

2025 LICAT Ratio Public Disclosure Summary

First Canadian Insurance Corporation is a Canadian life and accident and sickness insurance company whose primary regulator is the Alberta Superintendent of Financial Institutions. The Alberta Superintendent of Financial Institutions adopted the Office of Superintendent of Financial Institutions (OSFI) new regulatory capital framework, the Life Insurance Capital Adequacy Test (LICAT) on January 1, 2018.

Companies are required, at minimum, to maintain a Core Ratio of 55% and a Total Ratio of 90%. The Alberta Superintendent of Financial Institutions has adopted OSFI's established supervisory target levels of 70% for Core Ratio and 100% for Total Ratio.

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

		2025 (\$'000)	2024 (\$'000)	Change
Tier 1 Capital	(AC1)	138,736	126,979	9%
Tier 2 Capital	(B)	3,820	3,514	9%
Available Capital (AC1 + B)	(AC)	142,556	130,311	9%
Surplus Allowance and Eligible Deposits	(SA+ED)	19,126	20,029	-5%
Base Solvency Buffer (includes OSFI scalar of 1.00)	(BSB)	72,992	76,966	-5%
Total Ratio ((AC+SA+ED) / BSB) x 100		222%	196%	26%
Core Ratio ((AC1+(70% SA)+(70% ED)) / BSB) x 100		208%	183%	25%

The Total Ratio and Core Ratio period changes are mainly due to an increase in Tier 1 Capital as a result of annual earnings, and a decrease in market risk due to changes in the investment portfolio, which supported the increase in LICAT ratios.