

2009 Public Accountability Statement

Proud to support Canada's
speed skating team



About This 2009 Public Accountability Statement

The information presented in this document provides an overview of our contribution to the Canadian economy and society in 2009. It includes the contribution of Intact Financial Corporation and its affiliates: Intact Insurance Company, Belair Insurance Company Inc., Novex Insurance Company, The Nordic Insurance Company of Canada, Trafalgar Insurance Company of Canada, Grey Power Insurance Brokers Inc., 866295 Alberta Ltd., Equisure Financial Network Inc., Canada Brokerlink Inc. and Intact Investment Management Inc.

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CEO's Message

2009 was a defining year in the 200-year history of our organization as we became a 100% public Canadian company. This was a proud moment for all of us as we embarked on an exciting journey with the ability to chart our own path forward. This new journey saw us successfully unveil our new name, which reflects our customer-driven orientation, create a new brand and re-affirm our promise to all of our customers to help them get back on track.



Becoming a full-fledged Canadian company allowed us to reaffirm and expand upon our own core values that have been so fundamental to our success over the years. In everything we do, we will demonstrate our commitment to integrity, respect, customer orientation, excellence and social responsibility.

These values are cherished as something inherent to our approach to our customers, our people and our communities. They are also embedded in Living our Values, a code that guides all of us at Intact.

Helping customers, fostering a work environment conducive to personal growth and supporting communities are an integral part of our quest for excellence. In the pages that follow, we present our key 2009 achievements in helping customers, fostering employee growth and supporting the communities where we live and work.

Our transformation as a Canadian company also provided us the opportunity to refine our approach to social responsibility, which led earlier this year to the adoption of a new Social Responsibility Statement that further builds on our values. This statement confirms our commitment to respect the environment and its finite resources and reiterates our belief in making the communities where we live and work safer, healthier and happier.

Our transformation holds significant promise for our own future and for our contribution to Canadian society. We recognize there's work ahead as we make our new statement a reality. However, as we have outlined in this inaugural Public Accountability Statement, we continue to make substantive progress and we look upon to further enhance the communities where all of us at Intact work and live.

A handwritten signature in black ink that reads "Charles Brindamour". The signature is written in a cursive, flowing style.

Charles Brindamour
President and CEO

About Us

We are Canada's largest provider of home, auto and business insurance protecting approximately four million individuals and businesses across the country. Our name, Intact, is the external representation of the company that each one of our employees is helping us to become – a company recognized for putting customers at the centre of everything we do.

We are committed to continue building on our customer-driven efforts to offer our customers a unique experience and the ability to choose how they can reach us. As a result, our 7,500 employees offer our products, services and solutions through a vast, national network of 1,800 insurance brokers or directly to consumers in person, over the phone or on the Internet.



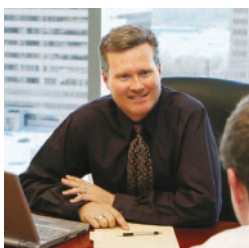
Intact Insurance is Canada's largest home, auto and business insurance company, protecting more Canadians than any other insurance company. Intact Insurance's coast-to-coast presence, fortified by strong relationships with a network of more than 1,800 insurance brokers who live in the communities in which they work, means we can work directly with a customer's trusted advisor to provide the service and continuity they need to get back on track when the unforeseen happens.



belairdirect has been providing complete home and auto insurance solutions to Canadians for over 50 years. In fact, it was the first company to provide insurance online in North America. belairdirect's goal is to provide customers with the insurance coverage they need, whether it's over the Internet or by phone.



Grey Power believes a customer's experience should count for something, which is why it has been specializing in home and auto insurance for the 50+ market since 1993. Grey Power recognizes it takes a lot of skill and years of experience to achieve a good driving record and rewards that experience with better rates and carefully selected products and services designed to meet customers' needs.



Canada Brokerlink is one of the largest Canadian owned property and casualty insurance brokerages serving the personal, commercial, group and financial services needs of more than 174,000 clients in Ontario and Alberta. Established in 1991, and now with over 45 offices, Canada Brokerlink delivers trusted advice and valued insurance solutions to customers.

Helping Our Customers

We are there to insure and protect the things that our customers care about: their home, their car, their business. Our raison d'être is to offer them an outstanding experience that goes beyond their expectations.

In 2009, we assisted more than 350,000 customers when they needed us most and spent more than \$2.8 billion to successfully get them back on track. The severe weather events of last summer alone, which included large hail storms in Alberta, heavy rain, wind storms, flooding and tornadoes in Ontario, provided us the opportunity to help 9,000 of our customers to get their lives back to normal.

To improve the claims experience of our customers we transformed our claims operations in 2009 and improved service nationally by expanding all of our call centres, extending our service hours and improving our response time to consumers. This allows us to guarantee to all of our clients that when the unexpected happens they can call us 24/7 and within 30 minutes they will be speaking to a representative that will provide them emergency support, contact providers of emergency repairs and authorize payment for emergency expenses.

In addition, we continued to focus our efforts on making it easier for our clients and insurance brokers to deal with us. At Intact Insurance, we adopted new technologies that free up our brokers to concentrate their efforts on servicing their clients. belairdirect and Grey Power continued to improve their websites and online quoting capabilities and both are now providing live chat assistance with customers when requesting a quote. At Grey Power, which specializes in serving the 50+ segment of the population, we have enhanced our client service by extending our hours of operation and by making it possible for customers to decide if they would like family members or friends to conduct business on their behalf.

At Canada Brokerlink, one of the largest Canadian-owned property and casualty insurance brokerages, the decision was made in 2009 to better serve their urban customers by offering them enhanced call centre capabilities.

All of these efforts are paying off in increased customer and broker satisfaction. In 2009, belairdirect received the J.D. Power and Associates' Canadian Auto Insurance Customer Satisfaction Award and Intact Insurance ranked first among companies offering their products through insurance brokers.

"I enjoyed the simplicity of making changes to my policy, such as changing coverage and even adding a new vehicle. Grey Power's service is second to none."

Carey E. – Edmonton, AB

"I am so pleased with the courteous, prompt and professional service I received that I have decided to add my home insurance as well. Thank you and keep up the great work."

Mohammed M. – Scarborough, ON

Our Locations

Over the years, we have built a network of regional offices and call centres that expanded our local presence across the country and enhanced the experience we offer to both our insurance brokers and our customers. In 2009, our network of branches and other facilities included 89 locations. Our main offices are located in the following cities:

Intact Financial Corporation

Toronto	700 University Avenue, Toronto, ON M5G 0A1
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Intact Insurance

Calgary	1200 - 321 6th Avenue S.W., Calgary, AB T2P 4W7
Durham	8 - 59 Westney Road South, Ajax, ON L1S 2C9
Edmonton	700 - 10830 Jasper Avenue, Edmonton, AB T5J 2B3
Halifax	100 - 5657 Spring Garden Rd., Halifax, NS B3J 4A5
London	255 Queens Ave., 8 floor, London, ON N6A 5R8
Mississauga	500 - 6733 Mississauga Rd., Mississauga, ON L5N 6J5
Moncton	869 Main Street, Moncton, NB E1C 1G5
Montreal	611 Crémazie Blvd. East, Montreal, QC H2M 2R9
Ottawa	300 - 1400 St. Laurent Blvd., Ottawa, ON K1K 4H4
Quebec City	1305 Lebourgneuf Blvd., Ste. 400, Quebec, QC G2K 2E4
Saint-Hyacinthe	2450 Girouard St. West, Saint-Hyacinthe, QC J2S 3B3
Thunder Bay	207 - 1205 Amber Dr., Thunder Bay, ON P7B 6M4
Toronto	1600 - 700 University Avenue, Toronto, ON M5G 0A1
Vancouver	400 - 2955 Virtual Way, Vancouver, BC V5M 4X6
Victoria	246 - 2401C Millstream Road, Victoria, BC V9B 3R5
Winnipeg	805 - 386 Broadway Ave., Winnipeg, MB R3C 3R6

belairdirect

Anjou	7101 Jean-Talon East, Suite 300, Anjou, QC H1M 3T6
Ottawa	200 - 1111 Prince of Wales Drive, Ottawa, ON K2C 3T2
Toronto	1100 - 700 University Avenue, Toronto, ON M5G 0A2

Grey Power

Toronto	600 - 105 Gordon Baker Road, Toronto, ON M2H 3P8
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Canada Brokerlink

Calgary	200 - 1400 - 1st Street SW, Calgary, AB T2R 0V8
Toronto	700 - 48 Yonge St., Toronto, ON M5E 1G6

In 2009, our Intact Insurance office in Edmonton moved from 10130 - 103rd Street to 10830 Jasper Ave. NW. In its efforts to better serve its customers in Calgary and Edmonton, Canada Brokerlink started offering enhanced call centre services and longer hours of operation. As a result, a number of branches were merged in those two cities and their activities consolidated in flagship brokerages.

Canada Brokerlink

	Closed	Consolidated Branch
Calgary	2754 - 32nd Street NE, Calgary, AB T1Y 6J7	100 - 4124 9 Street SE, Calgary, AB T2G 3C4
	3919 Brentwood Road NW, Calgary, AB T2L 1L1	
	103 - 14505 Bannister Road SE, Calgary, AB T2X 3J3	
	200 - 6001 1st Street SW, Calgary, AB T2H 0G5	
Edmonton	320 - 140 St Albert Road, St Albert, AB T8N 2Y4	17520 111 Avenue, Edmonton, AB T5S 0A2
	103 - 10903 23 Avenue, Edmonton, AB T6J 1X3	

Intact in the Community

We strongly believe in making the communities where we live and work safer, healthier and happier. Through the Intact Foundation and our community investments, we reach beyond our commitment to helping our customers and advance positive change in numerous Canadian communities where we do business. Our involvement includes donations to organizations that make meaningful contributions to improve the quality of life of our communities as well as sponsorships of community development events and amateur sports. We also encourage the involvement and good citizenship of all our employees and insurance brokers.

Our Foundation

The Intact Foundation provides financial support to initiatives and organizations that best reflect our culture, spirit of innovation, positive inspiration and leadership. Its activities are focused on two core areas where we feel our expertise and support can make a difference: supporting Canada's youth and the communities where our employees and insurance brokers live and work. In 2009, we and our Foundation donated \$2.5 million to communities across the country.

Intact and Canada's Youth

Our Foundation supports organizations and projects that inspire inventiveness and independence in Canada's youth. We encourage activities that aim to mentor tomorrow's leaders, reduce youth-on-youth violence, build resilience and independence among youth at risk and improve the quality of life for young people, especially those who are ill or disadvantaged.

Mentoring Tomorrow's Leaders

One of the most esteemed mentoring programs that we support is Youth in Motion's national award and mentoring program, Top 20 Under 20™. Each year, this exciting program celebrates and honors 20 young Canadians under the age of 20 who have demonstrated a significant level of achievement, innovation and leadership. As a founding partner of this program, our support enhances the personal and professional development of young people through a leadership summit, a unique mentoring program, an annual alumni conference and a high school show that tours the country inspiring Canadian youth.

"The young people recognized each year by Youth in Motion are wonderful real life examples of our Intact value to strive for excellence."

*Charles Brindamour,
President and Chief Executive Officer
of Intact Financial Corporation*



2009 Donations by Region

(\$CAD)

Atlantic	125,195
National	250,100
Ontario	909,396
Quebec	718,075
West	492,246
Total	2,495,012

Intact in the Community (continued)

Helping At-Risk Youth

We also fund many endeavours that aim to reduce youth-on-youth violence and encourage independence and strength-of-mind among at-risk youth across the country.

In addition to supporting the Centre for Research on Youth at Risk at St. Thomas University in New Brunswick, we contribute to an ever expanding network of shelters in large urban areas. In 2009, we provided funds to organizations such as Covenant House in Toronto and Vancouver, Raido House in Calgary, Maison Dauphine in Quebec City and Eva's Initiatives in Toronto. These organizations provide homeless youth with a range of services, including a place to stay, counselling and vocational support.

We also support front line agencies that offer day programs to at-risk youth such as Spectre-de-Rue, a community-based organization in downtown Montreal and the Fort Whyte Farms program in Winnipeg. The Fort Whyte farms offer 640 acres of diverse landscape within the city limits for at-risk youth to practice sustainable urban agriculture.

Helping Ill or Disadvantaged Youth

In 2009, we supported a diverse range of programs that help improve the quality of life of ill or disadvantaged young people. In 2003, we helped launch Dr. Clown, a pediatric program at Montreal's St-Justine Hospital. Professional and specially trained artists work together with hospitals to integrate therapeutic clowning into the treatment regime for children. We also fund a similar program at the Credit Valley Hospital in Mississauga as well as a music therapy program at The Hospital for Sick Children in Toronto.

In 2009, we also funded organizations devoted to helping autistic children as well as summer camps for ill or disadvantaged youth.

Intact and Canadian Communities

While the main focus of our Foundation is aimed at youth, it also contributed financially to organizations which strive to enhance the development of their communities. The main beneficiaries are the thousands of agencies supported by the various United Way campaigns where our employees live. In 2009, the Foundation continued to match employees' contributions and together we gave \$1.0 million to 18 different local campaigns.

We also supported the activities of a number of YM-YWCAs, the John Howard Society and community health centres in Ontario.



For the last three years, the Intact Foundation and Canada Brokerlink have also supported the Northern Ontario School of Medicine (NOSM) with campuses at Lakehead University in Thunder Bay and Laurentian University in Sudbury. It is the first new Canadian medical school to open in 30 years and the first medical school in Canada established with a social accountability mandate. NOSM works to contribute to improving the health of the people and communities of Northern Ontario by graduating physicians and health professionals with a unique understanding of Northern health challenges.

In addition to the donations made by our Foundation, our regional offices provide continuous support to local initiatives at the grassroots level.

Sponsorships

For organizations like ours, sponsorships help to increase and improve the awareness and recognition of their consumer brands. They also help to uplift the quality of civic life and enhance the engagement of our employees within their own communities.

Intact Insurance is proud of sponsoring community events such as the Canadian Improv Games, held across the country, the Canadian Cancer Society Relay for Life in the Atlantic Provinces and Ontario, Bike to Work Week in Vancouver, the National Youth Sailing Championship in Victoria, the Stratford Shakespeare Festival and the Edmonton Marathon, one of Intact's flagship sponsorships in Western Canada for more than five years.



Grey Power is the title sponsor of two of the most important curling competitions in the country, bringing these popular events to communities in Ontario and Alberta where it offers insurance products.

Supporting Canadian Speed Skating

Intact Insurance has been a premier national partner of Speed Skating Canada since 2006. The past years have been very successful for Canada's speed skaters, even more so in 2009 and more recently at the Vancouver Olympics.

Intact Insurance also encourages young people to become involved in this exciting sport through the Intact On The Edge Program, the Intact Speed Skating Challenge and our support of a number of skating clubs in Quebec.

The *Intact On The Edge Program* is a national school instructional program for children aged 8 to 12 years old. Through a prepared curriculum, teachers are able to bring speed skating to the classroom to increase awareness of the sport and encourage physical activity.



The *Intact Speed Skating Challenge* is an online competition that encourages young speed skaters to submit videos of their personal stories about who inspired them to "go beyond." Dozens of video entries from virtually every corner of the country telling funny, heartwarming and inspirational stories were submitted for the 2009 award. Scott MacHattie, an athlete with Down's syndrome from the Oakville Speed Skating Club in Ontario, provided the winning entry with his truly inspiring story.

Earlier this year Intact Insurance proudly received the 2009 Corporate Excellence Award at the 37th Annual Canadian Sports Awards for our outstanding support for Canadian amateur sports. We were honoured with the award by the True Sport Foundation for our ongoing commitment to speed skating and our Speed Skating Challenge.



Our Employees

Our employees are critical to our success. They are the people who always strive to provide an outstanding customer experience. They are also our own customers and they contribute to the fabric of our communities. For these reasons, it is imperative that we offer them a workplace where they can excel.

At Intact, we are committed to advancing our employees both at work and in their personal lives. We support their career advancement, innovative thinking and continuous learning. We consistently reward high performance and success. Their well-being is a concept that means more than just health to us. It extends to the peace of mind and feeling of being respected and supported that comes with our many employee benefits including our flexible work arrangements program, employee assistance programs and fitness subsidies.

Showing **respect** for one another and valuing our **diversity** are fundamental values for all of us at Intact. We ensure that everyone, regardless of their differences, feels that they are part of an inclusive environment. In our drive for excellence, our diversity enables us to better understand and serve our customers and brokers. This is why our diversity programs are an important part of who we are.

Number of Employees

	Full-time	Part-time	Total
Alberta	1,295	88	1,383
British Columbia	228	5	233
Manitoba	42	5	47
New Brunswick	40	0	40
Nova Scotia	216	12	228
Ontario	2,901	163	3,064
Quebec	2,127	408	2,535
Total	6,849	681	7,530



"belairdirect considers its employees' well-being to be of primary importance."

Laurent, Sales and Customer Service Advisor, belairdirect



"The transition to manager was made easier because of the relationships I had developed with my co-workers. One of my favourite things about working for Intact is the opportunity to work with such a great group of people."

Vivek, Accel Manager, Commercial Lines, Intact Insurance



"After graduating with an MBA, I was looking for an opportunity where I could use the knowledge and skills I had gained in the program to make an impact on an organization. Right from the start, Grey Power allowed me to do just that."

Sarina, Management Trainee, Grey Power

Our Employees (continued)

Two Intact Women among the Top 100 List

In 2009, two of our people were honoured by the Women's Executive Network with the Canada's Top 100 Most Powerful Women Award.

Susan Black, Chief Human Resources Officer, was named in the "Champions" category for her dedication in promoting and mentoring women in the workplace throughout her career.

Marketing Consultant **Priscilla Ng** was named in the "Future Leaders" category for her work at Intact and her commitment to community service. Among her contributions, she performed volunteer work in rural Guatemala and led the local 2009 Multiple Sclerosis Bike Tour in Calgary.



Susan Black

Priscilla Ng

Employee Volunteering and Engagement

At Intact, we also aspire to help make a difference by supporting community involvement by our employees. The Intact Foundation has two important programs designed to encourage our employees to volunteer their time or make donations, as well as increase the value of the time and money we contribute to the charities our employees support.

The **Employee Community Matching Gifts** program supplements financial contributions made by employees to help meet the needs of registered charities. The **Volunteer Matching Gifts** program promotes volunteerism with non-profit organizations by providing grants based on employee involvement with no personal donation required.

For the second time, Intact's Toronto employees participated in the Juvenile Diabetes Research Foundation's Ride for Diabetes Research. Employees raised \$50,000 for the cause.



Intact's Economic Contributions

Debt Financing

Given the nature of our activities, Intact does not offer debt financing to businesses or consumers. However, as part of its strategy in support of the development and growth of its distribution network, Intact Insurance provides brokerages with technology, marketing, sales and financial support. In 2009, Intact Insurance made 84 loans amounting to \$92.4 million.

Taxes Paid or Payable

Beyond the charitable contributions outlined earlier, Intact paid significant taxes to various levels of government in Canada in 2009.

Taxes Payable for the Year Ended December 31, 2009

(\$000 CAD)	Income Taxes	Capital Taxes	Premium and Fire Taxes	Total Taxes
Total Federal	68,262	–	–	68,262
Newfoundland	12	–	42	54
Prince Edward Island	107	–	311	417
Nova Scotia	1,861	94	5,925	7,880
New Brunswick	463	–	1,553	2,016
Quebec	10,477	839	34,424	45,739
Ontario	23,240	422	59,881	83,543
Manitoba	580	–	2,320	2,900
Saskatchewan	23	–	110	133
Alberta	6,790	–	23,965	30,755
British Columbia	2,062	–	10,015	12,077
Yukon	43	–	93	135
Northwest Territories	75	–	273	348
Nunavut	8	–	26	34
Total Provincial	45,741	1,355	138,938	186,031
Total	114,003	1,355	138,938	254,293

Totals may not add directly due to rounding.

Looking Ahead

In 2009 we took advantage of becoming a full-fledged Canadian company to re-think our approach to corporate social responsibility. We conducted extensive research on current trends, consulted with a number of non-governmental organizations and engaged our employees in a discussion about our contribution to society and our communities.

This led earlier in 2010 to the adoption of a Social Responsibility Statement that further builds on our values. The statement refers to our commitment to respecting the environment and its finite resources and reiterates our belief in making the communities where we live and work safer, healthier and happier. As a result, we will focus our energies, efforts and resources in 2010 in two distinct areas:

- **Supporting communities:** We will make progress in the further development of safe and vibrant communities by continuing to make financial contributions and giving our time in community based initiatives, with particular focus on those helping young people and at-risk youth. As well, we intend to launch an *Employee Team Volunteer Day* whereby our employees will be able to volunteer during working hours at community based programs.*
- **Adapting to climate change:** We will be focused on supporting communities in preparing for long-lasting changes in weather patterns through encouraging adaptation research and green space development. In addition, we are planning to foster local employee engagement in carbon footprint reduction strategies through the creation of our very own *Green Teams*.*

We look forward to sharing our progress in next year's Public Accountability Statement.



Social Responsibility Statement

At Intact we respect the environment and its finite resources and we believe in making the communities where we live and work safer, healthier and happier. We demonstrate this by being environmentally responsible in our operations, supporting our employees in their citizenship endeavours, encouraging climate change adaptation and fostering vibrant and resilient communities for all of our stakeholders.

Living our Values

We behave with integrity

We demonstrate the highest ethical standards of personal conduct. We behave with honesty, integrity, openness and fairness when dealing with each other, customers, partners and governments.

We respect each other

We value the diversity of our people and their dreams. We foster an environment conducive to personal growth and development and to new opportunities. We recognize and value the contribution each of us and our teams are making to our success.

We are customer driven

We listen to customers, understand their needs, offer the best solutions and deliver on our promises. We make it easy for customers to deal with us. We go beyond expectations and always deliver an outstanding experience.

We strive for excellence

We are disciplined in our approaches and our actions, which is why we excel in all aspects of our business. We embrace change and the opportunities it creates, encourage innovative thinking and always seek to improve. We value and reward high performance and success. We provide high value to our shareholders.

We are socially responsible

We respect the environment and its finite resources. We believe in making the communities where we live and work safer, healthier and happier. We encourage the involvement and citizenship of all our employees.

Intact Financial Corporation
700 University Avenue
Toronto, Ontario M5G 0A1
Canada

* Intact believes that it has a reasonable basis for the forward-looking information and intentions included in this 2009 Public Accountability Statement, such information and intentions are subject to a number of risks, uncertainties and assumptions that may cause actual events, conditions or results to differ materially from those contemplated by the forward-looking information and stated intentions.

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