

May 13, 2022

Dividend Notice

No change to dividend scale for 2022/2023

The Equitable Life Insurance Company of Canada is pleased to announce that its Board of Directors has approved continuing the current dividend scale for the period July 1, 2022 to June 30, 2023.

- The dividend scale interest rate will remain unchanged at 6.05%.
- Other factors used to calculate the dividend scale will also remain unchanged.
- The interest rate for dividends left on deposit will remain unchanged at 2.25% for all participating whole life policies.
- The policy loan rate will remain unchanged at 6.2%. This applies to all new and existing policy loans, including automatic premium loans on Equimax® policies that have a 9-digit policy number beginning with a “3” or an “8”. The policy loan rates on some older blocks of policies may increase or decrease because they are tied to the prime interest rate.

Policyholder dividends in the next dividend scale year would be approximately \$102 million, compared to \$85 million in the prior dividend scale year.

As a participating whole life policyholder, you are eligible to participate in the earnings in the participating account. The dividend scale is reviewed to ensure that it is set at an appropriate level. We use the dividend scale to determine the dividend payment. If a dividend is declared, it is credited to your policy as a dividend payment. Dividends are sensitive to all the factors that affect the participating account, but especially changes in investment returns.

The sustained low interest rate environment continues to put downward pressure on the experience in the participating account. If low interest rates continue, investment returns in the participating account will also be lower, and we may need to decrease the dividend scale in the future.

Equimax® participating whole life continues to deliver excellent value by providing you with lifetime protection and an opportunity for tax-advantaged growth.

How are dividends calculated?

Premiums paid for participating whole life policies cover benefits and expenses, as well as a contribution to the company's surplus. The remainder flows into the participating account and is invested. The participating account is mainly impacted by returns earned on investments and by death benefits, but also other factors such as policy loans, terminated policies, taxes and expenses. Dividend calculations consider the difference between the assumed and actual experience of the participating account. That difference can have a positive or negative impact on the dividend paid.

It's important to keep in mind that dividends and their future performance are not guaranteed and that dividends are payable at the sole discretion of the Board of Directors.

The illustration you received when you purchased your participating whole life policy was based on the dividend scale in effect at that time. It was neither a projection nor a prediction of future performance. The

purpose of that illustration was to highlight that performance is based on both guaranteed and non-guaranteed values. It shows how the policy would perform if the dividend scale illustrated remained unchanged for the life of the policy. The illustration also includes sample alternate dividend scale scenarios to help highlight the potential impact a dividend scale interest rate change has on the non-guaranteed values in the policy. It was not a prediction of the largest dividend scale change that could occur over the life of your policy.

Would you like more information?

For more information on the 2022/2023 dividend scale and Equitable Life's dividend policy, please visit the [Dividend information page](#) on our corporate website.

You can also contact your advisor or Individual Customer Service at 1.800.668.4095 for questions about the 2022/2023 dividend scale.

We work for you

As one of Canada's largest and oldest mutual life insurers we provide financial security differently by focusing exclusively on our clients. We believe in the power of working together with you and independent financial advisors across Canada to offer individual insurance, savings & retirement, and group benefits solutions so you can protect what matters today while preparing for tomorrow.

At Equitable Life we are people with a purpose and passion to provide the right solutions and experiences for you through our collaborative partnerships. We have the knowledge, experience, and the financial strength to ensure we meet our commitments to you now and in the future. The Company is owned by our participating policyholders, not shareholders. This allows us to focus on management strategies that foster prudent long-term growth, continuity and stability.

Thank you for trusting Equitable Life to help you protect what matters most.

TOGETHER – Protecting Today – Preparing for tomorrow™

As a MUTUAL we provide financial security DIFFERENTLY by focusing exclusively on our CLIENTS.

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