ 34,075	$ 917,297	$ 118,685	$ 1,070,057
Other comprehensive income (loss)	12,764	243,074	(94,265)	161,573
Transfer out of FVTOCI	–	(18,871)	–	(18,871)
Balance, end of period	$ 46,839	$ 1,141,500	$ 24,420	$ 1,212,759

Amounts are recorded net of tax.

Note 14. Risk management

The risk management policies and procedures of the Company are discussed in the Financial Risk section of the Company's Management's Discussion and Analysis contained in the Second Quarter 2026 Report to Shareholders and in Note 22 to the Consolidated Financial Statements in the 2025 IGM Financial Inc. Annual Report and have not changed significantly since December 31, 2025.

Note 15. Fair value of financial instruments

Fair values are management's estimates and are calculated using market conditions at a specific point in time and may not reflect future fair values. The calculations are subjective in nature, involve uncertainties and are matters of significant judgment.

All financial instruments measured at fair value and those for which fair value is disclosed are classified into one of three levels that distinguish fair value measurements by the significance of the inputs used for valuation.

Fair value is determined based on the price that would be received for an asset or paid to transfer a liability in the most advantageous market, utilizing a hierarchy of three different valuation techniques, based on the lowest level input that is significant to the fair value measurement in its entirety.

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Observable inputs other than Level 1 quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; or inputs other than quoted prices that are observable or corroborated by observable market data; and

Level 3 – Unobservable inputs that are supported by little or no market activity. Valuation techniques are primarily model-based.

Markets are considered inactive when transactions are not occurring with sufficient regularity. Inactive markets may be characterized by a significant decline in the volume and level of observed trading activity or through large or erratic bid/offer spreads. In those instances where traded markets are not considered sufficiently active, fair value is measured using valuation models which may utilize predominantly observable market inputs (Level 2) or may utilize predominantly non-observable market inputs (Level 3). Management considers all reasonably available information including indicative broker quotations, any available pricing for similar instruments, recent arm's length market transactions, any relevant observable market inputs, and internal model-based estimates. Management exercises judgment in determining the most appropriate inputs and the weighting ascribed to each input as well as in the selection of valuation methodologies.

Fair value is determined using the following methods and assumptions:

Other investments and other financial assets and financial liabilities are valued using quoted prices from active markets, when available. When a quoted market price is not readily available, valuation techniques are used that require assumptions related to discount rates and the timing and amount of future cash flows. Wherever possible, observable market inputs are used in the valuation techniques.

Loans classified as Level 2 are valued using market interest rates for loans with similar credit risk and maturity.

Loans classified as Level 3 are valued by discounting the expected future cash flows at prevailing market yields.

Valuation methods used for Other investments classified as Level 3 include comparison to market transactions with arm's length third parties, use of market multiples, and discounted cash flow analysis.

Obligations to securitization entities are valued by discounting the expected future cash flows at prevailing market yields for securities issued by these securitization entities having similar terms and characteristics.

Long-term debt is valued using quoted prices for each debenture available in the market.

Derivative financial instruments are valued based on quoted market prices, where available, prevailing market rates for instruments with similar characteristics and maturities, or discounted cash flow analysis.

Level 1 financial instruments include exchange-traded equity investments and open-end investment fund units and other financial liabilities in instances where there are quoted prices available from active markets.

Level 2 assets and liabilities include fixed income securities, loans, derivative financial instruments and long-term debt. The fair value of fixed income securities is determined using quoted market prices or independent dealer price quotes. The fair value of derivative financial instruments is determined using valuation models, discounted cash flow methodologies, or similar techniques using primarily observable market inputs. The fair value of long-term debt is determined using indicative broker quotes.

Level 3 assets and liabilities include investments with little or no trading activity valued using broker-dealer quotes, loans, other financial assets, obligations to securitization entities and derivative financial instruments. Derivative financial instruments consist of principal reinvestment account swaps which represent the component of a swap entered into under the CMB Program whereby the Company pays coupons on Canada Mortgage Bonds and receives investment returns on the reinvestment of repaid mortgage principal. Fair value is determined by discounting the projected cash flows of the swaps. The notional amount, which is an input used to determine the fair value of the swap, is determined using an average unobservable prepayment rate of 15% which is based on historical prepayment patterns. An increase (decrease) in the assumed mortgage prepayment rate increases (decreases) the notional amount of the swap. Level 3 Other investments of $2,766 million are predominantly comprised of early-stage financial technology companies, including Wealthsimple with a fair value of $2,592 million. Fair value is determined by using observable transactions in the investments' securities, where available, discounted cash flows, and other valuation metrics, including revenue multiples, used in the valuation of comparable public companies. A 5% increase (decrease) to forecasted cash flows or revenue multiples would result in an increase (decrease) in fair value of the Company's investment in Wealthsimple of approximately $130 million.

The following table presents the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. The table distinguishes between those financial instruments recorded at fair value and those recorded at amortized cost. The table also excludes fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. These items include cash and cash equivalents, client funds on deposit, accounts and other receivables, certain other financial assets, accounts payable and accrued liabilities, client deposits, and certain other financial liabilities.

	Carrying value	Fair value Level 1	Level 2	Level 3	Total
June 30, 2026					
Financial assets recorded at fair value					
Other investments					
– FVTOCI	**$ 2,765,926**	**$ –**	**$ –**	**$ 2,765,926**	**$ 2,765,926**
– FVTPL	**145,081**	**145,081**	**–**	**–**	**145,081**
Loans					
– FVTPL	**17,718**	**–**	**17,718**	**–**	**17,718**
Derivative financial instruments	**80,651**	**–**	**78,068**	**2,583**	**80,651**
Financial assets recorded at amortized cost					
Loans					
– Amortized cost	**5,165,588**	**–**	**509,131**	**4,811,152**	**5,320,283**
Financial liabilities recorded at fair value					
Derivative financial instruments	**10,993**	**–**	**5,360**	**5,633**	**10,993**
Financial liabilities recorded at amortized cost					
Obligations to securitization entities	**4,707,315**	**–**	**–**	**4,837,350**	**4,837,350**
Long-term debt	**2,800,000**	**–**	**2,857,185**	**–**	**2,857,185**
December 31, 2025					
Financial assets recorded at fair value					
Other investments					
– FVTOCI	$ 2,412,868	$ –	$ –	$ 2,412,868	$ 2,412,868
– FVTPL	109,252	109,252	–	–	109,252
Derivative financial instruments	69,961	–	66,874	3,087	69,961
Financial assets recorded at amortized cost					
Loans					
– Amortized cost	5,262,064	–	499,359	4,890,342	5,389,701
Financial liabilities recorded at fair value					
Derivative financial instruments	15,150	–	7,665	7,485	15,150
Financial liabilities recorded at amortized cost					
Obligations to securitization entities	4,815,312	–	–	4,916,463	4,916,463
Long-term debt	2,400,000	–	2,441,727	–	2,441,727

There were no significant transfers between Level 1 and Level 2 in 2026 and 2025.

The following table provides a summary of changes in Level 3 assets and liabilities measured at fair value on a recurring basis. There were no transfers in or out of Level 3 in 2026 and 2025.

	Balance January 1	Gains (losses) included in Net earnings [1]	Gains (losses) included in Other comprehensive income	Purchases and issuances	Settlements	Balance June 30
June 30, 2026						
Other investments						
– FVTOCI	**$ 2,412,868**	**$ –**	**$ 354,704**	**$ 5,893**	**$ 7,539**	**$ 2,765,926**
Derivative financial instruments, net	**(4,398)**	**1,209**	**–**	**125**	**(14)**	**(3,050)**
June 30, 2025						
Other investments						
– FVTOCI	$ 1,350,376	$ –	$ 279,831	$ 6,847	$ 25,560	$ 1,611,494
Derivative financial instruments, net	(3,594)	(197)	–	(74)	2,426	(6,291)

(1) Included in Wealth management revenue or Net investment income and other in the Consolidated Statements of Earnings.

Note 16. Earnings per common share

	Three months ended June 30		Six months ended June 30	
	2026	2025	**2026**	2025
Earnings				
Net earnings	**$ 262,996**	$ 248,580	**$ 548,307**	$ 484,021
Non-controlling interest	**(1,544)**	(1,871)	**(3,039)**	(3,535)
Net earnings available to common shareholders	**$ 261,452**	$ 246,709	**$ 545,268**	$ 480,486
Number of common shares *(in thousands)*				
Weighted average number of common shares outstanding	**232,257**	236,435	**233,199**	236,850
Add: Potential exercise of outstanding stock options[1]	**1,630**	801	**1,486**	881
Average number of common shares outstanding – diluted basis	**233,887**	237,236	**234,685**	237,731
Earnings per common share *(in dollars)*				
Basic	**$ 1.13**	$ 1.04	**$ 2.34**	$ 2.03
Diluted	**$ 1.12**	$ 1.04	**$ 2.32**	$ 2.02

(1) Excludes 44 thousand shares for the three months ended June 30, 2026, related to outstanding stock options that were anti-dilutive (2025 – 182 thousand). Excludes 82 thousand shares for the six months ended June 30, 2026, related to outstanding stock options that were anti-dilutive (2025 – 135 thousand).

Note 17. Contingent liabilities

The Company is subject to legal actions arising in the normal course of its business. In December 2018, a proposed class action was filed in the Ontario Superior Court against Mackenzie Financial Corporation (Mackenzie) which alleges that the company should not have paid mutual fund trailing commissions to order execution only dealers. This action was certified in January 2024. In August 2022, a second proposed class action concerning the same subject matter was filed against Mackenzie.

In late March 2023, the Company was notified by one of our third-party vendors, InvestorCOM Inc., that they were compromised due to a cybersecurity incident related to a technology supplier to InvestorCOM, GoAnywhere. The Company has notified impacted clients and offered credit monitoring at no cost for all clients. Four proposed class actions have been filed against Mackenzie concerning this incident, two of which have been certified, in October 2025 and June 2026, respectively.

Although it is difficult to predict the outcome of any such legal actions, based on current knowledge, management does not expect the outcome of any of these matters, individually or in aggregate, to have a material adverse effect on the Company's consolidated financial position.

Note 18. Segmented information

The Company's reportable segments are:

- Wealth Management
- Asset Management
- Corporate and Other

These segments reflect the Company's internal financial reporting and performance measurement.

- **Wealth Management** – reflects the activities of its core business and strategic investments that are principally focused on providing financial planning and related services to retail client households. This segment includes the activities of IG Wealth Management which is a retail distribution organization that serves Canadian households through its investment dealer and other subsidiaries licensed to distribute financial products and services. A majority of the revenues of this segment are derived from providing financial advice and distributing financial products and services to Canadian households. This segment also includes the investment management activities of these organizations, including mutual fund management and discretionary portfolio management services. This segment also includes the Company's strategic investments in Rockefeller and Wealthsimple. Rockefeller is classified as an investment in associate and accounted for using the equity method, with the proportionate share of earnings included in revenue. Wealthsimple is classified as an investment which is accounted for at FVTOCI and therefore has no impact on the segment earnings.
- **Asset Management** – reflects the activities of its core business and strategic investments primarily focused on providing investment management services. This segment includes the operations of Mackenzie Investments which provides investment management services to a suite of investment funds that are distributed through third party dealers and financial advisors, and through institutional advisory mandates to financial institutions, pensions and other institutional investors. This segment also includes the Company's strategic investment in ChinaAMC and Northleaf which are classified as investments in associates and accounted for using the equity method. The proportionate share of earnings on these investments are included in the segment's revenue.
- **Corporate and Other** – primarily represents investments in Great West and Portage Ventures LPs, the Company's unallocated capital, as well as consolidation elimination entries.

2026

Three months ended June 30	Wealth Management	Asset Management	Corporate and Other	Total Segment	Adjustments [1]	Total
Revenues						
Wealth management	$ 777,110	$ –	$ (5,667)	$ 771,443	$ –	$ 771,443
Asset management	–	308,596	(28,552)	280,044	–	280,044
Dealer compensation	–	(85,417)	(2,226)	(87,643)	–	(87,643)
Net asset management	–	223,179	(30,778)	192,401	–	192,401
Net investment income and other	3,093	9,718	5,932	18,743	8,925	27,668
Proportionate share of associates' earnings	89	51,600	31,292	82,981	(7,430)	75,551
	780,292	284,497	779	1,065,568	1,495	1,067,063
Expenses						
Advisory and business development	333,672	25,856	(2)	359,526	–	359,526
Operations and support	121,115	95,245	603	216,963	94,255	311,218
Sub-advisory	61,361	5,783	(36,447)	30,697	–	30,697
	516,148	126,884	(35,846)	607,186	94,255	701,441
	264,144	157,613	36,625	458,382	(92,760)	365,622
Interest expense[2]	27,101	6,727	–	33,828	–	33,828
Earnings before income taxes	237,043	150,886	36,625	424,554	(92,760)	331,794
Income taxes	62,626	28,963	1,439	93,028	(24,230)	68,798
	174,417	121,923	35,186	331,526	(68,530)	262,996
Non-controlling interest	–	(1,544)	–	(1,544)	–	(1,544)
	$ 174,417	$ 120,379	$ 35,186	329,982	(68,530)	261,452
Great West other items[1]				(6,526)	6,526	–
Restructuring and other, net of tax[1]				(70,058)	70,058	–
Rockefeller equity compensation[1]				(904)	904	–
Gain on partial sale of investment in associates, net of tax[1]				8,958	(8,958)	–
Net earnings available to common shareholders				$ 261,452	$ –	$ 261,452

(1) The proportionate share of Great West other items, Restructuring and other, Rockefeller equity compensation and Gain on partial sale of investment in associates are not related to a specific segment and therefore excluded from segment results. These items have been adjusted to reconcile Total Segment results to the Company's Consolidated Statements of Earnings.

(2) Interest expense includes interest on long-term debt and interest on leases.

2025

Three months ended June 30	Wealth Management	Asset Management	Corporate and Other	Total Segment	Adjustments [1]	Total
Revenues						
Wealth management	$ 653,004	$ –	$ (3,548)	$ 649,456	$ –	$ 649,456
Asset management	–	280,097	(26,281)	253,816	–	253,816
Dealer compensation	–	(80,870)	(1,439)	(82,309)	–	(82,309)
Net asset management	–	199,227	(27,720)	171,507	–	171,507
Net investment income and other	2,199	5,011	4,455	11,665	–	11,665
Proportionate share of associates' earnings	(377)	39,015	27,431	66,069	(5,977)	60,092
	654,826	243,253	618	898,697	(5,977)	892,720
Expenses						
Advisory and business development	283,452	21,346	(2)	304,796	–	304,796
Operations and support	116,136	95,416	807	212,359	–	212,359
Sub-advisory	51,574	2,841	(31,268)	23,147	–	23,147
	451,162	119,603	(30,463)	540,302	–	540,302
	203,664	123,650	31,081	358,395	(5,977)	352,418
Interest expense[2]	25,763	6,497	–	32,260	–	32,260
Earnings before income taxes	177,901	117,153	31,081	326,135	(5,977)	320,158
Income taxes	47,043	23,548	987	71,578	–	71,578
	130,858	93,605	30,094	254,557	(5,977)	248,580
Non-controlling interest	–	(1,871)	–	(1,871)	–	(1,871)
	$ 130,858	$ 91,734	$ 30,094	252,686	(5,977)	246,709
Great West other items[1]				(5,977)	5,977	–
Net earnings available to common shareholders				$ 246,709	$ –	$ 246,709

(1) The proportionate share of Great West other items is not related to a specific segment and therefore excluded from segment results. This item has been adjusted to reconcile Total Segment results to the Company's Consolidated Statements of Earnings.

(2) Interest expense includes interest on long-term debt and interest on leases.

2026

Six months ended June 30	**Wealth Management**	**Asset Management**	**Corporate and Other**	**Total Segment**	**Adjustments** [1]	**Total**
Revenues						
Wealth management	$ 1,511,857	$ –	$ (10,681)	$ 1,501,176	$ –	$ 1,501,176
Asset management	–	611,717	(56,231)	555,486	–	555,486
Dealer compensation	–	(170,470)	(4,227)	(174,697)	–	(174,697)
Net asset management	–	441,247	(60,458)	380,789	–	380,789
Net investment income and other	5,953	11,496	11,673	29,122	8,925	38,047
Proportionate share of associates' earnings	(2,403)	93,689	61,541	152,827	(7,873)	144,954
	1,515,407	546,432	2,075	2,063,914	1,052	2,064,966
Expenses						
Advisory and business development	645,136	52,924	(4)	698,056	–	698,056
Operations and support	247,339	200,230	1,026	448,595	94,255	542,850
Sub-advisory	119,500	10,465	(71,140)	58,825	–	58,825
	1,011,975	263,619	(70,118)	1,205,476	94,255	1,299,731
	503,432	282,813	72,193	858,438	(93,203)	765,235
Interest expense[2]	52,757	13,135	–	65,892	–	65,892
Earnings before income taxes	450,675	269,678	72,193	792,546	(93,203)	699,343
Income taxes	120,196	52,206	2,864	175,266	(24,230)	151,036
	330,479	217,472	69,329	617,280	(68,973)	548,307
Non-controlling interest	–	(3,039)	–	(3,039)	–	(3,039)
	$ 330,479	$ 214,433	$ 69,329	614,241	(68,973)	545,268
Great West other items[1]				(6,969)	6,969	–
Restructuring and other, net of tax[1]				(70,058)	70,058	–
Rockefeller equity compensation[1]				(904)	904	–
Gain on partial sale of investment in associates, net of tax[1]				8,958	(8,958)	–
Net earnings available to common shareholders				$ 545,268	$ –	$ 545,268
Identifiable assets	$ 13,224,489	$ 4,156,834	$ 1,761,912	$ 19,143,235	$ –	$ 19,143,235
Goodwill	1,346,245	1,290,526	–	2,636,771	–	2,636,771
Total assets	$ 14,570,734	$ 5,447,360	$ 1,761,912	$ 21,780,006	$ –	$ 21,780,006

(1) The proportionate share of Great West other items, Restructuring and other, Rockefeller equity compensation and Gain on partial sale of investment in associates are not related to a specific segment and therefore excluded from segment results. These items have been adjusted to reconcile Total Segment results to the Company's Consolidated Statements of Earnings.

(2) Interest expense includes interest on long-term debt and interest on leases.

2025

Six months ended June 30	Wealth Management	Asset Management	Corporate and Other	Total Segment	Adjustments (1)	Total
Revenues						
Wealth management	$ 1,295,835	$ –	$ (6,895)	$ 1,288,940	$ –	$ 1,288,940
Asset management	–	564,538	(52,790)	511,748	–	511,748
Dealer compensation	–	(164,602)	(2,799)	(167,401)	–	(167,401)
Net asset management	–	399,936	(55,589)	344,347	–	344,347
Net investment income and other	4,226	6,476	8,695	19,397	–	19,397
Proportionate share of associates' earnings	(4,092)	77,938	51,951	125,797	(9,962)	115,835
	1,295,969	484,350	(1,838)	1,778,481	(9,962)	1,768,519
Expenses						
Advisory and business development	558,511	47,544	(4)	606,051	–	606,051
Operations and support	234,029	191,071	1,624	426,724	–	426,724
Sub-advisory	103,111	5,684	(62,484)	46,311	–	46,311
	895,651	244,299	(60,864)	1,079,086	–	1,079,086
	400,318	240,051	59,026	699,395	(9,962)	689,433
Interest expense(2)	51,280	12,954	–	64,234	–	64,234
Earnings before income taxes	349,038	227,097	59,026	635,161	(9,962)	625,199
Income taxes	93,917	45,348	1,913	141,178	–	141,178
	255,121	181,749	57,113	493,983	(9,962)	484,021
Non-controlling interest	–	(3,535)	–	(3,535)	–	(3,535)
	$ 255,121	$ 178,214	$ 57,113	490,448	(9,962)	480,486
Great West other items(1)				(9,962)	9,962	–
Net earnings available to common shareholders				$ 480,486	$ –	$ 480,486
Identifiable assets	$ 12,260,265	$ 3,863,637	$ 1,396,333	$ 17,520,235	$ –	$ 17,520,235
Goodwill	1,346,245	1,290,526	–	2,636,771	–	2,636,771
Total assets	$ 13,606,510	$ 5,154,163	$ 1,396,333	$ 20,157,006	$ –	$ 20,157,006

(1) The proportionate share of Great West other items is not related to a specific segment and therefore excluded from segment results. These items have been adjusted to reconcile Total Segment results to the Company's Consolidated Statements of Earnings.

(2) Interest expense includes interest on long-term debt and interest on leases.

Note 19. Subsequent event

Northleaf Capital Group Ltd.

As at June 30, 2026, the Company, through an acquisition vehicle owned 80% by Mackenzie and 20% by Great West, held a 49.9% voting interest and a 70% economic interest (56% net of NCI) in Northleaf, which was accounted for using the equity method. As a result of a series of transactions subsequent to June 30, 2026, the Company's voting interest was aligned with its economic interest, and the Company will therefore consolidate Northleaf beginning on July 1, 2026.

The transactions also increased the Company's ownership in Northleaf, net of NCI, by 4.9% to 60.9% for cash consideration of $43 million. These transactions were conducted at fair market value and will be accounted for as a business combination achieved in stages under IFRS 3, Business Combinations.

The Company will derecognize its existing interest in Northleaf, resulting in an accounting gain of approximately $187 million, or $149 million net of NCI, representing the difference between the fair value of its previously held interest of approximately $495 million and its carrying value of $345 million.

The estimated acquisition date fair value of Northleaf, which the Company will consolidate, is $884 million, comprised of cash consideration of $43 million, the fair value of the existing investment of approximately $495 million, and non-controlling interests valued at approximately $346 million, representing a 39.1% interest in Northleaf. The purchase price allocation, including the determination of the fair value of identifiable assets acquired, liabilities assumed, and resulting goodwill, has not yet been finalized and will be disclosed in the reporting period in which the acquisition is recognized.

As the transaction was completed after June 30, 2026, no amounts have been recognized in the current period in respect of the acquisition.