

All figures as at December 31, 2018 and unaudited unless otherwise stated

## Quarter highlight

In November, we launched Guaranteed Life Protect, a new guaranteed issue life insurance product that provides guaranteed, lifetime coverage with no health or lifestyle questions asked. Unlike many guaranteed life insurance products available in Canada today, Guaranteed Life Protect offers coverage of up to \$50,000 (depending on age), while also providing features normally associated with fully underwritten coverage.

“Guaranteed issue life insurance has broad appeal across a number of key consumer segments in the Canadian marketplace. While we know it will be attractive to consumers looking to cover final expenses who may have been turned down for coverage in the past, we believe Guaranteed Life Protect will also appeal to consumers who value convenience and speed.”

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: <b>A (Excellent)</b> Issuer Credit: <b>a</b> Subordinated Debt: <b>bbb+</b> Preferred Share: <b>bbb</b>	As at June 7, 2018  All trends are stable
DBRS	Financial Strength Rating: <b>A</b> Issuer Rating of <b>A</b> Subordinated Debt Rating of <b>A (low)</b> Preferred Share Rating: <b>Pfd-2</b>	As at May 28, 2018  All trends are stable

## Strength of our capital base

**LICAT ratio:** 149% as of December 31, 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. 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 Canada<sup>1</sup>, 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.

<sup>1</sup>Globe and Mail Report on Business, June 2018, based on revenue



# FACT SHEET Q4 2018

All figures as at December 31, 2018 and unaudited unless otherwise stated

## Financial highlights (derived from audited consolidated financial statements)

For the twelve months ended December 31, 2018 (in millions)	
Total assets under management	\$ 16,415
General fund assets	\$ 8,447
Segregated fund assets	\$ 7,823
Mutual fund assets <sup>2</sup>	\$ 145
Net premium income	\$ 874
Common shareholders' net income	\$ 137

<sup>2</sup> 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 audited 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 audited 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 twelve months ended December 31, 2018



This document reflects the views of Empire Life as of the date stated. The information in this document is for general information purposes only and is not to be construed as providing legal, tax, financial or professional advice. The Empire Life Insurance Company assumes no responsibility for any reliance made on or misuse or omissions of the information contained in this document. Please seek professional advice before making any decision.

® Registered trademark of The Empire Life Insurance Company. ™ Trademark of The Empire Life Insurance Company.

Policies are issued by The Empire Life Insurance Company.

CORP-2169-EN-04/19

## 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

General enquiries: 1 877 548-1881

Email: [info@empire.ca](mailto:info@empire.ca)

Website: [www.empire.ca](http://www.empire.ca)

Head Office: 259 King St. East  
Kingston, ON K7L 3A8

 @EmpireLife  
@EmpireLifeIns  
@EmpireLifeInv

 Empire Life  
Empire Life Insurance  
& Investments

 Empire Life  
Empire Life Investments

 @EmpireLife

