

# GREAT-WEST LIFECO INC.

## BOARD CHARTER

---

### SECTION 1. MEMBERSHIP

The Board of Directors (the “Board”) shall consist of not less than seven Directors, a majority of whom shall be, at the time of each Director’s election or appointment, resident Canadians. A majority of the Directors shall be neither officers nor employees of Great-West Lifeco Inc. (the “Corporation”) or of any of its subsidiaries.

### SECTION 2. PROCEDURAL MATTERS

In connection with the discharge of its duties and responsibilities, the Board shall observe the following procedures:

- 1. Meetings.** The Board shall meet at least four times every year, and more often if necessary, to discharge its duties and responsibilities hereunder. The Board may meet at any place within or outside of Canada, and shall meet periodically without management representatives being present.
- 2. Advisors.** The Board may, at the Corporation’s expense, engage such outside advisors as it determines necessary or advisable to permit it to carry out its duties and responsibilities.
- 3. Quorum.** A quorum at any meeting of the Board shall be a majority of the Board members. A director who is present at a meeting but who recuses him/herself from the meeting as a result of an actual or potential conflict of interest shall be considered to be present during the period of time in which the contract, transaction or other event giving rise to such actual or potential conflict is being considered and voted upon for the purposes of determining the presence of a quorum.
- 4. Secretary.** The Corporate Secretary or an Associate Secretary or such other person as may be designated by the Chair (or, in the absence of the Chair, the acting Chair) of the Board shall act as secretary of meetings of the Board.
- 5. Calling of Meetings.** A meeting of the Board may be called by the Chair of the Board, by the Chair of the Executive Committee, by such other Director as may from time to time be authorized by the Chair of the Board, or by a majority of the Directors, on not less than 48 hours’ notice to the members of the Board specifying the place, date and time of the meeting. Meetings may be held at any time without notice if all members of the Board waive notice, provided that the attendance of a Board member at any such meeting shall be a waiver of notice of that meeting except where the Board member objects to the transaction of business on the grounds that the meeting has not been validly called. If a meeting of the Board is called by anyone other than the Chair of the Board, the person(s) calling such meeting shall so advise the Chair of the Board.
- 6. Board Meeting Following Annual Meeting.** As soon as practicable after each annual meeting of shareholders there shall be held, without notice, a meeting of newly elected Directors. At the meeting, the Directors may appoint officers, may appoint the Chair of the Board, may appoint members to and the Chair of each Board Committee, and may transact such other business as comes before the meeting.

# GREAT-WEST LIFECO INC.

## BOARD CHARTER

---

### **SECTION 3. DUTIES AND RESPONSIBILITIES**

The Board shall supervise the management of the business and affairs of the Corporation and shall exercise, as appropriate, the powers vested in and exercisable by the Board pursuant to applicable laws and regulations. Without limiting the generality of the foregoing, the Board shall have the following duties and responsibilities, which it may discharge either directly or indirectly through one or more Committees of the Board. In fulfilling its duties and responsibilities, the Board will rely on the information, advice and recommendations provided to it by management, but will exercise independent judgment:

1. **Strategic Planning.** The Board shall annually approve strategic goals, objectives, plans and initiatives for the Corporation, and in so doing it shall review trends and opportunities for the Corporation's businesses and the strengths and weaknesses of same, and it shall review the risks associated with the Corporation's diverse businesses, strategic goals and high priority initiatives. The Board shall also annually approve the Corporation's business, financial and capital plans.
2. **Organizational Structure and Oversight Functions.** The Board shall annually approve the Corporation's organizational structure, and shall periodically approve policies designed to support the independence of the internal audit, risk management, financial management, actuarial and compliance oversight functions.
3. **Operational, Risk and Capital Management.** The Board shall:
  - (a) monitor the implementation by management of the approved strategy, business, financial, and capital plans, and shall monitor financial and operating results and other material developments;
  - (b) annually approve the Risk Appetite Framework and Enterprise Risk Management Policy;
  - (c) annually approve the Own Risk and Solvency Assessment (ORSA) Report;
  - (d) monitor the implementation and maintenance by management of appropriate systems, policies, procedures and controls to manage the risks associated with the Corporation's businesses and operations;
  - (e) approve significant acquisitions and dispositions, financings and other capital market transactions, capital management decisions, and other significant business and investment decisions; and
  - (f) monitor those operational issues, including those of a regulatory or compliance nature, which in the view of management or the Board may have a potential material impact on the Corporation's ongoing business, affairs, and/or reputation.
4. **Financial Control.** The Board shall monitor the integrity of the Corporation's financial reporting systems and the effectiveness of the Corporation's internal controls and management information systems by:
  - (a) overseeing the establishment and maintenance by management of appropriate internal and external audit and financial control systems;

# GREAT-WEST LIFECO INC. BOARD CHARTER

---

- (b) reviewing reports provided by management on material deficiencies in, or material changes to, internal controls;
- (c) approving the Corporation's annual and interim financial statements and Management's Discussions and Analyses, the Corporation's Annual Information Form, and other public disclosure documents containing financial information; and
- (d) overseeing compliance with applicable audit, accounting and reporting requirements.

**5. Disclosure and Communication Policies.** The Board shall:

- (a) approve policies with respect to the accurate, timely and full public disclosure of material information while maintaining confidentiality where necessary and permitted, and shall, where required, review and approve specific disclosure documents; and
- (b) approve appropriate communication policies respecting the communication of information to the Corporation's stakeholders and regulators.

**6. Executive Management.** The Board shall:

- (a) approve a position description for, and the appointment of (and if appropriate the dismissal and replacement of), the President and Chief Executive Officer (the "CEO"), and annually:
  - (i) review and approve the goals and objectives relevant to the CEO's compensation;
  - (ii) evaluate the CEO's performance relative to those goals and objectives; and
  - (iii) approve the salary, bonus, equity compensation and, if applicable, other compensation arrangements for the CEO based on such evaluation;
- (b) approve the appointment of and, if appropriate, the dismissal and replacement of the CEO's direct reports at the Executive Vice-President level and above and for those senior officers who are responsible for oversight functions (the "Executive Officers");
- (c) approve the designs of material incentive compensation plans, including equity-based plans and other compensation plans for Executive Officers; and
- (d) oversee succession planning with respect to the CEO and Executive Officers.

**7. Code of Conduct.** The Board shall support management in maintaining a culture of integrity throughout the Corporation. The Board shall adopt a code of conduct (the "Code") to promote integrity and deter wrongdoing that is applicable to Directors, officers and employees of the Corporation and that addresses, among other things, conflicts of interest (including procedures to identify and resolve conflicts and potential conflicts),

# GREAT-WEST LIFECO INC. BOARD CHARTER

---

protection and proper use of corporate assets and opportunities, confidentiality and use of confidential information, whistleblowing, fair dealing with the Corporation's security holders, customers, suppliers, competitors and employees, compliance with applicable laws, rules and regulations and the reporting of illegal or unethical behaviour, and shall require management to establish processes and procedures to monitor compliance with the Code.

8. **Chair of the Board.** The Board shall approve and periodically review a position description for the Chair of the Board.
9. **Board Committees.** The Board shall:
  - (a) establish an Executive Committee, an Audit Committee, an Investment Committee, a Risk Committee, a Conduct Review Committee, a Governance and Nominating Committee and a Human Resources Committee and may establish such other Committees as it deems advisable to assist it in discharging its duties under this Charter, and may establish Committee charters and otherwise delegate to those Committees such duties and responsibilities as may be permitted by law and as it deems necessary or advisable;
  - (b) approve and periodically review Committee Charters; and
  - (c) approve and periodically review position descriptions for the Chair of each Board Committee.
10. **Corporate Governance.** The Board shall oversee the development of the Corporation's approach to corporate governance, including the development of corporate governance policies, principles and guidelines, and shall approve such policies, principles and guidelines as it deems appropriate.
11. **Director Orientation and Education.** The Board shall ensure that:
  - (a) all newly appointed Directors are provided with a comprehensive orientation as to the nature and operation of the business and affairs of the Corporation and as to the role and responsibilities of the Board, of Board Committees and of each Director; and
  - (b) all Directors are provided with the opportunity to enhance their knowledge of regulatory developments, business initiatives, risk and risk management, new products and any matters affecting the Corporation.
12. **Director Nominees, Compensation and Assessment.** The Board shall:
  - (a) recommend to the Shareholders candidates for election to the Board;
  - (b) approve compensation arrangements for the Directors, for the Chair of the Board, and for the Chairs and members of Board Committees; and
  - (c) assess, on a regular basis, the size, structure, composition, effectiveness and contribution of the Board, of all Committees of the Board, and of the Directors

# GREAT-WEST LIFECO INC. BOARD CHARTER

---

- 13. Subsidiary Oversight.** In discharging its duties and responsibilities hereunder, the Board shall:
- (a)** satisfy itself that each of its major subsidiaries has established an Audit Committee and Risk Committee; and has adopted Board and Board Committee Charters, Codes of Conduct, and governance practices which are substantially similar to those of the Corporation;
  - (b)** ensure that the boards of its major subsidiaries includes directors who are also Directors of the Corporation;
  - (c)** rely on the boards of directors of its major subsidiaries to fulfill their duties and obligations under the Charters, Codes and governance practices referred to in (a) above; and
  - (d)** receive reports from the chair of the board of each of its major subsidiaries on significant issues at the major subsidiaries, and on those issues requiring the approval and/or the support of the Corporation's Board.

## **SECTION 4. ACCESS TO INFORMATION**

The Board shall have access to all information, documents and records of the Corporation that it determines to be necessary or advisable to enable it to perform its duties and to discharge its responsibilities under this Charter.

## **SECTION 5. REVIEW OF CHARTER**

The Board shall periodically review this Charter and approve any changes that it deems appropriate.