

GREAT-WEST LIFECO INC.

BMO Capital Markets
2018 Fixed Income Financial Services Conference
Gord Menzie, SVP, Corporate Finance & Treasury



Cautionary notes

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This document may contain forward-looking statements. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" and other similar expressions or negative versions thereof. These statements may include, without limitation, statements about the Company's operations, business, financial condition, expected financial performance (including revenues, earnings or growth rates), ongoing business strategies or prospects, and possible future actions by the Company, including statements made with respect to the expected benefits of acquisitions and divestitures. Forward-looking statements are based on expectations, forecasts, estimates, predictions, projections and conclusions about future events that were current at the time of the statements and are inherently subject to, among other things, risks, uncertainties and assumptions about the Company, economic factors and the financial services industry generally, including the insurance and mutual fund industries. They are not guarantees of future performance, and the reader is cautioned that actual events and results could differ materially from those expressed or implied by forward-looking statements. Material factors and assumptions that were applied in formulating the forward-looking information contained herein include the assumption that the business and economic conditions affecting the Company's operations will continue substantially in their current state, including, without limitation, with respect to customer behaviour, the Company's reputation, market prices for products provided, sales levels, premium income, fee income, expense levels, mortality experience, morbidity experience, policy lapse rates, reinsurance arrangements, liquidity requirements, capital requirements, credit ratings, taxes, inflation, interest and foreign exchange rates, investment values, hedging activities, global equity and capital markets, business competition and other general economic, political and market factors in North America and internationally. Many of these assumptions are based on factors and events that are not within the control of the Company and there is no assurance that they will prove to be correct. Other important factors and assumptions that could cause actual results to differ materially from those contained in forward-looking statements include customer responses to new products, impairments of goodwill and other intangible assets, the Company's ability to execute strategic plans and changes to strategic plans, technological changes, breaches or failure of information systems and security (including cyber-attacks), payments required under investment products, changes in local and international laws and regulations, changes in accounting policies and the effect of applying future accounting policy changes, unexpected judicial or regulatory proceedings, catastrophic events, continuity and availability of personnel and third party service providers, the Company's ability to complete strategic transactions and integrate acquisitions and unplanned material changes to the Company's facilities, customer and employee relations or credit arrangements. The reader is cautioned that the foregoing list of assumptions and factors is not exhaustive, and there may be other factors listed in the Company's filings with securities regulators, including factors set out in the Company's 2017 Annual MD&A under "Risk Management and Control Practices" and "Summary of Critical Accounting Estimates", which, along with other filings, is available for review at www.sedar.com. The reader is also cautioned to consider these and other factors, uncertainties and potential events carefully and not to place undue reliance on forward-looking statements. Other than as specifically required by applicable law, the Company does not intend to update any forward-looking statements whether as a result of new information, future events or otherwise.

CAUTIONARY NOTE REGARDING NON-IFRS FINANCIAL MEASURES

This document contains some non-IFRS financial measures. Terms by which non-IFRS financial measures are identified include, but are not limited to, "operating earnings", "adjusted net earnings", "constant currency basis", "premiums and deposits", "sales", "assets under management", "assets under administration" and other similar expressions. Non-IFRS financial measures are used to provide management and investors with additional measures of performance to help assess results where no comparable IFRS measure exists. However, non-IFRS financial measures do not have standard meanings prescribed by IFRS and are not directly comparable to similar measures used by other companies. Refer to the appropriate reconciliations of these non-IFRS financial measures to measures prescribed by IFRS in the Company's Q1 2018 Management's Discussion and Analysis which is available for review at www.sedar.com.

Company snapshot



- Global financial services holding company with interests in life and health insurance, retirement and investment services, asset management and reinsurance
- Operations in Canada, Europe and the U.S. through Great-West Life, London Life, Canada Life, Irish Life, Great-West Financial and Putnam Investments
- \$1.4 trillion in assets under administration and market capitalization of \$33 billion
- Financial strength ratings of AA by S&P and Aa3 by Moody's
- Member of the Power Financial Corporation group of companies

Canada

- Leading market share in major segments; diversified mix of products and services
- #1 in individual life insurance; #1 in segregated funds
- Top 3 market share in group life & health and pensions
- Extensive distribution platform based on three distinct brands

Europe & Reinsurance

- Market leader in U.K group risk and strong position in U.K payout annuities
- Leading market positions across our Irish Life business
- Fast growing position in German unit-linked broker market
- Profitable and diversified reinsurance business

U.S.

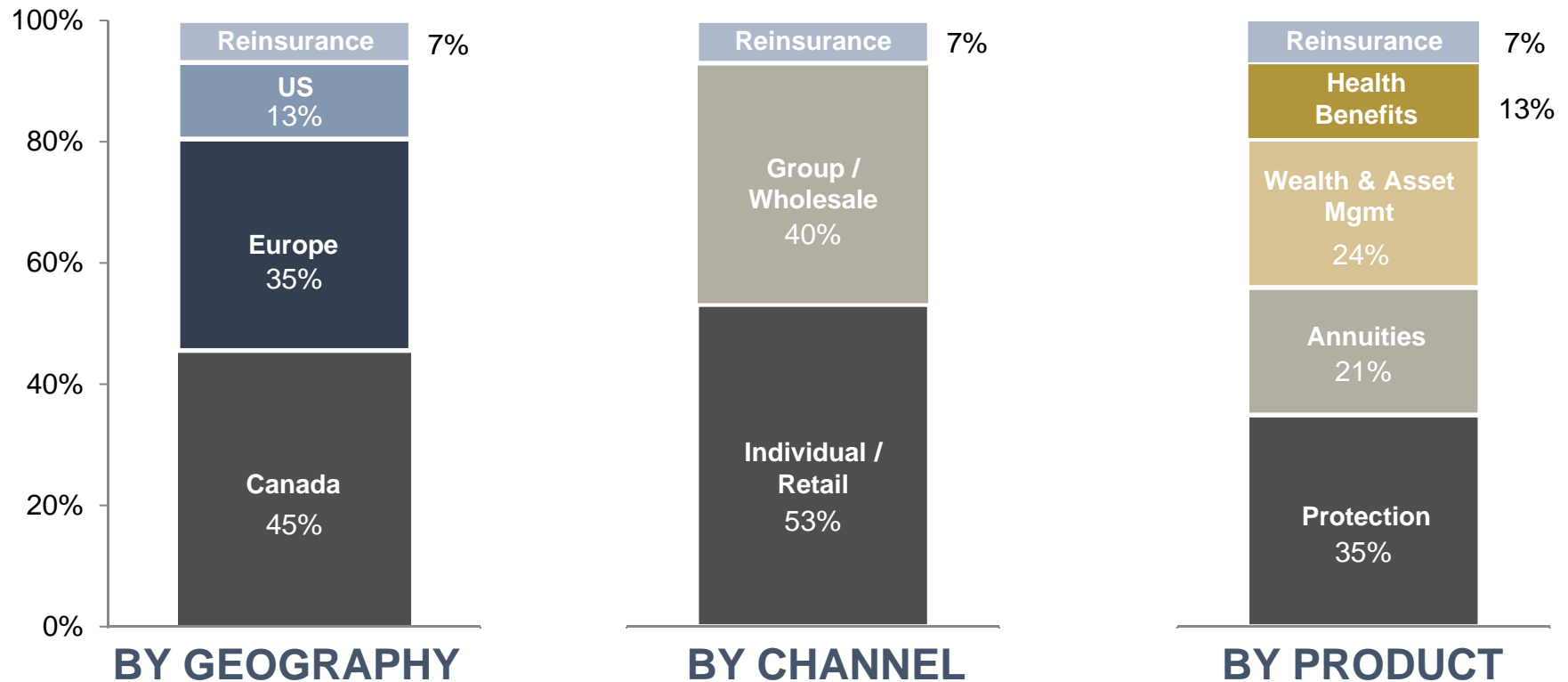
- #2 U.S. record keeper for DC retirement plans; AUA of U\$534B and 8.5M participants
- Globally diversified asset management platform
- 30% market share of individual life insurance sold through the retail bank channel



Note: All references to dollars throughout this presentation are Canadian Dollars unless otherwise noted; AUA and market capitalization as of March 31, 2018

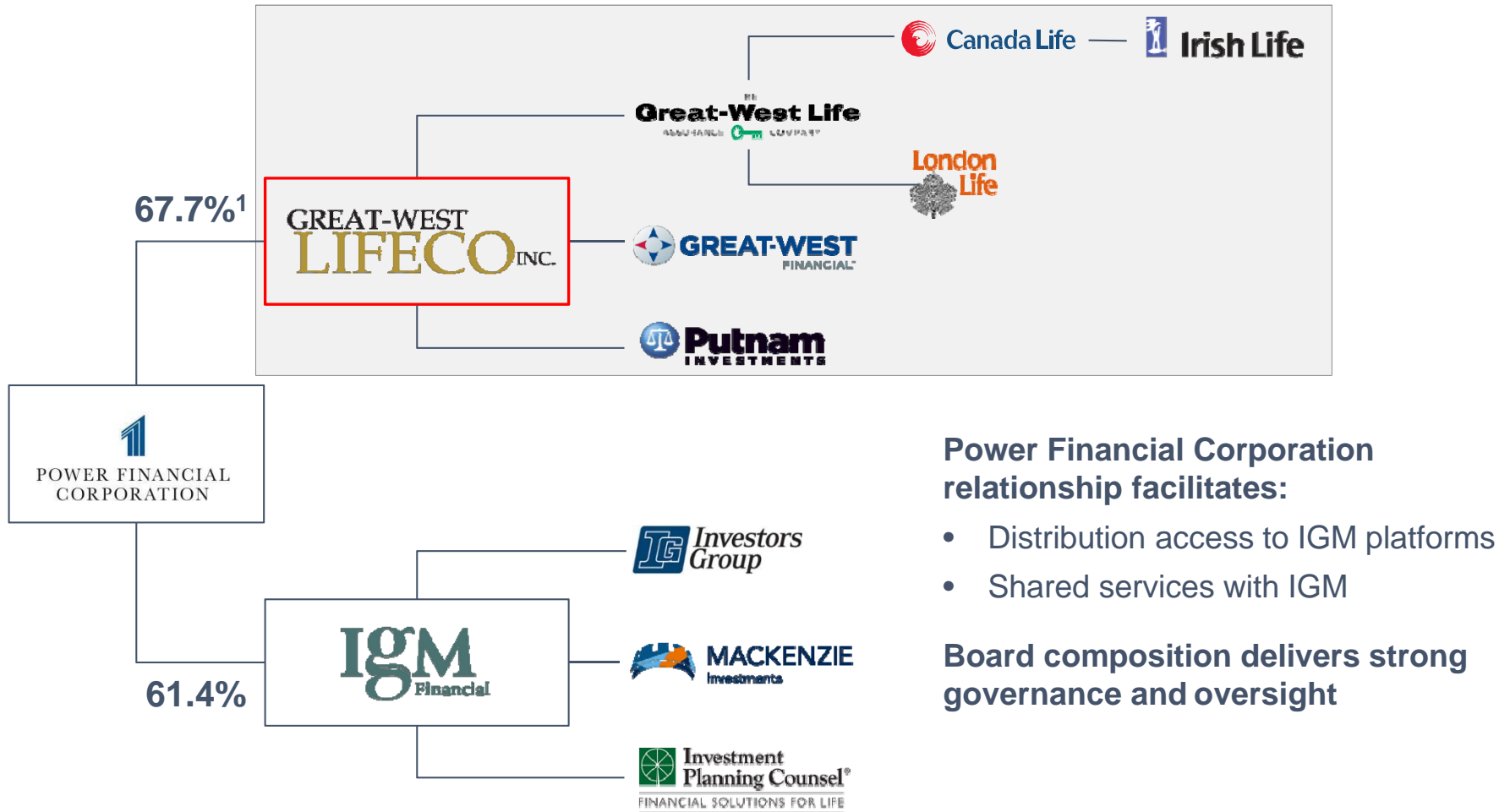
Diversified across geographies, channels and products

2017 Adjusted Net Earnings \$2.6B



Note: Based on 2017 adjusted net earnings of \$2.6B, which exclude restructuring costs and one-time items. Adjusted net earnings is a non-IFRS measure. Refer to the reconciliation of adjusted net earnings to net earnings, the measure prescribed by IFRS, in the Company's 2017 Management's Discussion and Analysis.

Significant benefits from corporate structure



Note: As of March 31, 2018

1. IGM also owns 4% of Great-West Lifeco Inc.

Key company metrics

Adjusted Net Earnings ^{*(1)}	\$2.6	Holding Company Cash	\$0.8
Adjusted ROE	13.8%	Financial Leverage	27.1%
Sales*	\$117	Financial Strength Ratings ⁽²⁾	
Assets Under Management	\$718	S&P	AA
Assets Under Administration	\$1,392	Moody's	Aa3
IFRS equity	\$26	Regulatory Capital Ratios	
Market Capitalization	\$33	LICAT ⁽²⁾	130%
		RBC ^{*(3)}	502%

As of March 31, 2018, in C\$billions unless otherwise indicated (*Indicates as of and for the year ended Dec. 31, 2017)

- Adjusted net earnings exclude restructuring charges and one-time items. Adjusted net earnings is a non-IFRS measure. Refer to the reconciliation of adjusted net earnings to net earnings, the measure prescribed by IFRS, in the Company's 2017 Management's Discussion and Analysis.
- Financial strength ratings and LICAT ratios for The Great-West Life Assurance Company
- RBC ratio for GWL&A

Canada overview

Adjusted Earnings	Sales	AUA
\$1,219	\$13,608	\$181,881

Individual Customer
<ul style="list-style-type: none"> • Individual Life Insurance, Living Benefits (Critical Illness and Disability Insurance) and Individual Wealth products • #1 share in Individual Life Insurance sales premium • #2 share in Disability Insurance sales premium • #1 share in Individual segregated fund sales and #2 in assets • Distribution via exclusive agents, independent brokers, Managing General Agents (MGAs) and national accounts

Group Customer
<ul style="list-style-type: none"> • Group Life and Health, Group Wealth and Group Creditor products • #3 share in Group Insurance sales premium • #1 share in Group Creditor products • #2 in Group Retirement Services cash flow sales and #1 in Group IO sales • Group branded Great-West Life; distributed via exclusive agents, independent brokers and group benefit consultants • Creditor branded Canada Life; distributed via retail banks

Note: figures in C\$ millions; 2017 sales and adjusted earnings; AUA as of March 31, 2018.

Europe & Reinsurance overview

Adjusted Earnings	Sales	AUA
\$1,121	\$21,938	\$271,826

U.K.	Ireland	Germany	Reinsurance
<ul style="list-style-type: none"> • #1 Group Risk provider • Strong position in payout annuities • Leading life insurance single premium investment provider • Growing presence in broader retirement income market 	<ul style="list-style-type: none"> • Pension, investment savings, protection products and health insurance • #1 in Retail and Corporate • Irish Life Investment Managers (ILIM) is one of the largest institutional fund managers with €69B AUM • Irish Life Health is Ireland's 3rd largest health insurer 	<ul style="list-style-type: none"> • Pension (including lifetime GMWB) and individual protection products • Competitive position in the unit-linked broker market 	<ul style="list-style-type: none"> • Traditional and structured life, payout annuity and property catastrophe • A diversified portfolio written to 3rd party insurance companies, predominantly in the U.S. and Europe

Note: figures in C\$ millions; 2017 sales and adjusted earnings; AUA as of March 31, 2018

U.S. – Great-West Financial overview



	Empower	Individual Markets	Great-West Investments
Business	Retirement	Life & annuity	Asset management
Scale	<ul style="list-style-type: none"> • #2 DC record-keeper with 8.5M participants • AUA of \$534B 	<ul style="list-style-type: none"> • A leading provider of executive benefits and single premium life insurance 	<ul style="list-style-type: none"> • \$103B in Great-West Financial AUM or Managed Accounts
Offering	<ul style="list-style-type: none"> • Defined Contribution (DC) record-keeping and administration • Individual retirement accounts 	<ul style="list-style-type: none"> • Life insurance, annuities, and executive benefits (BOLI/COLI) 	<ul style="list-style-type: none"> • Internally managed and sub-advised Mutual Funds, General Account, Trusts, and Managed Accounts
Distribution	<ul style="list-style-type: none"> • Brokers/advisors and RIAs • 3rd party administrators • Consultants • Direct 	<ul style="list-style-type: none"> • Banks, independent broker dealers and RIAs • Affinity groups (ADA) • Direct 	<ul style="list-style-type: none"> • Distributed through Empower and Individual Markets

Note: Figures in USD; as of March 31, 2018 unless otherwise indicated









U.S. – Putnam Investments overview



	Putnam	Putnam	PanAgora
Business	Mutual Funds	Institutional	Institutional
Scale	<ul style="list-style-type: none"> • \$78B AUM • 168K advisors 	<ul style="list-style-type: none"> • \$41B AUM • 70+ clients worldwide 	<ul style="list-style-type: none"> • \$51B AUM • 150+ clients worldwide
Offering	<ul style="list-style-type: none"> • 100+ mutual funds • Fundamental approach on research and proactive view on risk 	<ul style="list-style-type: none"> • 50+ institutional strategies • Traditional and alternative investments 	<ul style="list-style-type: none"> • Quantitative investment capabilities across global regions, risk levels and asset classes
Distribution	<ul style="list-style-type: none"> • Brokerage firms and registered investment advisors (RIAs) • Constant innovation to adapt – technology and client segmentation 	<ul style="list-style-type: none"> • Consultants • Corporations, government, sovereign wealth • DC investment only 	<ul style="list-style-type: none"> • Many of the Top 500 plans; largest Institutional AUM pools globally • Consultants • Corporations, sovereign wealth, government

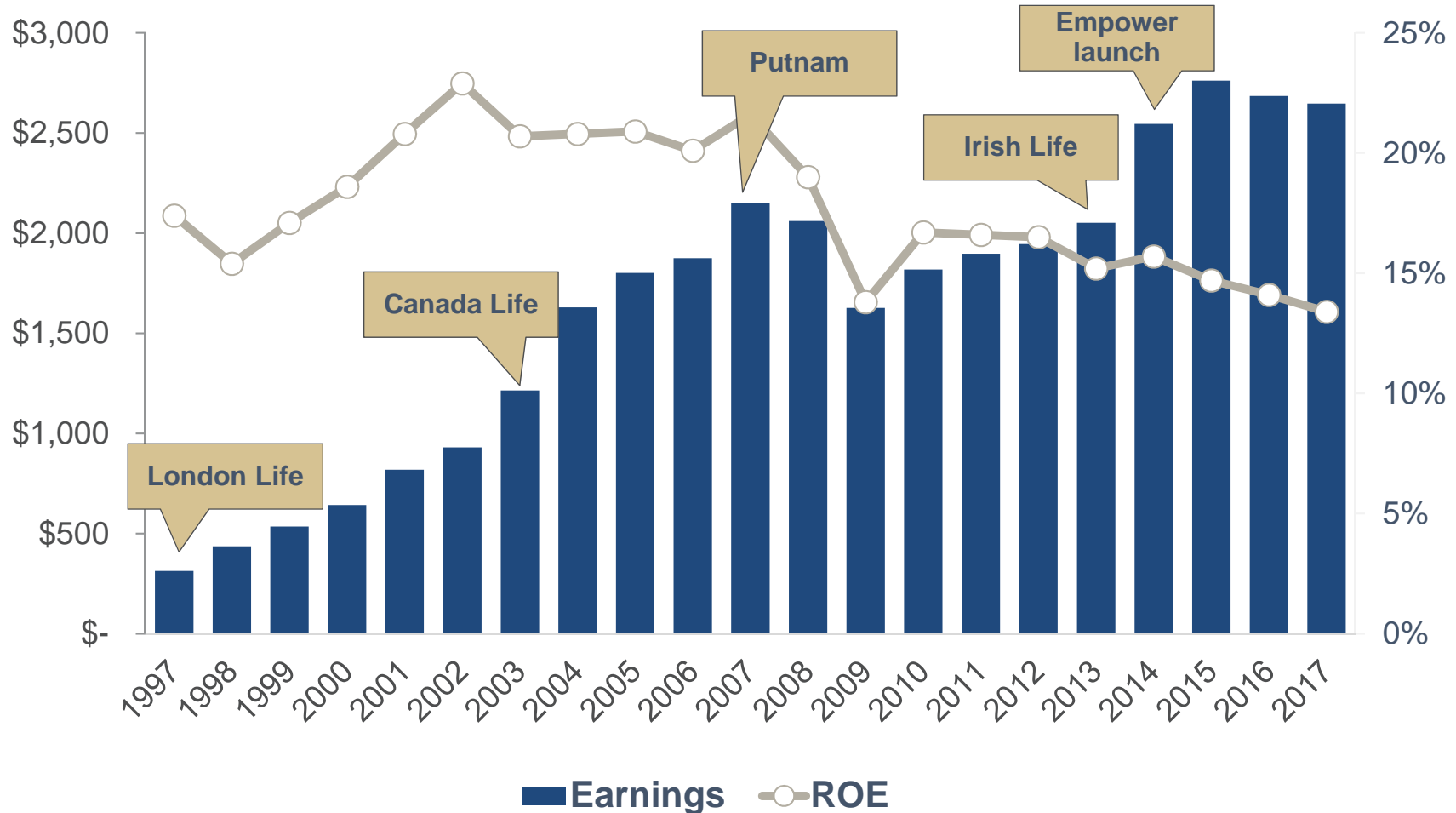
Note: AUM as of March 31, 2018; figures in USD

M&A scorecard: strong track record of value creation

	1997	2003	2007	2013	2014	2016	2017	
								
Strategic acquisition	✓	✓	✓	✓	✓	✓	✓	
New products / services	✓	✓	✓	✓	✓	✓	✓	
New customer segments	✓	✓	✓	✓	✓	✓	✓	
New distribution channels	✓	✓	✓	✓	✓	✓	✓	
Synergy target achieved	✓	✓	✓	✓	✓	✓	NA	
EPS accretive	✓	✓	✗	✓	✓	✓	NA	Integration ongoing
ROE target achieved	✓	✓	✗	✓	✓	✓	NA	

Long track record of consistent execution


Adjusted Net Earnings C\$M



Note: Adjusted net earnings is a non-IFRS measure of earnings performance. Adjusted net earnings includes certain adjustments made to net earnings which include restructuring charges, U.S. tax reform impacts, litigation charges and other one-time items. Please refer to the Company's Annual Reports and Management's Discussion and Analysis filings for details on these adjustments.

Solid capital base with substantial excess capital

Regulatory Capital Ratios	
OSFI Minimum	90%
OSFI Supervisory Target	100%
GWL Ratio	130%
GWL Target Range	110% – 120%



GWL LICAT Ratio
<u>Total Regulatory Capital Available</u> Regulatory Required Capital
<u>\$26 Billion</u> \$20 Billion
130%

- The Great-West Life Assurance Company's (GWL) consolidated LICAT ratio is 130%
- GWL LICAT ratio is above the high end of the internal target range of 110% – 120%
- The Company intends to operate toward the high end of the internal target range
- Lifeco cash of \$0.8 billion is not included in the LICAT ratio

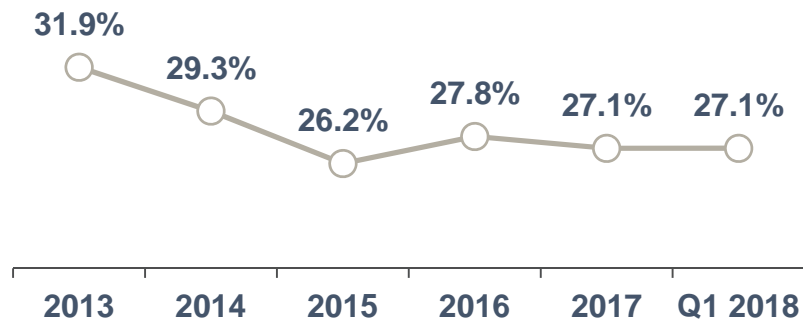
Note: As of March 31, 2018.

Strong liquidity and credit profile

Strong Liquidity & Credit Ratings Profile

Financial Strength Ratings	GWL (Opco)	Lifeco (Holdco)
A.M. Best	A+	
DBRS	AA	A (high)
Fitch	AA	A
Moody's	Aa3	
S&P	AA	A+

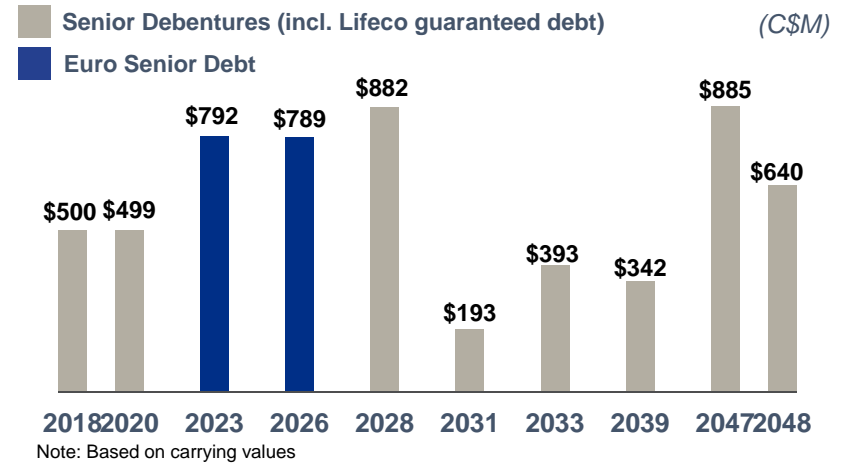
Declining Leverage Ratio



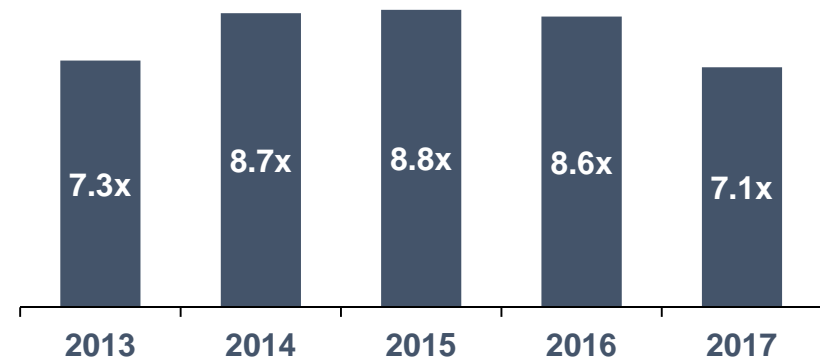
Note: All metrics represent metrics for Great-West Lifeco Inc.

1. Coverage Multiple calculated as earnings before interest & taxes divided by interest & preferred dividends requirements.

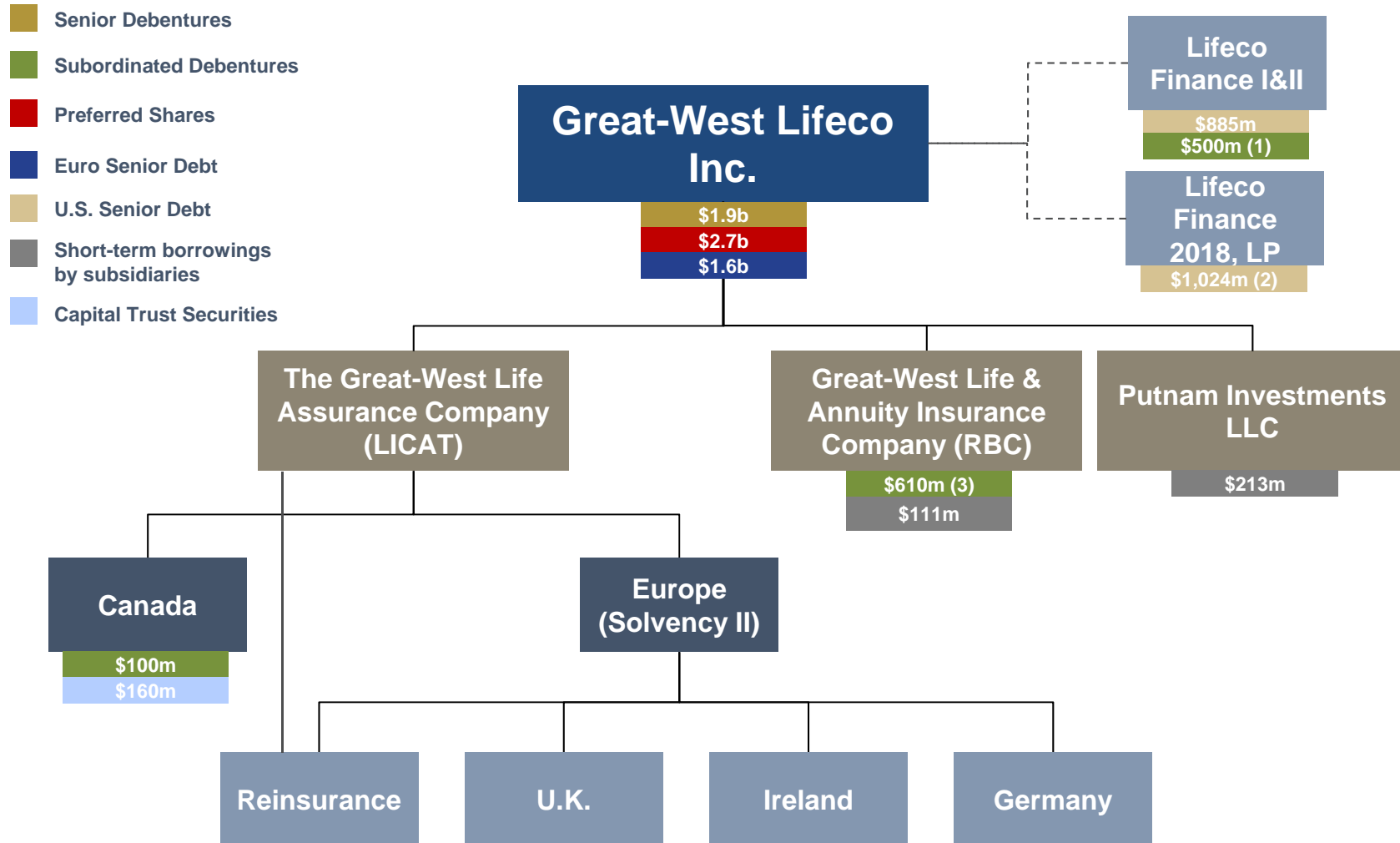
Well Laddered Senior Debt Maturity Profile



Strong & Stable Coverage Multiple (1)



Efficient capital structure



Note: As of June 7, 2018 in Canadian dollars

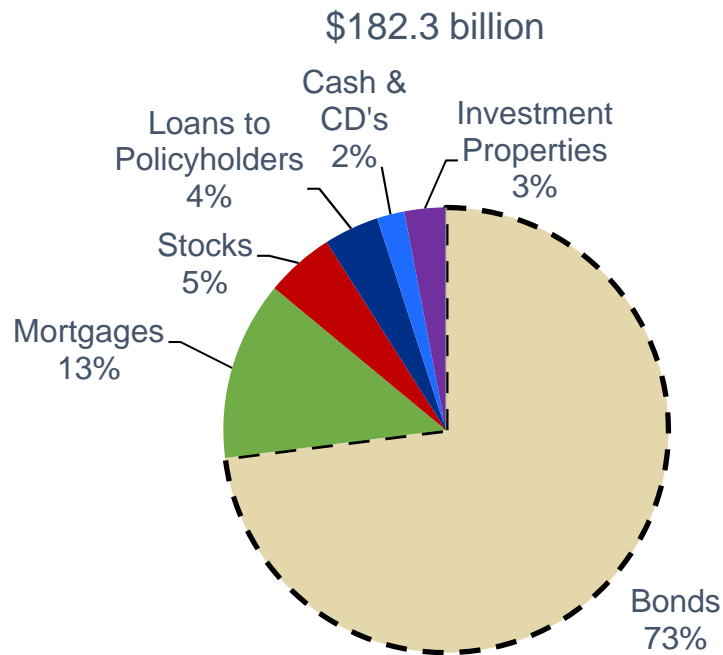
1) Announced the intention to redeem \$500m Subordinated Debenture on June 26, 2018

2) Issued US\$800m (C\$1,024m at 1.28 f/x) on May 17, 2018

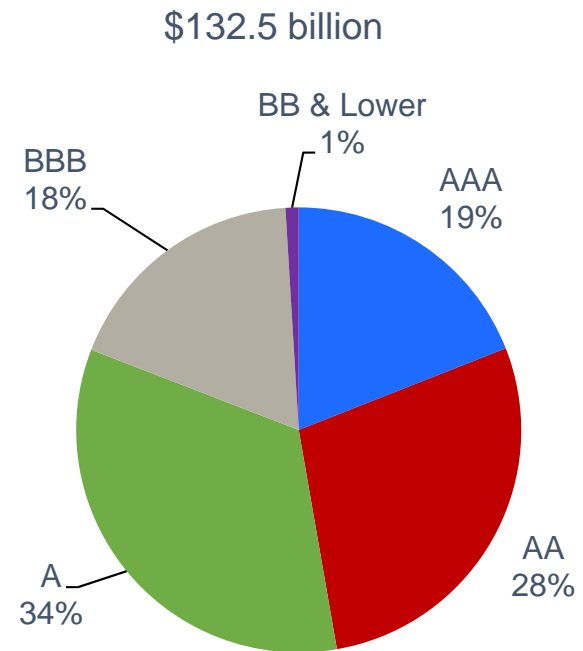
3) Announced the intention to redeem US\$300m (C\$387m) Subordinated Debenture on June 18, 2018

Conservative investment policy

Lifeco Invested Assets⁽¹⁾



Bond Portfolio by Credit Rating⁽¹⁾



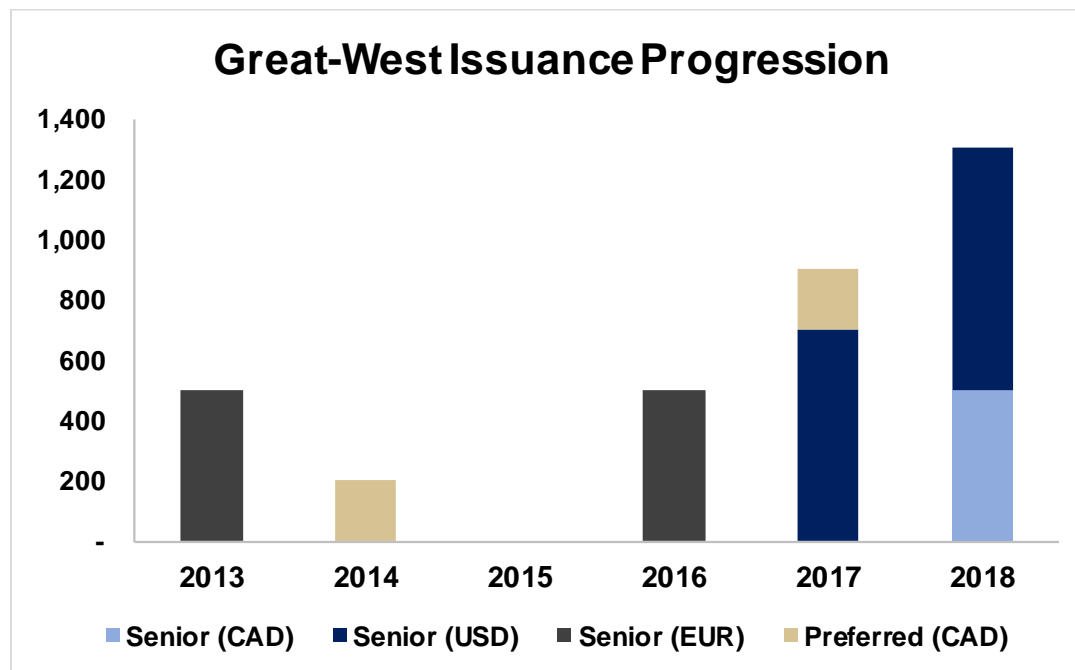
- Asset portfolio predominantly fixed income products: bonds (73%) and mortgages (13%)
- 99% of bond portfolio is investment grade

Note: Figures in CAD

1. As at March 31, 2018 and includes certain funds held by ceding insurers

Financing objectives & activities

- Raise funds at holdco level
- Meet capital requirements
- Maintain credit ratings and sound capitalization
- Retain appropriate leverage and coverage ratios
- Diversify sources of capital
- Mitigate financial risk
- Establish a regular presence in major international markets



2018 financing activities

	C\$500 Million Senior Notes	US\$300 Million Senior Notes	US\$500 Million Senior Notes
Issued	Feb 2018	May 2018	May 2018
Entity	Great-West Lifeco	Great-West Lifeco Finance 2018, LP	Great-West Lifeco Finance 2018, LP
Ratings	S&P: A+ DBRS: A (high)	S&P: A+ Fitch: A	S&P: A+ Fitch: A
Size	C\$500 million	US\$300 million	US\$500 million
Term	10 year	10 year	30 year
Coupon (%)	3.337%	4.047%	4.581%
Re-Offer Spread	10GoC+109	10T+105	30T+145
Form/Listing	Base Shelf Prospectus	144A/RegS	144A/RegS

In summary

- Leading insurance franchise with substantial geographic and product diversity
- Proven ability to sustain strong and stable long-term earnings
- Strong balance sheet, capitalization, and liquidity

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