

Bring your financial goals to life

with asset allocation strategies from Empire Life



It's important to think of your life goals and dreams to better plan for your future. Working with a financial advisor to pick the right Empire Life segregated fund asset allocation solution can bring you one step closer to realizing them.

Insurance & Investments
Simple. Fast. Easy.®





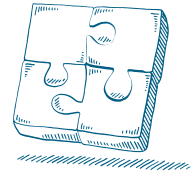
Goals



Risk tolerance



Time Horizon



Your Investor
Profile



How asset allocation can help you achieve your goals?

There are several core elements that go into constructing an asset allocation strategy. Having a portfolio that best aligns with your investor profile is the first step, but understanding diversification and how the portfolio is constructed can also help you better understand which solution offers the best potential for you to achieve your goals.

The benefits of a diversified portfolio

Diversification is a strategy used to manage risk inside a portfolio, by investing in securities across several industries, regions or categories. A good diversification strategy has the potential to provide higher long-term returns with lower risk than holding any individual security.

- > **Chasing winners or losers in any market segment may not provide the results you're expecting. Having broad exposure to a variety of diversification elements can help smooth out the journey and potentially deliver the outcome you're looking for. Here are a few strategies that can help you achieve better diversification:**

1. Invest in the world for a smooth journey

If we look at Canada as a share of the total value of all equities in the world, it represents a total of only 3%. Or put another way, 97% of the global investment opportunities lie outside Canada's borders.

Here's a look at top countries of the past decade, illustrating why it's important to have broad exposure to several regions:

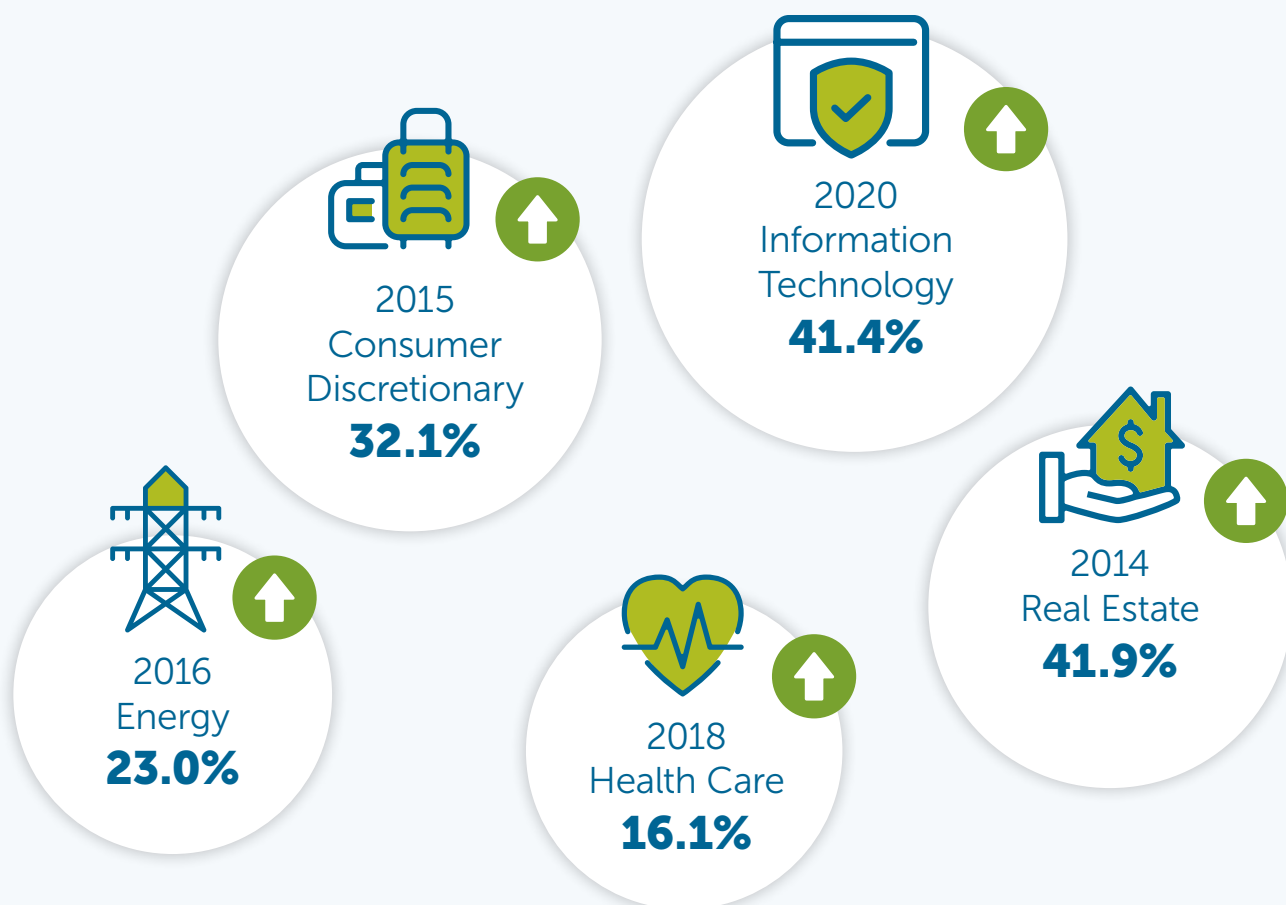
Bottom 5			Top 5		
2016	Switzerland	-7.4%	2016	Canada	21.2%
2017	New Zealand	5.3%	2017	China	44.2%
2018	Germany	-14.6%	2018	New Zealand	5.2%
2019	Japan	14.1%	2019	New Zealand	31.8%
2020	Canada	4.4%	2020	China	27.4%

Source: Morningstar Research Inc. as at July 31, 2021



2. Break the cycle through exposure to a variety of industries

Having exposure to a wide variety of industry sectors can help ensure that a portfolio doesn't get caught up in the cyclical nature of some of these businesses, helping to reduce overall volatility and the opportunity for gains over the long-term. Here's how the last 10-years shaped up for sectors in the U.S.



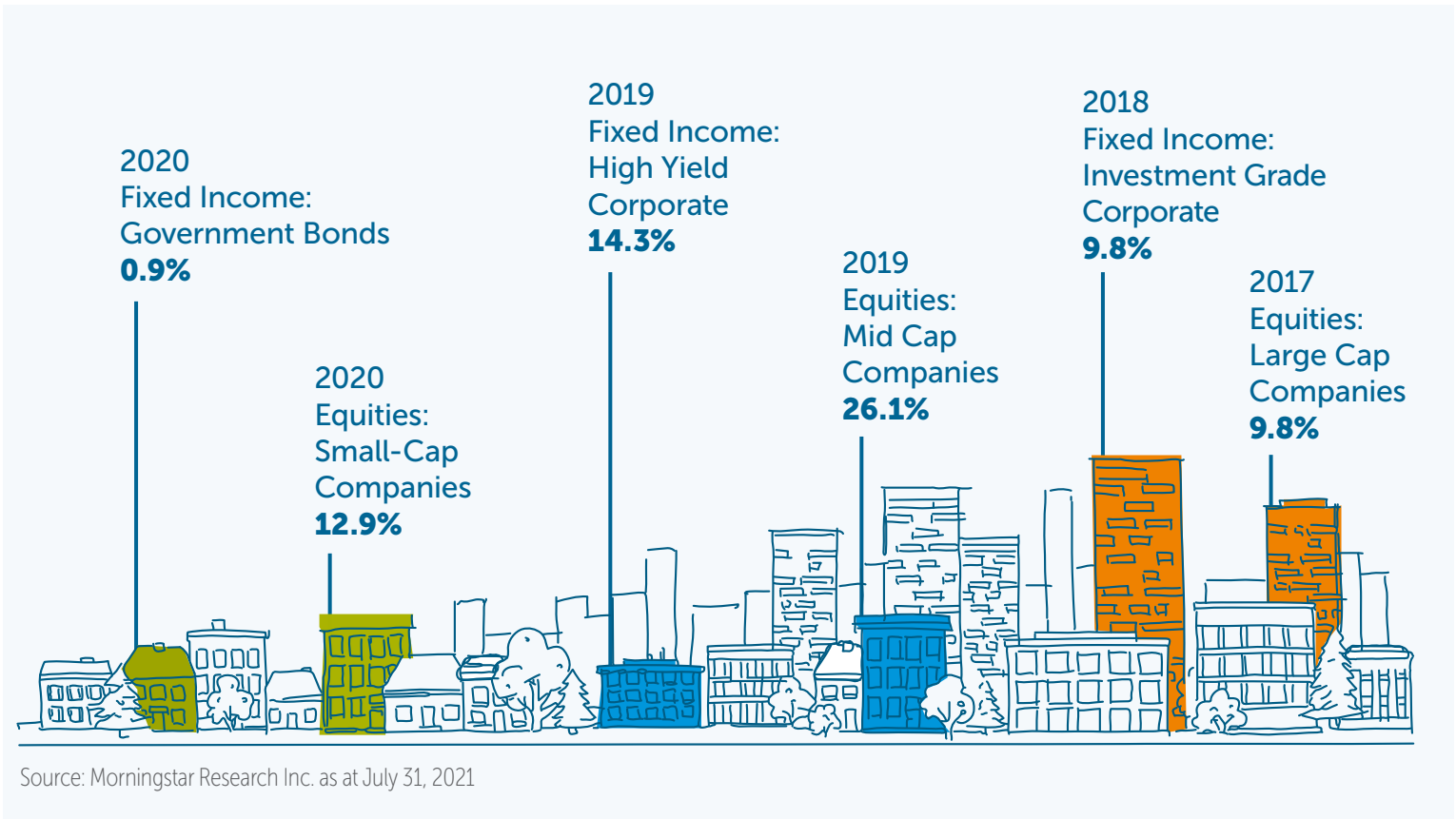
Source: Morningstar Research Inc. as at July 31, 2021

3. Look beyond the surface to help balance risk and reward

Drilling deeper into equity and fixed income securities within any segregated fund exposes several sub-categories that can further enhance diversification within a portfolio.

Sub-categories within Equities	Sub-categories within Fixed Income
Company Size (Small, Med, Large)	Credit quality ¹ (high yield, government & corporate bonds)

By having exposure to companies of all sizes and a variety of fixed income categories, you can increase the potential to smooth out performance and achieve a good balance between risk and reward.



Empire Life asset allocation segregated fund solutions

An investment solution that offers you exposure to several of these diversification elements has the potential to ensure you achieve your financial goals.

Empire Life asset allocation segregated funds are fully diversified across several regions, sectors and investment types. With professionally managed portfolios that range from the very conservative to aggressive there is a solution to fit any investor profile.

Investor Profile	Target Allocation		Empire Life segregated funds	Level of Diversification		
	Fixed Income	Equity		Region	Sector	Inv Type
Very Conservative You prefer a very stable investment, less focus on capital growth.	80%	20%	Emblem Diversified Income	Med	Hi	Hi
Conservative You prefer a stable investment, with less focus on capital growth	70%	30%	Emblem Conservative	Med	Hi	Hi
			Emblem Global Conservative	Hi	Hi	Med
			Multi-Strategy Global Conservative	Hi	Hi	Hi
Balanced You prefer a strategy that combines asset classes equally in attempt to balance risk and return.	50%	50%	Empire Life Income GIF	Low	Low	Hi
			Emblem Balanced	Med	Hi	Hi
			Emblem Global Balanced	Hi	Hi	Hi
			Multi-Strategy Global Balanced	Hi	Hi	Hi
			Multi-Strategy Global Growth Balanced	Hi	Hi	Hi
			Empire Life Balanced GIF	Med	Hi	Hi
			Empire Life Asset Allocation GIF	Med	Hi	Hi
			Empire Life Global Asset Allocation GIF	Hi	Hi	Hi
Moderate Growth You are willing to accept periods of moderate market volatility in exchange for the potential of greater returns.	30%	70%	Emblem Moderate Growth	Low	Hi	Hi
			Emblem Global Moderate Growth	Hi	Hi	Hi
			Multi-Strategy Global Moderate Growth	Hi	Hi	Hi
			Empire Life Monthly Income GIF	Low	Hi	Hi
Growth You emphasize long-term growth while seeking to maintain level stability for your investment.	20%	80%	Emblem Growth	Med	Hi	Hi
			Empire Life Dividend Balanced GIF	Low	Med	Hi
Aggressive Growth You emphasize long-term growth, seeking to achieve the highest return possible on your investment.	0%	100%	Emblem Aggressive Growth	Low	Hi	Med
			Emblem Global Aggressive Growth	Hi	Med	Med
			Multi-Strategy Canadian Equity	Low	Hi	Hi
			Multi-Strategy US Equity	Low	Hi	Hi
			Multi-Strategy Global Equity	Hi	Hi	Hi
			Multi-Strategy Global Growth	Hi	Hi	Hi

➤ **Speak with your advisor to find out how a professionally managed Empire Life segregated fund can help you achieve your goals.**



The Empire Life Insurance Company

259 King Street East,
Kingston, ON K7L 3A8

The Empire Life Insurance Company (Empire Life) is a proud Canadian company that has been in business since 1923. We offer individual and group life and health insurance, investment and retirement products, including mutual funds through our wholly-owned subsidiary Empire Life Investments Inc.

Our mission is to make it simple, fast and easy for Canadians to get the products and services they need to build wealth, generate income, and achieve financial security. See our website for current ratings and financial results.

Follow us on social media @EmpireLife.

¹ Credit quality is a measure of how likely you are to be able to receive not only the regular income payments associated with a bond but also the principal upon the maturity of the bond. Historically, lower-quality bonds, often referred to as a high yield, offer a higher potential rate of return, but carry a higher risk of default, or not being paid back. Conversely, high-quality government bonds carry very little risk of default but will often have much lower returns.

Empire Life Investments Inc. is the Portfolio Manager of the Empire Life segregated funds. Empire Life Investments Inc. is a wholly-owned subsidiary of The Empire Life Insurance Company.

Segregated Fund contracts are issued by The Empire Life Insurance Company ("Empire Life").

A description of the key features of the individual variable insurance contract is contained in the Information Folder for the product being considered. **Any amount that is allocated to a segregated fund is invested at the risk of the contract owner and may increase or decrease in value.** Past performance is no guarantee of future performance. All returns are calculated after taking expenses, management and administration fees into account.

® Registered trademark of **The Empire Life Insurance Company**. Policies are issued by The Empire Life Insurance Company.