

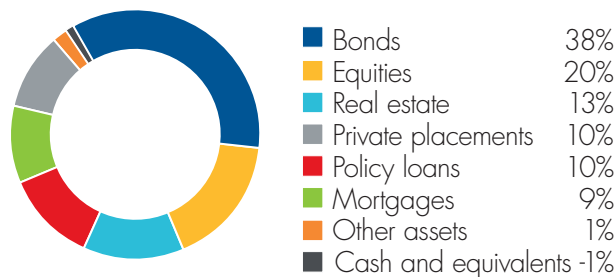
# Participating Account Portfolio

## Assets and Allocation

As of December 31, 2022

### ASSETS

The investments in the participating account are managed by the Equitable Asset Management Group. We focus on prudent investment strategies and risk management.



	\$ Thousands	Percentage
<b>Short term</b>		
Cash and equivalents	\$ (9,509)	-1%
<b>Total short term</b>	<b>\$ (9,509)</b>	<b>-1%</b>
<b>Fixed income</b>		
Government bonds	\$ 222,038	15%
Corporate bonds	\$ 341,083	23%
Private placements	\$ 150,662	10%
Commercial mortgages	\$ 135,610	9%
<b>Total fixed income</b>	<b>\$ 849,394</b>	<b>57%</b>
<b>Non-fixed income</b>		
Real estate	\$ 190,455	13%
Common and preferred equity	\$ 295,372	20%
<b>Total non-fixed income</b>	<b>\$ 485,828</b>	<b>33%</b>
<b>Total invested assets</b>	<b>\$ 1,325,713</b>	<b>88%</b>
Policy loans	\$ 146,521	10%
Other assets	\$ 22,167	1%
<b>Total participating assets</b>	<b>\$ 1,497,401</b>	<b>100%</b>

Refer to Understanding Participating Whole Life Insurance (#1038) for more information on dividends and how they are calculated.

### ALLOCATION

Assets are invested for optimum performance. Asset quality and diversification are key.

#### Investments by quality

Rating	Percentage
AAA (high credit quality)	14%
AA (high credit quality)	34%
A (medium credit quality)	35%
BBB (medium credit quality)	17%
BB or less (low credit quality)	0%
<b>Total</b>	<b>100%</b>

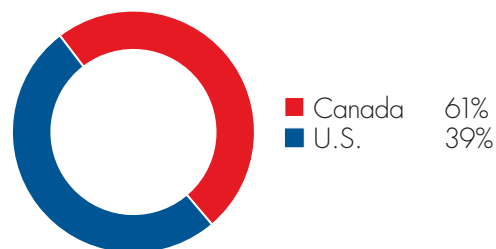
As of December 31, 2022 for publicly rated, fixed income securities.

#### Investments by sector



As of December 31, 2022 for corporate bonds.

#### Investments by geographic location



As of December 31, 2022 for common equity.

#### Investments by term

Years to maturity	\$ Thousands	Percentage
0 to 5 years	\$ 82,250	10%
5 to 10 years	\$ 37,265	4%
Over 10 years	\$ 729,869	86%
<b>Total</b>	<b>\$ 849,394</b>	<b>100%</b>

As of December 31, 2022 for fixed income securities.

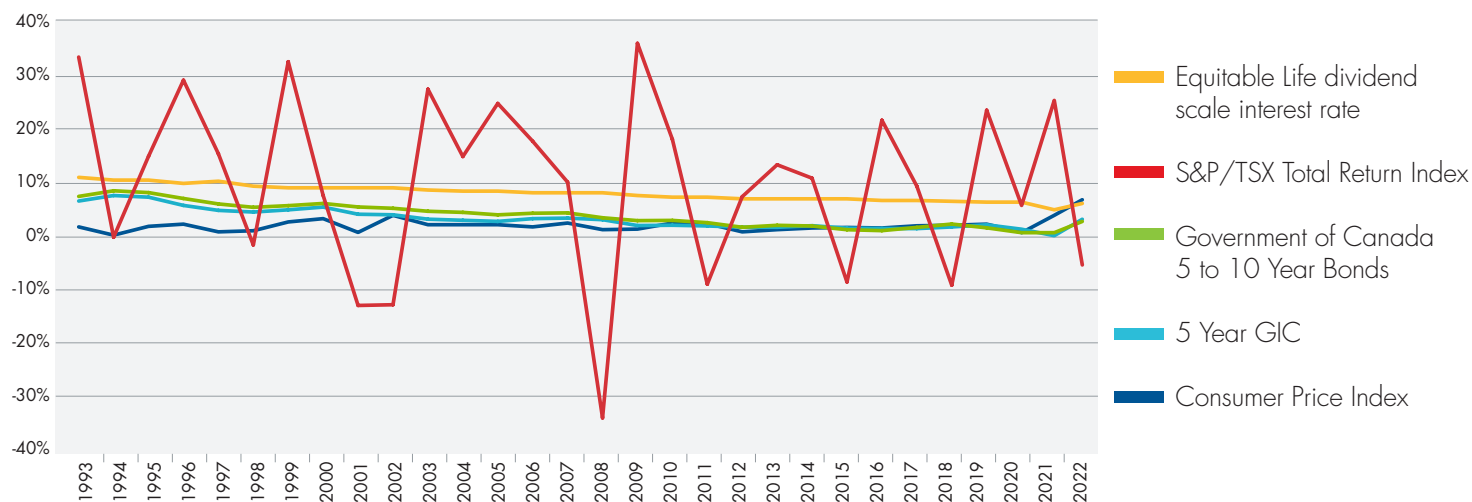
# Historical Dividend Scale Interest Rate

The dividend scale interest rate reflects the investment performance of the participating account which is smoothed to reduce volatility. The dividend scale interest rate is just one factor used to determine the dividends paid in a participating policy. Other factors include mortality, expenses, lapse, claims experience, taxes, and other experience of the participating block of policies. The dividend scale interest rate does not include policy loans.

The following shows a 30-year history of Equitable Life's® dividend scale interest rate compared to other well-known economic indicators.

Year	Equitable Life dividend scale interest rate	S&P/TSX Total Return Index	Government of Canada 5 to 10 Year Bonds	5 Year GIC	Consumer Price Index
2018	6.35%	-8.89%	2.22%	1.69%	2.00%
2019	6.20%	22.90%	1.53%	2.08%	2.20%
2020	6.20%	5.60%	0.65%	1.28%	0.70%
2021	6.05%	25.09%	1.27%	0.99%	4.80%
2022	6.05%	-5.84%	2.78%	2.87%	6.30%
Average annualized returns					
5 years	6.17%	6.85%	1.69%	1.78%	3.18%
10 years	6.42%	7.74%	1.61%	1.67%	2.36%
20 years	7.05%	8.47%	2.52%	2.12%	2.10%
30 years	7.86%	8.67%	3.77%	3.19%	2.00%
Standard deviation over 30 years	1.39%	16.14%	2.18%	1.80%	1.25%

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



## Notes:

- 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 and experience in the participating account and the participating block of policies. Improvements in some of the components can help offset declines in other components. For example, improvements in expenses can help offset the impact of declining interest rates on investment performance.
- Historical results are not indicative of future performance.
- For the current dividend scale interest rate please refer to Understanding Participating Whole Life Insurance (#1038), [www.equitable.ca](http://www.equitable.ca) or contact your advisor.
- Information Sources: Equitable Life of Canada®; Statistics Canada; Bank of Canada.