

# 2025 LICAT Disclosure

Amounts in \$CDN (000s)		Foresters Financial		
		December 31, 2025	December 31, 2024	Change %
<b>Available Capital (AC1+B)</b>	(AC)	3,007,053	2,869,504	4.8%
<i>Tier 1 Capital</i>	(AC1)	2,253,394	2,102,578	7.2%
<i>Tier 2 Capital</i>	(B)	753,659	766,926	(1.7%)
<b>Surplus Allowance and Eligible Deposits</b>	(SA+ED)	663,712	673,324	(1.4%)
<b>Base Solvency Buffer</b>	(BSB)	1,950,534	1,942,195	0.4%
<b>Total Ratio ([AC + SA + ED] / BSB) x 100</b>		188.2%	182.4%	5.8 pts
<b>Core Ratio ([AC1 + 70% SA + 70% ED] / BSB) x 100</b>		139.3%	132.5%	6.8 pts

The Office of the Superintendent of Financial Institutions (“OSFI”) introduced the Life Insurance Capital Adequacy Test (LICAT) as the regulatory capital standard for life insurers effective January 1, 2018. The Total Ratio is subject to a supervisory target of 100% and a minimum of 90%. The Core Ratio is subject to a supervisory target of 70% and a minimum of 55%.

The Total Ratio for Foresters Financial (“IOF”) was **188.2%** at December 31, 2025, compared with 182.4% at December 31, 2024. The increase of 5.8 percentage points was primarily driven by solid earnings, reflecting strong investment performance and favourable insurance experience.

The Core Ratio was **139.3%** at December 31, 2025, up from 132.5% at December 31, 2024. The 6.8 percentage points improvement was mainly attributable to the same positive earnings drivers noted above.

# 2025 LICAT Disclosure

Amounts in \$CDN (000s)		Foresters Life Insurance Company		
		December 31, 2025	December 31, 2024	Change %
<b>Available Capital (AC1+B)</b>	(AC)	373,352	353,647	5.6%
<i>Tier 1 Capital</i>	(AC1)	315,863	273,989	15.3%
<i>Tier 2 Capital</i>	(B)	57,489	79,658	(27.8%)
<b>Surplus Allowance and Eligible Deposits</b>	(SA+ED)	66,528	68,845	(3.4%)
<b>Base Solvency Buffer</b>	(BSB)	211,613	211,547	0.0%
<b>Total Ratio ([AC + SA + ED] / BSB) x 100</b>		207.9%	199.7%	8.2 pts
<b>Core Ratio ([AC1 + 70% SA + 70% ED] / BSB) x 100</b>		171.3%	152.3%	19.0 pts

The Total Ratio for Foresters Life Insurance Company ("FLIC") was **207.9%** at December 31, 2025, compared with 199.7% at December 31, 2024. The increase of 8.2 percentage points was primarily driven by strong investment performance during the year.

The Core Ratio was 171.3% at December 31, 2025, up from 152.3% at December 31, 2024. The increase of 19 percentage points largely reflects the same favourable investment results.