



For in-force policies
formerly belonging to the

London Life
participating
account

Historical dividend scale interest rate performance

On Jan. 1, 2020, we combined the Great-West Life, London Life and Canada Life Canadian open participating accounts to form the new Canada Life™ combined open participating account.

This report provides historical dividend scale interest rate performance for policies formerly belonging to the London Life participating account before the amalgamation on Jan. 1, 2020.

Dividend scale interest rates (DSIRs) shown apply to in-force policies issued between September 1968 and up to and including Dec. 31, 2019. This also includes former Prudential participating policies regardless of issue date.

Dividend scale interest rate

The dividend scale interest rate is used to determine the amount of participating policyowner dividends that come from participating account investments and other investment-related factors.

The dividend scale interest rate:

- Incorporates the smoothed investment experience of assets backing participating account liabilities for the most recent measurement period.
- Doesn't include the return on assets backing the participating account surplus.

- Doesn't include unrealized gains and losses on fixed-income assets.
- Includes the smoothed gains and losses from prior periods. The smoothing method could change in the future.
- May change depending on investment experience.
- Also reflects other investment-related factors contributing to participating account earnings, for example, policy loans.

In addition to the dividend scale interest rate, other factors play a role in calculating policyowner dividends. For example, insurance claims (mortality), policyowner behavior (including lapses), expenses, taxes, and other factors.

Average historical performance

For in-force policies formerly belonging to the London Life participating account

(at Dec. 31, 2023)

A low standard deviation means the range of performance has been narrow. This indicates there has been low volatility.

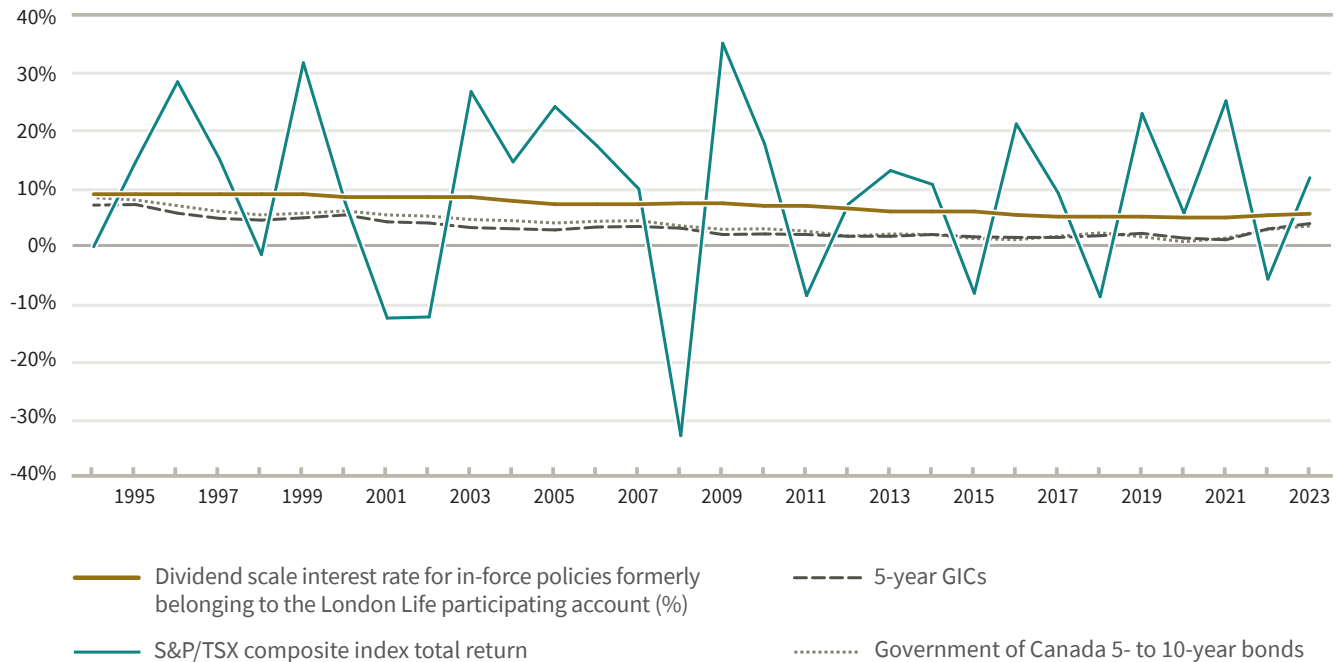
Years	1 (2023)	5 (2019 -2023)	10 (2014 -2023)	20 (2004 -2023)	30 (1994 -2023)	60 (1964 -2023)	30-year standard deviation (1994-2023)
DSIR for in-force policies formerly belonging to the London Life participating account (%)	5.50	5.09	5.25	6.12	6.97	7.46	1.48
S&P/TSX composite index total return (%)	11.75	11.30	7.62	7.79	8.06	9.18	15.57
5-year guaranteed investment certificates (GICs) (%)	3.80	2.20	1.89	2.15	3.10	N/A	1.70
Government of Canada 5- to 10-year bonds (%)	3.38	1.92	1.75	2.46	3.65	6.22	2.08
Consumer price index (%)	3.40	3.48	2.58	2.16	2.05	3.86	1.27

All historical average annual returns are geometric means.

Stability

Historically, the dividend scale interest rate for all in-force policies formerly belonging to the London Life participating account issued before Jan. 1, 2020, has remained stable during times of economic change compared to returns on many financial investments.

Returns (at Dec. 31, 2023)



88-1753

- The annual dividend scale interest rate and the historical average dividend scale interest rate for 30 years or less applies to policies issued post-September 1968, which have a variable policy loan rate provision. Policies issued before this date have a fixed policy loan rate provision and may have a different dividend scale interest rate. The 60-year average annual rate is a blended average of the dividend scale interest rate that applies to policies that have a variable policy loan rate provision (1969 to 2019) and the dividend scale interest rate that applies to policies that have a fixed policy loan rate provision (1964 to 1968).
- The dividend scale interest rate is used to calculate the investment component of participating policyowner dividends. It's based on assets backing the participating account liabilities as well as other investment related factors, such as policy loans. It doesn't include the returns on assets backing the participating account surplus.

On Jan. 1, 2020, we combined the Great-West Life, London Life and Canada Life Canadian open participating accounts to form the new Canada Life combined open participating account. To obtain participating account return and other key performance details for the Canada Life combined open account refer to Canada Life 2023 Financial facts from your advisor or at canadalife.com.

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The dividend scale interest rate can't be directly tied to the cash value growth in a particular policy. The actual cash value growth in any policy varies based on several factors, such as type of product, product features, premium-paying period, issue age, dividend option, the policyowner dividend scale and others.

Year	Dividend scale interest rate (%)	Government of Canada 5- to 10-year bond return (%)	5-year GIC return (%)	Consumer price index (%)	S&P/TSX composite index total return (%)
1994	8.90	8.26	7.34	0.23	-0.18
1995	8.90	7.93	7.06	1.74	14.53
1996	8.90	6.86	5.64	2.16	28.35
1997	8.90	5.87	4.71	0.78	14.98
1998	8.90	5.26	4.38	1.00	-1.58
1999	8.90	5.56	4.81	2.63	31.71
2000	8.40	5.96	5.34	3.20	7.41
2001	8.40	5.32	4.05	0.72	-12.57
2002	8.40	5.08	3.91	3.80	-12.44
2003	8.40	4.54	3.13	2.08	26.72
2004	7.73	4.34	2.92	2.13	14.48
2005	7.16	3.89	2.71	2.09	24.13
2006	7.16	4.18	3.16	1.67	17.26
2007	7.16	4.25	3.31	2.38	9.83
2008	7.32	3.36	3.01	1.16	-33.00
2009	7.32	2.84	1.95	1.32	35.05

2000
Dot-com bubble pops

2001
9/11 – Bank of Canada lowers benchmark interest rates into early 2002 to help restore consumer and investor confidence

2008-2009
Recession

Year	Dividend scale interest rate (%)	Government of Canada 5- to 10-year bond return (%)	5-year GIC return (%)	Consumer price index (%)	S&P/TSX composite index total return (%)
2010	6.87	2.88	1.97	2.35	17.61
2011	6.87	2.47	1.87	2.30	-8.71
2012	6.42	1.63	1.65	0.83	7.19
2013	5.90	1.99	1.63	1.24	12.99
2014	5.90	1.87	1.92	1.47	10.55
2015	5.90	1.19	1.47	1.61	-8.32
2016	5.30	1.02	1.42	1.50	21.08
2017	5.00	1.61	1.39	1.87	9.10
2018	5.00	2.22	1.69	1.99	-8.89
2019	5.00	1.53	2.08	2.25	22.88
2020	4.85	0.65	1.28	0.73	5.60
2021	4.85	1.27	0.99	4.80	25.09
2022	5.25	2.78	2.87	6.32	-5.84
2023	5.50	3.38	3.80	3.40	11.75

2010-2020

Bank of Canada
benchmark
interest rates
at or near
historic lows

2020

Canada Life forms
the new Canada Life
combined open
participating account

Performance data is provided for illustrative purposes only. It represents past performance, which is not predictive of future performance. This information is intended for informational purposes only; it's accurate to the best of our knowledge as of May 1, 2024.

Notes:

- This report provides the dividend scale interest rate applicable for all in-force policies, formerly belonging to the London Life participating account before the amalgamation, issued between September 1968 and up to and including Dec. 31, 2019. This also includes former Prudential participating policies regardless of issue date.
- The dividend scale interest rate may be calculated and reported differently from company to company and should not be assumed to be comparable. For example, account composition, investment strategies and the smoothing method for calculating the DSIR, may change over time and may differ from other companies.
- Investment income is only one factor that goes into determining the actual dividends distributed to a participating policy.

- S&P/TSX Composite Index total return includes the reinvestment of dividends.
- Five-year GIC returns are the nominal yields to maturity. Source: Statistics Canada, CANSIM table 176-0043, series V80691341 (Bank of Canada website), Feb. 8, 2024.
- Government of Canada five- to 10-year bond returns. Source: Statistics Canada, CANSIM table 176-0043, series V122486 (Statistics Canada website), Feb. 8, 2024. For each calendar year, the average of the monthly values was used.
- Consumer price index inflation rates are based on the change from December to December. Source: Statistics Canada, CANSIM table 326-0020, series V41690973 (Statistics Canada website), Feb. 8, 2024.



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