

IGM Financial Streamlines Organization to Unlock Savings and Drive Growth

WINNIPEG, MB – June 29, 2023 – IGM Financial Inc. (“IGM” or “the Company”) (TSX: IGM) today announced that it is further streamlining and simplifying its operating model to better align with business priorities.

When fully completed, these strategic initiatives are expected to generate approximately \$65 million pre-tax, or \$48 million after-tax, in annualized run-rate savings. IGM intends to use these savings to reinvest in its businesses, including IG Wealth Management and Mackenzie Investments, and contribute to sustainable expense reduction. During the second quarter, the Company will record a one-time charge of approximately \$103 million pre-tax, or \$76 million after-tax.

“The initiatives we’re rolling out are an extension of our ongoing focus to optimize operations to better support key business priorities and invest in growth,” said James O’Sullivan, President and CEO, IGM Financial. “We have demonstrated strong expense discipline in recent years, but these changes will further streamline our operations and structurally reduce our costs. We will use the resulting savings to both reinvest in our future to accelerate growth and reduce expenses. This will help ensure our businesses continue to be competitive and sustainable.”

To achieve these goals, IGM has completed a review to further align its organizational structure to advance the growing needs of the business and deliver against key strategic priorities across IG Wealth Management and Mackenzie Investments. This includes optimizing its resources and talent structure to address duplication of roles, enable partnerships across the business, and operate more efficiently and effectively to better position the Company for the future.

“We will continue to invest in the growth and development of our talent to build a strong succession pipeline and continue to offer our people opportunities for fulfilling experiences and careers. This will help ensure we have the right talent, knowledge and skills to enable growth,” said Cynthia Currie, EVP and Chief HR Officer, IGM Financial.

In addition, IGM is building on the success of its most recent digital transformation – one of the most ambitious in the Canadian financial services industry – to help secure its competitive advantage. The Company will retire duplicate systems and will continue to automate and modernize its information technology infrastructure and delivery to enhance efficiencies and its ability to service client needs.

The Company also intends to consolidate some of IG Wealth Management’s real estate footprint to better reflect the make-up of its advisor network and client needs. “With the widespread adoption of hybrid work and new technologies, people want more flexibility in how they work and live and how they interact with businesses,” said Mr. O’Sullivan.

“Together, these initiatives will allow us to both invest for growth in IG and Mackenzie and sustainably reduce costs,” said Keith Potter, EVP and Chief Financial Officer, IGM Financial. “We intend to achieve this by reinvesting approximately 50 per cent of the resulting savings in our businesses and allocating the other half to sustainable expense reduction.”

With efficiencies gained through these initiatives, the Company expects to reduce its 2023 operations, support and business development expenses by approximately \$10 million, net of reinvestments, and is reducing its 2023 expense guidance to 2% growth relative to 2022, down from 3%. Cumulative annual expense savings of \$25 million are expected to be realized in 2024 with savings of over \$30 million expected in 2025, representing approximately half of the annual run-rate savings. Restructuring and other charges to support these activities reflect severance and other costs.

“We believe these foundational changes will enable us to take full advantage of improving economic conditions as the year progresses and will ensure our continued place among Canada’s leading wealth and asset management companies,” said Mr. O’Sullivan.

FORWARD-LOOKING STATEMENTS

Certain statements in this Release, 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 timing and amount of annualized run-rate savings, the intended use of such savings, the timing and amount of the one-time charge incurred with undertaking the strategic initiatives discussed in this Release, the anticipated benefits of the strategic initiatives discussed in this Release, expectations regarding the Company’s technology applications and systems and information technology infrastructure and delivery and the anticipated benefits from changes thereto, expectations regarding investment in the growth and development of talent and the anticipated benefits thereof and expectations regarding operations and support and business development expenses. 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, the strategic initiatives discussed in this Release not being completed as expected or at all, including the failure to achieve the anticipated benefits thereof, 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.

ABOUT IGM FINANCIAL INC.

IGM Financial Inc. is one of Canada's leading diversified wealth and asset management companies with approximately \$257 billion in total assets under management and advisement at May 31, 2023. The company provides a broad range of financial planning and investment management services to help more than two million Canadians meet their financial goals. Its activities are carried out principally through IG Wealth Management, Mackenzie Investments and Investment Planning Counsel. IGM Financial is a member of the Power Corporation group of companies. For more information, visit www.igmfinancial.com/en

For further information, please contact:

Media Relations

Nini Krishnappa

647-828-2553

nini.krishnappa@igmfinancial.com

Investor Relations

Kyle Martens

204-777-4888

Investor.relations@igmfinancial.com