



INDIVIDUAL • GROUP •  
Founded in  
**1889**  
INVESTMENT & RETIREMENT

**UV**  
INSURANCE

Annual Report  
**2023**

Rooted in Our  
**Mutualist Values**

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UV Insurance is a member of Assuris. Assuris is the not-for-profit organization that protects Canadian policyholders if their life insurance company should fail. Details about Assuris' protection are available at [www.assuris.ca](http://www.assuris.ca) or by calling the Assuris Information Centre at 1-866-878-1225.

## Our Mission

A team dedicated to delivering an experience and innovative solutions that promote financial and overall health.

**“Insure” peace of mind**

## Our Vision

A high-performance, high-tech mutual company, recognized for its quality products and its experts who deliver outstanding, locally based service.

**On December 29, 1889, our mutual was founded as the Union Saint-Joseph.**

Our mutual was born from the initiative of François-Xavier-Édouard Demers and 12 citizens who wanted a mutual fund to cater to their needs in case of illness or death.

134 years later, we are still driven by the same values!



## Our Values, our Strengths

### Focus

Our passion and commitment drive us, collectively, to exceed and succeed. This notion of excellence nurtures our sense of belonging to our team and makes us all extremely proud of our mutual company.

### Open-Mindedness

We listen and are willing to think outside the box. We are a dynamic team that encourages consultation and initiative, with a focus on constantly acting in the best interests of our insured members and partners.

### Respect

We deliver high-quality customer service driven by empathy and the utmost respect. Respect also consists in applying the highest standards of ethical conduct in the performance of our duties.

### Competence

Our team is talented, professional and highly skilled. Our professionalism and expertise ensure we deliver service with excellence.

### Engagement

We are committed to making a difference through our support for community action. We strive to contribute to the social, environmental and economic development of our community and to provide equal opportunities for all.

### Solidarity

We are individuals who care about each other's well-being. We are committed to working together in an effort to optimize our effectiveness and service. We all have our place and importance within our team.



# Board of Directors

Cooperative Principle  
**Democratic Control  
by Members**

Cooperatives and mutuals are democratic organizations controlled by their members, who are actively involved in policy-making and decision-making. Each member has the same right to vote (one member, one vote).

# Message from the Chairman of the Board

Alain Bédard



## Resilience at the Heart of our Business Model

Indicative of a world in constant transformation, 2023 once again saw us evolve in a fragile environment marked by a tense geopolitical situation and an inflationary context, which, throughout the year, caused financial uncertainty for both households and businesses. Despite this situation, the objectives of our business plan have been successfully met thanks to the agility and commitment of all UV Insurance employees.

Cooperatives and mutuels have always demonstrated great resilience in the face of global crises, and UV Insurance is no exception. The richness of our model, both economic and human, has allowed us not only to survive and prosper over more than a century, but also to propel our growth in recent years despite the collateral effects of the pandemic. In the various sections of our annual report, you will have the opportunity to discover the 7 cooperative principles, declared by the International Cooperative Alliance, which have guided our daily actions for 134 years now, and that make us particularly proud of our roots.



Cooperatives and mutuels have always demonstrated great resilience in the face of global crises, and UV Insurance is no exception.



## On the Road to New Strategic Directions

This year, we present the very first edition of our financial statements under the new IFRS 17 accounting standard. A tremendous amount of work has been done by our internal team, who has worked hard to make this important shift, which has been a major challenge for insurers.

Guided by an ambitious new strategic plan to position UV Insurance in the Canadian life and health insurance market over the next few years, we continued our growth plans and technological advances while exploring new acquisition opportunities to diversify our activities. For the coming years, the integration of environmental, social and governance (ESG) criteria into all of our business practices has also been a priority, guiding our efforts to fight climate change and ensure sustainability for future generations.

The Board of Directors and the management team have a close and strong relationship that allows me to witness with enthusiasm the great expertise and professionalism of the team that deals with a considerable workload on a daily basis in a demanding regulatory environment. Following the strategic session held in the fall, I am convinced that we have all the elements in hand to achieve the ambitions of our new strategic plan, which will ultimately propel UV Insurance to new heights without compromising our mutualist values.

“ I am confident that we have all the elements in hand to achieve the ambitions of our new strategic plan. ”



Ms. Louise Turgeon, a retiring director surrounded by the next generation of women

### Governance and Oversight Activities

During the year, Louise Turgeon, an important figure in the major transformation of UV Insurance, completed her term as a director after six years of commitment. She has left an indelible mark on the conduct of projects and paved the way for more women on the Board of Directors. I would like to thank her for her wise counsel and her passion for corporate governance and sustainability. Her departure has led to the appointment of Ms. Josée Germain, whose extensive experience in management and finance is already highly beneficial to our work. Furthermore, our work would not proceed as smoothly without the input of the Secretary of the Board of Directors, Mr. Éric Timmons, who has been instrumental over the past few years in establishing high-level governance through his rigour and exceptional reporting. Recently promoted to Senior Director, Project Office and Strategic Planning at UV Insurance, in 2024 he will pass the torch of corporate secretary to our Chief Compliance Officer, Joëlle Girouard. The Board of Directors joins me in thanking Mr. Timmons for his dedication and in wishing them both great success in their new roles.

My colleagues and I have closely monitored the implementation of several projects, including the deployment of the guideline on information and technology risk management, the migration of individual and group insurance policies to the new platforms and the implementation of Law 25 on the protection of personal information. To that end, the protection of the personal information of our mutualists, clients and partners remains a top priority. We have the tools and dedicated staff in place to ensure a high level of monitoring and we are working hard to secure our environment and raise awareness among our stakeholders.

Through training, we have also increased our knowledge of various issues related to the company, including human resources, the impact of climate change and the integration of ESG criteria, mutuality, as well as the new IFRS 17 standard.

### Closing Remarks

I would like to point out the exceptional dynamism shown by our president and CEO, Mr. Christian Mercier. Through his involvement in the insurance network, notably with the Canadian Life and Health Insurance Association, located in Montreal and Toronto, and through his public appearances at various conferences, he has enabled UV Insurance to stand out and shine beyond its products and services. One of his greatest strengths is certainly his ability to bring people together and create synergies by giving a voice to those around him and by energizing emerging leaders.

I would also like to extend a special thanks to my colleagues on the Board of Directors who, with their varied and complementary expertise and their open and caring approaches, exercise high quality governance to ensure not only profitable growth in our business, but also a healthy work environment for our valuable internal resources that are at the root of our success.

Thank you to our distribution network for your loyalty to our teams, products and services. When you choose UV Insurance for your clients, you participate in the mutual and cooperative movement and contribute positively to the sharing of assets and collective enrichment.

Together, we have the power to make a real difference!

Sincerely,

Alain Bédard, IAS, A, FSA, FCIA  
Chairman of the Board

# Members of the Board of Directors



**Alain Bédard**  
IAS, A, FSA, FCIA  
President of the Board



**Marco Fillion**  
C. Dir., FSA, FCIA  
First VP of the board,  
President, Audit and Risk Management Committee



**Gérard Guilbault**  
CFA, ASC  
Second VP of the board,  
President, Investment Committee



**Fabienne Lacoste**  
CFA  
Director,  
Member, Investment Committee



**Marc Boisselle**  
LL. B.  
Director,  
Member, Ethics and Governance Committee



**Gilles Pepin**  
P.Eng., M. Sc. A.  
Director,  
Member, Ethics and Governance Committee



**New Director**  
**Josée St-Germain**  
CPA, ASC  
Director,  
Member, Audit and Risk Management Committee



**Paule-Anne Morin**  
Adm.A., CMC, CSA, C. Dir.  
Director,  
Member, Audit and Risk Management Committee



**Geneviève Verrier**  
ASC, MBA, DESS  
Director,  
President, Ethics and Governance Committee

**Experienced professionals  
who exercise their oversight role  
with rigour while looking out for  
the interests of our mutualists!**



Delegate  
Effectively

# Senior Management

Cooperative Principle

## Voluntary and Open Membership

Cooperatives and mutuals are voluntary organizations open to anyone who is able to use their services and who is willing to assume the responsibilities of membership without being discriminated against on the basis of gender, social status, ethnicity or political, or religious affiliation.



# Message from the Chief Executive Officer

Christian Mercier



## A Landmark Recognition

The year 2023 ended with an exceptional recognition from our distribution network that enabled UV Insurance to stand out significantly with its first appearance in the Insurance Barometer published by *Finance et investissement*. This annual publication is the result of an extensive survey of independent advisors on their perceptions of 23 insurance companies conducting business in Quebec. In life insurance, UV Insurance ranked in 7 out of 9 categories and was a big winner in 5 of them, ahead of the big players in the industry. After a tremendous effort made by our teams to modernize our tools, our products and our approach, we can be proud of this recognition, which comes directly from our valued business partners, and confirms the leading position place we are carving out for ourselves within the industry. As we approach our 135<sup>th</sup> anniversary, I am moved to see that our deeply shared values of commitment, caring, and community service are not only still alive and well,



As we approach our 135<sup>th</sup> anniversary, I am moved to see that our deeply shared values of commitment, caring and community service are not only still alive and well, but are also valued and recognized.



## People, Our Best Resource

At the beginning of the year, we launched our new employer brand under the theme “Better together.” This initiative, which aims to strengthen and promote our corporate culture, reflects our commitment to putting the well-being and professional development of people at the forefront of our daily success. Because we are working hard to provide the best possible work environment, we were successful again this year in maintaining the BNQ Healthy Enterprise standard and were named one of Canada’s Top 100 Employers in the SME category.

In terms of human resources, we have expanded our benefits portfolio to attract and retain talent, we have revised our salary structure upwards, and we have updated our succession plan. While the labour shortage continues to affect the employment market, we are doing well and have met our staffing needs with quality candidates.

Conducting an extensive organizational survey of our employees demonstrated an outstanding 91% engagement rate, and the majority of our employees are satisfied with their work environment and are proud to work at UV Insurance. I can only be pleased with these results, which reflect the well-being of our employees and confirm the corporate culture we are promoting. I am fortunate to be surrounded by excellent managers who are caring to their teams, who are engaged, motivated, and ready to meet the challenges of our ever-changing reality. Since the creation of The Leadership Circle, which brings managers together at different times of the year to network, share experiences and attend training courses, I have seen many positive results. This strengthened relationship allowed us this year to make a smooth transition to a new organizational structure that now consolidates insurance operations under one entity. This reorganization is designed to position us well in the face of growth opportunities in the coming years and has resulted in internal promotions that foster women's leadership.

“  
**Conducting an extensive organizational survey of our employees demonstrated an outstanding 91% engagement rate...**

”

## Winning Alliances

In anticipation of our 135<sup>th</sup> anniversary in 2024–2025, we have begun to reconnect with our origins, putting our mutualist essence back into the heart of our business model in order to honour our 12 founders and continue our rich heritage. That is why we have joined the *Conseil québécois de la coopération et de la mutualité (CQCM)*, a particularly dynamic group that is recognized by the Government of Quebec as one of the preferred resources on social economics. Our active involvement in the CQCM allows us to see the full scope and positive impact of the cooperative and mutual movement in Quebec and elsewhere in Canada and to forge close ties with our counterparts in a spirit of inter-cooperation.

Sustainable development, which is intrinsically part of our mutualist culture, has become a business priority, and this year we have dedicated the resources needed to achieve our objectives by officially appointing a standard-bearer and acquiring the services of a specialized consulting firm. As social involvement is an important dimension of sustainable development, we continue to act for a better world by returning some of our benefits to the community. In order to prioritize high-impact courses of action and in keeping with our mission, we refocused our donation and sponsorship policy on three areas: health and well-being, education and social exclusion. We build strong relationships with the organizations we support, and many of our employees are proactive in volunteering or sitting on boards of directors.

UV Insurance has also demonstrated a strong presence in the insurance network and is recognized for its expertise in cybersecurity, Law 25, Development and Operational Resilience where a few key resources are often invited to participate in different forums.

## Individual, Group and Investment-Retirement Business Development

In individual insurance, we have taken on the Ontario market by integrating two new resources into sales that are helping to strengthen our existing relationships and develop new partnerships. This strategy is already proving to be a winner as we had a record year for selling our products; the entire team is more engaged than ever in continuing our historic growth. The same is true for investment and retirement, whose rising interest rates have created a real appetite for the GIC-type products we offer at lower rates. In this environment, we have far exceeded our annual targets and are very proud of that.

As for group insurance, which is offered mainly in Quebec, we have achieved our objectives, although the efforts of our teams have been focused more on migrating records into our new business system and deploying our first-ever mobile app that will welcome its first users in the near future.

“  
**One of our strengths at UV Insurance is without a doubt our attentiveness and agility in building strong partnerships to meet the needs of our network.**

”

One of our strengths at UV Insurance is without a doubt our attentiveness and agility in building strong partnerships to meet the needs of our network. In 2023, we worked on a number of promising projects that will soon see the light of day and that will enable us to accelerate the growth of our business. The projects we undertake would not be possible without the approval of our Board of Directors, which plays a pivotal role in achieving our ambitions. In the fall, we brought together the Board of Directors and the Executive Committee for a key strategic session on our future plans, and the discussions were particularly promising. Our directors exercise their oversight role with great rigour and we are fortunate to have the expertise of experienced individuals who have the interests of all our stakeholders at heart.

## Closing Remarks

Every year, when I reflect on our journey, I am always amazed at the magnitude of our accomplishments. That is why I would like to begin by expressing my immense gratitude to the employees, managers and management of UV Insurance, whose dedication was the centrepiece of our success in 2023. I am proud to lead an organization with a human dimension that is going full steam ahead and devoting all of its energy to ensuring the peace of mind of Canadian families.

Our major transformation over the past few years and our growth plans are firmly focused on continuing to work with our distribution network. Thank you to all the staff of the managing general agent firms and our independent advisors for helping us through our evolution and for reiterating your confidence in our state-of-the-art products, services and tools. You are also an integral part of our success, and I am very grateful.

Finally, I would like to thank our thousands of mutualists across Canada who share our vision and choose to invest in a model that promotes innovation, social responsibility and democratic power for the benefit of a committed and prosperous society. Thank you for being part of the movement!

If the success of the past year is any indication of the future, I can confirm that our mutual has a bright and promising road ahead!



Christian Mercier, OMM, MSM, CD, MDS  
Chief Executive Officer





**Christian Mercier**  
 OMM, MSM, CD, MDS  
 Chief Executive Officer



**Pierre Parenteau**  
 FSA, FCAS, FCIA, CERA  
 Senior Vice-President,  
 Actuarial and Finances  
 and Appointed Actuary



**Sylvain Paré**  
 ASA, ACIA  
 Senior Vice-President,  
 Insurance Operations



**Jean-Mathieu Sigouin**  
 BA  
 Senior Vice-President,  
 Strategy and Innovation



**Guillaume Fauteux**  
 Vice-President,  
 Business Development and Marketing  
 Individual Insurance and Investment &  
 Retirement



**François Girard**  
 ASA  
 Vice-President,  
 Business Development  
 Group Insurance



**Eric Timmons**  
 ASA, ACIA  
 Senior Director,  
 Project Office and  
 Strategic Planning



**Benoit Choinière**  
 CPA  
 Senior Director,  
 Finance



**Maryse Galarneau**  
 CPHR  
 Manager,  
 Human Resources



**Steeve Desbiens**  
 CPA, CMA  
 Manager,  
 Internal Audit



**Joëlle Girouard**  
 LL. B.  
 Chief Compliance Officer



**Marilyn Baril**  
 Chief,  
 Sustainability Officer and  
 Public Affairs



**Pascale Di Stasio**  
 Senior Manager,  
 Administration and Claims  
 Individual Insurance



**Marie-France Noël**  
 Senior Director,  
 Disability Claims  
 Group Insurance



**Geneviève Bourgeois**  
 FSA, FCIA  
 Senior Director,  
 Health and Dental Claims  
 Group Insurance



**Sophie Lachance**  
 FSA, FCIA  
 Senior Manager,  
 Valuation, Solvency  
 and Risk



**Eric Gemme**  
 Senior Manager,  
 Architecture and Governance

**Leadership  
 in Action**  
 at UV Insurance



# Networks and Partners

Cooperative Principle

## Member Economic Participation

Members control and contribute equitably to the capital invested in their cooperative through democracy.

# Highlights of the Year

## UV Insurance, an Example for Independent Advisors

Our mutual stood out significantly in the 2023 edition of the Insurance Barometer published by *Finance et Investissement*. This annual publication is the result of an extensive survey of independent advisors on their perceptions of 23 insurance companies doing business in Quebec. In life insurance, UV Insurance came out a big winner in 5 out of 9 categories ahead of the big players in the industry.

This is in addition to 4<sup>th</sup> place for the best technology tools and 5<sup>th</sup> place for both the best Term Life Insurance product line and the best advisor compensation. After a tremendous effort made by our teams to modernize our tools, our products and our approach, we can be proud of this recognition, which comes directly from our valued business partners, and confirms the leading position place we are carving out for ourselves within the industry.

## Big Winner in 5 Categories

- 1 Best training activities for advisors
- 2 Best client service for advisors (wholesalers)
- 3 Best underwriting for clients
- 4 Most efficient processing of new insurance policies
- 5 Best training activities for advisors

Ranked among the top **300 SMEs** in Quebec



Once more, UV Insurance was ranked among Quebec's 300 largest SMEs this year. A recognition that makes us proud to contribute to the economic development of our region through a strong business model that remains on a human scale.

Ranked among the **Top 2023** Canada's Small & Medium Employers



Our mutual stood out nationally by being named for the first time in Canada's top SME ranking in 2023, which was published in *The Globe and Mail*. Our employee wellness culture and technological innovations over the past few years have helped us stand out from the competition.

## UV Insurance Gains Market Share in Life and Health Insurance

In its latest annual report, the *Autorité des marchés financiers* presents UV Insurance as one of the 10 largest insurers in the Quebec life and health insurance market.

Over **\$173 M** in Paid Benefits

**162%** Solvency Ratio

Net Income **\$11,5 M**



## Insurance Operations

Appointment  
**Sylvain Paré**

Senior Vice-President, Insurance Operations

To accelerate growth and optimize our processes, we have reorganized our business lines and created the Insurance Operations division, which brings together the administration of Individual, Group and Investment & Retirement insurance under the leadership of Sylvain Paré. He continues to oversee all activities and Business Development in Group Insurance.

## Actuarial and Finances

### Successful Transition Towards the New IFRS 17 Accounting Standard

IFRS 17 is a newly introduced financial reporting standard published by the International Accounting Standards Board. It came into effect in January 2023, replacing the previous IFRS 4. This standard establishes the principles for the recording, measurement, and presentation of insurance contracts. Its main objective is to ensure that entities present relevant information that accurately portrays these contracts, providing a basis for users of financial statements to assess their impact on the entity's financial situation, financial performance and cash flows.

The introduction of this new accounting standard has proven to be a daunting challenge as it completely changes the accounting and actuarial methods that are critical functions for insurers.

The challenge was even greater for a mutual such as UV Insurance, which has limited resources, but it was successfully met thanks to the mobilization of our teams.

## Investment & Retirement

### Record Year in Investment & Retirement

While interest rates had been sluggish since the 2008 financial crisis, the 2022 and 2023 upturn sparked a real buzz for GIC-type products, one which had not been seen in several years. The fast-paced equity markets combined with the attractive rates we offered in the market drove many investors to our guaranteed products, allowing us to far exceed our annual target.

## Strategy and Innovation

Appointment

**Jean-Mathieu Sigouin**

Senior Vice-President, Technology & Innovation

In addition to his role in Information Technology, Mr. Sigouin was appointed head of Business Development in Individual Insurance and Investment & Retirement. Since the sale of our products and services is driven by our cutting-edge technology, this appointment confirms the critical role of innovation in the distribution of our insurance products.



# 2023 Management Appointments



**Geneviève Bourgeois**

FSA, FCIA

Senior Director,  
Administration and  
Group Insurance Claims



**Sophie Lachance**

FSA, FCIA

Senior Manager,  
Valuation, Solvency  
and Risk



**Pascale Di Stasio**

Senior Manager,  
Administration and Claims  
Individual Insurance



**Benoit Choinière**

CPA

Senior Manager,  
Finance



**Julie Thomassin**

Manager,  
Communications  
& Marketing



**Karine Rioux**

Manager,  
Customer Experience  
and Investment-retirement



**Isabelle Langlois**

Manager,  
Contract administration



**Yanic Boisvert**

Director,  
IT Business Solutions



**Joëlle Girouard**

LL. B.

Chief Compliance Officer



**Marilyn Baril**

Chief,  
Public Affairs  
and ESG Practices



**Ritchie Cairnduff**

FSA, FCIA, CERA

Manager,  
Valuation



**Eric Timmons**

ASA, ACIA

Senior Director,  
Project Office and  
Strategic Planning

**These appointments demonstrate  
our commitment to driving ambition  
at all levels for an inclusive and  
egalitarian environment.**



# Group Insurance

Notwithstanding the large number of projects we had to deliver this year, our group insurance sales team worked tirelessly to promote our offer to the market, enabling us to achieve our sales targets. All of our teams have been highly sought after to advance the various files that are underway, while continuing to provide high quality service, as demonstrated by our client satisfaction survey results.

## A New Product at the Intersection of Individual and Group Insurance

Over the course of the year, we have been working on a brand new critical illness offer that will be rolled out to our group members. This new product, which will be launched in 2024, will be available on a web platform. No medical exam is required and payments are made by credit card. It is an affordable solution in just a few minutes!

## Instant Critical Illness Insurance

In partnership with **maple**  
Virtual care provider



# Individual Insurance

## A Noticeable Presence in the Market

UV Insurance is more visible than ever in the network! In individual insurance, we have multiplied our presentations, meetings, WebCoffees, and our presence at all of our distribution partners' events.

One of our mutualist strengths is our responsiveness and agility to quickly adapt our products and services to meet market demands. That's what we did last spring by further simplifying our simplified individual insurance issuance process, and sales results were on track throughout the year; we even exceeded targets!

## A Year-End Under the Theme of What's New

**In November, we expanded our offer by introducing two new products,** a whole life insurance product payable until age 100 and a 15-year term for term life insurance. Both products are also available on a simplified issue basis, a model that provides the same benefits as regular underwriting products, but without requiring a medical exam.



Appointment  
**Tania Di Chiara**

Inside Sales Representative  
Strategy and Innovation



Appointment  
**Ryan Ellis**

Inside Sales Representative  
Strategy and Innovation



# Summary Consolidated Financial Statements

Cooperative Principle

## Autonomy and Independence

Cooperatives and mutuals are autonomous entities. They are self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from outside sources, they do so in a way that ensures that members exercise democratic control and maintain their autonomy.

# Management Report

The preparation of the consolidated financial statements is the responsibility of management, and have been approved by the Board of Directors. The summary consolidated financial statements are derived from those prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards). They include certain amounts based on best estimates and judgments that are appropriate to the Company's circumstances.

Internal control systems are in place to ensure the accuracy of financial information and control of operations.

In accordance with the provisions of the Quebec *Insurers Act*, the Board of Directors names the appointed actuary, who is responsible for valuing actuarial liabilities in accordance with the standards of practice of the Canadian Institute of Actuaries.

The independent auditor, appointed by the mutualists of the Company, ensures that the consolidated financial statements have been prepared in accordance with IFRS Accounting Standards.

The Board of Directors' Audit and Risk Management Committee, consisting of independent directors, ensures that management assumes its responsibility for financial disclosure. This committee has full authority to obtain from management any information it requires to form its opinion.



Christian Mercier, OMM, MSM, CD, MDS  
**Chief Executive Officer**

February 27, 2024

# Appointed Actuary's Report

## To the Mutualists of UV Insurance

I have valued the policy liabilities and reinsurance recoverables of UV Insurance for its consolidated statement of financial position as of December 31, 2023, and the changes in the consolidated statement of income for the year then ended in accordance with accepted Canadian actuarial practice in Canada, including selection of appropriate assumptions and methods.

In my opinion, the amount of policy liabilities net of reinsurance recoverables represents an appropriate provision for all policy obligations. Furthermore, the consolidated financial statements fairly present the results of the valuation.

The valuation complies with the Quebec *Insurers Act* and the related regulations.



Pierre Parenteau, FSA, FCAS, FCIA, CERA  
**Senior Vice-President & Appointed Actuary**

February 27, 2024

# Independent Auditor's Report on the Summary Consolidated Financial Statements

## Independent Auditor's Report on the Summary Consolidated Financial Statements

To the mutualists of The Union Life Mutual Assurance Company

### Our opinion

In our opinion, the accompanying summary consolidated financial statements of The Union Life Mutual Assurance Company and its subsidiaries (collectively, the "Company") are consistent, in all material respects, with the audited consolidated financial statements, based on the criteria described in the related note to the summary consolidated financial statements.

### The summary consolidated financial statements

The Company's summary consolidated financial statements derived from the audited consolidated financial statements for the year ended December 31, 2023 include:

- ▶ the summary consolidated statement of financial position as at December 31, 2023;
- ▶ the summary consolidated statement of net income for the year then ended;
- ▶ the summary consolidated statement of comprehensive income for the year then ended; and
- ▶ the related note.

The summary consolidated financial statements do not contain all the disclosures required by the International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS accounting standards). Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

### The audited consolidated financial statements and our report thereon

We expressed an unmodified audit opinion on the consolidated financial statements in our report dated February 27, 2024.

### Management's responsibility for the summary consolidated financial statements

Management is responsible for the preparation of the summary consolidated financial statements on the basis described in the related note to the summary consolidated financial statements.

### Auditor's responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respect, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, *Engagements to Report on Summary Financial Statements*.

*PricewaterhouseCoopers s.e.c./s.e.n.c.l.<sup>1</sup>*

Québec, Québec February 27, 2024

<sup>1</sup> CPA Auditor, Public Accountancy Permit A138082

PricewaterhouseCoopers LLP  
Place de la Cité, Tour Cominar, 2640 Laurier Boulevard, Suite 1700, Québec, Québec, Canada G1V 5C2  
T: 1-418-522-7001 F: 1-418-522-5663

\*PwC\* refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

# Summary Consolidated Financial Statements

## Summary Consolidated Statement of Financial Position

As of December 31, 2023  
(in thousands of Canadian dollars)

### Assets

#### Investments

Bonds  
Preferred stocks  
Common stocks  
Private equity  
Loans  
Derivative financial instruments

Reinsurance contract assets

#### Other assets

Cash and cash equivalents  
Accrued investment income  
Accounts receivable and others  
Current tax assets  
Prepaid expenses  
Defined benefit assets  
Property and equipment  
Intangible fixed assets  
Deferred tax assets  
Goodwill

### Liabilities

Insurance contract liabilities

#### Other liabilities

Accounts payable and others  
Investment contract liabilities  
Defined benefit liabilities  
Lease obligations  
Current income tax liabilities  
Deferred tax liabilities

### Mutualists' equity

#### Retained earnings

#### Accumulated other comprehensive income

	December 31 2023 \$	December 31 2022 (restated) \$	January 1 <sup>st</sup> 2022 (restated) \$
<b>Investments</b>			
Bonds	1,316,356	1,193,566	1,552,192
Preferred stocks	191,930	190,242	296,120
Common stocks	31,822	26,579	30,032
Private equity	87,455	66,226	36,947
Loans	16,949	16,272	16,513
Derivative financial instruments	3,901	1,419	4,002
	<b>1,648,413</b>	<b>1,494,304</b>	<b>1,935,806</b>
Reinsurance contract assets	565,994	520,580	663,815
<b>Other assets</b>			
Cash and cash equivalents	6,949	6,914	12,106
Accrued investment income	11,888	10,627	9,299
Accounts receivable and others	825	1,032	726
Current tax assets	596	253	-
Prepaid expenses	1,848	1,585	769
Defined benefit assets	5,499	4,839	-
Property and equipment	16,622	17,635	18,837
Intangible fixed assets	10,686	12,541	14,462
Deferred tax assets	36,523	34,630	15,109
Goodwill	348	348	348
	<b>91,784</b>	<b>90,404</b>	<b>71,656</b>
	<b>2,306,191</b>	<b>2,105,288</b>	<b>2,671,277</b>
<b>Liabilities</b>			
Insurance contract liabilities	1,881,640	1,720,483	2,254,956
<b>Other liabilities</b>			
Accounts payable and others	13,623	17,247	11,751
Investment contract liabilities	173,054	148,773	146,340
Defined benefit liabilities	8,719	8,069	10,195
Lease obligations	640	875	1,078
Current income tax liabilities	2,257	24	311
Deferred tax liabilities	-	17	128
	198,293	175,005	169,803
	<b>2,079,933</b>	<b>1,895,488</b>	<b>2,424,759</b>
<b>Mutualists' equity</b>			
Retained earnings	219,957	207,367	200,430
Accumulated other comprehensive income	6,301	2,433	46,088
	226,258	209,800	246,518
	<b>2,306,191</b>	<b>2,105,288</b>	<b>2,671,277</b>

Approved by the Board,

 

Alain Bédard, President

Marco Fillion, First VP

## Summary Consolidated Statement of Net Income

For the fiscal year ending December 31, 2023  
(in thousands of Canadian dollars)

	2023	2022
	\$	(restated) \$
Insurance revenue	209,981	195,043
Insurance service expenses	(199,855)	(186,150)
Net expenses from reinsurance contracts	(7,292)	(8,975)
<b>Insurance service result</b>	<b>2,834</b>	<b>(82)</b>
Net investment income (loss)	147,204	(370,531)
Net finance income (expenses) from insurance contracts	(168,587)	517,951
Net finance income (expenses) from reinsurance contracts	49,882	(140,055)
Movement in investment contract liabilities and interest on deposits	(5,089)	(3,337)
<b>Net financial result</b>	<b>23,410</b>	<b>4,028</b>
Other income	2,247	2,189
Other operating expenses	(16,438)	(16,429)
<b>Income (loss) before income taxes</b>	<b>12,053</b>	<b>(10,294)</b>
Income tax expense (recovery)	521	(5,543)
<b>Net income (loss)</b>	<b>11,532</b>	<b>(4,751)</b>

## Summary Consolidated Statement of Comprehensive Income (Loss)

For the fiscal year ending December 31, 2023  
(in thousands of Canadian dollars)

	2023	2022
	\$	(restated) \$
<b>Net income (loss)</b>	11,532	(4,751)
<b>Other comprehensive income</b>		
<b>Items that may be reclassified subsequently to net income</b>		
Revaluation of defined benefit plan assets and liabilities, net of \$163 in income taxes (\$3,057 in 2022)	(452)	8,479
Change in gains (losses) on securities designated at the FVOCI, net of tax net of income taxes of \$1,939 (\$14,582 in 2022)	5,378	(40,446)
<b>Comprehensive income (loss)</b>	<b>16,458</b>	<b>(36,718)</b>

Relate note

### Criteria for preparing summary consolidated financial statements

The Union Life Mutual Assurance Company (the "Company") prepared consolidated financial statements as at December 31, 2023, in compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS accounting standards). The Company's Board of Directors authorized publication of the consolidated financial statements on February 27, 2024.

For inclusion in this annual report, the Company opted to draw up summary consolidated financial statements as at December 31, 2023.

The summary consolidated financial statements are prepared pursuant to the following criteria:

- The consolidated statements of financial position, net income and comprehensive income are prepared using the same headings as the consolidated financial statements;
- The consolidated statements of cash flow and changes in mutualists' assets as well as the appended notes are not presented.

A copy of the consolidated financial statements can be obtained by contacting the Company's head office.







# Internal Strength

Cooperative Principle  
**Education, Training  
and Information**

Cooperatives and mutuals offer training to their members, representatives, managers, and employees so that they can contribute effectively to the development of their cooperatives. They also educate the general public, especially young people and policy-makers, about the nature and virtues of cooperation.

Better  
**together.**

## Maintaining the **BNQ – Healthy Enterprise Standard**

At the end of the year, we successfully completed the evaluation for the maintenance of the BNQ – Healthy Enterprise standard, a certification that is very important to us and that demonstrates our commitment to providing a healthy living environment for our employees and their families.

## Highlights Raised During the Audit

UV Insurance is perceived by its employees as **an accommodating and caring employer.**

The Health, Safety and Wellness Committee is recognized for initiatives that **have a positive impact on the health of individuals and the organization.**



## Internal Wins

The year 2023 marked the launch of our new employer brand. Under the slogan “Better together,” the new human resources image reflects UV Insurance’s commitment to its employees by focusing on the well-being and professional development of the people who make it successful every day.

“

The benefits of working at UV are many, and we are proud to provide a work environment that promotes the well-being and the personal and professional growth of our employees. Our employer brand is an extension of that vision and a reflection of our commitment to our employees.

”

– Maryse Galarneau, Manager, Human Resources



# Promoting Health and Well-Being

As a life and health insurer, we believe that health and balanced lifestyles are important aspects of human resilience for our mutualists, our employees and their families. That's why we are putting a lot of energy into providing a multitude of initiatives, including nutrition and mental health training, coaching, sports registration and healthy snacks.

## Getting Together

The President's Dinner and the New Year's BBQ are key annual initiatives that gather our employees from Quebec, New Brunswick and Ontario to get to know each other better and celebrate our successes.



## A Day Off at UV Insurance

UV Insurance is also a family story! To support our employees with young children in their work-life balance, we organized a day of activities during the school break. About 50 children became one-day employees and enjoyed a series of fun, educational and sporting events. There was a lot of energy in the air!



## Together, Let's Move!

We offer our employees and their families many opportunities to get moving, whether it's through the gym at our head office, group classes, a generous allowance for the purchase of sports equipment, or participation in races. Over the past few years, we have also launched the November Challenge, designed to overcome the dreariness by accumulating points for the number of minutes spent doing physical activity and by taking on team challenges.

# Employee Commitment

## Christian Mercier

Chief Executive Officer

- ▶ Canadian Life and Health Insurance Association (CLHIA)  
Director
- ▶ Canada Company, Quebec  
Director

## François Girard

Vice-President, Business Development, Group Insurance

- ▶ Insurance Industry Pension Committees  
Independent member

## Joëlle Girouard

Chief Compliance Officer

- ▶ Fondation du Cégep de Drummondville  
Chair of the Governing Board
- ▶ Jeune chambre de Drummond  
Jeune leader en entreprise et membre du comité leadership au féminin

## Maryse Galarneau

Manager, Human Resources

- ▶ Maison des arts Desjardins de Drummondville  
Director
- ▶ CPE La Maison de Bécassine  
Director

## Pierre Parenteau

Senior Vice-President, Actuarial and Finances & Appointed Actuary

- ▶ Corporation des Petits Chanteurs de Trois-Rivières  
Director and Treasurer
- ▶ SOCODEVI  
Director and Treasurer

## Guillaume Fauteux

Vice-President, Business Development and Marketing, Strategy and Innovation

- ▶ Comité des dirigeants de vente du Québec (CDVQ)  
Chair

## Philippe Morin

Department head, Quotes and Renewals

Policy Issuance

- ▶ Parrainage civique Drummond  
Director

## Amélie Caya Houle

Digital Communications and Marketing Advisor

- ▶ Appartenance Drummond  
Director

## Sylvain Paré

Senior Vice-President, Insurance Operations

- ▶ Quebec Drug Insurance Pooling Corporation  
Director

## Eric Timmons

Senior Director, Project Office and Strategic Planning

- ▶ Cégep de Drummondville  
Director

## Marilyn Baril

Head, Public Affairs and ESG Practices

- ▶ Centre de pédiatrie sociale Les Petits Bonheurs  
Member, Campaign Cabinet

## Jean-Mathieu Sigouin

Senior Vice-President, Strategy and Innovation

- ▶ Village Québécois d'Antan  
Chair of the Board and Executive Council

## Marie-France Noël

Senior Director, Claims Insurance Operations

- ▶ José-Maria School  
Parent member, Vice-Chair and parent committee representative
- ▶ José-Maria School  
Parent member
- ▶ Comité de parents du Centre de services scolaires des Trois-Lacs  
Parent representative for José-Maria School



## Our Expertise for the Benefit of the Community

In business, in the community, or in the insurance network, **our employees and management are actively involved in sharing their expertise** and making a real difference.



# Community

Cooperative Principle

## Commitment to the Community

Cooperatives work towards sustainable community development through policies approved by their members.

Employees involved in the  
2023 Corvée du printemps  
at the Centre Normand-Léveillé

## Community and Social Involvement

UV Insurance is an important player in the community and social development of the Drummondville region, and also supports a number of initiatives elsewhere in Quebec and Ontario. Through the funding we provide annually to communities, we are giving everyone an equal opportunity to help build a more resilient, educated and healthy world.

### Our Privileged Niches



Health and Wellness



Education



Social Exclusion

In a spirit of inter-cooperation, UV Insurance has partnered with *Caisse Desjardins de Drummondville* and *Promutuel Centre-Sud* to support various promising initiatives in the region. This has made it possible to significantly increase the funding provided to organizations, in addition to encouraging mutual support and sharing.

# More than \$800,000 donated to the community in 2023

“ Mutual aid, solidarity and inter-cooperation are values that drive us within the mutual and cooperative movement, and that is why we join forces to support projects that are important to us. ”

– Christian Mercier, Chief Executive Officer



## Fondation du Centre Normand-Léveillé

For several years now, our three organizations have been involved in funding various activities of this foundation, which helps people living with significant physical limitations. Together, we have chosen to take one step further to have a direct impact on families by committing to the *Créateurs de Victoires* program, which offers respite stays.



## La Joséphine Race

This partnership, in collaboration with the City of Drummondville, enabled us to host the very first *La Joséphine* race in Quebec, a 100% women's international walking and running event that aims to support women with breast cancer. The benefits of this event went to the Fondation René-Verrier, which used the money raised to establish a new support program exclusively for women.

## Committed to a Sustainable World

Sustainable development is rooted in the very foundations of our mutualist identity. When 12 Drummondville citizens created UV Insurance in 1889, it was with the desire to meet their family's needs and ensure a secure future, which is the very definition of sustainable development, that is, "development that meets the needs of the present without compromising the ability of future generations to meet their own needs." It is in this spirit and with a resolute focus on a more sustainable future that we are firmly committed to a structuring approach that is part of our strategic planning 2023–2027 as one of our 4 business objectives. This reflects the importance we place on integrating ESG criteria across our practices. We have also created a new service that combines public affairs and sustainable development.

## Spring Cleanup

Several employees and their families were there once again this year to take part in an annual cleanup in Drummondville. A great opportunity to connect with colleagues while helping each other!



## First Sustainable Mobility Week

The Green Committee and the Workplace, Health, Security and Well-Being Committee have teamed up to set up the first ever Sustainable Mobility Week, during which our employees were invited to use alternative modes of transportation, both in their business and personal travel, to reduce their carbon footprint. We also took the opportunity to offer employees a free bicycle repair workshop that was very much appreciated!



## New Green Committee

A Green Committee was formed internally by passionate employees who care about the health of our planet. Together, they have already helped to improve practices at head office and to extend the horizons of our employees by providing training on sustainable mobility and waste sorting, and taking concrete action to reduce our environmental footprint.

# Proud Member



The spirit of mutualism is embodied every day by all members of our great UV Insurance community.

**Thank you for embracing our vision and sharing our values!**

