E-L Financial Corporation Limited

FIRST QUARTER REPORT
March 31, 2026

Financial Highlights

(Millions of dollars, except per share amounts)

Three months ended March 31		2026		2025
Net Equity Value per Common Share[(1)(2)]	**$**	**24.48**	$	22.17
Net Income per Common Share[(2)]	**$**	**0.09**	$	0.24
Contribution to Shareholders' Net Income:				
E-L Corporate	**$**	**26**	$	16
Empire Life		**6**		70
Shareholders' Net Income		**32**		86
Preferred Shareholder Dividends		**4**		4
Net Income attributable to Common Shareholders	**$**	**28**	$	82
E-L Corporate				
Shareholders' Net Income	**$**	**26**	$	16
Investments - Corporate	**$**	**7,919**	$	7,212
Investments in Associates	**$**	**537**	$	430
Empire Life				
Common Shareholders' Net Income	**$**	**6**	$	70
Net Insurance Service Result	**$**	**35**	$	50
Life Insurance Capital Adequacy Test Total Ratio (“LICAT”) (%)		**150**		140

(1) See Non-GAAP measures within the Management’s Discussion and Analysis.

(2) During 2025, E-L Financial Corporation Limited (“E-L Financial”) completed a 100 for one common share split. All common share numbers and per common share amounts have been adjusted to reflect the common share split as if it was retroactively applied to all prior periods presented.

NOTICE OF NO AUDITOR REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Company’s external auditors have not performed a review of these unaudited interim condensed consolidated financial statements of E-L Financial Corporation Limited.

REPORT ON E-L FINANCIAL CORPORATION LIMITED

The following Management's Discussion and Analysis ("MD&A") of the operating results and financial condition of E-L Financial Corporation Limited ("E-L Financial" or the "Company") for the first quarter of 2026 should be read in conjunction with the MD&A for the year ended December 31, 2025, the Company's annual audited consolidated financial statements and the notes related thereto, and the quarterly unaudited interim condensed consolidated financial statements for the three months ended March 31, 2026. The unaudited interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). Unless otherwise noted, both the consolidated financial statements and this MD&A are expressed in Canadian dollars. Figures in MD&A may differ due to rounding. This MD&A is dated May 12, 2026.

This MD&A contains certain forward-looking statements that are subject to risks and uncertainties, including but not limited to, those described in the Risk Management sections of this MD&A and notes 22 and 23 of the Company's consolidated financial statements for the year ended December 31, 2025. No assurance can be given that results, performance or achievement expressed in, or implied by, any forward-looking statements within this discussion will occur, or if they do, that any benefits may be derived from them. Actual results may differ materially from those expressed or implied by such forward-looking information.

Unless otherwise stated, all per share amounts are based on the weighted average number of common shares and Series A Convertible Preference Shares outstanding for the period, adjusted for the Company's proportionate interest in its own common shares held indirectly through investments in associates.

Additional information relating to the Company, including its Annual Information Form, may be found at www.sedarplus.ca.

Forward-looking statements and information

Certain statements in this MD&A about the Company's current and future plans, expectations and intentions, results, market share growth and profitability, strategic objectives or any other future events or developments constitute forward-looking statements and information within the meaning of applicable securities laws. The words "may", "will", "would", "should", "could", "expects", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "predicts", "likely" or "potential" or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements and information. Although management anticipates that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because there can be no assurance that they will prove to be correct. By their nature, such forward-looking statements and information are subject to various risks and uncertainties, which could cause the actual results and expectations to differ materially from the anticipated results or expectations expressed. These risks and uncertainties include, but are not limited to: market risk (including equity risk and interest rate risk), product risk (including product design and pricing risk, underwriting and claims risk, and reinsurance risk), credit risk (including credit concentration risk, counterparty risk, preferred share concentration risk, and reinsurer credit risk), liquidity risk, operational risk (including legal and regulatory compliance risk, model risk, human resources risk, third-party risk, technology and cyber risk, and business continuity risk), business and strategic risk (including strategic planning risk, commercial practices risk, and environmental and social risk), and financial instrument risk (including market risk and credit risk). Please see the section titled "Description of the Business" in E-L Financial's Annual Information Form available at www.sedarplus.ca for more details on these risks.

Material factors or assumptions that were applied in drawing a conclusion or making an estimate set out in the forward-looking statements and information include that the general economy remains stable; assumptions on interest rates, mortality rates and insurance contract liabilities; and capital markets continue to provide access to capital. These factors are not intended to represent a complete list of the factors that could affect the Company; however, these factors should be considered carefully, and readers should not place undue reliance on forward-looking statements made herein or in the documents reproduced herein.

To the extent any forward-looking information in this MD&A constitutes future-oriented financial information or financial outlooks within the meaning of securities laws, such information is being provided to demonstrate potential benefits and readers are cautioned that this information may not be appropriate for any other purpose. Future-oriented financial information and financial outlooks are, without limitation, based on the assumptions and subject to the risks set out above.

The forward-looking information contained herein is expressly qualified in its entirety by this cautionary statement. When relying on the Company’s forward-looking statements and information to make decisions, investors and others should carefully consider the foregoing factors, assumptions and other uncertainties and potential events. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date hereof or the date indicated, and to not use such forward-looking information for anything other than its intended purpose. The Company undertakes no obligation to update publicly or revise any forward-looking statements and information, whether as a result of new information, future events or otherwise after the date of this document, except as required by law.

Non-GAAP measures

The MD&A contains information using non-GAAP measures. Current Canadian GAAP is the IFRS Accounting Standards for the Company’s consolidated financial statements. The Company believes that these measures provide useful information to its shareholders in evaluating the Company’s financial results. Where non-GAAP measures are used, descriptions have been provided as to the nature of the adjustments made.

The MD&A contains reference to net equity value, net equity value per common share and growth in net equity value per common share. Net equity value per common share is described and reconciled to shareholders’ equity on page 6. These terms do not have any standardized meaning according to IFRS Accounting Standards and therefore may not be comparable to similar measures presented by other companies.

Other non-GAAP measures are also used in The Empire Life Insurance Company (“Empire” or “Empire Life”) section of the MD&A. These include references to assets under management, annualized premium sales, gross and net sales for segregated funds and fixed annuities to provide investors with supplemental measures of its operating performance and to highlight trends in its core business that may not otherwise be apparent when relying solely on IFRS Accounting Standards financial measures. Empire Life also believes that securities analysts, investors and other interested parties frequently use non-GAAP measures in the evaluation of issuers. Empire Life’s management also uses non-GAAP measures to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and to determine components of management compensation. Empire Life believes that these measures provide information useful to its shareholders and policyholders in evaluating the Empire's underlying financial results.

Annualized premium sales is used as a method of measuring sales volume. It is equal to the premium expected to be received in the first 12 months for all new individual insurance and employee benefit policies sold during the period. For segregated funds and annuity contracts, sales include new and renewal deposits to policy contracts. Net sales in the Wealth Management line reflect the gross sales (deposits) less the effect of redemptions and surrenders.

Assets under management is a non-GAAP measure of the assets managed by Empire Life, which includes general fund assets assets and segregated fund assets. It represents the total assets of Empire Life and the assets its customers invest in.

The following table provides a reconciliation of assets under management to total assets in Empire Life's financial statements:

(in millions of dollars)		**March 31 2026**		December 31 2025
General fund assets	**$**	**10,582**	$	10,636
Segregated fund assets		**10,212**		10,148
Total Empire Life assets under management	**$**	**20,794**	$	20,784

The Company

E-L Financial operates as an investment and insurance holding company. In managing its operations, the Company distinguishes between two operating segments, E-L Corporate and Empire Life.

E-L Corporate's operations include the oversight of investments in global equities held through direct and indirect holdings of common shares, investment funds, closed-end investment companies and other private companies. E-L Financial holds a 56.6% (December 31, 2025 - 56.6%) interest in a closed-end investment corporation, United Corporations Limited ("United") which is listed on the Toronto Stock Exchange. United is an investment vehicle for long-term growth through investments in common equities. The invested assets and operations of United are consolidated and included in the E-L Corporate segment. In addition, E-L Corporate has two significant investments in associates which includes a 34.9% (December 31, 2025 - 34.9%) interest in Algoma Central Corporation ("Algoma") and a 24.9% (December 31, 2025 - 24.9%) interest in Economic Investment Trust Limited ("Economic"). Algoma and Economic are accounted for using the equity method.

The Company's investment in Empire Life (99.5% interest) is consolidated by E-L Financial. The Empire Life operating segment underwrites life and health insurance policies and provides segregated funds and annuity products.

The Company's strategy is to accumulate shareholder value through long-term capital appreciation and dividend and interest income from its investments. E-L Financial oversees its investments through representation on the Boards of Directors of the subsidiaries and the other companies in which the Company has significant shareholdings.

Overview of results attributable to shareholders of E-L Financial

E-L Financial consolidated				**First quarter**
(millions of dollars)		**2026**		2025
Contribution to net income				
E-L Corporate[(1)]	**$**	**26**	$	16
Empire Life[(1)]		**6**		70
Net income		**32**		86
Other comprehensive income[(1)]		**4**		2
Comprehensive income	**$**	**36**	$	88

(1) Net of non-controlling interests

The following tables summarize the results of the Company's business segments:

E-L Corporate		**First quarter**	
(millions of dollars)		**2026**	2025
Net loss on investments	**$**	**(119)**	$ (70)
Investment and other income		**71**	81
Share of associates' income		**56**	1
		8	12
Expenses		**14**	13
Income taxes		**(9)**	(10)
Non-controlling interests		**(23)**	(7)
		(18)	(4)
Net income		**26**	16
Other comprehensive income, net of taxes[1]		**3**	2
Comprehensive income	**$**	**29**	$ 18

Empire Life		**First quarter**	
(millions of dollars)		**2026**	2025
Net insurance service result	**$**	**35**	50
Net investment and insurance finance result		**12**	80
Fee and other income[2]		**17**	8
		64	138
Expenses		**53**	40
Income and other taxes		**—**	24
Non-controlling interests and net income attributable to the participating account		**5**	4
		58	68
Net income		**6**	70
Other comprehensive income (loss), net of taxes[1]		**1**	—
Comprehensive income	**$**	**7**	$ 70

[1] Net of non-controlling interests
[2] Included in non-insurance investment income

E-L Financial reported a consolidated shareholder's net income of $32 million or $0.09 per common share compared to $86 million or $0.24 per common share in 2025.

E-L Corporate reported net income of $26 million for the first quarter of 2026 compared to $16 million in 2025. The increase in earnings was due to higher share of income from associates of $56 million for the first quarter of 2026 compared to $1 million in 2025. This was partly offset by a higher net loss on investments of $119 million in 2026 compared to $70 million in 2025. E-L Corporate's global investment portfolio had a pre-tax total return, including dividend income, of negative 1% in 2026 compared to a pre-tax total return of 1% in the prior year.

Empire Life reported first quarter common shareholders' net income of $6 million, a $64 million decrease compared to the first quarter of 2025. This result was primarily driven by a $68 million decline in net investment and insurance finance results, reflecting the non-recurrence of the prior year's favourable impacts from interest rate movements, in addition to a shift from favourable to unfavourable impacts from non-fixed income asset performance.

Consolidated comprehensive income for the first quarter of 2026 was $36 million compared to $88 million for 2025. Other comprehensive income ("OCI") was $4 million in 2026 compared to $2 million in 2025.

Normal course issuer bid

On March 10, 2026, the Company obtained approval from the TSX to renew its normal course issuer bid (“NCIB”). After adjusting for the Common Share Split, the Company can purchase up to 17,305,020 common shares between March 12, 2026 and March 11, 2027. Daily purchases (other than pursuant to a block purchase exemption) on the TSX under the NCIB are limited to 10,985 common shares. The price that the Company pays for the common shares is the prevailing market price at the time of acquisition.

During the first quarter of 2026, 1,200 common shares were purchased under the NCIB at an average price of $16.52 per share. No shares were purchased under the NCIB for the first three months ended March 31, 2025.

Net equity value per common share

E-L Corporate’s investments in Algoma and Economic are accounted for using the equity method and are not carried at fair value. Therefore, to provide an indication of the accumulated shareholder value, the following table adjusts shareholders’ equity to reflect investments in associates at fair value:

(millions of dollars, except per share amounts)	**Q1 2026**	Q4 2025	Q1 2025
E-L Financial shareholders' equity	**$ 8,724**	$ 9,069	$ 7,968
Less: First preference shares	**(300)**	(300)	(300)
	8,424	8,769	7,668
Adjustments for E-L Corporate's investments in associates not carried at fair value:			
Carrying value	**(537)**	(514)	(430)
Fair value[1]	**594**	559	438
	57	45	8
Non-controlling interest and deferred tax	**(8)**	(7)	(1)
	49	38	7
Net equity value	**$ 8,473**	$ 8,807	$ 7,675
Common shares[2] outstanding	**346,126,200**	346,127,400	346,198,000
Net equity value per common share[2][3]	**$ 24.48**	$ 25.45	$ 22.17

[1] Based on quoted market prices

[2] All common share numbers and per common share amounts have been adjusted to reflect the Common Share Split as if it was retroactively applied to all prior periods presented. Common shares includes Series A Convertible Preference Shares

[3] See non-GAAP measures

Growth in net equity value per common share

The Company's objective is to build long-term shareholder value by compounding growth in net equity value per common share over the long term. Set out below is a table that shows the net equity value per common share and growth for the respective fiscal periods. The growth in net equity value per common share and compounded annual growth in net equity value per common share is calculated as the change in net equity value per share for the respective period and includes dividends paid to common shareholders.

Annual	Net equity value per common share[1]	Growth
	$	%
2016	11.59	6.8
2017	13.17	14.0
2018	12.96	(1.2)
2019	14.86	15.1
2020	16.85	15.4
2021	18.84	17.1
2022	17.86	(3.4)
2023	19.68	11.1
2024	23.36	22.5
2025	25.45	16.1
Year to date		
March 31, 2026	24.48	0.5
Compounded annual growth in net equity value per common share		
2016 - 2025 - 10 years		11.1
1969 - 2025 - Since inception		12.4

(1) This chart was drawn from the individual annual reports and has not been restated for any subsequent changes in accounting policies. Net equity value amounts are reduced by deferred income tax liabilities on net unrealized investment gains. See non-GAAP measures.

Summary of quarterly results

The following table summarizes the quarterly results:

(millions of dollars, except per share amounts)	**2026**	2025				2024		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Insurance service revenue	**$ 395**	$ 392	$ 386	$ 379	$ 373	$ 358	$ 357	$ 351
Net investment and insurance finance result	**12**	18	115	18	80	4	219	28
Fair value change in fair value through profit or loss investments	**(119)**	211	581	373	(70)	301	325	214
Non-insurance investment and other income	**87**	47	49	60	89	47	56	62
Share of income of associates	**58**	42	31	23	2	19	43	14
Total revenue	**$ 433**	$ 710	$ 1,162	$ 853	$ 474	$ 729	$ 1,000	$ 669
Net income[1]	**$ 32**	$ 213	$ 570	$ 365	$ 86	$ 287	$ 497	$ 232
Earnings per common share[2]								
- basic	**$ 0.09**	$ 0.62	$ 1.68	$ 1.07	$ 0.24	$ 0.84	$ 1.47	$ 0.68
- diluted	**$ 0.09**	$ 0.59	$ 1.59	$ 1.02	$ 0.24	$ 0.78	$ 1.35	$ 0.63

(1) Attributable to shareholders

(2) Amounts have been adjusted to reflect the Common Share Split as if it was retroactively applied to all prior periods presented.

Quarterly trend analysis

The consolidated revenue and consolidated net income of the Company are expected to fluctuate on a quarterly basis given its two segments. In particular, equity market movements, changes in interest rates, underwriting results, insurance contract liability discount rates and reserve adjustments are likely to cause fluctuations. Investment income includes dividend income earned by the Company. In general, dividends earned on investments outside North America peak in the second and fourth quarters of the year.

Revenue for the first quarter of 2026 decreased compared to the same period in 2025, with fluctuations mainly due to a net fair value loss on investments.

Net insurance service result decreased in the first quarter of 2026 compared to the same period in 2025. This decrease was primarily attributable to unfavourable mortality experience in the Individual Insurance segment, as well as adverse life and LTD claims experience in the Group Solutions segment.

Net investment and insurance finance result was $12 million, a decrease of $68 million the first quarter of 2026 compared to the same period in 2025. This variance was driven by the non-recurrence of favourable impacts from interest rate movements, as well as a shift from favourable to unfavourable impacts from non-fixed income asset performance.

Liquidity and cash flows

The cash flow information, noted below, provides supplemental information that is considered useful in understanding the components within the cash flow statement on both a consolidated and non-consolidated basis.

Consolidated cash flows

The condensed cash flows of United and Empire Life, as well as E-L Financial non-consolidated and consolidated are presented below:

Period ended March 31 *(millions of dollars)*	E-L Financial (non-consolidated)	United	Empire Life	Consolidation adjustments	**E-L Financial Consolidated**	
					2026	2025
Cash flows from:						
Operating activities	$ 113	$ 5	$ (10)	$ (97)	**$ 11**	$ (2)
Financing activities	(381)	(168)	(7)	96	**(460)**	(626)
Investing activities	205	183	(36)	1	**353**	585
Increase (decrease) in cash and cash equivalents	(63)	20	(53)	—	**(96)**	(43)
Cash and cash equivalents, beginning of the period	217	28	319	—	**564**	373
Cash and cash equivalents, end of the period	$ 154	$ 48	$ 266	$ —	**$ 468**	$ 330

There is an increase in cash provided from operating activities in 2026 relative to 2025 which is mostly attributable to Empire Life. For Empire Life, cash flows from operating activities include premiums, net investment income and fee income. These funds are primarily used to pay policy benefit payments, commissions, operating expenses and policyholder dividends.

Cash used for financing activities decreased in 2026, primarily due to payment of special dividend of $363 million by E-L Financial (non-consolidated) and $163 million by United compared to $519 million and $186 million respectively in 2025.

Cash flows provided from investing activities decreased in 2026 mainly due to lower proceeds from net sales of investments by E-L Financial (non-consolidated) and United during the first quarter of 2026 compared to the same period in 2025. The proceeds from the sales of investments were used to fund the special cash dividends. Empire Life reported higher net purchases of investments in 2026 relative to the prior period.

Non-consolidated cash flows of E-L Financial

E-L Financial's corporate cash flows from operating activities, before payment of dividends, are primarily comprised of dividends and interest received, less operating expenses and income taxes.

The following table details the non-consolidated cash flows of the Company on a direct basis, excluding the cash flows of the subsidiaries. This table has been prepared to assist the reader in isolating the cash flows of E-L Financial (non-consolidated).

Three months ended March 31 *(millions of dollars)*	**2026**	2025
Cash flows from:		
Operating activities		
Dividends from subsidiaries	**$ 94**	$ 107
Dividends and interest	**58**	66
Expenses and taxes, net of other income	**(39)**	(36)
	113	137
Financing activities		
Cash dividends paid to shareholders	**(381)**	(536)
Interest paid on borrowings	**—**	(3)
	(381)	(539)
Investing activities		
Purchases of investments	**(160)**	(110)
Proceeds from sales of investments	**330**	430
Dividends from associates	**35**	39
	205	359
Decrease in cash and cash equivalents	**(63)**	(43)
Cash and cash equivalents, beginning of the period	**217**	112
Cash and cash equivalents, end of the period	**$ 154**	$ 69

During 2026, the non-consolidated cash and cash equivalents of E-L Financial decreased by $63 million.

Operating cash flows for 2026 decreased compared with the prior year mainly due to relatively lower special dividends received from United and Empire Life.

Cash flows used for financing and investing activities for 2026 were impacted by the items previously discussed in the consolidated cash flows narrative above.

E-L Financial maintains sufficient liquidity through holding cash equivalents and a sufficient amount of marketable investments that may be sold, if necessary, to fund new investment opportunities and to meet any operating cash flow requirements.

Changes in Accounting Policies

In the three months ended March 31, 2026 the Company has not adopted any new or amended accounting standards that would have resulted in a material impact on our condensed interim consolidated financial statements. For upcoming accounting policy changes refer to Note 2.

Analysis of business segments

The remainder of this MD&A discusses the individual results of operations and financial condition of the Company's business segments: E-L Corporate and Empire Life.

E-L CORPORATE

E-L Corporate's operations includes the oversight of investments in global equities held through direct and indirect holdings of common shares, investment funds, closed-end investment companies, a limited partnership and other private companies.

Investments in Economic and Algoma are reported as investments in associates and are discussed below. Investments in equities and fixed income securities held directly by E-L Financial and through United are combined to form "Investments – corporate".

Investments - corporate

Investments - corporate includes investments in equities and short-term fixed-income investments. At March 31, 2026, investments - corporate had aggregate investments of $7.9 billion, comprised primarily of common shares and units of investment funds, compared to aggregate investments at December 31, 2025 of $8.4 billion. The fair value of investments - corporate is summarized in the table below:

(millions of dollars)		**March 31, 2026**		December 31, 2025
Preferred shares	**$**	**2**	$	2
Common shares and units				
Canada		**1,325**		1,288
U.S.		**4,473**		4,874
Europe and United Kingdom		**1,240**		1,381
Other		**879**		851
Total		**7,917**		8,394
Total invested assets	**$**	**7,919**	$	8,396

In the normal course of business, investment commitments are outstanding which are not reflected in the consolidated financial statements. As of March 31, 2026, E-L Corporate has $337 million (December 31, 2025 - $352 million) in unfunded commitments in limited partnerships.

The following table provides a summary of E-L Corporate's results:

			First quarter	
(millions of dollars)		**2026**		2025
Net loss on investments	**$**	**(119)**	$	(70)
Investment and other income		**71**		81
Share of associates' income		**56**		1
		8		12
Expenses		**14**		13
Income taxes		**(9)**		(10)
Non-controlling interests		**(23)**		(7)
		(18)		(4)
Net income		**26**		16
OCI, net of taxes		**3**		2
Comprehensive income	**$**	**29**	$	18

E-L Corporate reported net income of $26 million in the first quarter of 2026 compared to $16 million in 2025. For the first quarter of 2026 there was a net loss on investments of $119 million compared to $70 million for the first quarter of 2025. E-L Corporate's global investment portfolio had a pre-tax total return, including dividend income of negative 1% for the first quarter of 2026 compared to 1% for the first quarter of 2025.

Investment and other income was lower in the first quarter of 2026 compared to the comparative period in 2025. Investment and other income consists primarily of dividend income received from E-L Corporate's investment portfolio. In general, dividend income is impacted by the composition of the investment portfolio and foreign exchange rates.

Operating expenses remained consistent on quarterly basis compared to 2025.

Share of associates' income

The details of E-L Corporate's share of income (loss) of associates are as follows:

		First quarter		
(millions of dollars)		**2026**		2025
Algoma	**$**	**36**	$	(26)
Economic		**20**		27
	$	**56**	$	1

Share of associates' income includes an impairment reversal for Algoma of $36 million (March 31, 2025 - impairment provision of $18 million). No impairment was recorded for Economic (March 31, 2025 - an impairment reversal of $6 million).

Algoma's net income for the first quarter increased compared to the same period of 2025. Higher earnings were reported in the Product Tankers and Ocean Self-Unloaders segments. Also during the quarter, a domestic dry-bulk self-unloader was sold resulting in a gain on sale of $21 million.

Economic owns, directly and indirectly, long-term investments in the common shares of some publicly-traded Canadian companies, and a managed global investment portfolio of common shares of publicly-traded global companies. Economic's global investment portfolio had a pre-tax total return, gross of fees, of 4% for the first quarter of 2026 which is consistent with the same period in 2025.

The ownership interests, carrying value and fair value of E-L Corporate's investment in associates is summarized in the table below:

			March 31, 2026					December 31, 2025		
	Ownership		**Carrying value**		**Fair value**	Ownership		Carrying value		Fair value
Algoma	**34.9 %**	**$**	**298**	**$**	**298**	34.9 %	$	263	$	269
Economic	**24.9 %**		**239**		**296**	24.9 %		251		290
Total		**$**	**537**	**$**	**594**		$	514	$	559

Algoma and Economic are Canadian public companies for which further information is publicly available.

Risk management

The objective of the Company's risk management process is to ensure that the operations of the Company encompassing risk are consistent with the Company's objectives and risk tolerance, while maintaining an appropriate risk/reward balance.

Market risk

Market risk is the most significant risk impacting E-L Corporate as its investing activities are influenced by market price, foreign currency and interest rate risk. As the Company's investment portfolio is represented by Canadian and global equities, the value of its investments will vary from day to day depending on a number of market factors including economic conditions, global events, market sentiment, and on the performance of the issuers of the securities in which the Company invests. Changes in foreign currency exchange rates will also affect the value of investments of non-Canadian dollar securities. As of March 31, 2026, 60% (December 31, 2025 - 61%) of the investment - corporate including cash and cash equivalents was denominated in U.S. dollars, 8% (December 31, 2025 - 9%) in Euros and 4% (December 31, 2025 - 4%) in the Japanese Yen representing the largest foreign currency exposures. The Company also holds investments within emerging markets. Investments in emerging markets are more likely to experience political, economic and social instability, which may result in higher levels of market value volatility.

Credit risk

In addition to the discussion of risks included in this MD&A, a comprehensive discussion of the material risks that impact the Company is included in the Annual Information Form which is available at www.sedarplus.ca. Disclosures regarding E-L Corporate's financial instruments, including financial risk management, are included in Notes 3 and 14 to the consolidated financial statements.

Outlook

The Company's future earning prospects are dependent on the successful management of its E-L Corporate portfolio and on the continued profitability of its insurance company subsidiary. The performance of the E-L Corporate portfolio is impacted by global equity markets and the selection of equity and fixed income investments. The Company continues to maintain its strategy of accumulating shareholder value through long-term capital appreciation and dividend and interest income.

REPORT ON EMPIRE LIFE

Empire Life provides a broad range of life insurance and wealth management products, employee benefit plans and financial services to meet the needs of individuals, professionals and businesses through a network of Independent Financial Advisors ("IFA"), Managing General Agents ("MGA"), National Account firms and Group Solutions brokers and representatives.

Empire Life's net income attributable to the owners of E-L Financial, after adjustment for non-controlling interests, is shown in the following table:

Financial analysis overview

	First quarter	
(millions of dollars)	**2026**	2025
Empire Life common shareholders' net income	**$ 6**	$ 70
Non-controlling interests	**—**	—
Net income contribution to E-L Financial	**$ 6**	$ 70

	Mar 31 2026	Dec 31 2025	Sep 30 2025	Jun 30 2025	Mar 31 2025
LICAT total ratio	**150 %**	153 %	145 %	142 %	140 %

Empire Life reported first quarter common shareholders' net income of $6 million, a $64 million decrease compared to the first quarter of 2025. This result was primarily driven by a $68 million decline in net investment and insurance finance results, reflecting the non-recurrence of the prior year's favourable impacts from interest rate movements, in addition to a shift from favourable to unfavourable impacts from non-fixed income asset performance.

Segmented Operating Results

The following tables provide a summary of Empire Life results by operating segment for the periods ended March 31, 2026 and March 31, 2025.

For the three months ended March 31, 2026

(in millions of dollars)	**Wealth Management**	**Group Solutions**	**Individual Insurance**	**Capital & Surplus**	**Total**
Insurance revenue	$ 66	$ 188	$ 141	$ —	**$ 395**
Insurance service expenses	(42)	(192)	(118)	—	**(352)**
Insurance service result	24	(4)	23	—	**43**
Net recovery (expense) from reinsurance contracts held	—	2	(10)	—	**(8)**
Net insurance service result	24	(2)	13	—	**35**
Investment income (loss), excluding segregated fund account balances					
Investment income (loss)	7	1	(9)	12	**11**
Change in investment contracts	(2)	—	—	—	**(2)**
Net investment result, excluding segregated fund account balances	5	1	(9)	12	**9**
Insurance finance income (expense) , excluding segregated fund account balances					
Insurance contracts	(5)	(4)	9	—	**—**
Reinsurance contracts held	—	3	—	—	**3**
Net insurance finance income, excluding segregated fund account balances	(5)	(1)	9	—	**3**
Segregated fund account balances net investment and insurance finance result					
Investment income on investments for segregated fund account balances	146	—	1	—	**147**
Insurance finance expenses for segregated fund account balances	(146)	—	(1)	—	**(147)**
Segregated funds account balances net investment and insurance finance result	—	—	—	—	**—**
Net investment and insurance finance result	—	—	—	12	**12**
Other income (expenses)					
Fee and other income	—	2	—	15	**17**
Non-insurance expenses	(9)	(11)	(9)	(20)	**(49)**
Interest expenses	—	—	—	(4)	**(4)**
Total other expenses	(9)	(9)	(9)	(9)	**(36)**
Net income (loss) before taxes	$ 15	$ (11)	$ 4	$ 3	**$ 11**
Income taxes					**—**
Net income after taxes					**11**
Less: net loss attributable to the participating account					**(2)**
Less: preferred share dividends declared and distributions on other equity instruments					**7**
Empire Life's common shareholder's net income					**6**
Non-controlling interests in net income					**—**
Net income attributable to owners of E-L Financial					**$ 6**

For the three months ended March 31, 2025

(in millions of dollars)	Wealth Management	Group Solutions	Individual Insurance	Capital & Surplus	Total
Insurance revenue	$ 62	$ 177	$ 134	$ —	$ 373
Insurance service expenses	(36)	(170)	(98)	—	(304)
Insurance service result	26	7	36	—	69
Net income from reinsurance contracts held	(1)	(4)	(14)	—	(19)
Net insurance service result	25	3	22	—	50
Investment income (loss), excluding segregated fund account balances					
Investment income	29	4	97	35	165
Change in investment contracts	(7)	—	—	—	(7)
Net investment result, excluding segregated fund account balances	22	4	97	35	158
Insurance finance (expense) income, excluding segregated fund account balances					
Insurance contracts	(19)	(5)	(54)	—	(78)
Reinsurance contracts held	—	2	(2)	—	—
Net insurance finance expense, excluding segregated fund account balances	(19)	(3)	(56)	—	(78)
Segregated fund account balances net investment and insurance finance result					
Investment income on investments for segregated fund account balances	46	—	2	—	48
Insurance finance expenses for segregated fund account balances	(46)	—	(2)	—	(48)
Segregated funds account balances net finance and investment result	—	—	—	—	—
Net investment and insurance finance result	3	1	41	35	80
Other income (expenses)					
Fee and other income	—	1	—	7	8
Non-insurance expenses	(8)	(10)	(9)	(9)	(36)
Interest expenses	—	—	—	(4)	(4)
Total other expenses	(8)	(9)	(9)	(6)	(32)
Net income (loss) before taxes	$ 20	$ (5)	$ 54	$ 29	$ 98
Income taxes					(24)
Net income (loss) after taxes					74
Less: net income attributable to the participating account					1
Less: preferred share dividends declared and distributions on other equity instruments					3
Empire Life's common shareholder's net income					70
Non-controlling interests in net income					—
Net income attributable to owners of E-L Financial					$ 70

Total Empire Life's Results - Quarterly Comparison

Empire Life reported common shareholders' net income of $6 million in the first quarter of 2026, a decrease of $64 million compared to the first quarter of 2025. The year-over-year decline was primarily driven by less favourable market-related impacts in the current quarter relative to the same period in the prior year.

The net insurance service result was $35 million, a decrease of $15 million in the first quarter compared to the same period in 2025. This decrease was primarily attributable to unfavourable mortality experience in the Individual Insurance segment, as well as adverse life and LTD claims experience in the Group Solutions segment.

The net investment and insurance finance result was $12 million, a decrease of $68 million in the first quarter of 2026 compared to the same period in 2025. This variance was driven by the non-recurrence of favourable impacts from interest rate movements, as well as a shift from favourable to unfavourable impacts from non-fixed income asset performance.

Total other expenses were $36 million in the first quarter compared to $32 million in the same period in 2025. The $4 million increase primarily reflects strategic investments in technological infrastructure and costs associated with the launch of new product offerings.

Wealth Management

		First quarter		
(in millions of dollars)		**2026**		2025
Assets under management[1]				
Fixed annuities	**$**	**992**	$	1,002
Segregated funds		**10,191**		9,248
Total assets under management		**11,183**		10,250
Gross sales[1]				
Fixed annuities		**27**		37
Segregated funds		**388**		301
Total gross sales		**415**		338
Net sales[1]				
Fixed annuities		**(9)**		5
Segregated funds		**18**		(25)
Total net sales		**9**		(20)
Net insurance service result		**24**		25
Net income before taxes	**$**	**15**	$	20

[1] See Non-GAAP measures section.

Fixed annuities assets under management decreased 1% compared to the first quarter of 2025, primarily driven by the current quarter's negative net sales. Gross sales of fixed annuities in the first quarter were 27% lower, extending a trend from 2025 where sustained favourable equity market performance lessened demand for fixed annuity offerings.

Segregated fund assets under management increased 10% relative to the first quarter of 2025, reflecting both favourable market movements and strong net sales in the current period. Gross sales of segregated funds in the first quarter were 29% higher, primarily attributed to strong demand for recently launched funds, combined with heightened investor interest fueled by favourable equity market conditions.

For the first quarter, net income before taxes was $15 million, a decrease of $5 million year-over-year. This decrease was driven by increased operating expenses required to support the growth of existing business and new product and fund launches, as well as net investment and insurance finance results.

Group Solutions

(in millions of dollars)	First quarter 2026	2025
Annualized premium sales		
Core	$ **18**	$ 26
Other	**17**	9
Total annualized premium sales[(1)]	**35**	35
Insurance revenue	**188**	177
Net insurance service result	**(2)**	3
Net loss before taxes	$ **(11)**	$ (5)

[(1)] See Non-GAAP measures section.

Total annualized premium sales in Group Solutions of $35 million was consistent with the comparative 2025 period. This steady performance reflects a shift in sales mix, where strong momentum in other channels, including specialty partnerships and new products, helped to offset a decline in sales through core channels.

Insurance revenue increased 6% for the first quarter and over the corresponding period in 2025. This improvement was driven by sustained organic growth within our specialty partnership channels and the continued scaling of new product lines introduced during the prior year.

For the first quarter, net loss before taxes was $11 million, a decrease of $6 million compared to the same period in 2025. The variance was largely attributable to the decrease in the net insurance service result, which was impacted by adverse life and long-term disability claims experience.

Individual Insurance

(in millions of dollars)	First quarter 2026	2025
Annualized premium sales		
Shareholders'	$ **10**	$ 10
Policyholders'	**5**	3
Total annualized premium sales[(1)]	**15**	13
Net insurance service result	**13**	22
Net income (loss) before taxes		
Shareholders'	**5**	53
Policyholders'	**(1)**	1
Total net income before taxes	$ **4**	$ 54

[(1)] See Non-GAAP measures section.

Shareholders' annualized premium sales for the first quarter remained consistent with the corresponding period in 2025, as modest growth in standard term insurance was offset by lower permanent insurance volumes.

Shareholders' net income before taxes was $5 million for the first quarter of 2026, a decrease of $48 million compared to the same period in 2025. Higher mortality claims contributed $7 million of the total year-over-year decrease, with the remainder of the variance driven by a decline in the net investment and insurance finance results.

Capital and Surplus

(in millions of dollars)		First quarter 2026		2025
Net income before taxes	**$**	**3**	$	29

Net income before taxes was $3 million for the first quarter, a $26 million decrease compared to the same period in 2025. This result was primarily driven by the net investment results for the period.

Net Investment and Insurance Finance Result

(in millions of dollars)		First quarter 2026		2025
Net investment and insurance finance result	**$**	**12**	$	80

Empire Life primarily manages market risk exposures affecting the net investment and insurance finance result at an enterprise level. The net investment and insurance finance result was $12 million, a decrease of $68 million in the first quarter of 2026 compared to the same period in 2025. This variance was driven by the non-recurrence of favourable impacts from interest rate movements, as well as a shift from favourable to unfavourable impacts from non-fixed income asset performance.

Contractual Service Margin

(Amounts are net of reinsurance contracts held, in millions of dollars)		First quarter 2026		2025
Net contractual service margin, beginning of period	**$**	**1,354**	$	1,410
Impact of new insurance business		**18**		16
Interest accretion		**5**		6
Insurance experience[1]		**5**		(19)
Economic experience[1]		**(5)**		(3)
Assumption updates[1]		**(1)**		(10)
CSM recognized for services provided		**(40)**		(41)
Net contractual service margin, end of period	**$**	**1,336**	$	1,359

[1] Insurance experience, economic experience and assumption updates are components of changes in estimates that adjust the CSM. Insurance experience represents the current period impacts of insurance experience, resulting in a change in future cash flows that adjust CSM. Economic experience represents the changes in the effect of time value of money and financial risk relating to contracts measured using the Variable Fee Approach ("VFA") for the Wealth Management and Individual Insurance segments. Assumption updates represent the future period impacts of changes in fulfillment cash flows that adjust CSM.

The Net Contractual Service Margin (CSM) as at March 31, 2026 is $1,336 million, a decrease of $18 million in the first quarter of 2026. Components driving the change in net CSM are:

- Impact of new insurance business: Contributed $18 million to Net CSM, a $2 million improvement over the prior year period, which primarily reflects sales growth in non-participating term life products.
- Insurance experience: The $5 million increase in Net CSM during the first quarter was driven by current period mortality experience in the Individual Insurance segment.
- Economic experience: The $5 million decrease in Net CSM in the period was primarily due to the unfavourable impact of equity markets on segregated fund guarantees.
- CSM recognized for services provided: The recognition of CSM remains relatively consistent quarter-over-quarter and year-over-year.

Sources of capital

Empire Life has issued private and public securities to strengthen its capital position and fund new business growth. The securities outstanding are summarized in the following table:

(in millions of dollars)	As at March 31 2026	As at December 31 2025
Subordinated debentures	**$ 400**	$ 400
Equity		
Preferred shares and other equity instruments	**$ 494**	$ 494
Common shares	**1**	1
Total Equity	**$ 495**	$ 495

Details of Empire Life's outstanding subordinated debentures are as follows:

(in millions of dollars)	Date Issued	Earliest Redemption Date	Yield	As at March 31 2026	As at December 31 2025
Series 2021-1 [(1)]	September 2021	September 24, 2026	2.024%	**$ 200**	$ 200
Series 2023-1 [(2)]	January 2023	January 13, 2028	5.503%	**$ 200**	$ 200

(1) Series 2021-1 Subordinated 2.024% unsecured debentures due 2031. From September 24, 2026, interest is payable at 0.67% over CORRA plus 0.32138% credit adjustment spread.

(2) Series 2023-1 Subordinated 5.503% unsecured debentures due 2033. From January 13, 2028, interest is payable at 2.26% over CORRA.

Details of Empire Life's outstanding preferred shares and other equity instruments are as follows:

(in millions of dollars)	Date Issued	Earliest Redemption Date	Yield	As at March 31 2026	As at December 31 2025
Preferred shares, Series 3	November 2017	January 17, 2028	6.187 %	**$ 100**	$ 100
Preferred shares, Series 6	December 2025	March 17, 2031	6.000 %	**$ 197**	$ 197
Limited Recourse Capital Notes, Series 1	February 2021	April 17, 2026	3.625 %	**$ 197**	$ 197

Regulatory capital

The Life Insurance Capital Adequacy Test ("LICAT") measures the capital adequacy of an insurer and is one of several indicators used by the Office of the Superintendent of Financial Institutions, Canada ("OSFI") to assess an insurer's financial condition. Empire Life continues to have a strong capital position under the LICAT framework. Empire Life is required to maintain a minimum Core Ratio of 55% and a Total Ratio of 90%. OSFI has established supervisory target levels of 70% for Core and 100% for Total Ratio.

LICAT (in millions of dollars)	**Mar 31 2026**	**Dec 31 2025**	Sep 30 2025	Jun 30 2025	Mar 31 2025
Available capital					
Tier 1	**$ 2,759**	$ 2,828	$ 2,717	$ 2,626	$ 2,554
Tier 2	**805**	833	778	804	778
Total	**$ 3,564**	$ 3,661	$ 3,495	$ 3,430	$ 3,332
Surplus allowance and eligible deposits	**$ 750**	$ 745	$ 748	$ 762	$ 771
Base solvency buffer	**$ 2,874**	$ 2,879	$ 2,936	$ 2,960	$ 2,929
LICAT total ratio	**150 %**	153 %	145 %	142 %	140 %
LICAT core ratio	**114 %**	116 %	110 %	107 %	106 %

Empire Life continues to maintain a robust LICAT position, remaining well above internal targets. Empire Life's Total and Core ratios decreased in the first quarter compared to the previous quarter, due to reduced available capital related to the declaration of an additional dividend to common shareholders in the period.

Securities rating

The securities issued by Empire Life are rated by DBRS Limited ("Morningstar DBRS"). Morningstar DBRS completed its annual rating review of Empire Life in the second quarter of 2025. Morningstar DBRS upgraded all credit ratings and updated Empire Life's trend to Stable.

Evaluation type	Rating	Trend	Date of last rating action
Financial strength rating	A (high)	Stable	May 22, 2025
Issuer rating	A (high)	Stable	May 22, 2025
Subordinated debt	A	Stable	May 22, 2025
Preferred shares	Pfd-2 (high)	Stable	May 22, 2025
Limited Recourse Capital Notes	A (low)	Stable	May 22, 2025

Risk Management

Enterprise Risk Management Framework

Empire Life is a financial institution offering wealth management, group solutions and individual insurance products. Empire Life is exposed to a number of risks as a result of its business activities. Empire Life has an established enterprise risk management framework approved by its Board that sets out the components of risk management programs and how they operate and support Empire Life's vision, mission and values. Effective risk management is critical to the overall profitability, competitive market positioning and long-term financial viability of Empire Life. While all risks cannot necessarily be eliminated or known with certainty, the goal of Empire Life's risk management program is to ensure that risk-taking activities are aligned with its strategy, in order to achieve business goals and deliver acceptable shareholder returns, without compromising Empire Life's ability to pay claims and fulfil policyholder commitments.

A comprehensive discussion of Empire Life's risk management framework and primary risk factors is available under the Risk Management section of the MD&A for the year ended December 31, 2025.

Caution Related to Sensitivities

In the sections that follow, Empire Life's provides sensitivities and risk exposure measures for certain risks. These include sensitivities due to specific changes in market prices and interest rates, based on the market prices, interest rates, assets, liabilities and business mix in place as at the calculation dates. In addition, the sensitivities are based on methods and assumptions in effect as at the respective calculation dates. Changes in the regulatory environment, assumptions or methods used to measure assets and liabilities after those dates could result in material changes to the estimated sensitivities.

The sensitivities are calculated independently for each risk variable, generally assuming that all other risk variables remain constant. The sensitivities do not take into account indirect effects such as potential impacts on goodwill impairments or valuation allowances on deferred tax assets. Net income and CSM sensitivities, as well as capital sensitivities, are based on instantaneous changes in equity markets and interest rates. Sensitivities to interest rates assume a parallel shift in the assumed interest rates across the entire yield curve, with no change to the ultimate risk-free rate or ultimate illiquidity premium in the liability discount rates.

Actual results can differ materially from these estimates for a variety of reasons, including differences in the pattern or distribution of market shocks, the interaction between these risk variables, or changes in other assumptions such as business mix, effective tax rates, policyholder behaviour and other market variables relative to those underlying the calculation of the sensitivities. Changes due to new sales or maturities, asset purchases/sales, or other management actions could also result in material changes to these reported sensitivities.

For these reasons, the sensitivities should only be viewed as directional estimates of the underlying sensitivities for the respective factors based on the assumptions outlined and should not be viewed as predictors for Empire Life's future net income, CSM, equity and capital sensitivities. Given the nature of these calculations, Empire Life's cannot provide assurance that the actual impact will be consistent with the estimates provided. Changes in risk variables in excess of the ranges illustrated may result in other than proportionate impacts.

Market Risk

Market risk is the risk of loss arising from adverse changes in market rates and prices such as interest rates, prices of equities, real estate and other securities, credit spreads, foreign exchange rates and inflation. More information regarding how Empire Life defines market risk is available under the Risk Management section of the MD&A for the year ended December 31, 2025.

Empire Life manages this risk exposure mainly through investment limits and oversight of its investment managers by the Chief Investment Officer, the Asset Management Committee, and the Investment Committee of the Board. More information regarding how market risk is managed is discussed under the Risk Management section of the MD&A for the year ended December 31, 2025.

Equity Risk

Equity risk is the risk of loss due to adverse changes in the trading prices of equities. More information regarding how Empire Life defines equity risk is discussed under the Risk Management section of the MD&A for the year ended December 31, 2025.

Empire Life maintains an equity hedging program to partially protect it from regulatory capital (LICAT) ratio declines that might result from adverse equity market price changes. Empire Life has an Equity Risk Hedging Policy to support general fund equity hedging programs. The policy outlines objectives, risk limits and authorities associated with its equity hedging activities. Management monitors its equity hedging activities on a regular basis and reports, at least quarterly, to the Risk and Capital Committee of the Board on the status of the equity hedging program. There is the potential for income statement volatility from the hedging programs. For the quarter ended March 31, 2026, Empire Life incurred a $1 million loss on the equity hedging instruments, which offset some impacts from the insurance contract liabilities. For the quarter ended March 31, 2025, Empire Life incurred a net profit before taxes of $nil related to these equity hedging instruments.

More information regarding how equity risk is managed is discussed in Note 23 of the consolidated financial statements for the year ended December 31, 2025.

Empire Life's LICAT ratio is also sensitive to equity market volatility, primarily due to liability and capital requirements related to segregated fund guarantees. As of March 31, 2026, Empire Life had $10.2 billion of segregated fund assets and liabilities. Of this amount, approximately $9.9 billion have guarantees.

All Empire Life segregated fund guarantees are policy-based (not deposit-based), thereby generally lowering Empire Life's equity market sensitivity relative to products with deposit-based guarantees. Policy-based guarantees consider all the deposits in the customer's policy (whether the fund value is below or above the guaranteed amount) to arrive at an overall net guarantee payment, whereas deposit-based guarantees consider only the deposits where the fund value is below the guaranteed amount and ignore all the deposits in the customer's policy where the fund value is above the guaranteed amount. Therefore, policy-based guarantees generally pay less than deposit-based guarantees.

The CSM provides a significant offset to potential impacts in the segregated fund guarantee liability. This significantly reduces the net income impacts from changes in interest rates or equity market levels.

Empire Life also has equity market risk related to its equity assets backing insurance contract liabilities and surplus. In the first quarter of 2024, Empire Life updated its asset mix, reducing exposure to equity risk.

As at March 31, 2026 and December 31, 2025, the sensitivity of Empire Life shareholders' net income and CSM resulting from changes in equity market prices is provided in the following table:

Sensitivity to equity risk	**Increase**		**Decrease**	
(in millions of dollars)	**20%**	**10%**	**10%**	**20%**
As at March 31, 2026				
Profit or loss and equity	**$ 26**	**$ 14**	**$ (16)**	**$ (36)**
CSM	**$ 174**	**$ 89**	**$ (93)**	**$ (187)**
As at December 31, 2025				
Profit or loss and equity	$ 23	$ 12	$ (15)	$ (32)
CSM	$ 170	$ 87	$ (92)	$ (185)

Based on equity market prices as at March 31, 2026 and December 31, 2025, the sensitivity of Empire Life's LICAT Total ratio resulting from increases and decreases in equity market prices is provided in the following table.

Sensitivity to equity risk	**Increase**		**Decrease**	
Impact on LICAT	**20%**	**10%**	**10%**	**20%**
As at March 31, 2026				
Segregated fund guarantees	**8%**	**4%**	**(5)%**	**(10)%**
Other equity risk	**—%**	**—%**	**—%**	**—%**
Equity hedge	**(4)%**	**(2)%**	**3%**	**5%**
As at March 31, 2026	**4%**	**2%**	**(2)%**	**(5)%**
Segregated fund guarantees	8%	4%	(5)%	(10)%
Other equity risk	—%	—%	—%	—%
Equity hedge	(4)%	(2)%	3%	7%
As at December 31, 2025	4%	2%	(2)%	(3)%

Interest Rate Risk

Interest rate risk is the risk of loss resulting from adverse changes in yield curves. Interest rate risk in Empire Life's investment portfolio is managed through Investment Committee established limits and regular reporting by management to the Investment Committee and the Board. Empire Life's investment guidelines establish investment objectives and eligible interest-sensitive investments, as well as diversification criteria, exposure, concentration and asset quality limits for these investments. In addition, the Asset Management Committee oversees sensitivity to interest rates. More information regarding how interest rate risk is managed is discussed under the Risk Management section of the MD&A for the year ended December 31, 2025.

Interest Rate Sensitivities

Empire Life considers the sensitivity of its LICAT ratio to changes in market interest rates. The impact of a 50 basis point parallel shift in interest rates for March 31, 2026 and December 31, 2025, is shown in the table below. No change to credit spreads is assumed.

Sensitivity to market interest rates - LICAT	**Impact of 50 bps decrease**
March 31, 2026 LICAT total ratio	**—%**
December 31, 2025 LICAT total ratio	(1)%

Financial Instruments and Risk

Empire Life holds an investment portfolio that is actively managed to optimize yield, quality and liquidity while ensuring diversification and duration-matched to our future obligations. Cash flows arising from these financial instruments are intended to match the liquidity requirements of Empire Life's insurance and investment contract liabilities, within the limits prescribed by Empire Life. Empire Life is subject to credit and market risk on these financial instruments.

Credit risk on these financial instruments could result in a financial loss should the other party fail to discharge an obligation. This credit risk is derived primarily from investments in bonds, debentures, preferred shares, short-term investments, loans and mortgages. Empire Life manages credit risk by applying its investment guidelines as established by management and approved by Investment Committee of Empire Life's Board of Directors. The investment guidelines establish minimum credit ratings for issuers of bonds, debentures and preferred share investments, and provide for concentration limits by the issuer of such debt instruments. The investment guidelines also establish minimum underwriting requirements and limits for debt financing of an advisor company or managing general agent. Management reviews credit quality relative to investment purchases and monitors the credit quality of invested assets over time. Management reports regularly to the Investment Committee of Empire Life's Board on the credit risk to which the portfolio is exposed.

Empire Life manages market risk exposure mainly through investment limits and oversight of its in-house investment managers and external investment firms by the Chief Investment Officer, Asset Management Committee and Investment Committee of Empire Life's Board. The Investment Committee actively monitors the portfolio and asset mix. Empire Life has hedging programs in place as part of its approach to managing this risk.

Empire Life manages credit risk with respect to derivatives by applying limits and credit rating restrictions established by the Investment Committee in its investment guidelines, which set out permitted derivatives and permitted uses for derivatives, as well as limits to the use of these instruments. In particular, no leverage is permitted in the use of derivatives and strict counterparty credit restrictions are imposed.

E-L Financial Corporation Limited
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
UNAUDITED
(in thousands of Canadian dollars)

		March 31 2026		December 31 2025
Assets				
Cash and cash equivalents	**$**	**468,370**	$	564,400
Investments - corporate (Note 3)		**7,919,272**		8,396,280
Investments - insurance (Note 4)		**9,448,244**		9,485,741
Investments in associates and joint venture (Note 5)		**650,916**		627,117
Reinsurance contracts held assets (Note 10)		**324,459**		326,633
Other assets (Note 8)		**357,809**		328,300
Deferred tax asset		**92,880**		84,997
Segregated fund assets (Note 9)		**10,211,560**		10,147,609
Total assets	**$**	**29,473,510**	$	29,961,077
Liabilities				
Insurance contract liabilities, excluding segregated fund account balances (Note 10)	**$**	**6,820,544**	$	6,828,307
Reinsurance contracts held liabilities (Note 10)		**244,443**		248,529
Investment contract liabilities, excluding segregated fund account balances		**624,230**		631,948
Deferred tax liabilities		**563,465**		616,429
Dividends payable		**17,732**		17,732
Other liabilities		**183,876**		222,623
Borrowings (Note 13)		**599,655**		599,571
Total liabilities, excluding segregated fund account balances (Note 10)		**9,053,945**		9,165,139
Insurance contract liabilities for segregated fund account balances		**9,923,809**		9,860,892
Investment contract liabilities for segregated fund account balances		**287,751**		286,717
Insurance and investment contract liabilities for segregated fund account balances		**10,211,560**		10,147,609
Total liabilities	**$**	**19,265,505**	$	19,312,748
Equity				
Capital stock (Note 11)	**$**	**362,334**	$	362,335
Retained earnings		**8,310,921**		8,659,563
Accumulated other comprehensive income (“AOCI”)		**51,034**		47,163
Total E-L Financial shareholders' equity		**8,724,289**		9,069,061
Non-controlling interests in subsidiaries (“NCI”)		**1,429,479**		1,523,445
Participating account surplus (“PAR”)		**54,237**		55,823
Total equity		**10,208,005**		10,648,329
Total liabilities and equity	**$**	**29,473,510**	$	29,961,077

Approved by the Board

Duncan N.R. Jackman, Director

Peter J. Levitt, Director

The accompanying notes are an integral part of these consolidated financial statements.

E-L Financial Corporation Limited
CONSOLIDATED STATEMENTS OF INCOME
UNAUDITED
(in thousands of Canadian dollars, except per share amounts)

	Three months ended March 31 2026	2025
Insurance service result		
Insurance revenue (Note 10)	**$ 394,727**	$ 373,086
Insurance service expenses	**(351,708)**	(304,264)
Net expense from reinsurance contracts held (Note 10)	**(8,107)**	(19,146)
Net insurance service result	**34,912**	49,676
Investment and insurance finance result (Note 7)		
Investment income, excluding segregated fund account balances	**10,916**	165,341
Change in investment contracts, excluding segregated fund account balances	**(2,410)**	(7,649)
Insurance finance expense from insurance contracts, excluding segregated fund account balances	**(415)**	(78,285)
Insurance finance (expense) income from reinsurance contracts held excluding segregated fund account balances	**3,500**	435
Investment income related to segregated fund account balances	**147,463**	48,242
Insurance finance expense related to segregated fund account balances	**(147,463)**	(48,242)
Net investment and insurance finance result	**11,591**	79,842
Net insurance result	**46,503**	129,518
Non-insurance investment income		
Investment and other income (Note 6)	**87,143**	88,867
Share of income of associates and joint venture (Note 5)	**57,503**	1,539
Fair value change in fair value through profit or loss investments	**(119,333)**	(69,926)
Non-insurance investment income	**25,313**	20,480
Expenses		
Operating	**59,897**	47,199
Interest expense	**5,757**	5,770
	65,654	52,969
Income before income taxes	**6,162**	97,029
Income taxes	**(8,784)**	14,034
Net income	**14,946**	82,995
Less: Net income attributable to the participating account	**(1,586)**	541
Non-controlling interests in net income	**(15,983)**	(3,393)
	(17,569)	(2,852)
E-L Financial shareholders' net income	**$ 32,515**	$ 85,847
Earnings per share attributable to E-L Financial shareholders		
Basic[(1)]	**$ 0.09**	$ 0.24
Diluted[(1)]	**$ 0.09**	$ 0.24

(1) During 2025, E-L Financial Corporation Limited completed a 100 for one common share split. All common share numbers and per common share amounts have been adjusted to reflect the common share split as if it was retroactively applied to all periods presented.

The accompanying notes are an integral part of these consolidated financial statements.

E-L Financial Corporation Limited
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
UNAUDITED
(in thousands of Canadian dollars)

	Three months ended March 31 2026	2025
Net income	**$ 14,946**	$ 82,995
Other comprehensive income ("OCI") (loss) ("OCL"), net of taxes		
Items that may be reclassified subsequently to net income:		
Share of OCI of associates	**2,366**	2,519
Provision for taxes	**(313)**	(334)
Share of OCI of associates	**2,053**	2,185
Items that will not be reclassified to net income:		
Net remeasurement of defined benefit plans	**2,869**	822
Provision for taxes	**(775)**	(217)
Net remeasurement of defined benefit plans	**2,094**	605
Share of OCL of associates	**(54)**	(86)
Recovery of taxes	**7**	11
Share of OCL of associates	**(47)**	(75)
	2,047	530
Total OCI	**4,100**	2,715
Comprehensive income	**19,046**	85,710
Less: Comprehensive (loss) income attributable to the participating account	**(1,586)**	541
Non-controlling interests in comprehensive income	**(15,754)**	(3,155)
	(17,340)	(2,614)
E-L Financial shareholders' comprehensive income	**$ 36,386**	$ 88,324

The accompanying notes are an integral part of these consolidated financial statements.

E-L Financial Corporation Limited
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
UNAUDITED
(in thousands of Canadian dollars)

	E-L Financial shareholders' equity						
	Capital stock	**Retained earnings**	**AOCI**	**Total**	**NCI**	**PAR**	**Total equity**
Balance as at January 1, 2026	**$ 362,335**	**$ 8,659,563**	**$ 47,163**	**$ 9,069,061**	**$ 1,523,445**	**$ 55,823**	**$10,648,329**
Net income	**—**	**32,515**	**—**	**32,515**	**(15,983)**	**(1,586)**	**14,946**
OCI	**—**	**—**	**3,871**	**3,871**	**229**	**—**	**4,100**
Comprehensive income	**—**	**32,515**	**3,871**	**36,386**	**(15,754)**	**(1,586)**	**19,046**
Dividends	**—**	**(381,137)**	**—**	**(381,137)**	**(78,055)**	**—**	**(459,192)**
Common share purchases (Note 11)	**(1)**	**(20)**	**—**	**(21)**	**—**	**—**	**(21)**
Acquisition of subsidiary shares	**—**	**—**	**—**	**—**	**(59)**	**—**	**(59)**
Subsidiary preferred shares issuance cost	**—**	**—**	**—**	**—**	**(98)**	**—**	**(98)**
At March 31, 2026	**$ 362,334**	**$ 8,310,921**	**$ 51,034**	**$ 8,724,289**	**$ 1,429,479**	**$ 54,237**	**$10,208,005**

	E-L Financial shareholders' equity						
	Capital stock	Retained earnings	AOCI	Total	NCI	PAR	Total equity
Balance as at January 1, 2025	$ 362,347	$ 8,016,828	$ 36,696	$ 8,415,871	$ 1,269,534	$ 53,145	$ 9,738,550
Net income	—	85,847	—	85,847	(3,393)	541	82,995
OCI	—	—	2,477	2,477	238	—	2,715
Comprehensive income	—	85,847	2,477	88,324	(3,155)	541	85,710
Dividends	—	(536,127)	—	(536,127)	(83,755)	—	(619,882)
Acquisition of subsidiary shares	—	—	—	—	(12)	—	(12)
At March 31, 2025	$ 362,347	$ 7,566,548	$ 39,173	$ 7,968,068	$ 1,182,612	$ 53,686	$ 9,204,366

The accompanying notes are an integral part of these consolidated financial statements.

E-L Financial Corporation Limited
CONSOLIDATED STATEMENTS OF CASH FLOWS
UNAUDITED
(in thousands of Canadian dollars)

	Three months ended March 31 2026	2025
Net inflow (outflow) of cash related to the following activities:		
Operating		
Net income	**$ 14,946**	$ 82,995
Items not affecting cash resources:		
Changes in contract liabilities	**(15,481)**	48,121
Changes for reinsurance contracts held	**(1,912)**	15,059
Fair value change in fair value through profit or loss investments	**195,054**	(12,627)
Deferred taxes	**(61,927)**	(57,041)
Share of income of associates and joint venture	**(57,503)**	(1,539)
Other items	**1,314**	5,416
	74,491	80,384
Net change in other assets and liabilities	**(63,057)**	(82,403)
	11,434	(2,019)
Financing		
Cash dividends to shareholders	**(381,137)**	(536,127)
Cash dividends by subsidiaries to non-controlling interests	**(72,276)**	(82,070)
Purchases of subsidiary shares	**(59)**	(12)
Share purchases	**(20)**	—
Interest paid on borrowings	**(5,864)**	(7,712)
	(459,356)	(625,921)
Investing		
Purchases of investments	**(963,508)**	(684,795)
Proceeds from sale or maturity of investments	**1,283,026**	1,244,940
Net purchases of other assets	**(3,816)**	(16,001)
Dividends from associates	**36,190**	40,630
	351,892	584,774
Decrease in cash and cash equivalents	**(96,030)**	(43,166)
Cash and cash equivalents, beginning of the period	**564,400**	373,413
Cash and cash equivalents, end of the period	**$ 468,370**	$ 330,247
Fair value hierarchy for cash and cash equivalents:		
Level 1	**$ 310,144**	$ 172,021
Level 2	**158,226**	158,226
	$ 468,370	$ 330,247

The accompanying notes are an integral part of these consolidated financial statements.

1. Business operations

E-L Financial Corporation Limited (the “Company”) is an investment and insurance holding company, publicly traded on the Toronto Stock Exchange and incorporated under the laws of Ontario.

The head office, principal address and registered office of the Company is located at 165 University Avenue, Toronto, Ontario, M5H 3B8.

The interim condensed consolidated financial statements were approved by the Company’s Board of Directors on May 12, 2026.

2. Material Accounting Policies

(a) Basis of preparation

These unaudited interim condensed consolidated financial statements are prepared in accordance with International Accounting Standard 34 Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”) (“IFRS Accounting Standards”) and follow the same accounting policies and methods as the most recent annual financial statements. These unaudited interim condensed consolidated financial statements do not include all of the disclosures required under IFRS Accounting Standards for annual financial statements and should be read in conjunction with the notes to the Company’s audited consolidated financial statements for the year ended December 31, 2025.

All figures included in the interim consolidated financial statements are presented in thousands of Canadian dollars, except per share amounts and where otherwise stated.

(b) Accounting changes

New and amended standards adopted in 2026

Effective January 1, 2026, the Company adopted the following new and amended accounting standards:

IFRS 9 and IFRS 7 Amendments – Classification and measurement of financial instruments

In May 2024, the IASB issued amendments to IFRS 9 Financial and IFRS 7 relating to classification and measurement of financial instruments. The amendments clarify certain concepts relating to classification of financial assets, and introduce the option for entities to derecognize financial liabilities settled using an electronic payment system before the settlement date when certain criteria are met. The amendments also introduce certain new disclosure requirements for financial instruments measured at Fair Value Through Other Comprehensive Income (“FVOCI”) and amortized cost. These amendments are effective for annual reporting periods beginning on or after January 1, 2026, and must be applied retrospectively. There are no material impacts to the Company's condensed interim consolidated financial statements resulting from these amendments.

Standards issued but not yet applied

IFRS 18 – Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosures in Financial Statements (“IFRS 18”), which will replace IAS 1. IFRS 18 introduces changes to the structure of the statement of operations, and provides enhanced principles for aggregation and disaggregation. The standard also requires disclosures in the financial statements for certain performance measures reported outside of an entity's financial statements (Management-defined Performance Measures). IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, and must be applied retrospectively. The Company is currently evaluating the impact that this standard will have on its interim condensed consolidated financial statements.

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

3. Investments – corporate

Investments – corporate includes the investments held at the corporate level of E-L Financial and the investment holdings of it's subsidiary, United Corporations Limited ("United").

Invested assets

The following table provides a comparison of carrying values by class of asset:

	March 31 2026	December 31 2025
Preferred shares	$ 1,701	$ 1,686
Common shares and units		
Canada	1,324,574	1,288,380
U.S.	4,472,922	4,873,584
Europe and United Kingdom	1,240,027	1,381,248
Other	880,048	851,382
Total common shares and units	7,917,571	8,394,594
Total	$ 7,919,272	$ 8,396,280

The Company's investment in common shares and units includes shares of public and private companies. As at March 31, 2026 and December 31, 2025 all of the invested assets have been classified as FVTPL.

Investments – measured at fair value

The table below provides a comparison of the fair values by class of asset:

				As at March 31, 2026
Asset category	Quoted Prices (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total fair value
Preferred shares	$ 643	$ —	$ 1,058	$ 1,701
Common shares and units				
Canada	85,393	—	1,239,181	1,324,574
U.S.	4,070,758	—	402,164	4,472,922
Europe and United Kingdom	1,063,343	—	176,684	1,240,027
Other	786,648	—	93,400	880,048
Total common shares and units	6,006,142	—	1,911,429	7,917,571
Total	$ 6,006,785	$ —	$ 1,912,487	$ 7,919,272

				As at December 31, 2025
Asset category	Quoted Prices (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total fair value
Preferred shares	$ 628	$ —	$ 1,058	$ 1,686
Common shares and units				
Canada	76,479	—	1,211,901	1,288,380
U.S.	4,468,387	—	405,197	4,873,584
Europe and United Kingdom	1,206,037	—	175,211	1,381,248
Other	762,917	—	88,465	851,382
Total common shares and units	6,513,820	—	1,880,774	8,394,594
Total	$ 6,514,448	$ —	$ 1,881,832	$ 8,396,280

The classification of a financial instrument into a level is based on the lowest level of input that is significant to the determination of the fair value. Transfers between fair value hierarchy levels are considered effective from the beginning of the reporting period in which the transfer is identified. There were no transfers of financial instruments between Level 1, Level 2 or Level 3 for the years ended March 31, 2026 or December 31, 2025.

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

A summary of changes in the fair values of Level 3 financial instruments measured at Fair Value Through Profit or Loss ("FVTPL") as at March 31, 2026 and December 31, 2025 is as follows:

	3 months 2026	12 months 2025
Balance beginning of period	$ 1,881,832	$ 1,637,248
Net fair value change	19,337	249,072
Sales and distributions	(8,040)	(47,731)
Purchases	19,358	43,243
Balance end of period	$ 1,912,487	$ 1,881,832

The Company has securities lending agreements with its custodian. Under these agreements, the custodian may lend securities from the Company's portfolio to other institutions, as approved by the Company, for periods of time. At March 31, 2026 the Company had loaned securities with a fair value of $1,114,964 (December 31, 2025 - $701,231) and received approximately $1,170,720 (December 31, 2025 - $736,300) in collateral.

In the normal course of business, investment commitments are outstanding which are not reflected in the consolidated financial statements. As of March 31, 2026, E-L Corporate has $336,967 (December 31, 2025 - $352,396) in unfunded commitments in limited partnerships.

For analysis of the Company's risks arising from financial instruments, refer to Note 14 – E-L Corporate risk management.

4. Investments – insurance

The Empire Life Insurance Company ("Empire Life") invested assets

The table below provides a comparison of the fair values by class of asset:

				As at March 31, 2026
Asset category	Quoted Prices (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total fair value
Short-term investments	$ —	$ 2,610	$ —	$ 2,610
Bonds	—	7,875,555	23,853	7,899,408
Preferred shares	693,972	—	—	693,972
Common shares	652,826	5,006	28,817	686,649
Derivative assets	12,347	5,358	107	17,812
Mortgages	—	64,838	—	64,838
Loans	—	82,955	—	82,955
Total	$ 1,359,145	$ 8,036,322	$ 52,777	$ 9,448,244

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

As at December 31, 2025				
Asset category	Quoted Prices (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total fair value
Short-term investments	$ —	$ 444	$ —	$ 444
Bonds	—	7,918,962	23,535	7,942,497
Preferred shares	698,465	—	—	698,465
Common shares	647,028	5,006	22,964	674,998
Derivative assets	8,078	7,095	107	15,280
Mortgages	—	66,399	—	66,399
Loans	—	87,658	—	87,658
Total	$ 1,353,571	$ 8,085,564	$ 46,606	$ 9,485,741

The classification of a financial instrument into a level is based on the lowest level of input that is significant to the determination of the fair value. There were no transfers between Level 1, Level 2 and Level 3 for the three month period ended March 31, 2026 or during the year ended December 31, 2025.

A summary of changes in the fair values of Level 3 financial instruments measured at FVTPL as at March 31, 2026 and December 31, 2025:

	3 months 2026	12 months 2025
Balance beginning of period	$ 46,606	$ 36,595
Purchases	5,493	9,118
Sales	(92)	(1,338)
Net fair value change	770	2,231
Balance end of period	$ 52,777	$ 46,606

Derivative financial instruments

The values of derivative instruments are set out in the following table. Notional amounts serve as the basis for payments calculated under derivative contracts and are generally not exchanged.

		March 31, 2026			December 31, 2025		
	Maturity	Notional Principal	Fair Value Assets	Fair Value Liabilities [1]	Notional Principal	Fair Value Assets	Fair Value Liabilities
Foreign currency forwards	Within 1 year	$ 231,914	$ 159	$ 4,964	$ 210,752	$ 3,419	$ 6
Equity options	Within 5 years	1,127,685	12,454	—	1,309,692	8,185	—
Interest rate swaps	Over 5 years	1,350,000	2,570	44,016	1,000,000	1,067	44,244
Cross currency swaps	Within 5 years	31,308	112	699	25,706	—	409
	Over 5 years	116,911	2,517	2,451	113,890	2,609	2,220
Total		$ 2,857,818	$ 17,812	$ 52,130	$ 2,660,040	$ 15,280	$ 46,879

[1]The gross amounts of these derivative assets and derivative liabilities are included in the Statement of Financial Position, and do not offset as the rights of offset are conditional. Financial collateral of $125,962 as at March 31, 2026 (December 31, 2025: 123,241) has been pledged to counterparties.

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

Securities lending

Empire Life has a securities lending agreement with its custodian. Under this agreement, the custodian may lend securities from Empire Life's portfolio to other institutions, as approved by Empire Life, for periods of time. As at March 31, 2026 and December 31, 2025, the aggregate fair values of the Empire's securities loaned and the collateral received were as follows:

As at	March 31, 2026			December 31, 2025		
	General Funds	Segregated Funds	Total	General Funds	Segregated Funds	Total
Value of securities loaned	$ 1,509,810	$ 1,701,614	$ 3,211,424	$ 1,384,293	$ 1,724,790	$ 3,109,083
Value of collateral received	$ 1,540,050	$ 1,735,722	$ 3,275,772	$ 1,412,187	$ 1,759,530	$ 3,171,717

5. Investments in associates and joint venture

Investments in associates by operating segment are as follows:

	2026	2025
E-L Corporate	$ 536,824	$ 514,094
Empire Life	114,092	113,023
Total	$ 650,916	$ 627,117

E-L Corporate

The E-L Corporate segment has two investments in associates, Algoma Central Corporation ("Algoma") and Economic Investment Trust Limited ("Economic").

Algoma is incorporated in Canada and is listed on the Toronto Stock Exchange under the symbol "ALC". Algoma owns and operates the largest Canadian flag fleet of dry and liquid bulk carriers operating on the Great Lakes - St. Lawrence Waterway.

Economic is a closed-end investment corporation incorporated in Canada and is listed on the Toronto Stock Exchange under the symbol "EVT". Economic is an investment vehicle for long-term growth through investments in common equities.

	March 31, 2026			December 31, 2025		
	Ownership	Carrying value	Fair value	Ownership	Carrying value	Fair value
Algoma	34.9 %	$ 298,373	$ 298,373	34.9 %	$ 263,130	$ 269,102
Economic	24.9 %	238,451	295,652	24.9 %	250,964	289,855
Total		$ 536,824	$ 594,025		$ 514,094	$ 558,957

The following table details the movement during the year:

	3 months 2026	12 months 2025
Balance, beginning of the period	$ 514,094	$ 465,681
Income recorded in the statements of income:		
Share of income	19,998	111,583
Net impairment reversal (write down)	35,880	(12,409)
	55,878	99,174
Share of other comprehensive income (loss)	2,312	(1,471)
	58,190	97,703
Dividends received during the period	(35,460)	(49,290)
Balance, end of the period	$ 536,824	$ 514,094

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

The E-L Corporate's associates are measured using the equity method. As at March 31, 2026, the fair value of the investments in associates was $594,025 (December 31, 2025 - $558,957). Fair value is based on the close price for each investment multiplied by the corresponding number of common shares held.

Impairment

Based on an impairment review of the investments in associates at March 31, 2026, an impairment reversal of $35,880 (March 31, 2025 - an impairment provision of $12,410) has been recorded in net income. The recoverable amount was based on quoted market prices, which are classified as Level 1 in the fair value measurement hierarchy.

Financial information

Summarized below are the assets, liabilities, revenue, net income and comprehensive income of E-L Corporate's associates.

	Algoma		**Economic**	
	March 31 2026	December 31 2025	March 31 2026	December 31 2025
Cash and cash equivalents	$ 30,493	$ 37,158	$ 8,946	$ 5,376
Other current assets	142,337	138,426	1,599,730	1,672,070
Non-current assets	1,683,937	1,595,120	—	—
	1,856,767	1,770,704	1,608,676	1,677,446
Current liabilities	362,900	246,216	3,296	3,110
Non-current liabilities	485,342	516,148	151,260	155,163
	848,242	762,364	154,556	158,273
Net assets	$ 1,008,525	$ 1,008,340	$ 1,454,120	$ 1,519,173

	Algoma		**Economic**	
Three months ended March 31	2026	2025	2026	2025
Revenue	$ 127,781	$ 107,201	$ 68,619	$ 71,662
Net (loss) income	$ 2,224	$ (23,280)	$ 65,595	$ 70,946
Other comprehensive income	6,636	6,981	—	—
Total comprehensive income (loss)	$ 8,860	$ (16,299)	$ 65,595	$ 70,946

At March 31, 2026, Algoma has financial commitments of $273,214 (December 31, 2025 - $295,326).

E-L Corporate received the following dividends during the period from the associates:

	Algoma		**Economic**		**Total**	
	2026	2025	2026	2025	2026	2025
Dividends received	$ 2,969	$ 2,827	$ 32,491	$ 36,764	$ 35,460	$ 39,591

On March 31, 2026 Economic paid special and additional dividends of $2.38 per common share resulting in E-L Corporate receiving a dividend of $32,086.

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

6. Non-insurance investment and other income

Non-insurance investment and other income is comprised of the following:

	Three months ended March 31 2026	2025
Interest income	$ 1,832	$ 2,217
Fee income	17,905	8,273
Dividend income	68,035	77,359
Other	(629)	1,018
Total	$ 87,143	$ 88,867

7. Net investment and insurance finance result

Net investment and insurance finance result is comprised of the following:

	Three months ended March 31 2026	2025
Net investment and insurance finance result		
Interest and other investment income	$ 108,589	$ 107,182
Change in fair value of investments	(97,673)	58,159
Investment income, excluding segregated fund account balances	10,916	165,341
Change in investment contracts	(2,410)	(7,649)
Net investment result, excluding segregated fund account balances	8,506	157,692
Insurance finance (expense) income from insurance contracts, excluding segregated fund account balances		
Interest accreted	(42,312)	(46,013)
Effect of changes in interest rates and other financial assumptions	48,327	(4,186)
Changes in fair value of underlying items in insurance contracts with direct participation features	(3,406)	(16,698)
Effects of risk mitigation option	(3,024)	(11,388)
Insurance finance expense from insurance contracts, excluding segregated fund account balances	(415)	(78,285)
Finance income (expense) from reinsurance contracts held		
Interest accreted	204	670
Effect of changes in interest rates and other financial assumptions	3,296	(235)
Reinsurance finance (expense) income from reinsurance contracts held	3,500	435
Investment income related to segregated fund net assets		
Investment income on investments related to segregated fund net assets, insurance contracts	143,308	46,899
Investment income on investments related to segregated fund net assets, investment contracts	4,155	1,343
Investment income related to segregated fund account balances	147,463	48,242
Changes in underlying items of the segregated funds		
Insurance finance expenses, insurance contracts segregated fund account balances	(143,308)	(46,899)
Change in investment contracts, segregated fund account balances	(4,155)	(1,343)
Changes in underlying items of the segregated funds	(147,463)	(48,242)
Net investment and insurance finance result	$ 11,591	$ 79,842

With regards to general fund assets and liabilities, the duration of insurance contract liability cash flows is greater than the assets supporting them. Hence, the liabilities are generally more sensitive to interest rate changes than the assets. Changes in equity values and other non-fixed income assets that are not passed through to policyholders generally have an impact on investment income with no offsetting change in insurance finance income (expense).

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

Amounts related to change in investment contracts, which includes deferred annuities and guaranteed annuities, arise from discount rates that include a provision to reflect Empire Life's own credit risk and an illiquidity adjustment. With regards to insurance contracts measured using the VFA, the change in the underlying items would be recognized both as insurance finance income (or expense) and investment income (loss), with offsetting impacts. For these contracts, changes in the effect of time value of money and financial risk not arising from underlying items adjusts the CSM and are not included in the insurance finance income (expense) amounts presented in the table above, except to the extent that the risk mitigation option applies.

Investment income, excluding segregated fund account balances

	March 31 2026	March 31 2025
Investment income (loss), excluding segregated fund account balances		
Interest and other investment income		
Interest income	$ 95,994	$ 95,223
Dividend income	10,963	11,539
Income from investments in associates and joint venture	1,625	416
Other	7	4
Total interest and other investment income	108,589	107,182
Net realized and unrealized gain (loss)	(97,673)	58,159
Total investment income, excluding segregated fund account balances	$ 10,916	$ 165,341

8. Other assets

Other assets are comprised of the following:

	March 31, 2026	December 31, 2025
Accrued investment income	$ 77,630	$ 58,307
Income taxes receivable	48,042	52,987
Property and equipment	367	859
Intangible assets	77,186	78,491
Goodwill	38,891	38,891
Other	115,693	98,765
Total	$ 357,809	$ 328,300

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

9. Segregated funds

The following table identifies segregated fund assets by category of asset:

	March 31, 2026			December 31, 2025		
	Insurance Contracts	Investment Contracts	Total	Insurance Contracts	Investment Contracts	Total
Cash	$ 3,192	$ 395	$ 3,587	$ 5,676	$ 460	$ 6,136
Short-term investments	681,934	23,662	705,596	565,728	15,781	581,509
Bonds	1,772,824	114,299	1,887,123	1,809,903	109,504	1,919,407
Common and preferred shares	7,458,835	262,963	7,721,798	7,453,767	276,375	7,730,142
	9,916,785	401,319	10,318,104	9,835,074	402,120	10,237,194
Add: other assets	17,562	211	17,773	36,365	(408)	35,957
Less: segregated funds held within general fund investments	(10,538)	(113,779)	(124,317)	(10,547)	(114,995)	(125,542)
Total	$ 9,923,809	$ 287,751	$10,211,560	$ 9,860,892	$ 286,717	$10,147,609

The following table presents the investments of the segregated funds measured on a recurring basis at fair value classified by the fair value hierarchy:

	March 31, 2026			December 31, 2025		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Cash	$ 3,587	$ —	$ 3,587	$ 6,136	$ —	$ 6,136
Short-term investments	—	705,596	705,596	—	581,509	581,509
Bonds	—	1,887,123	1,887,123	—	1,919,407	1,919,407
Common and preferred shares	7,721,798	—	7,721,798	7,730,142	—	7,730,142
Total	$ 7,725,385	$ 2,592,719	$10,318,104	$ 7,736,278	$ 2,500,916	$10,237,194

There were no transfers between Level 1 and Level 2 during the three months ended March 31, 2026 or during the year ended December 31, 2025. There were no level 3 investments as at March 31, 2026 or December 31, 2025.

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

The following table presents the change in segregated fund assets:

	Three months ended March 31	
	2026	2025
Segregated fund assets beginning of the period	$ 10,147,609	$ 9,393,738
Additions to segregated funds:		
Amount received from policyholders	411,116	318,296
Interest	22,496	23,137
Dividends	31,122	34,803
Other income	5,488	3,952
Net realized gains on sale of investments	281,015	201,789
	751,237	581,977
Deductions from segregated funds:		
Amounts withdrawn or transferred by policyholders	423,100	427,644
Net unrealized decrease in fair value of investments	192,658	215,439
Management fees and other operating costs	72,753	66,197
	688,511	709,280
Net change in segregated funds held within general fund investments	1,225	(444)
Segregated fund assets end of the period	$ 10,211,560	$ 9,265,991

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

10. Insurance contracts and reinsurance contracts held assets/liabilities

Assets and liabilities

The breakdown of portfolios of insurance contracts and reinsurance contracts held, that are in an asset position and those in a liability position is set out in the table below:

As at	March 31, 2026			December 31, 2025		
	(Assets)	Liabilities	Total	(Assets)	Liabilities	Total
Insurance contracts						
Insurance contracts not measured under PAA, excluding segregated fund account balances	$ —	$ 6,311,173	$ 6,311,173	$ —	$ 6,323,160	$ 6,323,160
Insurance contracts measured under PAA	—	509,371	509,371	—	505,147	505,147
Insurance contracts, excluding segregated fund account balances	—	6,820,544	6,820,544	—	6,828,307	6,828,307
Insurance contracts for segregated fund account balances	—	9,923,809	9,923,809	—	9,860,892	9,860,892
Total insurance contracts	—	16,744,353	16,744,353	—	16,689,199	16,689,199
Less insurance contracts measured under PAA	—	(509,371)	(509,371)	—	(505,147)	(505,147)
Total insurance contracts not measured under PAA	$ —	$16,234,982	$16,234,982	$ —	$16,184,052	$16,184,052
Reinsurance contracts held						
Reinsurance contracts held not measured under PAA	$ (114,017)	$ 244,443	$ 130,426	$ (123,222)	$ 248,529	$ 125,307
Reinsurance contract held measured under PAA	(210,442)	—	(210,442)	(203,411)	—	(203,411)
Total reinsurance contracts held	$ (324,459)	$ 244,443	$ (80,016)	$ (326,633)	$ 248,529	$ (78,104)

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

Analysis by measurement component for insurance contracts

The tables below present a roll-forward of the net asset or liability for insurance contracts issued showing estimates of the present value of future cash flows, risk adjustment for non-financial risk and CSM. These tables exclude insurance contracts measured using the Premium Allocation Approach ("PAA").

For the three months ended March 31, 2026	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin		Total
			Fair value approach	Post transition	
Insurance contracts at beginning of period					
Insurance contract liabilities, excluding segregated fund account balances	$ 3,799,569	$ 1,120,708	$ 1,204,893	$ 197,990	$ 6,323,160
Insurance contract liabilities for segregated fund account balances	9,860,892	—	—	—	9,860,892
Total insurance contracts beginning of period	13,660,461	1,120,708	1,204,893	197,990	16,184,052
Changes that relate to current services					
CSM recognized for services provided			(36,285)	(5,662)	(41,947)
Change in risk adjustment for non-financial risk for risk expired		(17,038)			(17,038)
Experience adjustments	10,376				10,376
Changes that relate to future services					
Contracts initially recognized in the period	(34,717)	26,003	—	11,541	2,827
Changes in estimates that adjust the CSM	(3,136)	2,878	663	(405)	—
Changes in estimates that do not adjust the CSM	633	(2,331)			(1,698)
Changes that relate to past services					
Adjustments to liabilities for incurred claims	(68)	5	—	—	(63)
Insurance service result	(26,912)	9,517	(35,622)	5,474	(47,543)
Insurance finance expense, excluding segregated fund account balances	(6,803)	(2,018)	4,141	1,159	(3,521)
Insurance finance expenses segregated fund account balances	143,308				143,308
Total changes in the consolidated statement of income	109,593	7,499	(31,481)	6,633	92,244
Cash flows					
Premiums received	248,266				248,266
Claims and other expenses paid	(158,092)				(158,092)
Insurance acquisition cash flows	(51,097)				(51,097)
Total cash flows	39,077				39,077
Movements related to insurance contract liabilities for segregated fund account balances	(80,391)				(80,391)
Total insurance contracts at end of period	$ 13,728,740	$ 1,128,207	$ 1,173,412	$ 204,623	$ 16,234,982
Insurance contracts at end of period					
Insurance contract liabilities, excluding segregated fund account balances	$ 3,804,931	$ 1,128,207	$ 1,173,412	$ 204,623	$ 6,311,173
Insurance contract liabilities for segregated fund account balances	9,923,809	—	—	—	9,923,809
Total insurance contracts at end of period	$ 13,728,740	$ 1,128,207	$ 1,173,412	$ 204,623	$ 16,234,982

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

For the year ended December 31, 2025	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin		Total
			Fair value approach	Post transition	
Insurance contracts at beginning of year					
Insurance contract liabilities, excluding segregated fund account balances	$ 3,796,532	$ 1,120,159	$ 1,364,892	$ 150,686	$ 6,432,269
Insurance contract liabilities for segregated fund account balances	9,140,742	—	—	—	9,140,742
Total insurance contracts beginning of year	12,937,274	1,120,159	1,364,892	150,686	15,573,011
Changes that relate to current services					
CSM recognized for services provided			(154,301)	(19,365)	(173,666)
Change in risk adjustment for non-financial risk for risk expired		(66,012)			(66,012)
Experience adjustments	(8,914)				(8,914)
Changes that relate to future services					
Contracts initially recognized in the period	(139,945)	105,450	—	45,806	11,311
Changes in estimates that adjust the CSM	24,838	(16,379)	(25,001)	16,542	—
Changes in estimates that do not adjust the CSM	41,132	(31,183)			9,949
Changes that relate to past services					
Adjustments to liabilities for incurred claims	891	(8)	—	—	883
Insurance service result	(81,998)	(8,132)	(179,302)	42,983	(226,449)
Insurance finance expense, excluding segregated fund account balances	(33,855)	8,681	19,303	4,321	(1,550)
Insurance finance expenses segregated fund account balances	1,205,093				1,205,093
Total changes in the consolidated statement of income	1,089,240	549	(159,999)	47,304	977,094
Cash flows					
Premiums received	936,382				936,382
Claims and other expenses paid	(621,460)				(621,460)
Insurance acquisition cash flows	(196,032)				(196,032)
Total cash flows	118,890				118,890
Movements related to insurance contract liabilities for segregated fund account balances	(484,943)				(484,943)
Total insurance contracts at end of year	$ 13,660,461	$ 1,120,708	$ 1,204,893	$ 197,990	$ 16,184,052
Insurance contracts at end of year					
Insurance contract liabilities, excluding segregated fund account balances	$ 3,799,569	$ 1,120,708	$ 1,204,893	$ 197,990	$ 6,323,160
Insurance contract liabilities for segregated fund account balances	9,860,892	—	—	—	9,860,892
Total insurance contracts at end of year	$ 13,660,461	$ 1,120,708	$ 1,204,893	$ 197,990	$ 16,184,052

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

Analysis by remaining coverage and incurred claims for insurance contracts

The table below present a roll-forward of the net asset or liability for all insurance contracts issued showing liabilities for remaining coverage and liability for incurred claims. These tables include insurance contracts measured using the PAA.

For the three months ended March 31, 2026	Remaining Coverage		Incurred claims			Total
				Contracts using PAA		
	Excluding loss component	Loss component	Contracts not using PAA	Estimate of PV of future cash flows	Risk adjustment	
Insurance contracts at beginning of period						
Insurance contract liabilities, excluding segregated fund account balances	$ 6,116,877	$ 32,477	$ 160,974	$ 473,301	$ 44,678	$ 6,828,307
Insurance contract liabilities for segregated fund account balances	9,860,892	—	—	—	—	9,860,892
Total insurance contract at beginning of period	15,977,769	32,477	160,974	473,301	44,678	16,689,199
Insurance revenue						
Contracts under fair value approach	(160,921)					(160,921)
Contracts post transition	(233,806)					(233,806)
Insurance service expenses						
Incurred claims and other expenses		(537)	140,954	181,753	—	322,170
Amortization of insurance acquisition cash flows	17,858					17,858
Losses and reversal of losses on onerous contracts		1,129	—	—	—	1,129
Adjustments to liabilities for incurred claims		—	(63)	9,536	1,078	10,551
Investment components	(34,597)		34,597			—
Insurance service result	(411,466)	592	175,488	191,289	1,078	(43,019)
Insurance finance expense from insurance contracts, excluding segregated fund account balances	(3,643)	192	—	3,530	336	415
Insurance finance expenses, insurance contracts segregated fund account balances	143,308					143,308
Total changes in the consolidated statement of income	(271,801)	784	175,488	194,819	1,414	100,704
Cash flows						
Premiums received	435,211					435,211
Claims and other expenses paid			(158,092)	(191,181)		(349,273)
Insurance acquisition cash flows	(51,097)					(51,097)
Total cash flows	384,114		(158,092)	(191,181)		34,841
Movements related to insurance contract liabilities for segregated fund account balances	(80,391)		—			(80,391)
Total insurance contracts at end of period	$16,009,691	$ 33,261	$ 178,370	$ 476,939	$ 46,092	$16,744,353
Insurance contracts at end of period						
Insurance contract liabilities, excluding segregated fund account balances	$ 6,085,882	$ 33,261	$ 178,370	$ 476,939	$ 46,092	$ 6,820,544
Insurance contract liabilities for segregated fund account balances	9,923,809	—	—	—	—	9,923,809
Total insurance contracts at end of period	$16,009,691	$ 33,261	$ 178,370	$ 476,939	$ 46,092	$16,744,353

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

For the year ended December 31, 2025	Remaining coverage		Incurred claims			Total
				Contracts using PAA		
	Excluding loss component	Loss component	Contracts not using PAA	Estimate of PV of future cash flows	Risk adjustment	
Insurance contracts at beginning of year						
Insurance contract liabilities	$ 6,239,089	$ 11,487	$ 167,836	$ 409,871	$ 40,153	$ 6,868,436
Insurance contract liabilities for segregated fund account balances	9,140,742	—	—	—	—	9,140,742
Total insurance contract at beginning of year	15,379,831	11,487	167,836	409,871	40,153	16,009,178
Insurance service revenue						
Contracts under fair value approach	(649,215)					(649,215)
Contracts post transition	(880,933)					(880,933)
Insurance service expenses						
Incurred claims and other expenses		(1,032)	489,750	663,571	—	1,152,289
Amortization of insurance acquisition cash flows	59,948					59,948
Losses and reversal of losses on onerous contracts		21,260	—	—	—	21,260
Adjustments to liabilities for incurred claims		—	883	47,867	4,199	52,949
Investment components	(123,965)		123,965			—
Insurance service result	(1,594,165)	20,228	614,598	711,438	4,199	(243,702)
Insurance finance expenses from insurance contracts, excluding segregated fund account balances	(2,183)	762	—	5,415	326	4,320
Insurance finance expenses, insurance contracts segregated fund account balances	1,205,093					1,205,093
Total changes in the consolidated statement of income	(391,255)	20,990	614,598	716,853	4,525	965,711
Cash flows						
Premiums received	1,670,168					1,670,168
Claims and other expenses paid			(621,460)	(653,423)		(1,274,883)
Insurance acquisition cash flows	(196,032)					(196,032)
Total cash flows	1,474,136		(621,460)	(653,423)		199,253
Movements related to insurance contract liabilities for segregated fund account balances	(484,943)		—			(484,943)
Total insurance contracts at end of year	$15,977,769	$ 32,477	$ 160,974	$ 473,301	$ 44,678	$16,689,199
Insurance contracts at end of year						
Insurance contract liabilities, excluding segregated fund account balances	$ 6,116,877	$ 32,477	$ 160,974	$ 473,301	$ 44,678	$ 6,828,307
Insurance contract liabilities for segregated fund account balances	9,860,892	—	—	—	—	9,860,892
Total insurance contracts at end of year	$15,977,769	$ 32,477	$ 160,974	$ 473,301	$ 44,678	$16,689,199

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

Insurance service revenue

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Contracts not measured under the PAA		
CSM recognized for services provided	$ 41,947	$ 44,550
Change in risk adjustment for non-financial risk for risk expired	16,901	16,035
Expected claims and other insurance service expenses	130,182	121,662
Recovery of insurance acquisition cash flows	17,858	13,361
Total	206,888	195,608
Contracts measured under the PAA	187,839	177,478
Total insurance service revenue	$ 394,727	$ 373,086

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

Analysis by measurement component for reinsurance contracts held

The tables below present a roll-forward of the net asset or liability for reinsurance contracts held showing estimates of the present value of future cash flows, risk adjustment for non-financial risk and CSM. These tables exclude reinsurance contracts held measured using the PAA.

For the three months ended March 31, 2026	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin		Total
			Fair value approach	Post transition	
Reinsurance contracts held at beginning of period					
Reinsurance contracts held (assets)	$ 280,792	$ (329,322)	$ (159,876)	$ 85,184	$ (123,222)
Reinsurance contract held liabilities	289,736	(66,842)	25,449	186	248,529
Net reinsurance contracts held at beginning of period	570,528	(396,164)	(134,427)	85,370	125,307
Changes that relate to current services					
CSM recognized for services received			4,647	(2,577)	2,070
Risk adjustment recognized for non-financial risk expired		7,300			7,300
Experience adjustments	2,262				2,262
Changes that relate to future services					
Contracts initially recognized in the period	3,030	(11,310)	—	6,162	(2,118)
Changes in estimates that adjust the CSM	2,783	(466)	(2,161)	(156)	—
Changes in estimates that adjust recoveries of losses on onerous underlying contracts	(54)	(3)			(57)
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM			154	592	746
Changes that relate to past services					
Changes in amounts recoverable arising from changes in liability for incurred claims	—	—			—
Reinsurance service result	8,021	(4,479)	2,640	4,021	10,203
Reinsurance finance expense (income)	(1,591)	1,303	(1,143)	934	(497)
Total changes in the consolidated statement of income	6,430	(3,176)	1,497	4,955	9,706
Cash flows					
Premiums paid	(38,942)				(38,942)
Amounts received	34,356				34,356
Total cash flows	(4,586)				(4,586)
Net reinsurance contracts held at end of period	$ 572,372	$ (399,340)	$ (132,930)	$ 90,325	$ 130,427
Reinsurance contracts held at end of period					
Reinsurance contracts held (assets)	$ 286,447	$ (333,182)	$ (157,288)	$ 90,006	$ (114,017)
Reinsurance contracts held liabilities	285,924	(66,158)	24,358	319	244,443
Net reinsurance contracts held at end of period	$ 572,371	$ (399,340)	$ (132,930)	$ 90,325	$ 130,426

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

For the year ended December 31, 2025	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin		Total
			Fair value approach	Post transition	
Reinsurance contracts held at beginning of year					
Reinsurance contracts held (assets)	$ 328,320	$ (312,915)	$ (195,362)	$ 64,915	$ (115,042)
Reinsurance contracts held liabilities	263,190	(69,762)	25,454	(137)	218,745
Net reinsurance contracts held at beginning of year	591,510	(382,677)	(169,908)	64,778	103,703
Changes that relate to current services					
CSM recognized for services received			20,727	(8,654)	12,073
Risk adjustment recognized for non-financial risk expired		27,471			27,471
Experience adjustments	8,839				8,839
Changes that relate to future services					
Contracts initially recognized in the period	13,440	(46,873)	—	26,508	(6,925)
Changes in estimates that adjust the CSM	(25,750)	8,525	19,667	(2,442)	—
Changes in estimates that adjust recoveries of losses on onerous underlying contracts	1,461	971			2,432
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM			471	1,756	2,227
Changes that relate to past services					
Changes in amounts recoverable arising from changes in liability for incurred claims	(4,158)	—			(4,158)
Reinsurance service result	(6,168)	(9,906)	40,865	17,168	41,959
Reinsurance finance expenses (income)	7,039	(3,581)	(5,384)	3,424	1,498
Total changes in the consolidated statement of income	871	(13,487)	35,481	20,592	43,457
Cash flows					
Premiums paid	(156,638)				(156,638)
Amounts received	134,785				134,785
Total cash flows	(21,853)				(21,853)
Net reinsurance contracts held at end of year	$ 570,528	$ (396,164)	$ (134,427)	$ 85,370	$ 125,307
Reinsurance contracts held at end of year					
Reinsurance contracts held (assets)	$ 280,792	$ (329,322)	$ (159,876)	$ 85,184	$ (123,222)
Reinsurance contracts held liabilities	289,736	(66,842)	25,449	186	248,529
Net reinsurance contracts held at end of year	$ 570,528	$ (396,164)	$ (134,427)	$ 85,370	$ 125,307

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

Analysis by remaining coverage and incurred claims for reinsurance contracts held

The tables below present a roll-forward of the net asset or liability for all reinsurance contracts held showing (assets) liabilities for remaining coverage and amounts recoverable on incurred claims. These tables include reinsurance contracts held measured using the PAA.

For the three months ended March 31, 2026	Remaining coverage		Incurred claims			Total
				Contracts using PAA		
	Excluding loss recovery component	Loss recovery component	Contracts not using PAA	Estimate of PV of future cash flows	Risk adjustment	
Reinsurance contracts held (assets) liabilities at beginning of period						
Reinsurance contracts held (assets)	$ (81,977)	$ (5,436)	$ (35,381)	$ (187,221)	$ (16,618)	$ (326,633)
Reinsurance contracts held liabilities	248,525	(1)	1	4	—	248,529
Net reinsurance contracts held liabilities (assets) at beginning of period	166,548	(5,437)	(35,380)	(187,217)	(16,618)	(78,104)
Allocation of premiums paid						
Contracts under fair value approach	37,422					37,422
Contracts post transition	53,903					53,903
Amounts recoverable from reinsurers						
Amounts recoverable for claims and other expenses incurred in the period		812	(32,730)	(46,630)	—	(78,548)
Changes in amounts recoverable from changes in liability for incurred claims			—	(2,933)	(308)	(3,241)
Changes in fulfilment cash flows which relate to onerous underlying contracts		(1,429)				(1,429)
Net income or expense from reinsurance contracts held	91,325	(617)	(32,730)	(49,563)	(308)	8,107
Reinsurance finance expenses (income)	(428)	(69)	—	(2,724)	(279)	(3,500)
Total changes in the consolidated statement of income	90,897	(686)	(32,730)	(52,287)	(587)	4,607
Cash flows						
Premiums paid	(86,710)					(86,710)
Amounts received			34,356	45,835		80,191
Total cash flows	(86,710)		34,356	45,835		(6,519)
Net reinsurance contracts held liabilities (assets) at end of period	$ 170,735	$ (6,123)	$ (33,754)	$ (193,669)	$ (17,205)	$ (80,016)
Reinsurance contracts held (assets) liabilities at end of period						
Reinsurance contracts held (assets)	$ (73,713)	$ (6,118)	$ (33,754)	$ (193,669)	$ (17,205)	$ (324,459)
Reinsurance contracts held liabilities	244,448	(5)	—	—	—	244,443
Net reinsurance contracts held liabilities (assets) at end of period	$ 170,735	$ (6,123)	$ (33,754)	$ (193,669)	$ (17,205)	$ (80,016)

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

For the year ended December 31, 2025	Remaining coverage		Incurred claims			Total
				Contracts using PAA		
	Excluding loss recovery component	Loss recovery component	Contracts not using PAA	Estimate of PV of future cash flows	Risk adjustment	
Reinsurance contracts held (assets) liabilities at beginning of year						
Reinsurance contracts held (assets)	$ (114,934)	$ (4,268)	$ 4,159	$ (165,435)	$ (15,593)	$ (296,071)
Reinsurance contracts held liabilities	266,648	—	(47,271)	(5,528)	—	213,849
Net reinsurance contracts held liabilities (assets) at beginning of year	151,714	(4,268)	(43,112)	(170,963)	(15,593)	(82,222)
Allocation of premiums paid						
Contracts under fair value approach	149,206					149,206
Contracts post transition	202,705					202,705
Amounts recoverable from reinsurers						
Amounts recoverable for claims and other expenses incurred in the period		1,287	(122,895)	(161,821)	—	(283,429)
Changes in amounts recoverable from changes in liability for incurred claims			(4,158)	(15,524)	(1,017)	(20,699)
Changes in fulfilment cash flows which relate to onerous underlying contracts		(2,266)				(2,266)
Net income or expense from reinsurance contracts held	351,911	(979)	(127,053)	(177,345)	(1,017)	45,517
Reinsurance finance income	1,688	(190)	—	(1,343)	(8)	147
Total changes in the consolidated statement of income	353,599	(1,169)	(127,053)	(178,688)	(1,025)	45,664
Cash flows						
Premiums paid	(338,765)					(338,765)
Amounts received			134,785	162,434		297,219
Total cash flows	(338,765)		134,785	162,434		(41,546)
Net reinsurance contracts liabilities (assets) end of year	$ 166,548	$ (5,437)	$ (35,380)	$ (187,217)	$ (16,618)	$ (78,104)
Reinsurance contracts held (assets) liabilities at end of year						
Reinsurance contracts held (assets)	$ (81,977)	$ (5,436)	$ (35,381)	$ (187,221)	$ (16,618)	$ (326,633)
Reinsurance contracts held liabilities	248,525	(1)	1	4	—	248,529
Net reinsurance contracts held liabilities (assets) at end of year	$ 166,548	$ (5,437)	$ (35,380)	$ (187,217)	$ (16,618)	$ (78,104)

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

11. Capital stock

		March 31, 2026		December 31, 2025	
	Authorized	Issued and outstanding	Amount	Issued and outstanding	Amount
Preferred shares					
Series A Preference Shares	402,733	258	$ 1	258	$ 1
First Preference Shares, Series 1	unlimited	4,000,000	100,000	4,000,000	100,000
First Preference Shares, Series 2	unlimited	4,000,000	100,000	4,000,000	100,000
First Preference Shares, Series 3	unlimited	4,000,000	100,000	4,000,000	100,000
Common shares	unlimited	346,100,400	62,333	346,101,600	62,334
Total			$ 362,334		$ 362,335

Common Share Split

On May 7, 2025, E-L Financial approved a 100 for one share split (“Common Share Split”) of E-L Financial’s issued and outstanding common shares. Each shareholder of record at the close of business on May 23, 2025 (“Record Date”) that continued to hold their shares through May 30, 2025 (“Payment Date”) received 99 additional shares for every one share held on the Record Date. All common share numbers and per common share amounts have been adjusted to reflect the Common Share Split as if it was retroactively applied to all prior periods presented.

As a result of the Common Share Split, the ratio by which the Series A Preference Shares of the Company are convertible into common shares will be adjusted by a proportion corresponding to the Common Share Split ratio. The Common Share Split will not change the number of Series A Preference Shares that the Company is authorized to issue or the number of Series A Preference Shares outstanding.

Normal Course Issuer Bid

On March 10, 2026, the Company obtained approval from the TSX to renew its normal course issuer bid (“NCIB”). After adjusting for the Common Share Split, the Company can purchase up to 17,305,020 common shares between March 12, 2026 and March 11, 2027. Daily purchases (other than pursuant to a block purchase exemption) on the TSX under the NCIB are limited to 10,985 common shares. The price that the Company pays for the common shares is the prevailing market price at the time of acquisition.

During the first quarter of 2026, 1,200 common shares were purchased under the NCIB at an average price of $16.52 per share. No shares were purchased under the NCIB for the first three months ended March 31, 2025.

On January 15, 2026, the Board of Directors declared a special dividend of $1.05 per common share payable March 13, 2026 to shareholders of record on March 3, 2026.

The following dividends were declared by the Board of Directors at their meeting on May 12, 2026, with a record and payable date of June 30, 2026 and July 17, 2026, respectively:

- First Preference Shares, Series 1, $0.33125 per share;
- First Preference Shares, Series 2, $0.296875 per share;
- First Preference Shares, Series 3, $0.34375 per share;
- Series A Preference Shares, $0.125 per share; and
- Common shares, $0.04 per share.

The dividends declared on May 12, 2026 will be recorded in the second quarter of 2026.

12. Capital management

Empire Life manages its regulatory capital in order to meet the regulatory capital adequacy requirements of the *Insurance Companies Act* as established and monitored by OSFI. OSFI has implemented the Life

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

Insurance Capital Adequacy Test ("LICAT") framework to monitor capital adequacy. Under this framework, Empire Life's capital adequacy is measured as a ratio of available capital plus surplus allowance and eligible deposits divided by a base solvency buffer. OSFI has established a Supervisory Target Total Ratio of 100% and a Supervisory Target Core Ratio of 70%. As at March 31, 2026 and December 31, 2025, Empire Life was in compliance with the applicable regulatory capital ratios.

13. Borrowings

The table below presents the debt obligations of the Company:

				March 31, 2026		December 31, 2025	
As at	Interest rate	Earliest par call or redemption date	Maturity	Carrying value	Fair value	Carrying value	Fair value
Empire Life							
Series 2021-1[1]	2.024 %	Sept. 24, 2026	2031	$ 199,905		$ 199,856	
Series 2023-1[2]	5.503 %	Jan. 13, 2028	2033	199,750		199,715	
Total subordinated debt				$ 399,655	$ 405,036	$ 399,571	$ 406,720
E-L Corporate							
Senior unsecured notes[3]	4.000 %		2050	200,000	164,884	200,000	169,310
Total borrowings				$ 599,655	$ 569,920	$ 599,571	$ 576,030

(1) Unsecured debentures due 2031. From September 24, 2026, interest is payable at 0.67% over CORRA plus 0.32138% credit adjustment spread.

(2) Unsecured debentures due 2033. From January 13, 2028, interest is payable at 2.26% over CORRA.

(3) The senior unsecured note bears interest at an annual rate of 4.0% calculated and payable semi-annually in arrears on June 22 and December 22 of each year commencing December 22, 2020 and ending June 22, 2050.

14. E-L Corporate risk management

The objective of E-L Corporate's risk management process is to ensure that the operations of the Company encompassing risk are consistent with the Company's objectives and risk tolerance, while maintaining an appropriate risk/reward balance. The Company is exposed to financial risks arising from its investing activities. For investment risks, the Company is exposed to credit risk, liquidity risk and various market risks including interest rate risk, equity risk and foreign currency risk.

The disclosures in Notes 3 and 5 provide the breakdown of investments by type and by geographic region based on the underlying risk. The fair values of these investments are inherently volatile and frequently change in value as a result of factors beyond the Company's control, including general economic and capital market conditions.

In the sections that follow, the Company provides sensitivities and risk exposure measures for certain risks. These include sensitivities due to specific changes in market prices, based on the market prices as at the calculation dates. The sensitivities are calculated independently for each risk factor, assuming that all other risk variables remain constant. The sensitivities do not take into account indirect effects such as potential impacts on impairments or valuation allowances on deferred tax assets. Actual results can differ materially from these estimates for a variety of reasons, including differences in the pattern or distribution of market shocks, the interaction among these factors when more than one factor changes; changes in investment return and future investment activity assumptions; effective tax rates and other market factors; and the general limitations of the Company's internal models used for purposes of these calculations. Changes due to new sales or maturities, asset purchases/sales, or other management actions could also result in material changes to these reported sensitivities. For these reasons, the sensitivities should only be viewed as directional estimates of the underlying sensitivities for the respective factors based on the assumptions outlined, and should not be viewed as predictors for the Company's future net income, OCI, and capital sensitivities. Given the nature of these calculations, the Company cannot provide assurance that the actual impact will be consistent with the estimates provided. Changes in risk variables in excess of the ranges illustrated may result in other than proportionate impacts.

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

E-L Corporate owns investments in global equities and fixed income securities directly and indirectly through limited partnerships and other investment companies. In addition, the E-L Corporate segment includes the invested assets of United, the Company's closed-end investment subsidiary. E-L Corporate has two significant investments in associates: Economic, a closed-end investment company and Algoma, a shipping company.

The Company maintains a strategy of long-term growth through capital appreciation and dividend and interest income from its investments. The externally managed investment portfolios have mandates in which the manager's performance is evaluated. Their performance is reviewed by management on a monthly basis, evaluating performance over a period of time relative to their mandate. On a quarterly basis, the Board of Directors reviews the E-L Corporate investment portfolio, including investment performance benchmarked against the relevant indices, exposure by geographic distribution, investment concentration and significant movements in the investment portfolios during the period.

Credit risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes a financial loss to another party.

The gross credit risk exposure for the Company related to its financial instruments is as follows:

As at		March 31, 2026		December 31, 2025
Cash and cash equivalents	$	202,819	$	245,038
Preferred shares		1,701		1,686
Accrued investment income		79,303		4,954
Total	$	283,823	$	251,678

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's liquidity risk management strategy is to ensure that there will be sufficient cash to meet all financial commitments and obligations as they become due.

The majority of the Corporate Investment's obligations relate to its ability to pay annual dividend commitments, outstanding investment commitments, interest on the 4.0% senior unsecured notes and margin loan (refer to Note 13 - Borrowings) and to meet ongoing operating expenses as they fall due. In most years, the Company is able to fund these obligations by its cash flow from net investment income earned on its investment portfolio. In addition to this, the Company maintains sufficient liquidity through holding short term investments, cash equivalents and high quality marketable investments that may easily be sold, if necessary to fund new investment opportunities and to meet any operating cash flow deficiencies. The Company also uses a margin loan facility to fund certain investment opportunities or provide short term liquidity as required.

E-L Corporate's liquidity is comprised of $202,819 in cash and cash equivalents as at March 31, 2026 (December 31, 2025 - $245,038).

Market risk

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Changes in interest rates can result from many factors including general market volatility, or specific social, political or economic events.

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

E-L Corporate is not subject to significant interest rate risk, as its only fixed-interest investments and loan payable are short term in nature.

b) Equity risk

The Company maintains a strategy of long-term growth through investments in common equities as management believe that over long periods of time, common equities, as an asset class, will outperform fixed income instruments or balanced funds. The Company regularly reviews its portfolio and, while expecting and tolerating the volatility associated with such investments, attempts to mitigate its exposure to this risk through diversification.

The following table summarizes the potential impact on E-L Corporate of a change in global equity markets. E-L Corporate used a 10% increase or decrease in equity markets as such a change is considered to be a reasonably possible change in equity markets based on historic results and is a useful comparator as it is commonly used. E-L Corporate used a 20% increase or decrease in its equity market sensitivity to illustrate that changes in equity markets in excess of 10% may result in both linear and non-linear impacts, and a 20% change in equity markets is a commonly used additional sensitivity factor.

The calculations below assume that all other variables are held constant and that all of E-L Corporate's equities move according to a one-to-one correlation with the equity markets.

Effect on shareholders' net income		March 31, 2026		December 31, 2025
Investments - corporate				
10% fluctuation	$	600,600	$	632,296
20% fluctuation	$	1,201,200	$	1,264,592
Investments in associates				
10% fluctuation	$	22,689	$	23,777
20% fluctuation	$	45,378	$	47,554

Concentration of common equity holdings

E-L Corporate has a $1,036,868 (December 31, 2025 - $1,271,998) investment in an exchange traded fund which tracks the S&P 500 index representing 13% (December 31, 2025 - 15%) of E-L Corporate's total investments.

Foreign currency risk

Foreign currency risk is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in exchange rates and create an adverse effect on earnings and equity when measured in the Company's functional currency. A 10% fluctuation in the U.S. dollar would have approximately $348,789 (December 31, 2025 – $379,459) affect on shareholders' net income and 8,615 (2025 – $8,615) on other comprehensive income.

15. Empire Life risk management

Empire Life is exposed to risks arising from its investing activities and its insurance operations. The quantitative risk management exhibits that follow reflect the exposure of Empire Life to various risks. Guarantees on segregated funds are included in the Empire Life's insurance contract liabilities, and are reflected in each of the applicable disclosures, alongside other insurance business. Assets and liabilities associated with segregated fund account balances are presented as offsetting amounts in the consolidated statements of financial position, and are therefore excluded from the risk management disclosures below.

The following sections describe Empire Life's enterprise risk management framework including the principal risks and associated risk management strategies for the risks that management considers to be most significant in terms of likelihood, and the potential adverse impact on Empire Life: market, product, credit and liquidity.

In the sections that follow, Empire Life provides sensitivities and risk exposure measures for certain risks. These include sensitivities due to specific changes in market prices and interest rates, based on the market prices, interest rates, assets, liabilities and business mix in place as at the calculation dates. In addition, the sensitivities are based on methods and assumptions in effect as at the respective calculation dates. Changes in the regulatory environment, assumptions or methods used to measure assets and liabilities after those dates could result in material changes to the estimated sensitivities. The sensitivities are calculated independently for each risk variable, generally assuming that all other risk variables remain constant. The sensitivities do not take into account indirect effects such as potential impacts on goodwill impairments or valuation allowances on deferred tax assets. Net income and CSM sensitivities, as well as capital sensitivities, are based on instantaneous changes in equity markets and interest rates. Sensitivities to interest rates assume a parallel shift in the assumed interest rates across the entire yield curve, with no change to the ultimate risk-free rate or ultimate illiquidity premium in the liability discount rates. Actual results can differ materially from these estimates for a variety of reasons, including differences in the pattern or distribution of market shocks, the interaction between these risk variables, or changes in other assumptions such as business mix, effective tax rates, policyholder behaviour and other market variables relative to those underlying the calculation of the sensitivities. Actual results can differ materially from these estimates for a variety of reasons, including differences in the pattern or distribution of market shocks, the interaction among these factors when more than one factor changes; changes in actuarial and investment return and future investment activity assumptions; actual experience differing from the assumptions; changes in business mix, effective tax rates and other market factors; and the general limitations of Empire Life's internal models used for purposes of these calculations. Changes due to new sales or maturities, asset purchases/sales, or other management actions could also result in material changes to these reported sensitivities. For these reasons, the sensitivities should only be viewed as directional estimates of the underlying sensitivities for the respective factors based on the assumptions outlined and should not be viewed as predictors for Empire Life's future net income, CSM, equity and capital sensitivities. Given the nature of these calculations, Empire Life cannot provide assurance that the actual impact will be consistent with the estimates provided. Changes in risk variables in excess of the ranges illustrated may result in other than proportionate impacts. Amounts disclosed in this note do not incorporate an adjustment for non-controlling interests. References in this note to the Board of Directors, Committees, and policies are for those of Empire Life.

Market risk

Empire Life's most significant market risks are equity risk and interest rate risk. Liquidity risk, credit risk, concentration of credit risk and product risk have not changed materially since December 31, 2025. Information related to market sensitivities should be read in conjunction with the information contained in the Risk Management section of the Company's 2025 Annual Report.

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

a) Equity risk

The impacts, in millions of Canadian dollars, of one-time changes in equity markets are found below:

As at March 31, 2026	**CSM**				**Profit or loss and Equity**			
	10% Increase	10% Decrease	20% Increase	20% Decrease	10% Increase	10% Decrease	20% Increase	20% Decrease
Insurance and reinsurance contracts held	$ 89	$ (93)	$ 174	$ (187)	$ (35)	$ 33	$ (72)	$ 63
Financial assets (equities)	—	—	—	—	49	(49)	98	(99)
Total	$ 89	$ (93)	$ 174	$ (187)	$ 14	$ (16)	$ 26	$ (36)

As at December 31, 2025	CSM				Profit or loss and Equity			
	10% Increase	10% Decrease	20% Increase	20% Decrease	10% Increase	10% Decrease	20% Increase	20% Decrease
Insurance and reinsurance contracts held	$ 87	$ (92)	$ 170	$ (185)	$ (36)	$ 33	$ (73)	$ 64
Financial assets (equities)	—	—	—	—	48	(48)	96	(96)
Total	$ 87	$ (92)	$ 170	$ (185)	$ 12	$ (15)	$ 23	$ (32)

b) Interest rate risk

The impacts, in millions of Canadian dollars, of one-time changes in interest rates are found below:

As at March 31, 2026	**CSM**				**Profit or loss and Equity**			
	50 bps Increase	50 bps Decrease	100 bps Increase	100 bps Decrease	50 bps Increase	50 bps Decrease	100 bps Increase	100 bps Decrease
Insurance and reinsurance contracts held	$ (5)	$ (1)	$ (14)	$ (10)	$ 262	$ (294)	$ 499	$ (627)
Financial assets (debt instruments)	—	—	—	—	(301)	327	(573)	693
Total	$ (5)	$ (1)	$ (14)	$ (10)	$ (39)	$ 33	$ (74)	$ 66

As at December 31, 2025	CSM				Profit or loss and Equity			
	50 bps Increase	50 bps Decrease	100 bps Increase	100 bps Decrease	50 bps Increase	50 bps Decrease	100 bps Increase	100 bps Decrease
Insurance and reinsurance contracts held	$ (20)	$ (14)	$ (31)	$ (22)	$ 267	$ (301)	$ 508	$ (641)
Financial assets (debt instruments)	—	—	—	—	(311)	337	(591)	713
Total	$ (20)	$ (14)	$ (31)	$ (22)	$ (44)	$ 36	$ (83)	$ 72

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

16. Operating segments

In managing its investments, the Company distinguishes between E-L Corporate and its investment in Empire Life. The Company's E-L Corporate segment includes United, the Company's closed-end investment subsidiary, investments in associates and investments - corporate. Empire Life underwrites life and health insurance policies and provides segregated funds, mutual funds and annuity products.

The following is an analysis of significant items of profit and loss by operating segment, operating segment assets and operating segment liabilities, reconciled to the Company's consolidated financial statements. The accounting policies applied by the operating segments are the same as those for the Company as a whole.

Three months ended	**E-L Corporate**	**Empire Life**	**Total**
March 31, 2026			
Net insurance result	$ —	$ 46,503	$ 46,503
Non-insurance investment income	7,408	17,905	25,313
Total expenses	(12,584)	(53,070)	(65,654)
Income before income taxes	(5,176)	11,338	6,162
Income taxes	8,897	(113)	8,784
Net income	3,721	11,225	14,946
Less: NCI and PAR	(22,863)	5,294	(17,569)
Segment shareholders' net income	$ 26,584	$ 5,931	$ 32,515

Three months ended	E-L Corporate	Empire Life	Total
March 31, 2025			
Net insurance result	$ —	$ 129,518	$ 129,518
Non-insurance investment income	12,207	8,273	20,480
Total expenses	(12,512)	(40,457)	(52,969)
Income before income taxes	(305)	97,334	97,029
Income taxes	9,850	(23,884)	(14,034)
Net income	9,545	73,450	82,995
Less: NCI and PAR	(6,621)	3,769	(2,852)
Segment shareholders' net income	$ 16,166	$ 69,681	$ 85,847

	E-L Corporate	**Empire Life**	**Total**
March 31, 2026			
Segment assets[(1)]	$ 8,679,709	$ 20,793,801	$ 29,473,510
Segment liabilities	$ 738,606	$ 18,526,899	$ 19,265,505
December 31, 2025			
Segment assets[(1)]	$ 9,176,723	$ 20,784,354	$ 29,961,077
Segment liabilities	$ 862,382	$ 18,450,366	$ 19,312,748

[(1)] Segment assets include investments in associates of $650,916 (December 31, 2025 - $627,117).

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

The following table shows the interest and dividend income received during the period:

Three months ended	E-L Corporate	Empire Life	Total
March 31, 2026			
Interest income received	$ 2,362	$ 72,773	$ 75,135
Dividend income received	64,123	10,963	75,086
Total	$ 66,485	$ 83,736	$ 150,221
March 31, 2025			
Interest income received	$ 3,276	$ 71,518	$ 74,794
Dividend income received	71,364	11,539	82,903
Total	$ 74,640	$ 83,057	$ 157,697

Glossary of Terms

Accumulated Other Comprehensive Income ("AOCI")
A separate component of shareholders' equity and policyholders' account which includes remeasurement of post-employment benefit liabilities and certain OCI (OCL) amounts from Associates. These items have been recognized in comprehensive income but excluded from net income.

Active Market
An active market is a market in which the items traded are homogeneous, willing buyers and sellers can normally be found at anytime and prices are available to the public.

Canadian Life and Health Insurance Association ("CLHIA")

The CLHIA is an organization representing life insurance and health insurance providers in Canada. The industry develops guidelines, voluntarily and proactively, to respond to emerging issues and to ensure consumer interests are protected.

Chartered Professional Accountants of Canada ("CPA Canada")
Canada's not-for-profit association for Chartered Professional Accountants ("CPA") provides information and guidance to its members, students and capital markets. Working in collaboration with its provincial member organizations, CPA Canada supports the setting of accounting, auditing and assurance standards for business, not-for-profit organizations and government, and develops and delivers education programs.

Contractual Service Margin ("CSM")
A component of the carrying amount of the asset or liability for a group of insurance contracts representing the unearned profit the entity will recognize as it provides insurance contract services under the insurance contracts in the group.

Effective Interest Method
The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

Expected Credit Loss ("ECL")
An expected loss amount as a result of credit deterioration of the party that has been issued the credit.

Fair Value Through Profit or Loss ("FVTPL")
Invested assets are classified as financial instruments at FVTPL if they are held for trading, or if they are designated by management under the fair value option.

Fulfilment Cash Flow ("FCF")
An explicit, unbiased and probability-weighted estimate (i.e., expected value) of the present value of the future cash outflows minus the present value of the future cash inflows that will arise as the entity fulfils insurance contracts, including a risk adjustment for non-financial risk.

International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards")
Refers to the international accounting standards that were adopted in Canada, effective January 1, 2011; these are now Canadian Generally Accepted Accounting Principles for publically traded enterprises.

Life Insurance Capital Adequacy Test ("LICAT")
The LICAT measures the capital adequacy of an insurer and is one of several indicators used by OSFI to assess an insurer's financial condition. The LICAT Ratio is the ratio of eligible capital to the base solvency buffer, each as calculated under OSFI's published guidelines.

Other Comprehensive Income ("OCI"), Other Comprehensive Loss ("OCL")
Remeasurements of post-employment benefit liabilities are recorded as OCI or OCL. These remeasurements will not be reclassified to net income and will remain in AOCI.

Office of the Superintendent of Financial Institutions Canada ("OSFI")
The mandate of OSFI is to regulate and supervise federally regulated financial institutions and pension plans in Canada to contribute to public confidence in the financial system.

Participating Policies ("PAR")
The participating account includes all policies issued by Empire Life that entitle its policyholders to participate in the profits of the participating account. Empire Life has discretion as to the amount and timing of dividend payments which take into consideration the continuing solvency of the participating account.

Return on Common Shareholders' Equity ("ROE")
A profitability measure that presents the net income available to common shareholders as a percentage of the average capital deployed to earn the income.

Risk Adjustment ("RA")
The compensation an entity requires for bearing the uncertainty about the amount and timing of the cash flows that arises from non-financial risk as the entity fulfills insurance contracts.

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100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1
Toll Free: 1-800-564-6253
www.computershare.com/service

STOCK EXCHANGE LISTINGS:

Common Shares	ELF
First Preference Shares, Series 1	ELF.PR.F
First Preference Shares, Series 2	ELF.PR.G
First Preference Shares, Series 3	ELF.PR.H

WEBSITE:

www.e-lfinancial.ca

REPORTING PROCEDURE FOR ACCOUNTING MATTERS

If you have a complaint regarding accounting, internal controls or a concern regarding questionable accounting, you should submit your written complaint or concern to:

Mr. Peter Levitt
E-L Financial Corporation Limited
165 University Avenue, 10th Floor
Toronto, Ontario
M5H 3B8
Email: Peter@LevittAdvisory.ca
Phone: (647) 236-1064

You may submit your complaint or concern anonymously. Your submission will be kept confidential and will be treated in accordance with the Company's policy for reporting accounting or auditing matters.