

# CONSOLIDATED STATEMENTS OF OPERATIONS

For the years ended December 31, (in millions of Canadian dollars, except for per share amounts)	2024	2023
<b>Insurance service result</b>		
Insurance revenue (Note 10)	\$ 22,637	\$ 21,356
Insurance service expenses (Note 10)	(19,631)	(18,450)
Reinsurance contract held net income (expenses) (Note 10)	85	(69)
<b>Net insurance service result</b>	<b>3,091</b>	<b>2,837</b>
<b>Investment result</b>		
Investment result excluding result for account of segregated fund holders:		
Net investment income (loss) (Note 5)	7,415	11,586
Insurance finance income (expenses) from insurance contracts issued (Note 5)	(5,139)	(9,675)
Insurance finance income (expenses) from reinsurance contracts held (Note 5)	51	59
Decrease (increase) in investment contract liabilities	(393)	(331)
Net investment result excluding result for account of segregated fund holders	1,934	1,639
Investment result for insurance contracts for account of segregated fund holders:		
Investment income (loss) on investments for account of segregated fund holders	2,316	1,793
Insurance finance income (expenses) (Note 21)	(2,316)	(1,793)
Net investment result for insurance contracts for account of segregated fund holders	—	—
<b>Net investment result</b>	<b>1,934</b>	<b>1,639</b>
<b>Fee income (Note 16)</b>	<b>8,581</b>	<b>7,832</b>
<b>Other expenses (income)</b>		
Other income	(163)	(169)
Operating expenses and commissions (Note 17)	8,766	7,995
Interest expenses	664	552
<b>Total other expenses (income)</b>	<b>9,267</b>	<b>8,378</b>
<b>Income (loss) before income taxes</b>	<b>4,339</b>	<b>3,930</b>
Less: Income tax expense (benefit) (Note 19)	1,040	461
<b>Total net income (loss)</b>	<b>3,299</b>	<b>3,469</b>
Less: Net income (loss) allocated to the participating account (Note 20)	42	178
Net income (loss) attributable to non-controlling interests	128	126
<b>Shareholders' net income (loss)</b>	<b>3,129</b>	<b>3,165</b>
Less: Dividends on preferred shares and distributions on other equity instruments	80	79
<b>Common shareholders' net income (loss)</b>	<b>\$ 3,049</b>	<b>\$ 3,086</b>
<b>Average exchange rates during the reporting periods:</b>	<b>U.S. dollars</b>	
	<b>1.37</b>	<b>1.35</b>
<b>Earnings (loss) per share (Note 25)</b>		
Basic	\$ 5.27	\$ 5.27
Diluted	\$ 5.26	\$ 5.26
<b>Dividends per common share</b>	<b>\$ 3.240</b>	<b>\$ 3.000</b>

The attached notes form part of these Consolidated Financial Statements.

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

For the years ended December 31, (in millions of Canadian dollars)	2024	2023
<b>Total net income (loss)</b>	<b>\$ 3,299</b>	<b>\$ 3,469</b>
<b>Other comprehensive income (loss), net of taxes:</b>		
Items that may be reclassified subsequently to income:		
Change in unrealized foreign currency translation gains (losses):		
Unrealized gains (losses)	1,346	(290)
Reclassifications to net income (loss)	—	(49)
Change in unrealized gains (losses) on investments at fair value through other comprehensive income:		
Unrealized gains (losses)	166	482
Reclassifications to net income (loss) and provision for credit losses recognized into income	(62)	3
Change in unrealized gains (losses) on cash flow hedges:		
Unrealized gains (losses)	111	(11)
Reclassifications to net income (loss)	(106)	28
Share of other comprehensive income (loss) in joint ventures and associates:		
Unrealized gains (losses)	196	(44)
Reclassifications to net income (loss)	5	—
<b>Total items that may be reclassified subsequently to income</b>	<b>1,656</b>	<b>119</b>
Items that will not be reclassified subsequently to income:		
Remeasurement of defined benefit plans	19	(105)
Share of other comprehensive income (loss) in joint ventures and associates	(7)	7
Revaluation of property, plant and equipment	1	—
<b>Total items that will not be reclassified subsequently to income</b>	<b>13</b>	<b>(98)</b>
<b>Total other comprehensive income (loss)</b>	<b>1,669</b>	<b>21</b>
<b>Total comprehensive income (loss)</b>	<b>4,968</b>	<b>3,490</b>
Less: Comprehensive income (loss) allocated to the participating account (Note 20)	39	187
Non-controlling interests' comprehensive income (loss) (Note 20)	138	123
<b>Shareholders' comprehensive income (loss)</b>	<b>\$ 4,791</b>	<b>\$ 3,180</b>

## INCOME TAXES INCLUDED IN OTHER COMPREHENSIVE INCOME (LOSS)

For the years ended December 31, (in millions of Canadian dollars)	2024	2023
<b>Income tax benefit (expense):</b>		
Items that may be reclassified subsequently to income:		
Unrealized foreign currency translation gains (losses)	\$ (2)	\$ (5)
Unrealized gains (losses) on investments at fair value through other comprehensive income	(44)	(120)
Reclassifications to net income (loss) and provision for credit losses recognized into income on investments at fair value through other comprehensive income	14	(7)
Unrealized gains (losses) on cash flow hedges	(15)	(1)
Reclassifications to net income (loss) for cash flow hedges	11	(6)
<b>Total items that may be reclassified subsequently to income</b>	<b>(36)</b>	<b>(139)</b>
Items that will not be reclassified subsequently to income:		
Remeasurement of defined benefit plans	(7)	38
<b>Total items that will not be reclassified subsequently to income</b>	<b>(7)</b>	<b>38</b>
<b>Total income tax benefit (expense) included in other comprehensive income (loss)</b>	<b>\$ (43)</b>	<b>\$ (101)</b>

The attached notes form part of these Consolidated Financial Statements.

# CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at December 31, (in millions of Canadian dollars)

2024

2023

## Assets

Cash, cash equivalents and short-term securities (Note 5)	\$ 13,873	\$ 13,173
Debt securities (Notes 5 and 6)	81,955	75,493
Equity securities (Notes 5 and 6)	9,974	7,138
Mortgages and loans (Notes 5 and 6)	57,619	54,600
Derivative assets (Notes 5 and 6)	1,971	2,183
Other financial invested assets (Note 5)	13,306	10,361
Financial assets	178,698	162,948
Investment properties (Note 5)	9,290	9,723
Other non-financial invested assets (Note 5)	1,829	1,657
Invested assets	189,817	174,328
Other assets (Note 8)	7,021	6,462
Reinsurance contract held assets (Note 10)	6,318	5,794
Insurance contract assets (Note 10)	355	184
Deferred tax assets (Note 19)	3,910	3,878
Intangible assets (Note 9)	5,058	5,174
Goodwill (Note 9)	9,456	8,969
Total general fund assets	221,935	204,789
Investments for account of segregated fund holders (Note 21)	148,786	128,452
<b>Total assets</b>	<b>\$ 370,721</b>	<b>\$ 333,241</b>

## Liabilities and equity

### Liabilities

Insurance contract liabilities excluding those for account of segregated fund holders (Note 10)	\$ 147,269	\$ 135,669
Reinsurance contract held liabilities (Note 10)	1,825	1,623
Investment contract liabilities (Note 5)	11,678	11,672
Derivative liabilities (Notes 5 and 6)	2,077	1,311
Deferred tax liabilities (Note 19)	286	281
Other liabilities (Note 11)	26,292	23,655
Senior debentures (Note 12)	200	200
Subordinated debt (Note 13)	6,179	6,178
Total general fund liabilities	195,806	180,589
Insurance contract liabilities for account of segregated fund holders (Note 21)	20,097	19,041
Investment contract liabilities for account of segregated fund holders (Note 21)	128,689	109,411
<b>Total liabilities</b>	<b>\$ 344,592</b>	<b>\$ 309,041</b>

### Equity

Issued share capital and contributed surplus	\$ 10,526	\$ 10,660
Shareholders' retained earnings and accumulated other comprehensive income	15,031	12,922
Total shareholders' equity	25,557	23,582
Equity in the participating account	496	457
Non-controlling interests' equity	76	161
<b>Total equity</b>	<b>\$ 26,129</b>	<b>\$ 24,200</b>
<b>Total liabilities and equity</b>	<b>\$ 370,721</b>	<b>\$ 333,241</b>

Exchange rates at the end of the reporting periods:

U.S. dollars

1.44

1.32

The attached notes form part of these Consolidated Financial Statements.

Approved on behalf of the Board of Directors on February 12, 2025.



**Kevin Strain**  
Chief Executive Officer



**Helen Malloy Hicks**  
Director

# CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, (in millions of Canadian dollars)

2024

2023

## Shareholders:

### Preferred shares and other equity instruments (Note 14)

Balance, beginning and end of year	\$ 2,239	\$ 2,239
------------------------------------	----------	----------

### Common shares (Note 14)

Balance, beginning of year	8,327	8,311
Stock options exercised	47	56
Common shares purchased for cancellation	(182)	(40)
Balance, end of year	8,192	8,327

### Contributed surplus

Balance, beginning of year	94	90
Share-based payments	5	11
Stock options exercised	(4)	(7)
Balance, end of year	95	94

### Retained earnings

Balance, beginning of year	12,157	11,176
Net income (loss)	3,129	3,165
Dividends on common shares	(1,875)	(1,762)
Dividends on preferred shares and distributions on other equity instruments	(80)	(79)
Common shares purchased for cancellation (Note 14) and other	(727)	(146)
Transfer from accumulated other comprehensive income (loss)	—	(37)
Changes attributable to acquisition	—	(160)
Balance, end of year	12,604	12,157

### Accumulated other comprehensive income (loss), net of taxes (Note 26)

Balance, beginning of year	765	713
Total other comprehensive income (loss) for the year	1,662	15
Transfer to retained earnings	—	37
Balance, end of year	2,427	765

<b>Total shareholders' equity, end of year</b>	<b>\$ 25,557</b>	<b>\$ 23,582</b>
--	------------------	------------------

## Equity in the participating account:

Balance, beginning of year	\$ 457	\$ 270
Net income (loss)	42	178
Total other comprehensive income (loss) for the year (Note 26)	(3)	9

<b>Total equity in the participating account, end of year</b>	<b>\$ 496</b>	<b>\$ 457</b>
---	---------------	---------------

## Non-controlling interests:

Balance, beginning of year	\$ 161	\$ 90
Net income (loss)	128	126
Total other comprehensive income (loss) for the year (Note 26)	10	(3)
Distribution to non-controlling interests	(223)	(52)

<b>Total non-controlling interests' equity, end of year</b>	<b>\$ 76</b>	<b>\$ 161</b>
---	--------------	---------------

<b>Total equity</b>	<b>\$ 26,129</b>	<b>\$ 24,200</b>
---------------------	------------------	------------------

The attached notes form part of these Consolidated Financial Statements.

# CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31, (in millions of Canadian dollars)

2024

2023

## Cash flows provided by (used in) operating activities

Income (loss) before income taxes	\$ 4,339	\$ 3,930
Adjustments:		
Interest expense related to financing activities	398	408
(Decrease) increase in investment contract liabilities	393	331
Changes in insurance contract liabilities and assets	2,133	6,769
Changes in reinsurance contract held assets and liabilities	(136)	10
Realized and unrealized (gains) losses and foreign currency changes on invested assets	129	(4,657)
Sales, maturities and repayments of invested assets	52,512	43,457
Purchases of invested assets	(61,251)	(48,579)
Income taxes received (paid)	(1,138)	(1,240)
Mortgage securitization (Note 5)	(265)	(39)
Other operating activities	5,418	5,222
Net cash provided by (used in) operating activities	2,532	5,612

## Cash flows provided by (used in) investing activities

Net (purchase) sale of property and equipment	(143)	(172)
Investment in and transactions with joint ventures and associates (Note 15)	(17)	(75)
Dividends and other proceeds related to joint ventures and associates (Note 15)	160	32
Acquisitions, net of cash and cash equivalents acquired (Note 3) <sup>(1)</sup>	—	(439)
Dispositions, net of cash and cash equivalents disposed (Note 3) <sup>(2)</sup>	—	297
Other investing activities	(337)	(202)
Net cash provided by (used in) investing activities	(337)	(559)

## Cash flows provided by (used in) financing activities

Increase in (repayment of) borrowed funds (Note 11)	23	(72)
Issuance of subordinated debt, net of issuance costs (Note 13)	746	497
Increase in (repayment of) borrowings from credit facility	(340)	141
Redemption of senior debentures and subordinated debt (Notes 12 and 13)	(750)	(1,000)
Issuance of common shares on exercise of stock options	43	49
Transactions with non-controlling interests	(223)	(52)
Common shares purchased for cancellation (Note 14)	(855)	(186)
Dividends paid on common and preferred shares	(1,962)	(1,882)
Payment of lease liabilities	(175)	(176)
Interest expense paid	(389)	(405)
Net cash provided by (used in) financing activities	(3,882)	(3,086)
Changes due to fluctuations in exchange rates	471	(169)
Increase (decrease) in cash and cash equivalents	(1,216)	1,798
Net cash and cash equivalents, beginning of year	11,170	9,372
Net cash and cash equivalents, end of year	9,954	11,170
Short-term securities, end of year	3,744	2,003
Net cash, cash equivalents and short-term securities, end of year (Note 5)	\$ 13,698	\$ 13,173

<sup>(1)</sup> Consists of total cash consideration paid of \$522, less cash and cash equivalents acquired of \$83 for the year ended December 31, 2023.

<sup>(2)</sup> Consists of total cash consideration received of \$516, less cash and cash equivalents disposed of \$219 for the year ended December 31, 2023.

The attached notes form part of these Consolidated Financial Statements.