

## LICAT Ratios Public Disclosure

(thousands of dollars, except percentages)

Companies are required, at a minimum, to maintain a Core Ratio of 55% and a Total Ratio of 90%. OSFI has established supervisory target levels of 70% for Core and 100% for Total capital.

Definition of terms can be found in Guideline A at: [LICAT – Life Insurance Capital Adequacy Test](#)

|   |                  | Current Period<br>(October 31, 2020) | Prior Period<br>(October 31, 2019) | Change<br>- %  |
|---|------------------|--------------------------------------|------------------------------------|----------------|
| <b>Available Capital ( AC1 + B )</b>              | <b>(AC)</b>      | <b>75,269</b>                        | <b>65,982</b>                      | <b>+ 14.1%</b> |
| <i>Tier 1 Capital</i>                             | (AC1)            | 37,635                               | 32,991                             | + 14.1%        |
| <i>Tier 2 Capital</i>                             | (B)              | 37,635                               | 32,991                             | + 14.1%        |
| <b>Surplus Allowance and Eligible Deposits</b>    | <b>(SA + ED)</b> | <b>72,815</b>                        | <b>66,624</b>                      | <b>+ 9.3%</b>  |
| <b>Base Solvency Buffer</b>                       | <b>(BSB)</b>     | <b>62,348</b>                        | <b>65,311</b>                      | <b>- 4.5%</b>  |
| <b>Total Ratio ([AC+SA+ED]/BSB ) x 100</b>        |                  | <b>238%</b>                          | <b>203%</b>                        | <b>+ 17.2%</b> |
| <b>Core Ratio ([AC1+70% SA+70% ED]/BSB) x 100</b> |                  | <b>142%</b>                          | <b>122%</b>                        | <b>+ 16.4%</b> |

### Qualitative Analysis of the Solvency Ratio (Period over Period)

The Total and Core Ratios change are primarily attributed to a combination of underlying changes in business volume changes and interest rates.