



# Large Case Insurance Solutions



*We provide financial solutions  
that protect and support more  
than one million people across  
Canada, coast to coast.*






## We are Equitable

We are proud to be built on more than 100 years of serving clients with excellence, in Canada and only in Canada. Sydney Tweed started The Ontario Equitable Life & Accident Insurance Company in a two-room, second floor office in Waterloo, Ontario in 1920. In 1936, our corporate name was changed to The Equitable Life Insurance Company of Canada.

From these humble beginnings, we are today known simply as Equitable® (the “Company”). We are the one and only Canadian mutual life insurance company federally regulated by the Office of the Superintendent of Financial Institutions.

Today, we provide financial solutions that protect and support more than one million people across Canada, coast to coast. We offer individual insurance, group insurance, savings, and retirement solutions. We partner with independent financial advisors to help our clients achieve financial security throughout a lifetime.



When we come *together*  
great things follow.

## Our Purpose

When we come together, great things follow. The world is better when we harness the power of togetherness to forge collective purpose. At Equitable, this is more than just a feeling. It's a mindset driving our behaviours, decisions, and actions to power equitable outcomes. It's how we show up daily, committed to be at our very best to support Canadians today and for all tomorrows to come. And our unique structure enables us to focus all our efforts towards improving the financial wellbeing of those we serve – our clients, partners, and community.

For over a century we have delivered on our promise to be there for Canadians. We believe that now, it's more important than ever, that we invest further, to recommit to our path of being a mutual and to welcome all to join in the shared benefits of living an equitable life.

## Our mutuality

We are committed to our mutuality and our purpose of offering best-in-class products and services to Canadians coast to coast.

Equitable issues both participating policies and non-participating policies. Participating whole life policyholders are eligible to participate in the earnings in the participating account through dividend payments.<sup>1</sup> Dividends are undiluted by shareholder transfers.

As a mutual company, we are not driven by shareholder pressures for quarterly results. This allows us to focus on management strategies that foster prudent long-term growth, continuity, and stability. We are committed to remaining vibrant, growing, and financially strong, and to delivering on our promises to clients – today and in the years to come.

<sup>1</sup> Dividends are not guaranteed and are paid at the sole discretion of the Board of Directors. Dividends may be subject to taxation. Dividends will vary based on the actual investment returns in the participating account as well as mortality, expenses, lapse, claims experience, taxes, and other experience of the participating block of policies.

# Financial strength to deliver on our commitments

Financial strength is, for Equitable, measured by the amount of capital resources we hold. Our strong capital position provides confidence that Equitable will deliver on its promises to current and future clients, irrespective of economic cycles.

Equitable’s financial strength allows us to deliver on our commitments to our policyholders. As a mutual company, our main source of capital is profitable growth. One of our goals is to grow at a rate that outpaces the market.

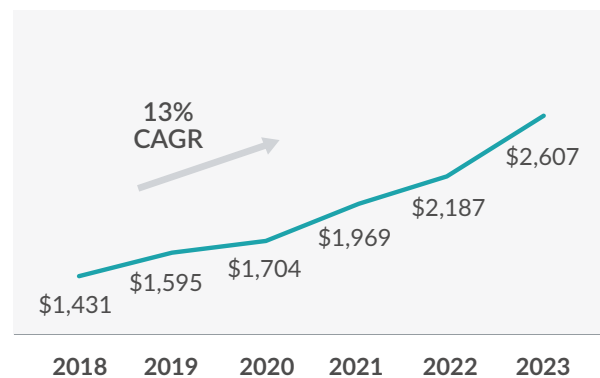
Equitable has been growing steadily even during market fluctuations. We’ve attained consistent growth by providing good service to our customers, reinvesting in the company, and managing investments prudently.

## Morningstar DBRS rating of A (high) with stable trends

On August 16, 2023, Morningstar DBRS, a global credit rating agency, confirmed Equitable’s Financial Strength Rating and Issuer Rating at A (high), with Stable Trends. <https://dbrs.morningstar.com/>



## Premiums and Deposits



Source: Equitable Annual Report. Dollar amounts in millions. Reflects total company results. CAGR is compound annual growth rate.

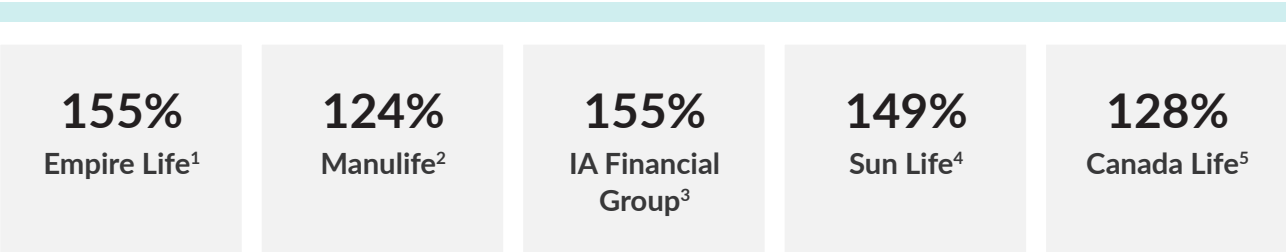


## Capability to deliver results

Equitable maintains a strong financial position and adequate liquidity to ensure that it is well prepared to meet its obligations.

Equitable is regulated by the Office of the Superintendent of Financial Institutions (OSFI), which requires insurance companies to maintain minimum levels of capital. Equitable's LICAT (Life Insurance Capital Adequacy Test) ratio on December 31, 2023, was well in excess of the minimum level required by OSFI and one of the strongest capital ratios in the industry. We are well-capitalized to deliver on our promises to clients today and for all tomorrows to come.

### LICAT (Life Insurance Capital Adequacy Test) – December 31, 2023.



<sup>1</sup> Source: [www.empire.ca](http://www.empire.ca) – Q4 2023 Quarterly Results.

<sup>2</sup> Manulife Financial Corporation presented above. The Manufacturers Life Insurance Company (non-operating, holding company) reported a ratio of 137%.

<sup>3</sup> iA Financial Corporation Inc. ratio presented above. Industrial Alliance Insurance and Financial Services Inc. (operating subsidiary) reported a ratio of 139%. iA Financial Group reports under the AMF regulatory guideline, which is comparable to OSFI's LICAT guideline.

<sup>4</sup> Sun Life Financial Inc presented above. Sun Life Assurance Company of Canada (non-operating, holding company) reported a ratio of 141%.

<sup>5</sup> Source: [www.greatwestlifeco.com](http://www.greatwestlifeco.com) – Q4 2023 Quarterly Results.

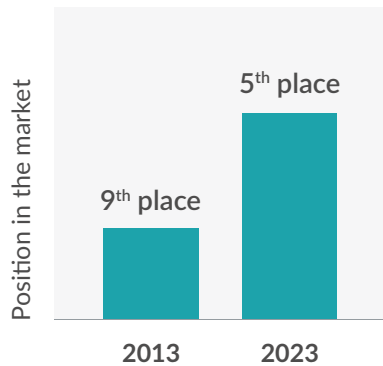


# A strong position in the industry

Individual life insurance sales are a very important part of Equitable’s growth story.

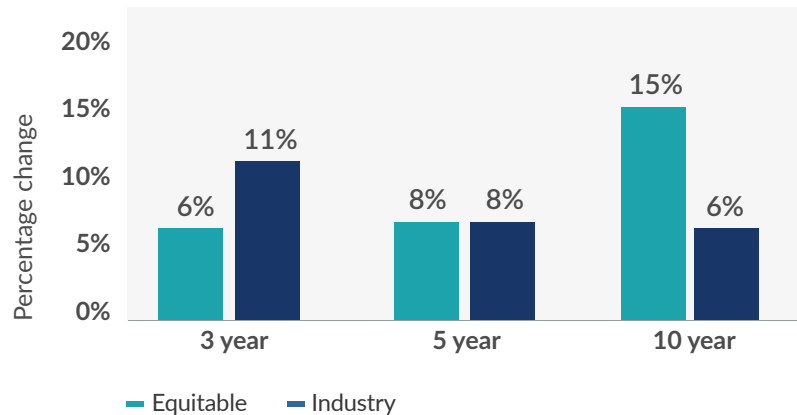
Over the last decade, Equitable has grown its market share in the individual life insurance marketplace in Canada, moving from ninth place in market share in 2013 to fifth place in 2023. This growth is due to a combination of very competitive products, excellent service standards and a strong distribution support network.

Our market share remains strong for individual life insurance sales



Source: LIMRA® International Canadian Individual Life Insurance Sales Participant Report. Individual life insurance sales as measured by total premium.

Percentage change in individual life insurance sales Equitable vs. Industry (compound annual growth rate)



Source: LIMRA® International Canadian Individual Life Insurance Sales Participant Report. Individual life insurance sales as measured by total premium.





**\$8.1 billion**

Assets under  
administration



**\$1.4 billion**

Participating  
policyholders' equity

## 2023 financial highlights



**\$2.6 billion**

Premiums and deposits



**\$104 million**

Dividends to participating  
policyholders

# Financial Highlights

(in \$ millions)	IFRS 17 & 9		IFRS 4 & IAS 39 <sup>(1)</sup>			
	2023	2022	2021	2020	2019	2018
<b>Growth Momentum</b>						
<b>New Business Sales</b>						
Individual Insurance	178	148	134	149	132	119
Group Insurance	63	51	49	46	48	53
Savings & Retirement	744	547	498	401	407	380
<b>Premiums &amp; Deposits</b>						
Individual Insurance	1,199	1,048	939	806	691	579
Group Insurance	664	591	532	497	499	472
Savings & Retirement	744	548	498	401	405	380
<b>Total</b>	<b>2,607</b>	<b>2,187</b>	<b>1,969</b>	<b>1,704</b>	<b>1,595</b>	<b>1,431</b>
<b>Total Assets</b>						
General Fund	5,800	5,075	4,905	4,347	3,666	3,060
Segregated Funds	2,320	1,862	1,932	1,642	1,413	1,191
<b>Total</b>	<b>8,120</b>	<b>6,937</b>	<b>6,837</b>	<b>5,989</b>	<b>5,079</b>	<b>4,251</b>
<b>Payment to Clients</b>						
<b>Dividends to Policyholders <sup>(2)</sup></b>	<b>104</b>	<b>79</b>	<b>62</b>	<b>49</b>	<b>38</b>	<b>27</b>
<b>Claims and Benefits</b>						
Death, Disability & Health Claims	695	624	564	511	508	464
Annuity, Surrender & Maturity Benefits	138	109	105	100	94	76
Payments from Segregated Funds	301	241	273	209	220	200
<b>Total</b>	<b>1,134</b>	<b>974</b>	<b>942</b>	<b>820</b>	<b>822</b>	<b>740</b>
<b>Financial Strength</b>						
<b>Total Balance Sheet Capital <sup>(3)</sup></b>						
Policyholders' Equity	1,365	1,319	1,230	1,052	891	771
Contractual Service Margin	516	---	---	---	---	---
<b>Total</b>	<b>1,881</b>	<b>1,319</b>	<b>1,230</b>	<b>1,052</b>	<b>891</b>	<b>771</b>
<b>Total Capital Adequacy <sup>(4)</sup></b>						
Capital Resources	2,407	2,050	2,031	1,815	1,615	1,371
Capital Requirements	1,402	1,362	1,214	1,095	1,041	931
<b>LICAT Ratio</b>	<b>172%</b>	<b>150%</b>	<b>167%</b>	<b>166%</b>	<b>155%</b>	<b>147%</b>

(1) Amounts presented for 2018 to 2022 in the table above are as reported on an IFRS 4 and IAS 39 basis.

(2) Represents dividends declared and paid to participating policyholders during the calendar year and excludes the change in provisions for any future dividends.

(3) IFRS 9 and IFRS 17 were adopted effective January 1, 2023. As a result, Total Balance Sheet Capital as of that date was \$1,695 million (\$1,218 million in policyholders' equity plus \$478 million in contractual service margin).

(4) Capital resources represents the sum of adjusted policyholders' equity, surplus allowances, and effective January 1, 2023, contractual service margins attributable to non-segregated businesses. The capital requirement is the base solvency buffer as per the Life Insurance Capital Adequacy Test (LICAT) guideline issued by the Office of the Superintendent of Financial Institutions (OSFI).

Equitable's Annual Report can tell you more about our financial strength.

Find it at <https://www.equitable.ca/en/who-we-are/our-financial-strength/>

# Investment philosophy

## Equitable asset management group

Equitable's investment assets have been managed internally by Equitable Asset Management Group (EAMG) since the company was established in 1920.

We pursue an active approach to investment management – an approach made possible by our size and our unique portfolio – and we maintain flexibility by considering both short- and long-term investment opportunities. The result is a diversified combination of a private asset portfolio with dynamic and adaptive public asset portfolios that can be adjusted to take advantage of market conditions.

## High quality Investment portfolio

Equitable's investment portfolio performed extremely well in 2023. Our conservative approach continues to provide ongoing stability and growth.



**43%**  
Bonds and  
debentures



**8%**  
Mortgages



**12%**  
Linked equities



**10%**  
Investment  
property



**10%**  
Private  
placements



**10%**  
Direct equities




**5%**  
Preferred shares



**2%**  
Other

Learn more about our investment approach at  
<https://www.equitable.ca/en/our-products/investment-management/>

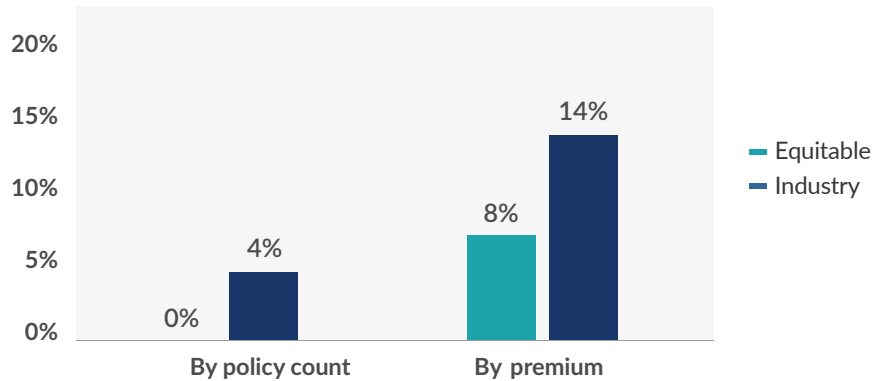




*Equitable's participating life insurance is our flagship product and contributes significantly to the overall financial strength and stability of the company.*

# A leader in participating whole life insurance sales

Participating Whole life insurance sales (5-year compound annual growth rate)



Source: LIMRA® International Canadian Individual Life Insurance Sales Participant Report at Q4 2023. The industry sales shown reflect the total individual participating whole life insurance sales from all distribution channels in the Canadian marketplace.

During this time Equitable has sold individual life insurance primarily through one distribution channel – Managing General Agencies (MGA's).

## Equitable's success in the MGA channel for participating whole life insurance policies



**#1 in policy sales**  
(by policy count)



**#3 in market share**  
(by total premium)

Source: LIMRA® International Canadian Individual Life Insurance Sales Participant Report as at Q4 2023.

## Sharing our success with our participating policyholders

Our mutuality is a key part of our value proposition to our whole life participating policyholders. They are eligible to participate in the earnings of the participating account through dividend payments.<sup>1</sup>

Equitable has credited dividends every year since we first launched participating whole life in 1936.<sup>1</sup>

<sup>1</sup> Dividends are not guaranteed and are paid at the sole discretion of the Board of Directors. Dividends may be subject to taxation. Dividends will vary based on the actual investment returns in the participating account as well as mortality, expenses, lapse, claims experience, taxes, and other experience of the participating block of policies.

# Investment philosophy for the participating account

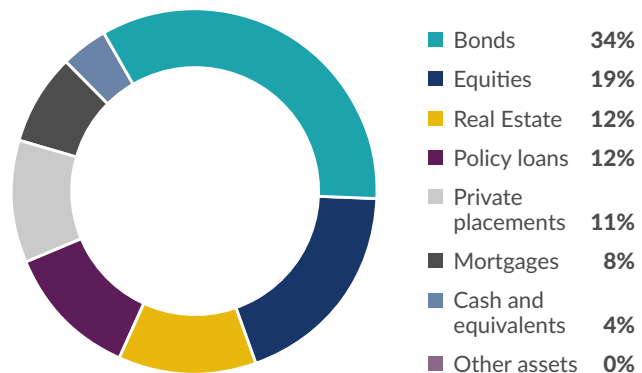
Equitable's Asset Management division continues to focus on managing risk, taking into consideration industry and regulatory changes, while maintaining strong asset class and issuer diversification.

The assets in the participating account are managed in an effort to:

1. Meet the guarantees of the product; and
2. Provide long-term income and growth to support the dividend scale.

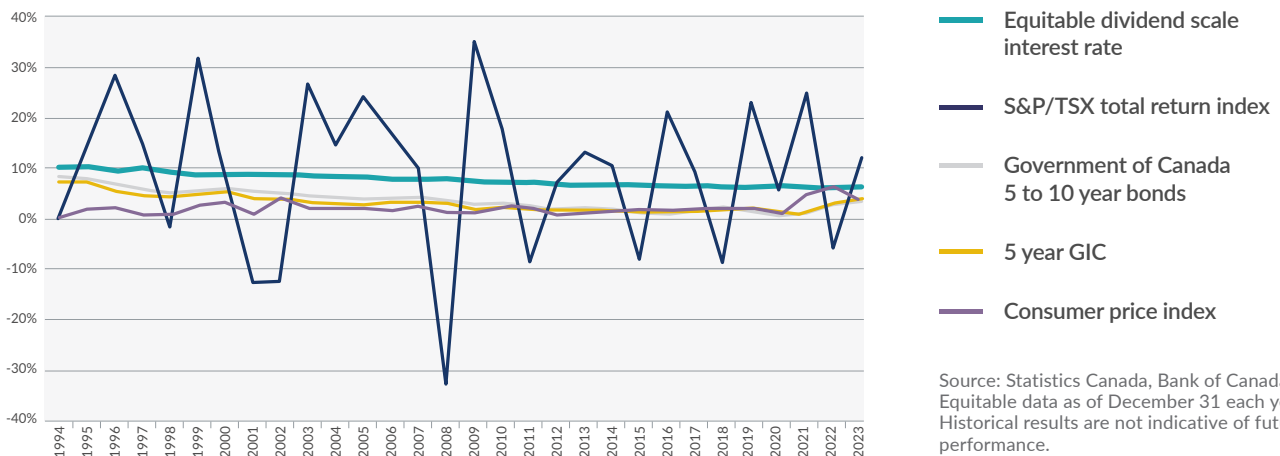
Looking for detailed quarterly updates and commentary on the participating account? Visit [www.equitable.ca](http://www.equitable.ca) > Our products > Whole life > Dividend scale.

Participating account portfolio – asset classes  
(as of December 31, 2023)



## Dividend scale interest rate

The dividend scale interest rate is just one factor used to determine the dividends paid in a participating policy. Dividends are paid at the sole discretion of the Board of Directors and are based upon a number of factors. The following chart shows Equitable's historical dividend scale interest rates compared to other well-known economic indicators.



Source: Statistics Canada, Bank of Canada, Equitable data as of December 31 each year. Historical results are not indicative of future performance.

# We're committed to large case clients

## Continued growth in large case market

It is our goal to continue to grow Equitable's success in the large case market.

We continue to enhance our processes and internal retention capacity to serve the needs of wealthy clients. Our dedicated large case team includes new business, underwriting, tax and estate planning experts and advance case consultants ready to deliver an exceptional, personalized experience for advisors and clients alike.



As a mutual, we provide financial security differently by focusing exclusively on our clients.



We have a dedicated large case team and process to help ensure an excellent advisor experience.



Equimax<sup>®</sup>, our participating whole life product line, is very competitive and recently underwent an exciting update.



Our internal retention limit is \$10,000,000 – a great option for meeting your wealthy clients' capacity needs.



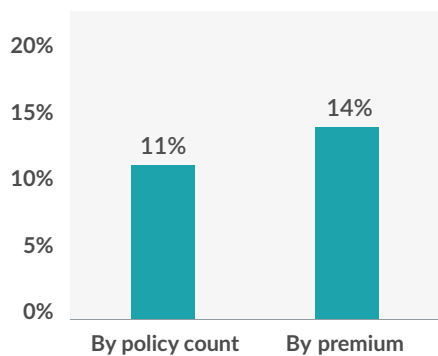
We have an industry-leading participating account rate of return.



Our dedicated field team of tax and estate planning and advanced case consultants are here to assist you.

\*All numbers and information quoted above are as of Q4 2023.

### Equitable's 5-year compound annual growth rate for whole life large case\* sales (as of Q4 2023)



\*Large case business is defined as participating whole life insurance policies with \$5M or higher face amount, or \$20,000 in annual premium.



*Equitable offers a diversified  
lineup of competitive  
solutions that can help clients  
achieve their financial goals  
with confidence.*





# Robust product offerings

## Participating whole life

For clients seeking guarantees, Equimax<sup>®</sup> participating whole life insurance could be the right solution. It provides lifetime protection with guaranteed premiums, cash values and death benefit; a stable, hands-off investment option that offers tax-advantaged growth; and the eligibility to participate in the earnings of the participating account through dividend payments.\*

## Universal life

For clients who prefer to personally manage their investment portfolio, Equitable Generations<sup>™</sup> combines the benefit of tax-advantaged life insurance protection with wealth accumulation through investment options. Clients can design a savings and investment portfolio that suits their financial needs through a mix of funds and asset classes.

## Term life

For temporary needs, term insurance may offer the best protection at the best price. Our term insurance solutions allow for full or partial conversions to our participating whole life and universal life products.\*\*

## Critical illness

EquiLiving<sup>®</sup> critical illness insurance can help keep clients' savings and retirement goals from being derailed by a critical illness. It can make funds available to help keep a business running, cover the cost of out-of-country or alternative treatments, etc.\*\*

## Savings & retirement

Our wide selection of segregated funds, guaranteed deposit accounts, RRSPs, TFSAs, and annuities can help clients achieve their financial goals.

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\*\* See policy contract for details and requirements.



## Commitment to community

Equitable is a Canadian company that values its clients, its employees, and the communities in which they live and work.



In 2023, Equitable employees volunteered more than **1,030** hours to help more than **40** organizations in our communities.

We value the communities where we live, work, and do business. This past year we supported more than 40 charities across Canada, and more than \$405,000 was directed towards not-for-profit and charitable organizations that include Camino Wellbeing, KidsAbility, Parkinson Canada (Southwestern Ontario), and the Sexual Assault Support Centre Waterloo Region.

As part of our efforts to support non-profit and charitable organizations, our employees demonstrate tremendous generosity in their support of our corporate giving programs, like our annual United Way Campaign and Autism Speaks Canada walks, where they participate and donate directly, as well as with organizations that are meaningful to them. In 2023, employees donated a total of 1030 hours to charities.



# About Equitable

At Equitable we believe in the power of working together. This guides how we work with each other. How we help our clients and partners. And how we support the communities where we live and work.

Together, with partners across Canada, we offer Individual Insurance, Group Insurance and Savings and Retirement solutions. To help our clients protect today and prepare tomorrow.

We believe the world is better when we work together to build an Equitable life for all.



® or ™ denotes a trademark of The Equitable Life Insurance Company of Canada

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