

September 6, 2023

INTACT FINANCIAL CORPORATION

BOUGHT TREASURY OFFERING OF COMMON SHARES

TERM SHEET

A final base shelf prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces and territories of Canada. A copy of the final base shelf prospectus, any amendment to the final base shelf prospectus and any applicable shelf prospectus supplement that has been filed is required to be delivered with this document. This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the final base shelf prospectus, any amendment and any applicable prospectus supplement, for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision. The Common Shares (as defined below) will be offered by way of a prospectus supplement in all of the provinces and territories of Canada. A prospectus supplement containing important information relating to the Common Shares has not yet been filed with the applicable Canadian securities regulatory authorities.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

The Common Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and are being offered and sold within the United States exclusively to "qualified institutional buyers" pursuant to Rule 144A under the U.S. Securities Act and outside the United States only in compliance with Regulation S under the U.S. Securities Act. This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction.

The following is a summary of certain of the material attributes and characteristics of the Common Shares and does not purport to be complete.

ISSUER:	Intact Financial Corporation ("Intact").
ISSUE:	Treasury offering of 2,666,000 common shares (the "Common Shares") of Intact (the "Offering").
AMOUNT:	\$500,141,600 (\$575,162,840 if the Over-Allotment Option is exercised in full).
ISSUE PRICE:	\$187.60 per Common Share.
OVER-ALLOTMENT OPTION:	Intact has granted the Underwriters an option, exercisable at the Issue Price at any time prior to 30 days following the date of closing of the Offering, to purchase up to an additional 15% of the Common Shares issued as part of the Offering to cover over-allotments, if any and for market stabilization purposes.
USE OF PROCEEDS:	The net proceeds of the Offering are intended to be used by Intact in order to subscribe for shares of one or more subsidiaries of Intact to ultimately be used for the purpose of partially funding the execution of the acquisition of, among other things, the brokered commercial lines operations of Direct Line Insurance Group plc and certain of its affiliates (the "Acquisition") and related capital requirements and integration costs. In the event the Acquisition is not completed for any reason, the net proceeds from the Offering will be used for general corporate purposes.
DIVIDENDS:	Dividends, if declared, are currently payable by Intact on a quarterly basis. The declaration and payment of dividends on Common Shares by Intact are at the discretion of the board of directors of Intact. The first cash dividend payable on the Common Shares issued under this Offering, if and when declared, is currently anticipated to be payable on September 29, 2023, to shareholders of record on September 15, 2023.
OFFERING PROCEDURE:	Public offering in all provinces and territories of Canada by way of a prospectus supplement to Intact's existing short form base shelf prospectus dated December 15, 2021. Private offering of Common Shares in the United States to "qualified institutional buyers" pursuant to Rule 144A of the United States Securities Act of 1933, as amended, and in such other jurisdictions outside of Canada in accordance with applicable law. A copy of the base shelf prospectus and

prospectus supplement will each be available at www.sedarplus.ca.

FORM OF UNDERWRITING:	Bought deal, subject to the entering of an underwriting agreement containing conventional bought deal termination provisions and other industry standard provisions.
LISTING:	Intact Common Shares are listed and trade on the Toronto Stock Exchange ("TSX") under the symbol "IFC". Closing of the Offering shall be conditional upon listing of the Common Shares issuable under the Offering on the TSX.
ELIGIBILITY:	Eligible for RRSPs, RRIFs, RESPs, TFSAs, DPSPs and FHSAs.
UNDERWRITERS' FEE:	4.0% of the gross proceeds from the Offering.
UNDERWRITERS:	A syndicate of underwriters led by CIBC Capital Markets and BMO Capital Markets.
CLOSING DATE:	September 13, 2023.