

DEFINITY FINANCIAL CORPORATION CONVERTS REVOLVING CREDIT FACILITY TO SUSTAINABILITY-LINKED LOAN STRUCTURE

WATERLOO, ON, August 2, 2022 — [Definity Financial Corporation](#) (“Definity”) (TSX: DFY) announced today that it is integrating its environmental, social and governance (“ESG”) commitments into the company’s liquidity framework through the renewal of its credit facility. The loan has been converted to a Sustainability-Linked Loan (SLL) structure that links its borrowing costs directly to the company’s performance on the following sustainability objectives:

- reducing Scope 1 and Scope 2 operational greenhouse gas emissions
- increasing the percentage of women in leadership positions

Incorporating sustainability performance targets into its credit facility follows the release of Definity’s inaugural ESG Report in May 2022 and demonstrates its ongoing commitment to these important strategic objectives.

“We continually look for opportunities to align our financial objectives with Definity’s purpose of building a better world by helping our clients and communities adapt and thrive,” said Philip Mather, Executive Vice-President and Chief Financial Officer at Definity. “This credit facility demonstrates that commitment and will strengthen accountability across the organization for these climate and diversity goals.”

The credit facility reflects a \$150 million unsecured financing commitment, which would increase automatically to \$600 million upon a continuance of Definity under the *Canada Business Corporations Act*. This represents an increase of \$200 million over the pre-existing facility, providing Definity with greater financial capacity post-continuance. The credit facility is provided by a consortium of leading financial institutions, with RBC Capital Markets and TD Securities acting as Co-Lead Arrangers and Joint Bookrunners, Royal Bank of Canada and The Toronto-Dominion Bank as Co-Sustainability Structuring Agents, and Royal Bank of Canada as the Administrative Agent.

About Definity Financial Corporation

Definity Financial Corporation (“Definity”, which includes its subsidiaries where the context so requires) is one of the leading property and casualty insurers in Canada, with over \$3.4 billion in gross written premiums for the 12 months ended June 30, 2022 and over \$7.7 billion in assets as at June 30, 2022.

Forward-Looking Statements

This news release may contain forward-looking information within the meaning of applicable securities laws, which reflects Definity’s current expectations regarding future events, including statements relating to its future borrowing costs and future increases in the amount of its credit facility. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond Definity’s control. Such risks and uncertainties are included in the “Cautionary Note Regarding Forward-looking Information” and “Risk Management and Corporate Governance” sections of Definity’s management discussion and analysis for year ended December 31, 2021. Actual results could differ materially from those projected herein. Definity does not undertake any obligation to update such forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required under applicable securities laws.

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