

Primerica Life Insurance Company of Canada

Life Insurance Capital Adequacy Test (LICAT) Ratio

December 31, 2025

LICAT Ratio Public Disclosure Summary

The Office of the Superintendent of Financial Institutions (OSFI) requires federally-regulated life insurance companies and insurance holding companies to maintain capital ratios in accordance with regulatory Capital Guidelines. The Capital Guidelines define and establish criteria and limits for determining an insurer's Capital Resources and Capital Requirements. Primerica Life Insurance Company of Canada ("PLICC") is required to maintain, at minimum, a Core Ratio of 55% and a Total Ratio of 90%. OSFI has further established supervisory target levels of 70% for Core and 100% for Total capital. In addition, OSFI requires companies to set internal target levels of capital sufficient to provide for all risks of the insurer, including risks specified in OSFI's Capital Guidelines. As at December 31, 2025 and December 31, 2024, PLICC has satisfied regulatory requirements.

Definition of terms can be found in Guideline A : [Life Insurance Capital Adequacy Test](#)

(all amounts below are in thousands of dollars, except percentages)

	<u>31-Dec-25</u>	<u>31-Dec-24</u>	<u>Change - %</u>			
<u>Capital Resources:</u>						
Available Capital (A+B)	\$1,238,173	\$1,001,239	23.7%			
Tier 1 Capital (A)						
Tier 2 Capital (B)						
Surplus Allowance and Eligible Deposits (C)	\$568,386	\$567,882	0.1%			
<u>Capital Requirements:</u>						
Base Solvency Buffer (D)	\$929,764	\$822,071	13.1%			
	<u>Total</u>	<u>Core</u>	<u>Total</u>	<u>Core</u>	Total	Core
	<u>LICAT</u>	<u>LICAT</u>	<u>LICAT</u>	<u>LICAT</u>	Ratio	Ratio
	<u>Ratio</u>	<u>Ratio</u>	<u>Ratio</u>	<u>Ratio</u>	Change	Change
<u>Capital Levels:</u>						
Minimums	90%	55%	90%	55%	-	-
Supervisory Targets	100%	70%	100%	70%	-	-
PLICC Actuals	194.30%	132.73%	190.87%	134.3%	1.8%	-1.2%

Calculations

Total LICAT Ratio	$((A+B+C)/D)*100$
Core LICAT Ratio	$((A+70%C)/D)*100$

Qualitative Analysis of Solvency Ratio (Period over Period)

Total Capital Resources and Capital Requirements increased 15.1% and 13.1% respectively and the Core LICAT ratio decreased over the prior year due to the adoption of changes to segregated fund guarantee capital under LICAT 2025, coupled with normal growth in earnings. The Total LICAT Ratio increased over the prior year due to a combination of earnings during the period and the impact of changes in the interest rate environment.