

All figures as at September 30, 2018 and unaudited unless otherwise stated

Quarter highlight

In July, we launched our consumer portal, *My Empire*, to make it simple, fast and easy for customers to see their insurance and investment policies, and view their investment details, in one place, anytime, anywhere. Customers can now go green and sign up to receive eStatements going forward where they can access their investment statements safely and securely online.

"We've received positive feedback from customers who have found our customer portal fast and easy, user-friendly and clear, and, easy to navigate. This validates we are making progress on achieving our mission of Insurance & Investments – Simple. Fast. Easy.®"

Mike Stocks, Vice-President and Chief Marketing Officer, Retail

Financial ratings

These financial ratings give you an independent opinion of our financial strength as an insurer and our ability to meet policyholder obligations.

| Rating Agency | Rating | Notes |
|-------------------|--|---|
| A.M. Best Company | Financial Strength: A (Excellent) Issuer Credit: a Subordinated Debt: bbb+ Preferred Share: bbb | As at June 7, 2018 All trends are stable |
| DBRS | Financial Strength Rating: A Issuer Rating of A Subordinated Debt Rating of A (low) Preferred Share Rating: Pfd-2 | As at May 28, 2018 All trends are stable |

Strength of our capital base

LICAT ratio: 164% as of September 30, 2018, well above the requirements set by the Office of the Superintendent of Financial Institutions Canada (OSFI) and Empire Life's minimum internal targets.

What is a LICAT ratio?

The Life Insurance Capital Adequacy Test (LICAT) measures a company's ability to meet obligations to its policyholders. Effective January 1, 2018, LICAT replaced the Minimum Continuing Capital and Surplus Requirements (MCCSR) ratio, which was previously used for this purpose. The LICAT is intended to improve the quality of a company's available capital and better align risk measures with the long-term economics of the life insurance business. OSFI requires life insurance companies to maintain a LICAT ratio of at least 90% and expects their internal targets to be at least 100%.

WHO IS EMPIRE LIFE?

Empire Life is a proud Canadian company that has been in business since 1923.

As one of the top 10 life insurance companies in Canada¹, we offer a full range of financial products and services to meet your needs.

These include life insurance, critical illness coverage, investment options and employee benefits plans, as well as mutual funds offered through our wholly-owned subsidiary Empire Life Investments Inc.

WHY YOU CAN COUNT ON US:

- We are honest and fair, and honour our commitments to our customers and each other.
- We treat each other with respect.
- We hold ourselves and each other accountable.

OUR MISSION

Insurance & Investments
Simple. Fast. Easy.®

OUR VISION

Canada's most convenient insurance and investment company.

¹ *Globe and Mail Report on Business*, June 2018, based on revenue



FACT SHEET Q3 2018

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Financial highlights (derived from interim consolidated financial statements)

| For the nine months ended September 30, 2018 (in millions) | |
|--|-----------|
| Total assets under management | \$ 17,204 |
| General fund assets | \$ 8,442 |
| Segregated fund assets | \$ 8,594 |
| Mutual fund assets ² | \$ 168 |
| Net premium income | \$ 637 |
| Common shareholders' net income | \$ 131 |

² Mutual funds are sold through Empire Life Investments Inc., a wholly-owned subsidiary of The Empire Life Insurance Company.

Safety of investment asset mix

(derived from interim consolidated financial statements)

Our in-house investment team consistently follows a conservative and disciplined investment strategy, focusing on capital preservation and quality assets. A high percentage of our bond portfolio is rated "A" or higher.

The portfolio has no direct exposure to:

- Structured credit, including non-bank asset-backed commercial paper
- Commercial mortgage-backed securities
- Residential mortgage-backed securities
- Sub-prime mortgages

Most of our assets are Canadian and we have no bond impairments.

Summary of invested general fund assets (total carrying value)



Product diversification

(derived from interim consolidated financial statements)

Empire Life is well-diversified across three product lines. This balanced approach helps us provide you with the financial services you need, and helps us generate consistent revenue and premium income making our company stronger.

Product diversification by premium and fee income for the nine months ended September 30, 2018



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FAST FACTS

- Founded: 1923 in Toronto
- Head Office: Kingston, Ontario (since 1936)
- Subsidiary of E-L Financial Corporation Limited (TSX: ELF)
- Empire Life Preferred Shares (TSX:EML.PR.A)
- President and CEO: Mark Sylvia
- 885+ employees across Canada
- 429,000+ individual customers
- 9,800+ group employer customers
- Regional offices: Québec, Montréal, Toronto, Burlington, London, Winnipeg, Calgary, Vancouver
- We distribute our products through a nationwide network that includes more than 33,500 independent financial advisors, brokers, managing general agents, group producers and mutual fund dealers.

CONTACT US

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