Equitable

Insurance | Investments | Group Benefits

Participating fund portfolio

As of December 31, 2025

Assets

The Asset Management Division within Equitable is responsible for managing investment assets. We follow good strategies to manage risks and diversify our portfolio. This helps support our long-term goals.

Bonds	29%
Equity	25%
Private placements	12%
Real estate	12%
Policy loans	11%
Mortgages	9%
Cash and equivalents	2%
Other assets	0%

Refer to Understanding participating whole life insurance (#1038) for more information on dividends and how they are calculated.

	$ Thousands*	Percentage
Short term		
Cash and equivalents	$ 52,234	2%
Total short term	*$ 52,234*	*2%*
Fixed income		
Public government bonds	$ 247,256	8%
Public corporate bonds	$ 665,925	21%
Private debt	$ 388,009	12%
Commercial mortgages	$ 271,758	9%
Total fixed income	*$ 1,572,948*	*50%*
Non-fixed income		
Preferred equity	$ 151,095	5%
Public equity	$ 578,384	18%
Private equity	$ 60,830	2%
Infrastructure equity**	$ 2,976	0%
Real estate	$ 394,371	12%
Total non-fixed income	*$ 1,187,656*	*38%*
Total invested assets	**$ 2,812,838**	**89%**
Policy loans	$ 331,503	10%
Other assets	$ 13,129	0%
Total participating assets	**$ 3,157,470**	**100%**

* In thousands of dollars.
** Infrastructure equity newly added to Equitable's par portfolio in 2025.
Percentages are based on total assets in the fund at that time and are rounded for display purposes. It also shows the allocation guidelines we follow for each of these assets. Allocation guidelines may change in the future.

Allocation

Investments with a lower credit rating can provide higher returns. We want to optimize our returns. To do this we will choose investments based on the risk and the return they provide.

Investments by sector

Financial	45%
Energy	24%
Industrial	10%
Infrastructure	10%
Communication	7%
Securitization	3%
Real estate	2%

As of December 31, 2025 for corporate bonds. Percentages have been rounded for display purposes.

Investments by geographic location

Canada	50%
U.S.	50%

As of December 31, 2025 for common equity. Percentages have been rounded for display purposes.

Investments by quality

Rating	Percentage
AAA (high credit quality)	5%
AA (high credit quality)	26%
A (medium credit quality)	36%
BBB (medium credit quality)	32%
BB or less (low credit quality)	1%
Total	**100%**

As of December 31, 2025 for publicly rated, fixed income securities. Percentages have been rounded for display purposes.

Investments by term

Years to maturity	$ Thousands	Percentage
0 to 5 years	$743,789	47%
5 to 10 years	$401,877	26%
Over 10 years	$427,282	27%
Total	**$1,572,948**	**100%**

As of December 31, 2025 for fixed income securities. Percentages have been rounded for display purposes.

Historical dividend scale interest rate

The dividend scale interest rate is one of the factors we use to find out how much is paid as a dividend to a participating policy. The dividend scale interest rate reflects the investment performance of the participating fund. It smooths out the ups and downs of the participating fund experience. It does not include investment income from policy loans.

The following shows our dividend scale interest rate (DSIR) compared to other well-known investments and economic indicators. The DSIR is a smoothed rate gross of expenses and reflects some tax benefits.

Year	Dividend scale interest rate (DSIR)	S&P/TSX total return index	Government of Canada 5-to-10-year bonds interest rate	5-year GIC interest rate	Consumer price index
2021	6.05%	25.09%	1.27%	0.99%	4.80%
2022	6.05%	-5.84%	2.78%	2.87%	6.30%
2023	6.25%	11.75%	3.38%	3.80%	3.40%
2024	6.40%	21.65%	3.33%	3.67%	1.80%
2025	6.40%	31.68%	3.05%	2.95%	2.40%

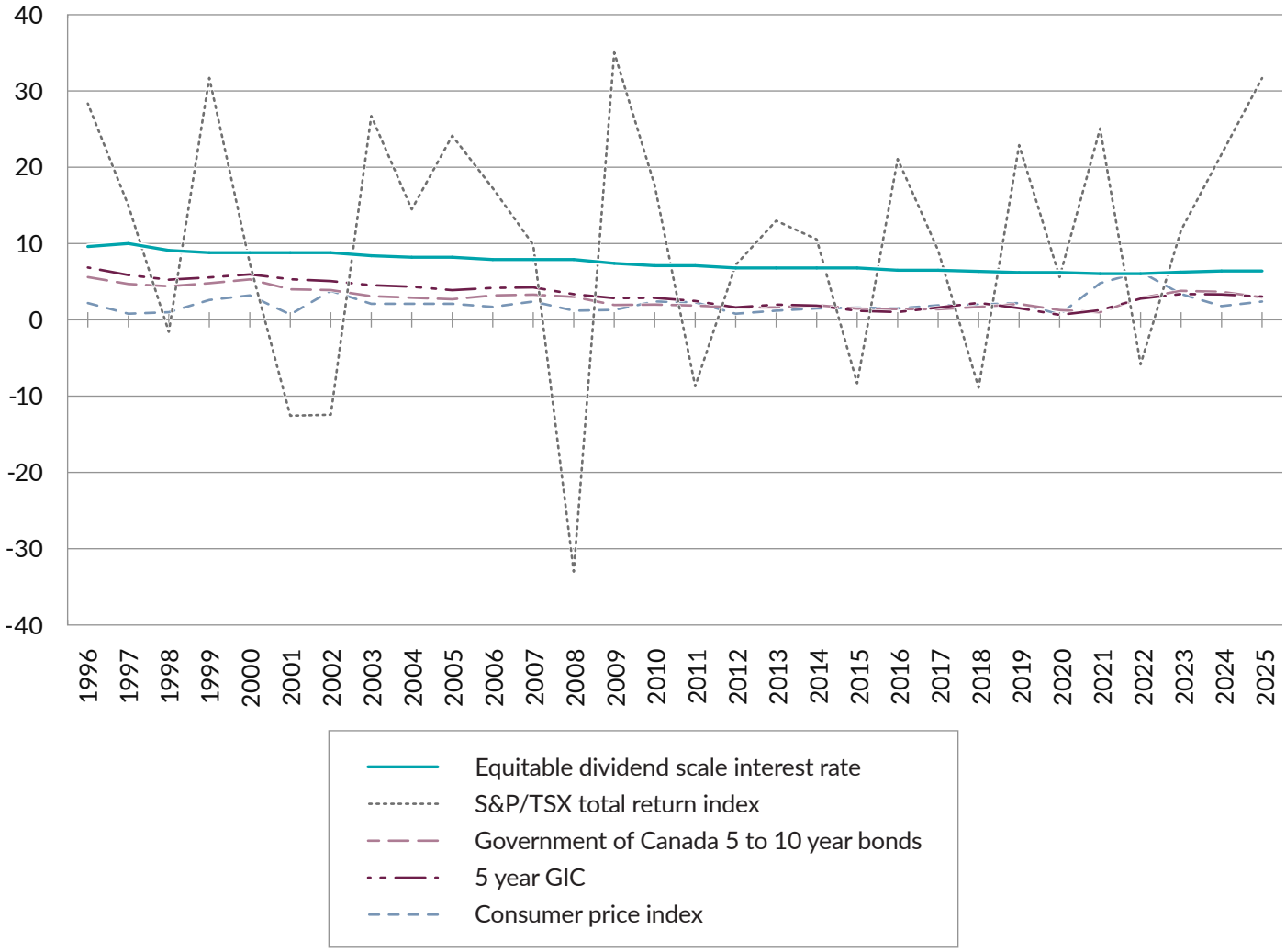
Data as of December 31 each year. All average returns are calculated using a geometric mean.

Average annualized returns

Year	Dividend scale interest rate (DSIR)	S&P/TSX total return index	Government of Canada 5-to-10-year bonds interest rate	5-year GIC interest rate	Consumer price index
1 Year	6.40%	31.68%	3.05%	2.95%	2.40%
5 Years	6.23%	16.09%	2.76%	2.85%	3.73%
10 Years	6.29%	12.66%	2.08%	2.21%	2.69%
20 Years	6.77%	8.44%	2.37%	2.20%	2.16%
25 Years	7.11%	8.08%	2.82%	2.43%	2.16%
30 Years	7.46%	9.28%	3.33%	2.84%	2.13%
35 years	7.91%	9.50%	4.01%	3.51%	2.10%
Standard deviation since 1989	1.70%	15.85%	2.70%	2.63%	1.37%

Data as of December 31 each year. All average returns are calculated using a geometric mean.

Dividend scale interest rate



Notes

- Dividends are not guaranteed. They could change and be different based on how well the investments do, how many claims are made, and other factors. Dividends are paid at the sole discretion of the Board of Directors.
- Past results do not show what will happen in the future.
- For the current dividend scale interest rate, see Understanding participating whole life insurance (#1038) or visit equitable.ca. For more details, speak with your advisor.
- Information sources: Statistics Canada, Bank of Canada, and Equitable.

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