

2025 REPORT TO MEMBERS

# A hero lives in every story



Foresters   
Financial

# Everyone plays a part



The next exciting chapter has begun, marked by the addition of four new Directors to our Board—all recognised industry leaders who bring a wealth of knowledge and expertise to our organisation. Their experience and insight will be invaluable as we continue to navigate our dynamic economic landscape.

Together with our dedicated employees and member leaders, we're addressing the changing protection and retirement needs for everyday families. Across all our business regions, we're strengthening our balance sheet, modernising systems and investing in advanced analytics to ensure resilience for generations to come.

After years of investment in infrastructure and our commercial footprint, Foresters Financial is well-positioned for sustainable growth. But what I am most proud of, is that in times that feel uncertain, we offer stability and community for our members and the places they call home.

**MATT BERMAN**  
President and Chief Executive Officer

I'm delighted to share that in 2025 our Member Network is stronger than ever.

Increased interest from members has led to inspiring involvement in their local communities. Our elections brought us new and engaged Branch and Regional Councils and an increase from 417 to 458 filled seats at the end of the year. This is a clear sign of the growing enthusiasm of our members, and I look forward to seeing what we accomplish in the upcoming year.

The International Assembly also brought in a new Board of Directors. I look forward to working with my new and returning colleagues, especially with our new International Fraternal Vice President, Shelly Herman. There is a real sense of optimism here with the combination of strengths each of us bring.

**RICHARD HENNICK**  
International Fraternal President

In 2025, our Board of Directors welcomed both new and returning leadership that will help usher in the next four exciting years of Foresters Purpose. I'm also honoured to be re-appointed as Chair for this amazing organisation.

The strength of our Board and their dedication to our Purpose is truly inspiring. Each of our new Board members brings a wealth of experience in the financial services industry, having helped millions of people achieve their financial goals. They also bring a demonstrated passion for giving back, supporting causes and community initiatives that enrich the places they call home. Our returning members are ready to offer their guidance and continue making the foundation of our Board as strong as possible.

This blend of fresh perspectives and seasoned insight sets us up for meaningful progress ahead. With a shared enthusiasm and a clear path forward, our Board is ready to lead with confidence.

**DANIEL FORTIN**  
Chair of the Board

# Opportunities are everywhere

In 2025, we awarded 520 scholarships totalling \$1.4 million CAD to deserving students. Each of the young leaders who earned a scholarship showed true passion, not only for their education, but also for giving back to their communities.

Lorisa X. is a third-year student in Immunology and Infections at a Canadian university, and dreams of becoming a veterinarian. She's also one of our Competitive Scholarship winners and combines her passion for helping animals and giving back. Lorisa participated as an intern with the VAW Global Health Alliances abroad, helping to deliver veterinary care to families and animals. She continued to assist the organisation by establishing a club at her university. Her team hosted fundraisers and organised veterinarian internships around the world for her fellow students.

**Learn more about our Competitive Scholarship programme at [MyForesters.com](https://myforesters.com)**



## Every kid needs a bike

On 21 June 2025, Foresters member leaders, along with the help of Odyssey Teams, came together to make a difference in kids' lives.

As part of the 44th International Assembly and Leadership Development Conference, in Arlington, Texas, members assembled 100 new bicycles for local children. As the activity finished, the doors unexpectedly opened, and 100 children from John R. Good Elementary and Iglesia Fuente de Vida walked in to receive their surprise gift of a bike, helmet and lock.

The impact on the kids and our member leaders was deeply moving. Moments like this remind us of what makes our organisation special: our dedication to delivering on our Purpose of enriching family and community wellbeing.

**Learn more about becoming a member leader at [MyForesters.com](https://myforesters.com)**



# Everybody can lend a hand

Our Foresters Care grants offer members £200 twice a year to give back to their communities. It's also one of the three grants we offer that have provided members with over \$5.6 million CAD in funds last year. In 2025, our members used over 4,000 Foresters Care grants. Denis D. in the UK was one of those members. He used his grants to create over 40 bags of food for families in need throughout his community during the Christmas season. Denis showed that a little care can go a long way to uplifting the communities we call home.

**Learn more about Foresters Care at [MyForesters.com](https://www.myforesters.com)**



## Living well every day

From your financial health to your community, we're here for moments that matter.



**\$12.1 million CAD**

used by members through their benefits to enhance their wellbeing and give back to their community<sup>1</sup>



**202,000+**

meals prepared and packed since 2024 with our partner U.S. Hunger to feed people across North America



**\$662 million CAD**

claims paid supporting families in North America<sup>2</sup>



**95,000+**

appointments with our UK financial advisors to help support financial wellbeing and close the advice gap

### Real people. Real purpose.

Scan the QR code or visit [foresters.com/impact](https://www.foresters.com/impact) to see more member stories and how we're spotlighting our Purpose across our organisation.



<sup>1</sup> A \$12.1 million CAD investment used by members through their member benefits, including Competitive Scholarships, Foresters Renew, LawAssure, Lifelong Learning, Foresters Go, Foresters Member Discounts, critical illness coverage, orphan benefits, senior member benefits, Community Volunteer grants, Foresters Moments grants, Foresters Care grants, Branch Matching and Member Engagement grants. However, this investment does not include community sponsorships and donations. Member benefits are non-contractual and subject to change.

<sup>2</sup> Encompasses death and disability claims across all Foresters organisations.

# 2025 financial highlights

Financial highlights for the year ended December 31, 2025  
(All amounts are in Canadian dollars, unless otherwise stated)

## Key results at a glance

Annualized weighted sales

**\$384.8**  
million

Annualized weighted sales are comprised of 100% of regular premiums/deposits and 10% of single premiums/deposits and annuities written (or contracted) during the year in North America and the UK. This is a non GAAP measure and not comparable to IFRS measures.<sup>5</sup>

Total comprehensive income

**\$166.2**  
million

Total comprehensive income is a measure of the profitability of the organization primarily from insurance earnings, net investment returns and impacts from capital markets including foreign currency exchange movements.

Gross premiums

**\$1.4**  
billion

This amount is the gross life insurance and annuity premiums paid or owing to Foresters Financial during the year from certificate and contract holders. There is no directly comparable IFRS measure.

Certificates and contracts in force

**2.2**  
million

This is the total number of certificates and contracts that are active or "in force" at Foresters Financial and its subsidiaries.

RBC Ratio

**623%**

The Risk Based Capital ("RBC") ratio is a capital adequacy measure for life insurance companies established by the National Association of Insurance Commissioners ("NAIC") in the US. It is a measure used to monitor that insurers maintain adequate capital to meet their financial obligations. Foresters Financial is above the regulatory minimum of 150%.

LICAT Ratio

**188%**

The Life Insurance Capital Adequacy Test ("LICAT") ratio is a capital adequacy measure for life insurance companies established by the Office of the Superintendent of Financial Institutions ("OSFI") in Canada. It is a measure used to monitor that insurers maintain adequate capital to meet their financial obligations. Foresters Financial is above the regulatory minimum of 100%.

Surplus

**\$2.3**  
billion

Surplus is the value of our assets minus our financial obligations to members and others. A strong surplus position first and foremost gives Foresters Financial the ability to withstand economic and business volatility, and it allows us to invest in the growth of our business through increased sales and acquisition activities. Also, a portion of earnings on surplus is used to fund member benefits and community investments in support of Foresters Purpose.

AM Best Financial Strength Rating<sup>1</sup>

**"A"**  
Excellent

AM Best's and Morningstar DBRS' Financial Strength Rating addresses the relative ability of an insurer to meet its ongoing insurance obligations.

<sup>1</sup> An "A" (Excellent) Financial Strength Rating is assigned to companies that have a strong ability to meet their ongoing obligations to policyholders and have, on balance, excellent balance sheet strength, operating performance and business profile when compared to the standards established by AM Best Company. AM Best assigns ratings from A++ to F, A++ and A+ being superior ratings and A and A- being excellent ratings. In 2025 AM Best assigned Foresters subsidiary, Foresters Life Insurance Company an "A" (Excellent) Financial Strength Rating. In assigning the ratings for The Independent Order of Foresters (Foresters Financial) and its subsidiary Foresters Life Insurance Company, the outlook for all ratings is "stable", which means they are unlikely to change in the near future. See [ambest.com](https://www.ambest.com) for the latest ratings.

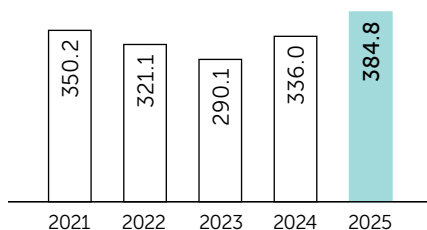
Morningstar DBRS

**"A"**  
Financial Strength

In addition, Morningstar DBRS, the world's fourth largest credit ratings agency, confirmed Foresters Financial's "A" Financial Strength Rating and Issuer Rating, both with a "Stable" trend.

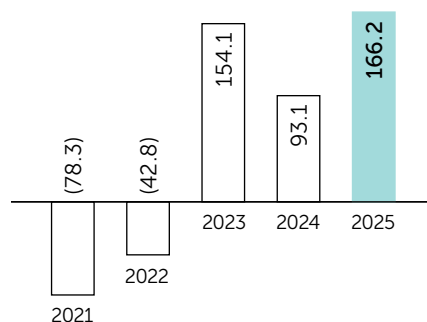
# Key results

## Annualized weighted sales (CAD millions)



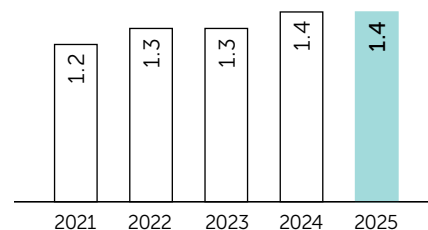
Annualized weighted sales were \$384.8 million, a 14.5% increase over the prior year, driven by our North American insurance sales through strong partnerships and new product launches in the year combined with strong UK sales from a revitalized sales model, despite periods of economic uncertainty.

## Total comprehensive income<sup>4</sup> (CAD millions)



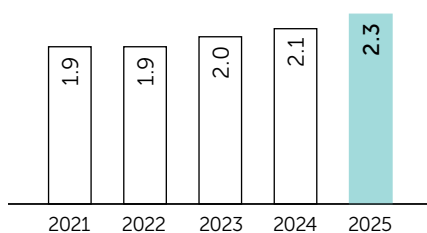
Foresters Financial reported total comprehensive income of \$166.2 million due to strong investment performance, favourable insurance experience and capital markets.

## Gross premiums (CAD billions)



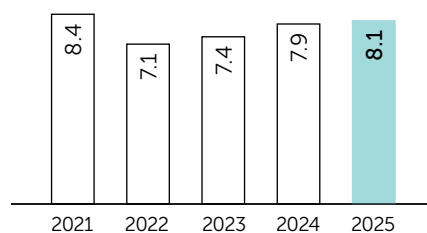
Gross life insurance premiums were \$1.4 billion, a 2.8% increase over the prior year.

## Surplus (CAD billions)



Surplus was \$2.3 billion at the end of 2025. Our capital ratios remain very strong with a LICAT and RBC ratio of 188% and 623% respectively, well above the regulatory minimum required for LICAT and RBC of 100% and 150% respectively.

## Investments (CAD billions)



Investments include cash, cash equivalents, short-term securities and invested assets. Foresters maintained a disciplined investment philosophy while delivering strong asset performance. Total investments grew 2.7% to \$8.1 billion.

<sup>3</sup> Foresters Financial prepares its consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. We use a number of non GAAP and other financial measures to evaluate overall performance.

<sup>4</sup> 2022 has been restated for the new IFRS Insurance Accounting Standard. 2021 and prior is presented on an IFRS 4 basis.

## Summary Consolidated Statements of Comprehensive Income (Loss)

For the year ended December 31, 2025 with comparative figures for 2024 (in millions of Canadian dollars)

	2025	2024
Insurance revenue	\$ 954	\$ 910
Insurance service expenses	(853)	(1,176)
Net recovery from reinsurance contracts held	(12)	76
<b>Insurance service result</b>	<b>(89)</b>	<b>(190)</b>
Net investment income (loss) excluding result of segregated funds and unit linked contract holders	562	228
Net investment income (loss) related to segregated funds and unit linked contract holders net assets	1,208	794
Financial changes related to segregated funds and unit linked holders net liabilities	(1,208)	(794)
Net investment result of segregated funds and unit linked contract holders	—	—
<b>Investment return</b>	<b>562</b>	<b>228</b>
Net finance income (expenses) from insurance contracts	(368)	(14)
Net finance income (expenses) from reinsurance contracts held	(49)	(25)
Interest on investment contract liabilities	—	(1)
<b>Net financial result</b>	<b>243</b>	<b>188</b>
Fee revenue and other operating income	131	127
Operating expense	(163)	(165)
Interest on subordinated debt	(7)	(7)
Fraternal investment	(14)	(16)
<b>Total other income and expenses</b>	<b>(53)</b>	<b>(61)</b>
<b>Net income (loss) before income taxes</b>	<b>279</b>	<b>(63)</b>
Current income tax benefit (expense)	(35)	(5)
Deferred income tax benefit (expense)	(20)	11
<b>Total income taxes</b>	<b>(55)</b>	<b>6</b>
<b>Total net income (loss)</b>	<b>\$ 224</b>	<b>\$ (57)</b>
<b>Other comprehensive income (loss)</b>		
<i>Items that will not be reclassified to net income</i>		
Remeasurement gains (losses) on employee benefit plans, net of income tax expense	9	7
Net unrealized gains (losses) on property, net of income taxes	(1)	—
<b>Total items that will not be reclassified to net income</b>	<b>8</b>	<b>7</b>
<i>Items that are or may be reclassified subsequently to net income (loss)</i>		
Net unrealized foreign currency translation gains (losses)	(66)	143
<b>Total items that are or may be reclassified subsequently to net income</b>	<b>(66)</b>	<b>143</b>
<b>Total other comprehensive income (loss)</b>	<b>(58)</b>	<b>150</b>
<b>Total Comprehensive Income (Loss)</b>	<b>\$ 166</b>	<b>\$ 93</b>

## Summary Consolidated Statements of Financial Position

As at December 31, 2025 with comparative figures for 2024 (in millions of Canadian dollars)

	As at Dec 31, 2025	As at Dec 31, 2024
<b>Assets</b>		
Cash and cash equivalents	\$ 166	\$ 227
Short-term securities	86	108
Financial assets measured at fair value	7,862	7,564
Insurance contract assets	12	12
Reinsurance contract held assets	988	926
Accrued investment income	63	63
Other assets	69	99
Property and equipment	12	13
Current tax assets	21	30
Deferred tax assets	61	77
Right of use assets	5	5
Intangible assets	75	74
Net investments for accounts of segregated funds and unit-linked contract holders	10,177	9,269
<b>Total Assets</b>	<b>\$ 19,597</b>	<b>\$ 18,467</b>
<b>Liabilities</b>		
Insurance contract liabilities— Excluding segregated funds net liabilities and guarantees	\$ 6,508	\$ 6,441
Insurance contract liabilities— Segregated funds net liabilities	71	75
Current tax liabilities	29	1
Deferred tax liabilities	16	12
Other liabilities	247	273
Lease liabilities	10	16
Subordinated debt	249	249
Employee benefit obligations	31	44
Investment contract liabilities— Excluding segregated fund net liabilities and unit linked holders liabilities	28	28
Investment contract liabilities— Segregated fund net liabilities and unit linked holders liabilities	10,106	9,192
<b>Total Liabilities</b>	<b>\$ 17,295</b>	<b>\$ 16,331</b>
<b>Surplus</b>		
Retained earnings	\$ 2,004	\$ 1,780
Accumulated other comprehensive income	298	356
<b>Total Surplus</b>	<b>\$ 2,302</b>	<b>\$ 2,136</b>
<b>Total Liabilities and Surplus</b>	<b>\$ 19,597</b>	<b>\$ 18,467</b>

The full consolidated financial statements are available at [foresters.com](https://www.foresters.com) under Financial strength.

## Notes to the Summary Consolidated Financial Statements

### 1. Basis of Presentation of the Summary Consolidated Financial Statements

The summary consolidated statement of financial position and summary consolidated statement of comprehensive income (loss) have been summarized from The Independent Order of Foresters ("Foresters Financial") consolidated financial statements, which are prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board to portray in summarized form Foresters Financial's financial position and results of operations. The criteria applied by management in the preparation of these summary consolidated financial statements are as follows:

- a. the information in the summary consolidated financial statements is in agreement with the related information in the audited consolidated financial statements; and
- b. summary consolidated statements of changes in equity, cash flows, material accounting policies and other explanatory information have not been presented, as the relevant information can be obtained from the audited consolidated financial statements.

The summary consolidated statement of financial position and summary consolidated statement of comprehensive income (loss) are only a summary of the information in Foresters Financial's consolidated financial statements for the year ended December 31, 2025. They do not contain sufficient information to allow as full an understanding of the results and state of affairs of Foresters Financial as would be provided by the full consolidated financial statements for the year ended December 31, 2025.

The full consolidated financial statements are available at [foresters.com](http://foresters.com) under Financial strength.

### 2. Basis of Measurement

Foresters Financial's consolidated financial statements have been prepared for the following material items in the statement of financial position on the following measurement basis:

- Financial assets at fair value through profit or loss and derivative financial instruments are measured at fair value;
- Employee benefit assets and obligations represent the funded status of these plans which is calculated as the difference between plan assets at fair value and the present value of defined benefit obligations;
- Insurance and reinsurance contracts held are calculated using current value as prescribed by IFRS 17. This method involves the projection of future events in order to determine the amount of assets that must be set aside currently to provide for all future obligations and involves a significant amount of judgment including

the assumptions that are used for their measurement;

- The initial cost of intangible assets acquired in a business combination is fair value at the date of acquisition. After the date of acquisition, these intangibles are carried at cost less accumulated amortization and impairment losses, which are tested when indicators are present and annually for indefinite life intangibles.

### 3. Foreign Currency

The functional currencies of the foreign subsidiaries and branch operations have been translated into Canadian dollars. All assets and liabilities are translated at the closing exchange rate at the balance sheet date, and the income and expenses are translated using the average exchange rate for the year. The accumulated gains or losses arising from translation are presented separately in the currency translation accounts, a separate component of accumulated other comprehensive income ("AOCI").

## Independent Auditor's Report on the Summary Consolidated Financial Statements

To the Board of Directors of  
The Independent Order of Foresters

### Our Opinion

In our opinion, the accompanying summary consolidated financial statements of The Independent Order of Foresters and its subsidiaries (together, the Entity) are consistent, in all material respects, with the audited consolidated financial statements, on the basis described in note 1 to the summary consolidated financial statements.

### The Summary Consolidated Financial Statements

The Entity's summary consolidated financial statements derived from the audited consolidated financial statements for the year ended December 31, 2025 comprise:

- the summary consolidated statement of comprehensive income for the year ended December 31, 2025;
- the summary consolidated statement of financial position as at December 31, 2025; and
- the related notes to the summary consolidated financial statements.

The summary consolidated financial statements do not contain all the disclosures required by IFRS Accounting Standards as issued by the International Accounting Standards Board. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon. The audited consolidated financial statements, and the summary consolidated financial statements, do not reflect the effect of events that occurred subsequent to the date of our report on the audited consolidated financial statements.

## The Audited Consolidated Financial Statements and our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated February 19, 2026.

## Management's Responsibility for the Summary Consolidated Financial Statements

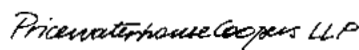
Management is responsible for the preparation of the summary consolidated financial statements on the basis described in note 1 to the summary consolidated financial statements.

## Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, *Engagements to Report on Summary Financial Statements*.

## Other Matter—Supplementary Information

We draw attention to the fact that the supplementary information included in pages 1 and 2 of the Financial Highlights does not form part of the summary consolidated financial statements. We have not audited or reviewed this supplementary information and, accordingly, we do not express an opinion, a review conclusion or any other form of assurance on this supplementary information.



**Chartered Professional Accountants,  
Licensed Public Accountants**

Toronto, Ontario  
March 13, 2026

## Appointed Actuary's Report

To the Board of Directors of The Independent Order of Foresters

I have valued the policy liabilities of The Independent Order of Foresters for its consolidated financial statements prepared in accordance with International Financial Reporting Standards for the year ended December 31, 2025. In my opinion, the amount of policy liabilities is appropriate for this purpose. The valuation conforms to accepted actuarial practice in Canada and the consolidated financial statements fairly present the results of the valuation.

These summarized consolidated financial statements do not contain all the disclosures required by accepted actuarial practice. Readers are cautioned that these statements may not be appropriate for their purposes. For more information on Foresters Financial's financial position, results of operations and cash flows, reference should be made to the related complete consolidated financial statements.



**Trudy Engel, F.S.A., F.C.I.A.  
Fellow, Canadian Institute of Actuaries**  
Toronto, Canada  
February 18, 2026