LICAT Public Disclosures

Co-operators Life Insurance Company

(Consolidated)

For the year ended December 31, 2021

LICAT Ratios Public Disclosure Summary

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

Companies are required, at a minimum, to maintain a Core Ratio of 55% and a Total Ratio of 90%. OSFI has established supervisory target levels of 70% for Core and 100% for Total capital.

The definition of these terms can be found in Guideline A at: LICAT - Life Insurance Capital Adequacy Test

		2021	2020	Change - %
Available Capital (AC1 + B)	**AC**	1,297,565	1,262,908	3%
Tier 1 Capital	**AC1**	1,013,115	937,166	8%
Tier 2 Capital	**B**	284,450	325,742	-13%
Surplus Allowance and Eligible Deposits	**SA + ED**	510,839	521,424	-2%
Base Solvency Buffer	**BSB**	1,140,473	1,188,250	-4%
Total Ratio ([AC + SA + ED] / BSB) x 100		159%	150%	8%
Core Ratio ([AC1 + 70% (SA +ED)] / BSB) x 100		120%	110%	11%

Significant lapse assumption changes were implemented in 2021. In particular, the higher lapses on Term products reduce the amount of business projected in the future. This results in a lower Base Solvency Buffer, Surplus Allowance, and Negative Reserves. The net effect is an increase in both the Core and Total ratios.