

DEFINITY FINANCIAL CORPORATION RENEWS NORMAL COURSE ISSUER BID

WATERLOO, ON, May 29, 2023 — [Definity Financial Corporation](#) (“Definity”) (TSX: DFY) announced today that it has received approvals from the Toronto Stock Exchange (“TSX”) and the Office of the Superintendent of Financial Institutions Canada to commence a normal course issuer bid (“NCIB”).

Pursuant to Definity’s notice of intention to make a normal course issuer bid, Definity may, during the 12-month period commencing May 31, 2023 and ending May 30, 2024, purchase up to 3,476,781 of Definity’s common shares (“Common Shares”), representing 3% of the issued and outstanding Common Shares, by way of a NCIB on the TSX or through alternative trading systems in Canada or by such other means as may be permitted by the TSX or under applicable law.

As of May 19, 2023, Definity had 115,892,700 Common Shares outstanding. Based on the average daily trading volume of 133,203 Common Shares from November 1, 2022 to April 28, 2023, daily purchases will be limited to 33,300 Common Shares, other than block purchase exceptions and purchases from Healthcare of Ontario Pension Plan Trust Fund (“HOOPP”).

Purchases of Common Shares will be made in open market transactions on the TSX or through alternative trading systems in Canada. Decisions regarding the timing of future purchases of Common Shares will be based on market conditions, share price, and other factors. Definity may elect to suspend or discontinue its NCIB at any time. Common Shares purchased under the NCIB will be cancelled. Definity believes that the purchase of Common Shares pursuant to the NCIB represents a flexible means to return capital to shareholders as part of its overall capital management strategy.

Definity has also entered into an automatic purchase plan agreement (the “APP Agreement”) with an independent designated broker in order to facilitate purchases of Common Shares at times when Definity would ordinarily not be permitted to purchase Common Shares under the NCIB due to regulatory restrictions or self-imposed blackout periods. The APP Agreement has been approved by the TSX and is effective May 31, 2023, the commencement date of the NCIB.

Definity will also be permitted to purchase its Common Shares from HOOPP in accordance with an exemption granted by the TSX pursuant to its rules, regulations, and policies in connection with the NCIB in order to maintain HOOPP’s proportionate shareholding percentage as close as possible to, without exceeding, 19.9% of the issued and outstanding Common Shares. The maximum number of Common Shares that may be purchased pursuant to the NCIB will be reduced by the number of Common Shares purchased by Definity from HOOPP.

Purchases from HOOPP will be made during the TSX’s Special Trading Session pursuant to an automatic disposition plan agreement between Definity’s broker, Definity and HOOPP (the “ADP Agreement”). Purchases from HOOPP will be made on trading days, as required by the ADP Agreement, that Definity makes a purchase from other shareholders. In the event that HOOPP does not sell Common Shares on any trading day as required by the terms of the ADP Agreement (other than as a result of certain market disruption events), the TSX exemption will cease to apply and Definity will not be permitted to make any further purchases from HOOPP under the terms of the NCIB.

Pursuant to a previous notice of intention to conduct a normal course issuer bid, under which Definity sought acceptance of the TSX to purchase up to 3,476,781 Common Shares and which was accepted by the TSX on May 12, 2022 and expired on May 16, 2023, Definity purchased no Common Shares on the open market and no Common Shares from HOOPP.

About Definity Financial Corporation

Definity Financial Corporation (which includes its subsidiaries where the context so requires) is one of the leading property and casualty insurers in Canada, with over \$3.7 billion in gross written premiums for the 12 months ended March 31, 2023 and over \$2.6 billion in equity attributable to common shareholders as at March 31, 2023.

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 the purchase of Common Shares, the APP Agreement and the ADP Agreement. 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 the year ended December 31, 2022. 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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