

ANNUAL REPORT 2024

150
ANS • YEARS

of making insurance accessible



A subsidiary of LS Mutual Management

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Our purpose

This year, Humania Assurance, one of Canada's oldest and best-established life and health insurance companies, is celebrating 150 years of its existence. Since it was founded, the mutual has designed insurance solutions accessible to hundreds of thousands of Canadians, at competitive prices, through a streamlined process that promotes their accessibility.



MISSION

Making insurance accessible



VALUES

Collaboration, innovation, agility, empathy, integrity

Our commitment to client experience

We put client experience at the centre of our mission, by building on the commitment of our employees, our relationships with our partners and the strength of our distribution network. With efficient digital sales platforms, we are streamlining the purchase and management of insurance policies, ensuring a smooth and fast experience for our clients, brokers and partners.



Financial Results Overview

\$200.3M

Insurance products

185%

Solvency ratio

\$8.2M

Net results

Humania in numbers



314,900

mutualists



334,000

policies in force



50

products

Our insurance solutions

At **Humania Assurance**, we design insurance solutions that are flexible and tailored to the needs of individuals, companies and self-employed individuals across Canada.

For more than 150 years, we have set ourselves apart by our ability to innovate and streamline insurance.

We offer a full line of life and health insurance products covering a range of insurance needs:



Individual Insurance

Personalized coverage to protect individuals and their families in case of **disability, critical illness or death**;



Group Insurance

Solutions tailored to companies to ensure the health and well-being of their employees, including **medical and disability insurance coverage**;



Travel Insurance

An essential insurance protection for **Canadians**, including **24/7 medical emergency insurance anywhere in the world**, and travel cancellation. Travel insurance is offered as individual coverage and as part of group plans.



150 years of making insurance accessible

Driven by innovation and our mutualist DNA, we have been able to evolve to meet the needs of an ever-changing industry while staying true to our purpose.

150
ANS • YEARS

Our history and evolution

Since its founding, Humania Assurance has made insurance accessible. Here is an overview of our key moments:

UNION
SAINT-JOSEPH

1874

Founding of Union Saint-Joseph, a mutual aid company

1922

Arrival of the first actuaries

Deep reforms enabled the organization to secularize, modernize, build financial strength and transform itself into a robust life insurance company, known as La Survivance.

1938

Creation of La Survivance mutual life insurance company

La Survivance quickly evolved to become a prosperous life insurance company, with its innovative spirit and commitment to its members and mutualists. After its transformation in 1938, the Company grew significantly, solidifying its structure and diversifying its products.

LA SURVIVANCE

1961

New head office opening

1968

Group insurance launched

1986

Operations expanded into Eastern Canada

2008

Addition of the new line of business in travel insurance.

2011

Expansion into Western Canada

2012

Restructuring

After 75 years under the name La Survivance, the Company had changed considerably and adapted to the new and complex needs of its many clients to become a modern company offering innovative living benefits. Driven by the desire to have a more modern and bilingual image that would evoke the human values that inspire it and insurance products that characterize it, the Company decided to change its name.

150 years of commitment for a promising future

We reaffirm our dedication to our clients and partners, with the determination to continue making a positive impact in their lives by protecting them during life events.

HUMANIA ASSURANCE

2013

La Survivance officially becomes Humania Assurance

With its heritage and expertise, Humania Assurance sets itself apart through its human commitment and technology ambitions, making the needs of its mutualist policyholders a top priority. It also became one of the first Canadian insurance companies to market insurance without a medical exam, to make insurance accessible to all.

2016

Entry into the digital era

With innovation as a driving force, Humania Assurance embraced new products with smart underwriting processes, thereby establishing the digital presence that has become essential in the insurance industry. Countless offers, products and services followed one after another for individual, group and travel insurance in an effort to digitize, personalize the offering and solutions and meet the needs of our policyholders.

2017-2023

Expansion and diversification of our offering

Building on its digital advancements, Humania Assurance developed a number of new products and significantly expanded its insurance offering. With smart processes and increased diversification, the Company continued to innovate to better meet the diverse needs of its policyholders.

2024

Celebration of **150 years of existence**

2025-2027

Humania continues its technology momentum and creates customized insurance solutions to positively impact people's lives.



Highlights

Humania's 150-year anniversary was celebrated with pride, highlighting the organization's evolution. We have also upheld our commitment to innovation and sustainable growth.

Improved financial strength

With rigorous management and a disciplined approach, Humania has succeeded in consolidating its financial stability while continuing its strategic development.

The financial results of Humania and its subsidiaries attest to the relevance of the decisions and expertise of our teams, which are a major pillar of our success.

This year was also marked by the development of the 2025-2027 strategic plan—focused on innovation, sustainability and operational excellence—to continue growing in a constantly evolving environment.

INSURANCE WITHOUT MEDICAL EXAM



Improved solutions to better protect our policyholders

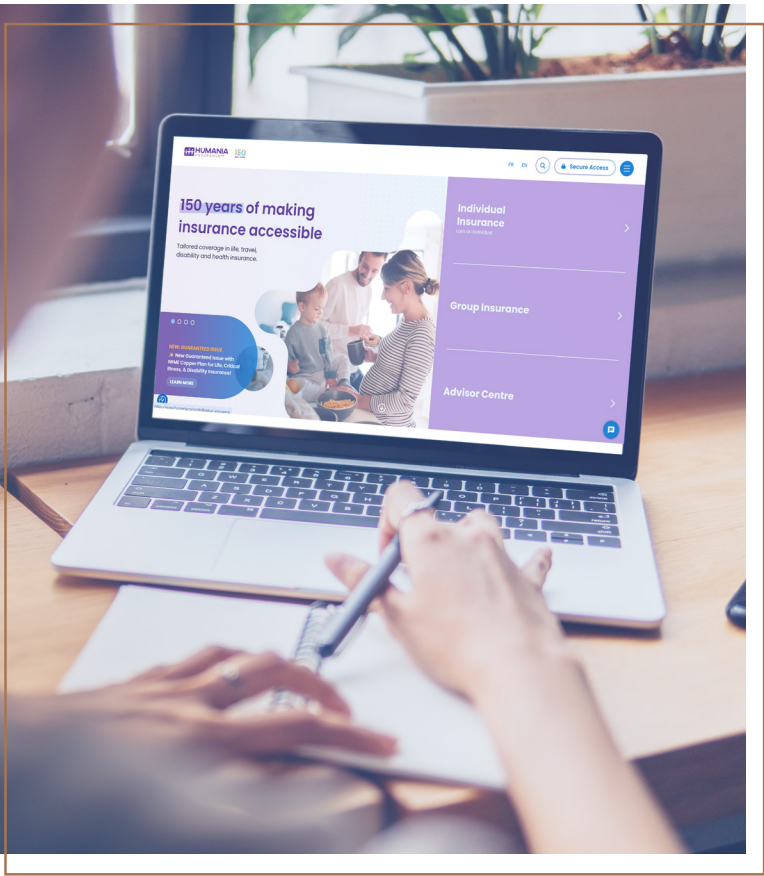
In 2024, Humania Assurance enhanced its offering with improvements to meet changing market needs:

Payment Insurance – Accident and Sickness now includes life insurance coverage, offering more comprehensive coverage.

Income Insurance – Accident and Sickness / Accident is becoming more flexible with the addition of multiple waiting periods on the same contract.

Insurance Without Medical Exam (IWME) now offers coverage up to \$500,000 in term life insurance.

These improvements show our commitment to offering accessible and tailored solutions.



Distinctive client experience

Continuously improving client experience is a top priority for Humania. In addition to improving products, we continued to optimize processes and digital platforms to offer solutions that are even more accessible, effective and tailored to the needs of policyholders and partners.

In 2024, we reduced the wait time for policyholders by 90 seconds on average. As a result, we responded to more than 75% of our interactions (calls and chats) faster than before.

In addition, the humania.ca website was revamped this year to offer a better user experience. The improvements are not only technical; above all, they serve our promise of innovation and proximity.

An employer committed to its talents

Humania Assurance has always focused on the well-being and development of its employees. Again this year, we continued to pursue quality of life at work initiatives, in particular through physical, psychological and financial health programs.

We also recognized our teams' commitment during company-wide events, celebrating together our successes and a strong business culture.



A concrete social and environmental commitment

In 2024, **Humania Assurance** strengthened its social commitment through local and international initiatives to support communities and protect the environment. We organized concrete actions, such as volunteering days to support food banks and community organizations. We also launched a reforestation program to offset CO₂ emissions and continued to provide support to the Leucan organization to help children with cancer.



Confidence in the future

As we close out a milestone year, we look to the future with confidence and determination. **Humania Assurance**, with its 150 years of history, is ready to meet the challenges of tomorrow and continue to develop.



2024 social commitment: tangible impacts

In 2024, Humania Assurance enhanced its social commitment through local and international initiatives to support communities and protect the environment.

This year, we focused in particular on concrete actions that contribute to building a more supportive, inclusive and sustainable future.



Supporting communities

As part of our volunteering days, called Empathy Days, we invited teams to get involved in causes they care about. These initiatives have supported a number of organizations that are important to the community:



Moisson Rive-Sud

Employees dedicated a day to volunteer work, preparing food for vulnerable children and helping to improve food security in Monteregie.



Moisson Maskoutaine

The Humania team supported families in the region by sorting and preparing essential products. Their participation reflects our values of collaboration and community engagement.



Moissonneurs Solidaires and the Fondation Défi Jeunesse Québec

Members of our Board of Directors got their hands dirty for Empathy Day. They participated in a harvest, helping to feed families in need.

These supportive actions are not just one-offs; they are a manifestation of our desire to engage sustainably in communities.

International commitment

Humania's mission goes beyond the borders of Québec. In 2024, we strengthened our commitment to health accessibility with the PluriELLES project in Benin. This project, partnered by a number of local and international organizations, aims to improve access to health mutuals for women in West Africa.

This support demonstrates the conviction that mutuals can act as a lever of sustainable development.



A greener future

For our 150th anniversary, we launched an ambitious reforestation initiative in partnership with SOCODEVI and its forestry cooperatives. This program resulted in the planting of 4,500 trees in Québec over 30 days, helping to offset 900 tons of CO₂.

This gesture reflects our desire to preserve the planet for future generations and to contribute to the fight against climate change.

Supporting Leucan

Humania also continued its commitment to the Leucan organization. This was made possible not only through Humania's financial commitment, but also with the participation of the Empathy Committee, which organized a number of activities to collect donations to support children with cancer and their families.

This cause is close to our hearts, and we are happy to contribute to the research and services provided by Leucan to improve the quality of life of sick children and their loved ones.

We are proud to be able to say that these actions go beyond words and make a real difference in the lives of those who benefit from them. Our social commitment is a fundamental pillar of our identity and values.

We will continue to invest in initiatives with a positive impact, both locally and internationally, as together, we can change the world for the better.





Mrs JOANNE VÉZINA

Message from the Chair of the Board

Our 150 years of loyalty

As Chair of the Board of Directors of Humania Assurance, it is with great pride that I write to you to conclude an exceptional year. The year 2024 marks a key step in our mutual's history: 150 years of building a model of insurance focused on client needs and based on continuous innovation and our mutualist roots.

Financial strength

With rigorous management and a disciplined approach, we have improved our financial strength, while reaffirming our commitment to our mutualists and partners. The financial results for 2024 demonstrate the relevance of our strategic choices and reflect the expertise of our teams, as well as the valuable collaboration with our partners, who remain indispensable pillars of our success.



A focus on innovation

Our 2025–2027 strategic plan, developed in close collaboration with the management team and the Board of Directors, shows our desire to evolve boldly.

This strategic plan, rooted in key priorities such as innovation, sustainability, compliance and operational excellence, will guide Humania in an ever-changing economic environment. To ensure its success and support technological developments, a number of initiatives supported by significant investments will be deployed in the next three years.

In addition, I would like to highlight the impact of our social and environmental responsibility initiatives. By remaining true to our values, we are continuing to demonstrate that insurance can be a lever of progress for the communities we serve.

Acknowledgements and a promising future

I would like to thank Nicolas Moskiou for his inspiring leadership and strategic vision, as well as all members of the management team and all employees for their commitment and dedication to always making the client's needs a top priority.

Thanks also to members of the Board of Directors, who share their expertise and help guide Humania's development and innovation with distinction.

As we conclude this milestone year, we are looking to the future with confidence. With its 150 years of history, Humania is ready to meet the challenges of tomorrow and continue to distinguish itself as a major player in the insurance industry.

Together, we continue to fulfill our mission: making insurance accessible, with determination and commitment.



JOANNE VÉZINA

Chair of the Board



Message from the President and CEO
MR. NICOLAS MOSKIOU

A year to remember: 150 years of Humania Assurance

Dear mutualists, partners and colleagues,

The year 2024 marked an important milestone for Humania Assurance: 150 years of making insurance accessible together, by putting our policyholders, mutualists, partners and teams at the centre of our actions. Driven by our mutualist DNA from the very beginning, we remain true to our roots. This anniversary, full of pride and gratitude, was an opportunity to celebrate a rich heritage and reaffirm our commitment to building a sustainable and innovative future.

As President, I was greatly inspired by the enthusiasm and dedication of our teams throughout this landmark year. Time and again, I have seen how our values and collaborative spirit contribute to our collective success. These precious moments have allowed us to celebrate our 150 years of history together, as we look toward a promising future.



Client experience: a top priority

Throughout the year, we have continued our commitment to improving client experience by streamlining processes and strengthening our support. Our efforts are reflected in continuous improvements to our tools and products, always with a view to offering a seamless and efficient experience for our mutualists and partners.

Tools optimized for streamlined management

The modernization of our My Humania platform, was a major advancement toward providing our clients with intuitive coverage management and a streamlined claims process. Additionally, the revamping of our website, humania.ca, is intended to improve navigation and accessibility of information, ensuring a smoother and more interactive experience. These improvements, made especially with our users in mind, are a reflection of our commitment to innovation and proximity.

Constantly evolving products

Client experience also includes offerings tailored to ever-changing market needs. By improving our products, we ensure that we are offering solutions that are always more flexible and relevant, aligned with the expectations of our mutualists and partners. Our teams work continuously to optimize our coverage and streamline our processes to provide accessible and more efficient insurance solutions.

Constant support for our partners

Our partners play a key role in our collective success. We believe in dynamic collaboration where innovation and agility make Humania a partner of choice for brokers and distributors. Our partners' performance is a testament to the success of this synergy, and we are proud to support them with tools, personalized support and a readily available team.

Our travel subsidiary also exemplifies this approach centred around client experience: The positive results observed confirm our commitment to providing best-in-class service, supported by responsive and efficient assistance, recognized as one of the best in the industry.

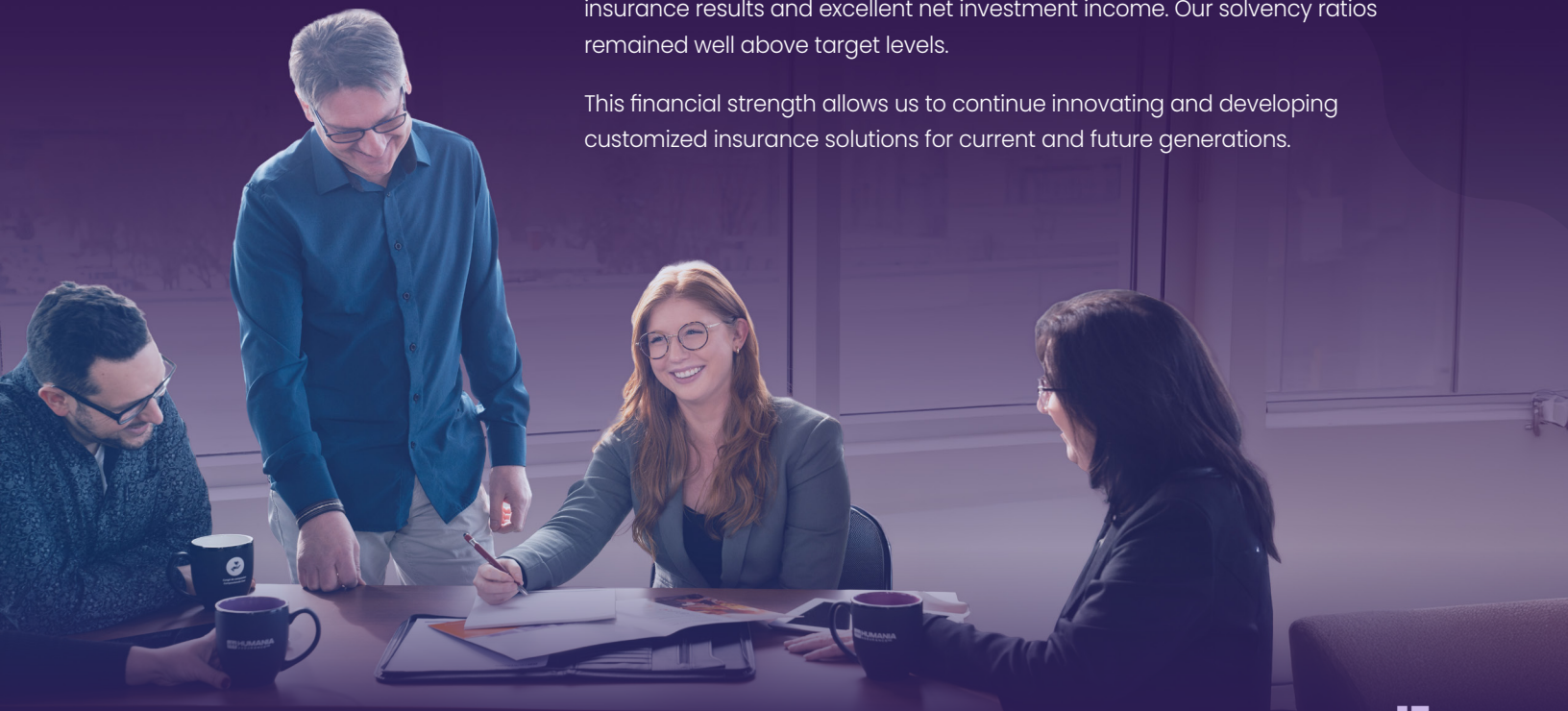
Together with our clients and partners, we are building an experience where simplicity, innovation and support remain top priorities.



Financial strength and performance

Financial results for 2024 once again exceeded expectations, with strong insurance results and excellent net investment income. Our solvency ratios remained well above target levels.

This financial strength allows us to continue innovating and developing customized insurance solutions for current and future generations.



A year of recognitions and excellence

This year, our efforts were rewarded, in particular with a Mercuriades award in the Occupational health, safety and wellbeing category, demonstrating our ability to deliver a distinctive experience for our employees.

We were also recognized as one of Canada's top 100 small- and medium-sized employers for the sixth consecutive year, highlighting our commitment to providing an exceptional work environment focused on overall well-being and continuing professional development.



Les
**Mercuriades
2024**



Acknowledgements

To all our clients and mutualists, I express my profound gratitude for your trust in our ability to meet your life and health insurance needs.

I am also proud to celebrate the strength of our team and our partnerships.

Finally, I would also like to extend my warmest thanks to the members of the Board of Directors and to management for their valuable counsel, presence and dedication, which contribute to our company's success.

Looking to the future, together

The year 2024 was certainly a year of celebration, but also a stepping stone to new, inspiring projects. We are now entering a phase of digital transformation to better serve our mutualists and partners.

With the commitment of our teams, the trust of our clients and partners, and our constant desire to innovate, we are ready to meet the challenges of tomorrow with agility and determination. Together, we are continuing to build a future where innovation and excellence remain at the heart of our actions.

NICOLAS MOSKIOU

President and Chief Executive Officer
Humania Assurance



Board of Directors



Joanne Vézina
Chairwoman



Michel Tardif
Vice-Chair



Pascale Audette
Corporate Director



Chantal Blouin
Corporate Director



Paul Buron
Corporate Director



Luc Filiatreault
Corporate Director



Martin Leroux
Corporate Director



Muriel McGrath
Corporate Director



Louise Pellerin-Lacasse
Corporate Director



Paul-Claude Bérubé
Secretary

Executive Team



Nicolas Moskiou

**President and Chief
Executive Officer**



Luc Bergeron

Vice-president
Finance and Treasury



Alina Dudau

Chief Actuary
Actuarial Science



Jean-Benoît Forgues

Assistant Vice-President
Legal Affairs and Compliance



Denis Lefebvre

Vice-president
Information Technology



Kim Rochette

Assistant Vice-President
*Culture, Talent
and Client Experience*

Senior Management

Management

Émilie Alary

Director, Strategy and Market Monitoring

Gilbert Abi-Rached

Director, Project Office

Anthony Blais

Director, Actuary

Eddy Boissy

Director, Client Experience

Véronik Brazeau

Director, Communications and Marketing

Guillaume Delorme

Director, Administration, Group Insurance

Natalie Di Maria

Director, Accounting

Nadine Eustache

Director, Claims Department

Marie-Lou Flibotte

Senior Director, Agence Collab,
Communications and Marketing

Martin Houde Bergeron

Vice-President, LS-Travel

Virginie Labonté

Director, Financial Planning

Marie-Kim Larouche

Director, Quality Assurance

Fanny Laurendeau

Director, Contract Management and Network Relations

Cathy Leclair

Director, Administration, Individual Insurance

Valérie Le Roux

Vice-President, Products and Partnerships

Andrew Mazur

Director, Risk Selection and Lead Underwriter

Josée Pelletier

Director, Administrative Services and
Corporate Real Estate Management

Michelle Tessier

Director, Special Projects, Finance

Nathalia Wosik

Senior Director, Insurance Operations

Management – Individual Insurance Sales Team

Amélie Jodoin

National Vice-President, Business Development,
Individual Insurance

Simon Ioia

Sales Representative
Ontario, Manitoba

Ariana Kane

Sales Representative
Alberta and Saskatchewan

Vanessa Marquis-Medeiros

Director, Business Development
Montreal East, Laval, Laurentians, Lanaudiere, Abitibi

Ramy Michael

Director, Business Development
Monteregie, Centre of Quebec, Eastern Townships,
Outaouais, Montreal West, Ottawa

Isabelle Parent

Director, Business Development
Atlantic

Taylor Ruby

Sales Representative,
British Columbia

Charles Tremblay

Director, Business Development
Eastern Québec

Management – Group Insurance Sales Team

Philippe Berbari

National Vice-President, Business Development,
Group Insurance

Christian Klein

Sales Representative,
Group insurance

Martin Walker

Director, Business Development,
Group Insurance, Centre and Western Canada

Summary Consolidated Financial Statements

LS MUTUAL MANAGEMENT



LS MUTUAL MANAGEMENT

Summary Consolidated Statement of Income

Year ended December 31, 2024 (in thousands of Canadian dollars)

	2024	2023
		\$
INSURANCE SERVICE RESULT		
Insurance revenue	200,322	204,140
Insurance service expenses	(185,212)	(175,103)
Net expense from reinsurance contracts	(3,471)	(9,652)
	11,639	19,385
NET INVESTMENT RESULT		
Investments		
Investment income	24,989	21,921
Change in the value of financial assets	(4,765)	18,871
Investment expenses	(1,079)	(976)
	19,145	39,816
INSURANCE FINANCE RESULT		
Financial expense from insurance contracts	(10,250)	(49,650)
Financial income from reinsurance contracts	7,970	18,735
	(2,280)	(30,915)
	16,865	8,901
Distribution income and other income	1,463	1,035
Other finance expenses	(29)	(72)
Operating expenses	(18,257)	(18,108)
INCOME BEFORE TAX	11,681	11,141
Income tax expense	(3,512)	(4,981)
NET INCOME	8,168	6,160
Attributable to the policyholders	6,931	5,227
Attributable to the non-controlling interests	1,237	933
	8,168	6,160

LS MUTUAL MANAGEMENT

Summary Consolidated Statement of Comprehensive Income

Year ended December 31, 2024 (in thousands of Canadian dollars)

	2024	2023
		\$
NET INCOME	8,168	6,160
OTHER COMPREHENSIVE INCOME		
ITEMS THAT WILL BE RECLASSIFIED SUBSEQUENTLY TO NET INCOME		
Financial assets at fair value through other comprehensive income		
Unrealized gains		
[net of income taxes of \$254 (\$111 in 2023)]	705	309
Reclassification of realized losses to net income		
[net of income taxes of \$22 (\$25 in 2023)]	(62)	(71)
Cash flow hedges		
Unrealized gains (losses)		
[net of income taxes of \$183 (\$8 in 2023)]	526	(22)
Reclassification of realized gains to net income		
[net of income taxes of \$6 (\$0 in 2023)]	17	-
	1,186	216
ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO NET INCOME		
Employee benefits		
Remeasurement of net defined benefit liability		
[net of income taxes of \$262 (\$202 in 2023)]	893	(561)
	2,079	(345)
COMPREHENSIVE INCOME	10,247	5,815
Attributable to the policyholders	8,695	4,934
Attributable to the non-controlling interests	1,552	881
	10,247	5,815

LS MUTUAL MANAGEMENT

Summary Consolidated Statement of Financial Position

December 31, 2024 (in thousands of Canadian dollars)

	2024	2023
	\$	\$
ASSETS		
INVESTMENTS		
Cash and cash equivalents	24,786	31,191
Money market securities	1,580	834
Bonds	311,054	320,179
Shares	29,807	25,238
Infrastructure funds	13,255	12,700
Real estate funds	18,436	17,070
Loans	24,682	13,390
Derivative financial instruments	764	2,431
	424,363	423,033
INSURANCE ASSETS		
Reinsurance contract assets	218,309	212,038
	218,309	212,038
OTHER ASSET COMPONENTS		
Other assets	4,671	5,216
Deferred tax assets	22	-
Property and equipment assets	7,679	7,539
Intangible assets	9,297	9,252
Goodwill	13,670	13,670
	35,339	35,677
TOTAL ASSETS	678,011	670,748

LS MUTUAL MANAGEMENT

Summary Consolidated Statement of Financial Position

December 31, 2024 (in thousands of Canadian dollars)

	2024	2023
		\$
LIABILITIES		
INSURANCE LIABILITIES		
Insurance contract liabilities	499,038	502,572
	499,038	502,572
OTHER LIABILITY COMPONENTS		
Derivative financial instruments	1,706	30
Other liabilities	8,209	8,639
Deferred tax liabilities	5,799	6,427
Investment contract liabilities	1,271	1,458
Lease liabilities	559	439
	17,544	16,993
TOTAL LIABILITIES	516,582	519,565
EQUITY		
Members' equity	135,056	128,126
Non-controlling interests	26,903	25,351
Accumulated other comprehensive income	(530)	(2,294)
TOTAL EQUITY	161,429	151,183
TOTAL LIABILITIES AND EQUITY	678,011	670,748

On behalf of the Board,



JOANNE VÉZINA
Director



PAUL F. BURON
Director

LS MUTUAL MANAGEMENT

Summary Consolidated Statement of Changes in Equity

Year ended December 31, 2024 (in thousands of Canadian dollars)

2024	Members' equity \$	Non-controlling interests \$	Accumulated other comprehensive (loss) income \$	Total equity \$
Balance, beginning of year	128,126	25,351	(2,294)	151,183
Net income	6,931	1,237	-	8,168
Other comprehensive income	-	315	1,764	2,079
	6,931	1,552	1,764	10,247
BALANCE, END OF YEAR	135,056	26,903	(530)	161,429

2023	Members' equity \$	Non-controlling interests \$	Accumulated other comprehensive (loss) income \$	Total equity \$
Balance, beginning of year	122,899	24,470	(2,001)	145,368
Net income	5,227	933	-	6,160
Other comprehensive loss	-	(52)	(293)	(345)
	5,227	881	(293)	5,815
BALANCE, END OF YEAR	128,126	25,351	(2,294)	151,183

Notes to Summary Consolidated Financial Statements

Year ended December 31, 2024 (in thousands of Canadian dollars)

1. CRITERIA FOR THE PREPARATION OF SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

LS Mutual Management (hereinafter the “Company”) prepared consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board. The consolidated financial statements were approved and authorized for issue by the Board of Directors on February 20, 2025. The independent auditor expressed an unmodified opinion on these consolidated financial statements in the independent auditor’s report dated February 25, 2025.

The Company elected to prepare summary consolidated financial statements using the following criteria:

- a) Presentation of one set of consolidated financial statements, except for the consolidated statement of cash flows and the notes to consolidated financial statements;
- b) Use of the same format in the summary consolidated financial statements as that used for the consolidated financial statements, except for the references to the notes;
- c) Exclusion of the notes to consolidated financial statements, unless their omission prevents users from obtaining a structured view of the Company’s economic resources and obligations at a given time or of any changes during a period.

2. AVAILABILITY OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Company’s audited consolidated financial statements can be viewed at the Company’s head office by contacting Humania Assurance Inc.

Reports and committees



LS MUTUAL MANAGEMENT

Independent auditor's report on the summary financial statements

To the Policyholders of LS Mutual Management

OPINION

The summary consolidated financial statements of LS Mutual Management (the "Entity"), which comprise:

- the summary consolidated statement of financial position as at December 31, 2024;
- the summary consolidated statement of income for the year then ended;
- the summary consolidated statement of comprehensive income for the year then ended;
- the summary consolidated statement of changes in equity for the year then ended;
- and related notes to the summary consolidated financial statements;

are derived from the audited consolidated financial statements of LS Mutual Management as at and for the year ended December 31, 2024 (audited financial statements).

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with the criteria disclosed in Note 1 in the summary financial statements.

SUMMARY FINANCIAL STATEMENTS

The summary financial statements do not contain all the disclosures required by IFRS Accounting Standards as issued by the International Accounting Standards Board. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the Entity's audited financial statements and the auditor's report thereon.

The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

MANAGEMENT'S RESPONSIBILITY FOR THE SUMMARY FINANCIAL STATEMENTS

Management is responsible for the preparation of the summary financial statements in accordance with the criteria disclosed in Note 1 in the summary financial statements.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standards 810, *Engagements to Report on Summary Financial Statements*.

The logo for KPMG s.r.l./S.E.N.C.R.L., featuring the letters 'KPMG' in a stylized, handwritten font, followed by 's.r.l./S.E.N.C.R.L.' in a smaller, sans-serif font.

KPMG s.r.l./S.E.N.C.R.L., LLP
Montréal, Canada, February 25, 2025
CPA auditor, public accountancy permit No. A135146

Management's report

The summary consolidated financial statements of LS Mutual Management (herein the "Mutual" or the "Company") contained in this annual report are the responsibility of management and have been approved by the Board of Directors. They have been derived from the consolidated financial statements of the Mutual and should be interpreted together with them, including the additional notes.

To assist management in its duties, the Company maintains an internal auditing system to provide reasonable assurance that assets are safeguarded, that only valid and authorized transactions are carried out, and that the financial information is accurate, complete and provided in a timely manner.

The Board of Directors fulfils its responsibilities with regard to the Mutual's financial reporting primarily through the Audit and Risk Management Committee, which is composed entirely of independent directors and which meets periodically with management and the independent auditor and/or the appointed actuary. The latter may, at their discretion, meet with the Audit and Risk Management Committee, in the presence or absence of management, to discuss matters pertaining to auditing and financial reporting.

On behalf of management,

A stylized, handwritten signature in brown ink, consisting of several overlapping loops and curves.

NICOLAS MOSKIOU
President and Chief Executive Officer

A handwritten signature in brown ink, written in a cursive style that reads "Luc Bergeron".

LUC BERGERON
Vice-President, Finance and Treasury

Saint-Hyacinthe, February 20, 2025

Appointed Actuary's Report

To the Policyholders of LS Mutual Management:

I have valued the policy liabilities in the consolidated financial statements of the Company in accordance with International Financial Reporting Standards for the year ended December 31, 2024.

In my opinion, the amount of policy liabilities is an appropriate provision for this purpose. The valuation is in accordance with accepted actuarial practice in Canada, and the consolidated financial statements present fairly the results of the valuation.

The valuation is in accordance with the *Québec Insurers Act* and its regulations.



Marie-Andrée Boucher, F. C. I. A., F.S.A
Appointed Actuary

Montréal, Canada, February 20, 2025

Ethics and Governance Committee

COMPOSITION

The committee, constituted pursuant to the provisions of the Insurers Act, is made up of independent directors. It should comprise at least three members who meet at least three times per year to carry out its annual work plan of approximately 30 items.

In order to be effective, the majority of this committee's members must have extensive experience in corporate governance.

MEMBERS

Michel Tardif, *Chair*
Pascale Audette
Joanne Vézina

Mandate

The Governance and Ethics Committee oversees the development, adoption and enforcement of rules required for the application of legislative and regulatory provisions, in particular the AMF guidance and directives. In addition, it establishes and reviews the Code of Business Conduct that applies to the Company and ensures it is communicated to all concerned.

With respect to governance, the Committee is tasked with proposing to the Board of Directors corporate governance rules designed to ensure sound management of the Company and to see that these rules are implemented and updated.

Activity Report: Ethics

The Committee received management's compliance report regarding application of the Code of Business Conduct and declarations of interests, stating that they had been adequately circulated within the Company and the subsidiaries, and that any material breaches or conflicts of interest observed during the fiscal year had been properly reported to the Committee.

Activity Report: Governance and Compliance

The Committee reviewed the compliance reports submitted to it and monitored progress made in fiscal 2024 on the Compliance Action Plan, a top priority of which is the fair treatment of consumers.

In accordance with their mandate, members of the Committee ensured application of and compliance with the Policy on Integrity and Competency criteria for Board members and officers of Humania Assurance group companies.


Michel Tardif
Chair

Investment Committee

COMPOSITION

The committee is made up of directors, officers and external experts appointed by the Board of Directors. The Board of Directors appoints the Chair.

MEMBERS

René Delsanne, *Chair*

Luc Bergeron

Alina Dudau

Martin Leroux

Nicolas Moskiou

Michel Pelletier

Mandate

The mandate of the Investment Committee is to implement investment and matching strategies specific to the Company's objectives. The committee recommends the Company's investment policy to the Board of Directors and ensures that it is updated. The committee monitors results and ensures the level of asset matching with the Company's financial commitments is consistent with objectives. The committee ensures that investment activities comply with the investment policy.

The committee selects investment managers within its authority and recommends managers to the Board of Directors for mandates that exceed its authority. It verifies that the managers comply with the Company's investment policy and monitors performance reports against the set objectives.

Humania Assurance's Investment Committee is also the investment committee for LS-Travel and assumes the same responsibilities as mentioned above.

Activity Report

Throughout the fiscal year, the committee analyzed managers' performance for the investment portfolios of the Company and LS-Travel.

The committee conducted quarterly reviews of the investment policy compliance reports presented by the managers and reported to the Board of Directors.

Committee members also monitored the level of matching of the Company's assets and liabilities, and the quarterly reports on matching were submitted to the Board of Directors.



René Delsanne
Chair

Human Resources Committee

COMPOSITION

The committee is made up of at least three directors, including the Chair of the Board of Directors who chairs the committee.

MEMBERS

Joanne Vézina, *Chair*

Luc Filiatreault

Muriel McGrath

Mandate

The Human Resources Committee is mandated to evaluate the performance of the President and Chief Executive Officer annually and make recommendations concerning his compensation to the Board of Directors.

Moreover, it receives, reviews and approves the recommendations of the President and Chief Executive Officer concerning the overall compensation of the vice-presidents and the increase in payroll for the coming year.

It also updates the Company's succession plan for key roles and reviews the major human resources issues facing the Company.

Activity Report

At the beginning of the year, the committee, together with the Board of Directors, established a job profile and the desired qualifications to fill the role of President and Chief Executive Officer and to successfully implement our new 2025-2027 strategic plan. This role was offered to Nicolas Moskiou, then Interim President and Chief Executive Officer, on May 22, 2024. An employment contract was prepared by the committee and entered into with Mr. Moskiou.

During the year, the committee reviewed and commented on Humania's new compensation approach. The purpose of this document is to strengthen transparency regarding the Company's compensation management policy, governance and compensation-related communications.

In addition, the committee reviewed and commented on the new policy on the right to disconnect, which promotes work-life balance for our employees.

In accordance with its mandate, the committee conducted an evaluation at the end of the year of the President and Chief Executive Officer's performance and reported its findings to the Board of Directors. Furthermore, it made recommendations to the Board on the President and Chief Executive Officer's compensation and related performance objectives for the year 2025.

Human Resources Committee *(continued)*

COMPOSITION

The committee is made up of at least three directors, including the Chair of the Board of Directors who chairs the committee.

MEMBERS

Joanne Vézina, *Chair*

Luc Filiatreault

Muriel McGrath

The committee also ratified the President and Chief Executive Officer's recommendations concerning the compensation of the vice-presidents for 2025 and the related performance objectives, reviewed the Company's results and assessed the degree of achievement of the objectives set for 2024. In addition, the committee reviewed the incentive plans and the value of pension benefits for executives.

As part of its annual work program, the committee met in camera, with human resources management at each meeting, to discuss any human resources management issues. The committee members also conducted their annual review of the Company's management succession plan and discussed it with the Board of Directors. Lastly, the committee received a letter from management certifying that the Company is meeting its legal human resources obligations.

JOANNE VÉZINA
Chair

Audit and Risk Management Committee

COMPOSITION

The committee is made up of independent directors. It must include at least three members, the majority of whom are not members of another committee of the Board of Directors. Each member of the committee must have appropriate knowledge of finance, and at least one member must have expertise in accounting or financial management.

MEMBERS

Paul Buron, *Chair*

Pascale Audette

Chantal Blouin

Louise Pellerin-Lacasse

Mandate

The mandate of the Audit and Risk Management Committee is to oversee the financial reporting process and ensure that financial statements are presented in accordance with International Financial Reporting Standards (IFRS). It must also ensure that an appropriate internal control system is in place, verify the risk management process, and recommend the Company's risk profile and resulting action plan to the Board of Directors. In addition, it must supervise the audit process, as well as the procedures applied by the Company to ensure that it complies with the laws and regulations in accounting and finance.

Activity Report

The committee met on a quarterly basis to discuss the Company's quarterly results and performance with senior management. In addition, it reviewed the Financial Condition Testing (FCT) and the appointed actuary's report on technical provisions.

It also recommended to the Board of Directors the adoption of the audited financial statements and accepted the proposed audit plan for fiscal 2024. The committee also received statements from senior management regarding the Company's compliance with its obligations and policies relating to information technology (IT) security.

The members of the committee also reviewed the internal control procedures and the reports submitted to it. These include internal audit work performed by the Finance team and audits done by the Company's external partners, such as reinsurers or specialized companies. The committee also reviewed the Company's insurance program.

In accordance with the mandate given to it by the Board of Directors, the committee reviewed the process leading to the preparation and monitoring of the Company's new risk profile, including the resulting action plans, and recommended its adoption to the Board of Directors. It also reviewed the stress-test and capital management reports prepared by the Actuarial team and recommended the Company's target ratio and risk appetite to the Board of Directors. The committee tracked the main risks and took note of the operational incidents that occurred at each of its meetings.

Audit and Risk Management Committee *(continued)*

COMPOSITION

The committee is made up of independent directors. It must include at least three members, the majority of whom are not members of another committee of the Board of Directors. Each member of the committee must have appropriate knowledge of finance, and at least one member must have expertise in accounting or financial management.

MEMBERS

Paul Buron, Chair

Pascale Audette

Chantal Blouin

Louise Pellerin-Lacasse

In terms of IT security, the committee reviewed the audits and action plans implemented by the Company to ensure that its systems are secure and the information it holds is protected. It also followed up on the action plan for developing cybersecurity maturity. In addition, the committee examined the annual activity report for the business continuity plan. Lastly, it recommended to the Board of Directors the adoption and updating of certain policies and approved the external auditor's mandate for fiscal 2024.

To carry out its mandate, the committee worked closely with senior management, and held private meetings with the independent auditor, the appointed actuary, the head of cybersecurity, the Chief Actuary who is also head of risk management, and the Vice-President, Finance.



PAUL F. BURON

Chair

Declaration of Governance, Compliance and Integrated Risk Management

Governance

Governance is the body of rules and principles to which the Company, its directors and its officers must adhere in the performance of their functions to ensure the organization's sound management and financial profitability. It defines the role and responsibilities of the Board of Directors, directors and senior management, as well as the competencies needed to be a director.

Humania Assurance applies governance rules that recognize the essential contribution of the Board of Directors to the organization's success. Those rules define, among other things, the mandate and operational standards of its Board of Directors, the responsibilities of its directors and the mandates of statutory committees, and they ensure that the officers meet the highest ethical standards. They divide the tasks among the Board of Directors, the Chair of the Board and the President and Chief Executive Officer, and they establish a variety of mechanisms to ensure integrated risk management, adequate internal controls and independent supervision of certain activities.

Compliance Policy

As an insurance company, Humania Assurance operates in a constantly evolving legislative, regulatory and normative environment. Management places the utmost importance on legislative and regulatory compliance and on prudent, sound management practices.

Humania Assurance has developed a compliance management policy toward establishing a management framework that includes measures to monitor and mitigate the risk of non-compliance with the regulatory environment. It enables members of the Board of Directors to be reasonably assured that Humania Assurance's operations are carried out in accordance with the Company's regulatory environment.

The compliance management policy serves to:

- outline the principles and components of the compliance management framework;
- define the roles and responsibilities in the area of compliance;
- meet the requirements established by regulatory authorities while adapting them to the reality of Humania Assurance;
- build a common culture and shared vision of compliance.

Declaration of Governance, Compliance and Integrated Risk Management *(continued)*

Integrated Risk Management Policy

Humania Assurance operates in an environment where risk management is essential and intrinsic to conducting business. The existence of formal, integrated practices enables it to manage its risks using a uniform, progressive and dynamic approach.

Integrated risk management at Humania Assurance serves to:

- identify, assess, manage and monitor, uniformly and consistently year-to-year, the risks that may hinder the Company in attaining its strategic and operational objectives;
- provide the necessary feedback to promote collaboration and horizontal risk management and facilitate the sharing of information regarding the risks throughout the organization;
- create a risk management culture that uniformly and explicitly facilitates resource allocation and decision-making based on, among other things, the Company's risk appetite as determined by the Board.

The integrated risk management policy provides a management framework that includes risk identification, assessment, oversight and mitigation measures, for the purpose of sound governance.

Code of Ethics of the Canadian Life and Health Insurance Association (CLHIA)

Humania Assurance is a member of CLHIA and adheres to its code of ethics for members:

1. To engage in keen, fair competition so that the public can obtain the products and services it needs at reasonable prices.
2. To advertise products and services clearly and straightforwardly, and to avoid practices that might mislead or deceive.
3. To ensure that illustrations of prices, values and benefits are clear and fair, and contain appropriate disclosure of amounts that are not guaranteed.
4. To write all contracts in clear, direct language without unreasonable restrictions.
5. To use underwriting techniques that are sound and fair.
6. To pay all valid claims fairly and promptly and without unreasonable requirements.
7. To ensure competent and courteous sales and service.
8. To respect the privacy of individuals by using personal information only for the purposes authorized and not revealing it to any unauthorized person.

Statement of Equitable Treatment of Consumers

The principles of sound commercial practice and equitable treatment of consumers apply to all of Humania Assurance's commercial practices. They must guide the decision-making and daily actions of all the Company's employees. For Humania Assurance, having sound commercial practices means acting in a fair and responsible manner.

To this end, the following statement of equitable treatment clearly establishes Humania Assurance's position.

Statement of Equitable Treatment

Humania Assurance adheres to the highest standards with regard to the equitable treatment of consumers. We are committed to providing our clients with clear, comprehensive information, fair and equitable treatment, diligent processing of claims and strict protection of their personal information.

Every client can expect to receive clear information on his or her insurance policy, the coverage it provides and the claims settlement process. Clients seeking complementary information are invited to refer to their insurance policy as well as their financial security advisor or our website.

Consumers are also welcome to bring forward any questions they might have regarding their insurance policy in order to better understand the guarantees it provides and the obligations it creates.

Any client wishing to submit a complaint concerning the service he or she has received is invited to do so through Humania Assurance's complaint resolution process.



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