



Management Proxy Circular

Notice of Annual Meeting of Shareholders
2016

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Management Proxy Circular

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GREAT-WEST LIFECO INC.

Registered Office - Winnipeg, Manitoba

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

Notice is hereby given that the Annual Meeting of the Shareholders of Great-West Lifeco Inc. (the "Corporation") will be held at the head office of the Corporation, 100 Osborne Street North, Winnipeg, Manitoba, Canada on May 5, 2016, at 11:00 o'clock in the morning, local time, for the following purposes:

- (1) to receive the financial statements for the year ended December 31, 2015 and the report of the auditor thereon;
- (2) to elect directors;
- (3) to appoint the auditor; and
- (4) to transact such other business as may be properly brought before the meeting or any adjournment thereof.

By Order of the Board of Directors



L.A. Speers,
Vice-President
and Corporate Secretary

Winnipeg, Manitoba
February 23, 2016

If you have any questions regarding the Annual Meeting or require accommodations due to a disability, please contact Computershare Investor Services Inc. by email at GWO@computershare.com or by telephone at:

1-888-284-9137 (toll free in Canada and the United States)

447 5566 (Ireland)

001 870 702 0003 (United Kingdom)

514-982-9557 (Other Countries)

HOLDERS OF COMMON SHARES OR FIRST PREFERRED SHARES WHO DO NOT EXPECT TO BE PRESENT AT THE ANNUAL MEETING ARE REQUESTED TO COMPLETE, DATE AND SIGN THE ACCOMPANYING FORM OF PROXY AND TO RETURN IT TO COMPUTERSHARE INVESTOR SERVICES INC. IN THE POSTAGE-PAID ENVELOPE ENCLOSED FOR THAT PURPOSE.

IN ORDER TO BE VOTED AT THE ANNUAL MEETING OR AT ANY ADJOURNMENT THEREOF, THE COMPLETED FORM OF PROXY MUST BE DEPOSITED WITH, OR MUST BE MAILED SO AS TO REACH, COMPUTERSHARE INVESTOR SERVICES INC., 100 UNIVERSITY AVENUE, TORONTO, ONTARIO, M5J 2Y1 ATTENTION: PROXY DEPARTMENT, NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE ANNUAL MEETING OR ANY ADJOURNMENT THEREOF.

HOLDERS OF COMMON SHARES OR FIRST PREFERRED SHARES MAY ALSO VOTE BY TELEPHONE OR INTERNET BY FOLLOWING THE INSTRUCTIONS PROVIDED ON THE ENCLOSED FORM OF PROXY. IF YOU CHOOSE TO VOTE BY TELEPHONE OR INTERNET, YOUR VOTE MUST ALSO BE CAST NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE ANNUAL MEETING OR ANY ADJOURNMENT THEREOF.

GREAT-WEST LIFECO INC.

Registered Office - Winnipeg, Manitoba

MANAGEMENT PROXY CIRCULAR

This Management Proxy Circular is furnished in connection with the solicitation of proxies by or on behalf of the management of Great-West Lifeco Inc. (the "Corporation") for use at the Annual Meeting of the Shareholders of the Corporation to be held on May 5, 2016 (the "Meeting") and at any adjournment thereof. Solicitation of proxies will be primarily by mail, but may also be effected personally by regular employees of the Corporation or of its subsidiaries. The cost of the solicitation will be borne by the Corporation.

The following abbreviations have been used throughout this Management Proxy Circular:

<i>Name in full and principal business</i>	<i>Abbreviation</i>
The Canada Life Assurance Company (a life insurance company controlled by Great-West)	Canada Life
Canada Life Financial Corporation (a life insurance company controlled by Great-West)	CLFC
Great-West Life & Annuity Insurance Company (a life insurance company controlled by the Corporation)	Great-West Financial
The Great-West Life Assurance Company (a life insurance company controlled by the Corporation)	Great-West
London Life Insurance Company (a life insurance company controlled by Great-West)	London Life
Power Corporation of Canada (a holding and management corporation)	Power
Power Financial Corporation (a holding corporation with substantial interests in the financial services industry)	Power Financial
Putnam Investments, LLC (a holding company controlled by the Corporation with interests in the investment fund industry)	Putnam

Unless otherwise indicated, the information herein is given as at February 23, 2016.

SHAREHOLDERS ENTITLED TO VOTE AT THE MEETING

Holders of the Corporation's Common Shares ("Common Shares") and holders of the Corporation's First Preferred Shares Series F, Series G, Series H, Series I, Series L, Series M, Series N, Series O, Series P, Series Q, Series R and Series S (collectively "First Preferred Shares") as at the close of business on March 10, 2016 will be entitled to attend and vote at the Meeting. Each such holder of Common Shares will be entitled to one vote for each Common Share held in respect of all matters voted upon at the Meeting, and each such holder of First Preferred Shares will be entitled to 0.98 votes for each First Preferred Share held in respect of all matters voted upon at the Meeting.

As of February 23, 2016, 993,123,532 Common Shares, 7,740,032 First Preferred Shares Series F, 12,000,000 First Preferred Shares Series G, 12,000,000 First Preferred Shares Series H, 12,000,000 First Preferred Shares Series I, 6,800,000 First Preferred Shares Series L, 6,000,000 First Preferred Shares Series M, 8,524,422 First Preferred Shares Series N, 1,475,578 First Preferred Shares Series O, 10,000,000 First Preferred Shares Series P, 8,000,000 First Preferred Shares Series Q, 8,000,000 First Preferred Shares Series R and 8,000,000 First Preferred Shares Series S were issued and outstanding.

The Corporation's articles were amended on June 1, 1997 to (a) restrict the issue and transfer of the First Preferred Shares so as to prevent a person from acquiring more than 10% of the First Preferred Shares as a class, and (b) restrict the voting rights attached to any First Preferred Shares held in contravention of such 10% limit. These restrictions were imposed to assist the Corporation in complying with Section 411 of the *Insurance Companies Act* (Canada).

APPOINTMENT AND REVOCATION OF PROXIES

Registered Shareholders

A person is a registered holder of Common Shares or First Preferred Shares if the person is shown as a shareholder on the shareholder list maintained by Computershare Investor Services Inc. ("Computershare"), the registrar and transfer agent for the Common Shares and for the First Preferred Shares. In that case a share certificate will have been issued to the shareholder which indicates the shareholder's name and the number of Common Shares or First Preferred Shares owned by the shareholder, and the shareholder will have received a form of proxy from Computershare with this Management Proxy Circular.

The Computershare form of proxy accompanying this Management Proxy Circular is to be used by registered holders of Common Shares or First Preferred Shares who are unable to attend the Meeting and vote in person. Each of the persons named in the accompanying Computershare form of proxy is a representative of management of the Corporation and is a director or senior officer of the Corporation. **Each registered holder of Common Shares and each registered holder of First Preferred Shares has the right to appoint a person or company (who need not be a shareholder) other than the persons designated by management in the accompanying Computershare form of proxy to represent him or her at the Meeting.** To exercise this right, the registered shareholder must insert the name of his or her nominee in the blank space provided in the Computershare form of proxy, or complete another proper form of proxy. In order to be voted at the Meeting or at any adjournment thereof, the completed form of proxy must be deposited with, or must be mailed so as to reach, Computershare Investor Services Inc., 100 University Avenue, Toronto, Ontario M5J 2Y1 Attention: Proxy Department, not later than 48 hours before the commencement of the Meeting or any adjournment thereof.

A registered shareholder giving a proxy may revoke the proxy (a) by depositing an instrument in writing executed by the shareholder or by his or her attorney authorized in writing (i) at the registered office of the Corporation, 100 Osborne Street North, Winnipeg, Manitoba, Canada R3C 1V3 Attention: Vice-President and Corporate Secretary at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof at which the proxy is to be used, or (ii) with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof, or (b) in any other manner permitted by law.

Registered holders of Common Shares and First Preferred Shares may also vote by telephone or internet by following the instructions provided on the enclosed form of proxy. If you choose to vote by telephone or internet, your vote must also be cast not later than 48 hours before the commencement of the Meeting or any adjournment thereof.

Non-Registered Shareholders

A person is a non-registered (or beneficial) shareholder if such person's Common Shares or First Preferred Shares are held on such person's behalf by a bank, trust company, securities dealer or broker or other intermediary (in each case, an "Intermediary").

In accordance with applicable securities legislation, the Corporation has distributed copies of materials related to the Meeting to Intermediaries so that they may distribute the materials to the non-registered shareholders on whose behalf they hold Common Shares or First Preferred Shares. Such Intermediaries often forward the materials to non-registered shareholders through a service company (such as Broadridge Investor Communications Corporation) to permit the non-registered shareholders to direct the voting of their Common Shares and their First Preferred Shares held by the Intermediary. Non-registered shareholders should carefully follow the instructions on the voting instruction form or form of proxy that they receive from their Intermediary in order to vote their Common Shares and their First Preferred Shares that are held through that Intermediary. Non-registered shareholders of the Corporation should submit voting instructions to their Intermediaries in sufficient time so as to ensure that their votes are received by the Corporation from the Intermediaries not later than 48 hours before the commencement of the Meeting or any adjournment thereof.

Non-registered shareholders who wish to attend the Meeting and vote in person should insert their own name in the blank space provided in the voting instruction form or form of proxy to appoint themselves as proxy holders and then follow their Intermediary's instructions for returning the voting instruction form or form of proxy.

A non-registered shareholder giving a proxy may revoke the proxy by contacting his or her Intermediary in respect of such proxy and complying with any applicable requirements imposed by such Intermediary. An Intermediary may not be able to revoke a proxy if it receives insufficient notice of revocation.

VOTING OF PROXIES

The management representatives designated in the enclosed form of proxy will vote or withhold from voting the Common Shares and the First Preferred Shares in respect of which they are appointed by proxy on any ballot that may be called for in accordance with the instructions of the shareholder as indicated in the proxy and, if the shareholder has specified a choice with respect to any matter to be acted upon, the shares will be voted accordingly. **In the absence of such instructions, such Common Shares and First Preferred Shares will be voted by the management representatives (a) for the election of management's nominees for directors, and (b) for the appointment of Deloitte LLP as auditor.**

The accompanying form of proxy confers discretionary authority with respect to amendments or variations to the matters identified in the Notice of Annual Meeting of Shareholders or other matters that may properly come before the Meeting or any adjournment thereof. Management of the Corporation is not aware that any such amendments or other matters are to be presented for action at the Meeting. **If such amendments or other matters properly come before the Meeting, or any adjournment thereof, the nominee designated in the accompanying form of proxy will vote the Common Shares and the First Preferred Shares represented thereby in his or her discretion.**

PRINCIPAL HOLDERS OF VOTING SHARES

To the knowledge of the Directors and executive officers of the Corporation, as of February 23, 2016 Power Financial controlled, directly or indirectly, 709,305,452 Common Shares or 71.42% of the outstanding Common Shares, representing approximately 65% of the voting rights attached to all of the outstanding voting shares of the Corporation. Power Financial is a subsidiary of Power, over which The Desmarais Family Residuary Trust has voting control. Power Financial does not own or control any First Preferred Shares.

ELECTION OF DIRECTORS

The articles of the Corporation provide that the Corporation is to have 20 directors. The 20 persons named in the tables below, with the exception of Mr. Doer and Ms. Qureshi, are currently members of the Board of Directors. The term of office of each of the current directors will expire at the close of the Meeting, or any adjournment thereof. The persons named below will be nominated for election as directors of the Corporation at the Meeting. Each director elected at the Meeting, or at any adjournment thereof, will hold office until the close of the next annual meeting of shareholders, unless he or she resigns or otherwise vacates his or her office.


If there are further nominations for directors at the Meeting, or at any adjournment thereof, the directors will be elected by way of cumulative voting. Under cumulative voting, each shareholder has the right to cast that number of votes which is equal to (i) the number of votes attached to the Common Shares or First Preferred Shares held by the shareholder, multiplied by (ii) the number of directors to be elected. A shareholder may cast all such votes in favour of one candidate or may distribute such votes among the candidates in any manner. If a shareholder votes for more than one candidate without specifying the distribution of the shareholder's votes among such candidates, the shareholder will be deemed to have distributed the votes equally among the

candidates for whom the shareholder voted. If a shareholder wishes to distribute votes other than equally among the candidates for whom the shareholder has directed the nominee designated in the accompanying form of proxy to vote, the shareholder must do so personally at the Meeting or by another proper form of proxy.

The Corporation, relying on the exemption available to majority controlled issuers under the applicable Toronto Stock Exchange ("TSX") rule, has not adopted a majority voting policy for the election of directors (i.e. a policy providing that a director who is elected by less than a majority of the votes cast be asked to tender his or her resignation). The Corporation believes that its current process for the election of directors is appropriate. Nominees are chosen by the Board having regard for their competencies, skills, business and financial experience and level of commitment, and recognizing the functional and geographical diversity and complexity of the Corporation's operating subsidiaries. Other individuals may be nominated by other shareholders or proxyholders at the Meeting, in which case the nominees who receive the greatest number of votes will be elected to the Board. This process complies with Canadian corporate and securities laws. Furthermore, as described above, Power Financial controls approximately 65% of the voting rights attached to all of the Corporation's outstanding voting shares and as such Power Financial will necessarily cast a majority of the votes on the election of the Corporation's Directors. Accordingly, adopting a majority voting policy would have no practical application in the Corporation's present circumstances.

Management of the Corporation is not aware that any of the persons named below will, for any reason, become unable or unwilling to serve as a director. **However, if that should occur prior to the election, the nominee designated in the accompanying form of proxy reserves the right to vote for the election in his or her place of such other person as such nominee in his or her discretion determines.**

There are seven committees of the Board of Directors, namely, the Audit Committee, the Executive Committee, the Compensation Committee, the Governance and Nominating Committee, the Conduct Review Committee, the Risk Committee and the Investment Committee. Directors who are members of those committees are so designated in the following tables (footnotes to the tables appear at the end of this section):

 Marcel R. Coutu Age: 62 <i>Calgary, Alberta, Canada</i>	Director Since May 3, 2007			
	Mr. Coutu is the former Chairman of Syncrude Canada Ltd., one of Canada’s largest oil sands projects and is past President and Chief Executive Officer of Canadian Oil Sands Limited. He was previously Senior Vice-President and Chief Financial Officer of Gulf Canada Resources Limited, and prior to that held various positions in the areas of corporate finance, investment banking, and mining and oil and gas exploration and development. Mr. Coutu is a Director of Great-West, London Life, CLFC, Canada Life, Great-West Financial and Putnam. He is also a Director of Power, IGM Financial Inc., Investors Group Inc., Mackenzie Inc., Brookfield Asset Management Inc., Enbridge Inc. and the Calgary Exhibition and Stampede Board and is a past member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta. He has also held board positions with Gulf Indonesia Resources Limited, TransCanada Power Limited Partnership and the Board of Governors of the Canadian Association of Petroleum Producers.			
	BOARD/COMMITTEE MEMBERSHIP ^[1]		2015 ATTENDANCE	
	Board	10 of 11		
	Compensation Committee	5 of 7		
	Executive Committee	3 of 4		
	Governance and Nominating Committee	2 of 3		
	Risk Committee	7 of 9		
Investment Committee	3 of 5			
GREAT-WEST LIFECO SECURITIES HELD AT FEBRUARY 23, 2016				
Common Shares	DSUs^[2]	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs^[3]	Minimum Equity Ownership Requirement for Directors: Meets/On track to meet^[4]
10,000	21,538	31,538	\$1,089,323	✓



André Desmarais, O.C., O.Q.
Age: 59
Westmount, Québec, Canada

Director Since April 22, 1992

Mr. Desmarais is Executive Co-Chairman of Power Financial and Deputy Chairman, President and Co-Chief Executive Officer of Power. Prior to joining Power in 1983, he was Special Assistant to the Minister of Justice of Canada and an institutional investment counselor at Richardson Greenshields Securities Ltd. He has held a number of senior positions with Power group companies. Mr. Desmarais is a Director of Great-West, London Life, CLFC, Canada Life, Great-West Financial and Putnam. He is a Director of IGM Financial Inc., Investors Group Inc. and Mackenzie Inc. He is also a Director of Power, Power Financial and Pargesa Holding SA in Europe. Mr. Desmarais is Honorary Chairman of the Canada China Business Council and is a member of several China-based organizations. Mr. Desmarais is active in cultural, health and other not-for-profit organizations. He is an Officer of the Order of Canada and an Officer of the National Order of Québec. Mr. Desmarais is a trustee of the Desmarais Family Residuary Trust.

BOARD/COMMITTEE MEMBERSHIP ^[1]

Board
Compensation Committee
Executive Committee
Governance and Nominating Committee
Risk Committee
Investment Committee

2015 ATTENDANCE

11 of 11
5 of 7
3 of 4
2 of 3
7 of 9
3 of 5

GREAT-WEST LIFECO SECURITIES HELD AT FEBRUARY 23, 2016

Common Shares	DSUs ^[2]	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs ^[3]	Minimum Equity Ownership Requirement for Directors: Meets/On track to meet ^[4]
350,000	135,828	485,828	\$16,780,499	✓



Paul Desmarais, Jr., O.C., O.Q.
Age: 61
Westmount, Québec, Canada

Director Since May 15, 1986

Mr. Desmarais is Chairman and Co-Chief Executive Officer of Power and Executive Co-Chairman of Power Financial. He joined Power in 1981 and assumed the position of Vice-President the following year. He served as Vice-President of Power Financial from 1984 to 1986, as President and Chief Operating Officer from 1986 to 1989, as Executive Vice-Chairman from 1989 to 1990, as Executive Chairman of the Board from 1990 to 2005, as Chairman of the Executive Committee from 2006 to 2008 and as Executive Co-Chairman from 2008 until today. He also served as Vice-Chairman of Power from 1991 to 1996. He was named Chairman and Co-CEO of Power in 1996. From 1982 to 1990, he was a member of the Management Committee of Pargesa; in 1991, he became Executive Vice-Chairman and then Executive Chairman of the Committee; in 2003, he was appointed Co-Chief Executive Officer; and, in 2013, was named Chairman of the Board. He has been a Director of Pargesa since 1992. He is a Director of many Power group companies in North America, including Power, Power Financial, Great-West, London Life, CLFC, Canada Life, Great-West Financial, Putnam, IGM Financial Inc., Investors Group Inc. and Mackenzie Inc. In Europe, he is Vice-Chairman of the Board of Groupe Bruxelles Lambert, a Director and Chairman of the Nomination & Compensation Committee of LafargeHolcim, and a Director of Total SA and SGS SA. He was Vice-Chairman of the Board and a Director of Imerys until 2008 and a Director of GDF Suez until 2014. Mr. Desmarais is past Chairman and a member of the Canadian Council of Chief Executives. He is also active on a number of philanthropic advisory councils. In 2005, he was named an Officer of the Order of Canada, in 2009, an Officer of the National Order of Québec and, in 2012, Chevalier de la Légion d'honneur in France. Mr. Desmarais is a trustee of the Desmarais Family Residuary Trust.

BOARD/COMMITTEE MEMBERSHIP ^[1]


Board
Compensation Committee
Executive Committee
Governance and Nominating Committee
Risk Committee
Investment Committee

2015 ATTENDANCE

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5 of 7
2 of 4
2 of 3
2 of 9
2 of 5

GREAT-WEST LIFECO SECURITIES HELD AT FEBRUARY 23, 2016

Common Shares	DSUs ^[2]	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs ^[3]	Minimum Equity Ownership Requirement for Directors: Meets/On track to meet ^[4]
100,000	28,837	128,837	\$4,450,030	✓




Gary A. Doer, O.M.
Age: 67
Winnipeg, Manitoba, Canada

Mr. Doer is not currently a Director

Mr. Doer served as Canada’s Ambassador to the United States from October, 2009 to January, 2016. He was the Premier of Manitoba from 1999 to 2009, and served in a number of positions as a member of the Legislative Assembly of Manitoba from 1986 to 2009, including Minister of Urban Affairs from 1986 to 1988 and Minister of Crown Investments from 1987 to 1988. Mr. Doer was the President of the Manitoba Government Employees’ Association from 1979 to 1986. Mr. Doer is a volunteer Co-Chair of the Wilson Centre’s Canada Institute, a non-partisan public policy forum focused on Canada-U.S. relations. He received a distinguished diplomatic service award from the World Affairs Council in 2011 and was inducted into the Order of Manitoba in 2010.

BOARD/COMMITTEE MEMBERSHIP ^[1]		2015 ATTENDANCE		
N/A		N/A		

GREAT-WEST LIFECO SECURITIES HELD AT FEBRUARY 23, 2016				
Common Shares	DSUs ^[2]	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs ^[3]	Minimum Equity Ownership Requirement for Directors: Meets/On track to meet ^[4]
NIL	NIL	NIL	NIL	N/A

 Claude G��n��reux Age: 53 <i>Westmount, Qu��bec, Canada</i>	Director Since May 7, 2015			
	Mr. G��n��reux is Executive Vice-President of Power and Power Financial, positions he has held since March, 2015. He is Director Emeritus of McKinsey & Company ("McKinsey"), a global management consulting firm. During his 28 years at McKinsey, Mr. G��n��reux focused on serving leading global companies in Financial Services, Resources and Energy. He held various leadership positions including Global Sector Leadership in energy, Office Leadership in Montreal, Global Personal Committees for partner election and evaluation, and Global Recruiting for non-MBA candidates. He has been posted in Montreal, Paris, Toronto and Stockholm. Mr. G��n��reux is a Director of Great-West, London Life, CLFC, Canada Life, Great-West Financial and Putnam. He is also a Director of IGM Financial Inc., Investors Group Inc., and Mackenzie Inc. Mr. G��n��reux serves on the Board of Governors at McGill University and on the Board of the Jeanne Sauv�� Foundation. He graduated from McGill University and Oxford University where he studied as a Rhodes Scholar.			
	BOARD/COMMITTEE MEMBERSHIP ^[1]		2015 ATTENDANCE	
	Board	6 of 6		
	Executive Committee	2 of 2		
	Risk Committee	6 of 6		
	Investment Committee	3 of 3		
GREAT-WEST LIFECO SECURITIES HELD AT FEBRUARY 23, 2016				
Common Shares	DSUs^[2]	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs^[3]	Minimum Equity Ownership Requirement for Directors: Meets/On track to meet^[4]
NIL	3,742	3,742	\$129,249	��



Director Since May 1, 2008

Ms. Hošek is President Emeritus of The Canadian Institute for Advanced Research, Toronto. She was President and Chief Executive Officer of the Institute until her retirement in 2012. Ms. Hošek is a Professor at the School of Public Policy & Governance at the University of Toronto. From 1993 to 2000 she was Senior Policy Advisor to the Prime Minister and Director of Policy and Research, Prime Minister's Office. She served as Senior Policy Advisor to the Leader of the Liberal Party of Canada from 1990 to 1993 and prior to that as a Member of Provincial Parliament - Oakwood and Minister of Housing, Government of Ontario, and as a Member of the Policy and Priorities Board of the Cabinet of Ontario. She has been a member of The Economic Council of Canada. Ms. Hošek is a Director of Great-West, London Life, CLFC and Canada Life. She is also a Director of the Institute for Governance of Private and Public Organizations. She previously served as a Director of Maple Leaf Foods Inc. and Inco Ltd., and currently serves as a director and trustee for a number of non-profit organizations. She was named an Officer of the Order of Canada in 2006. Ms. Hošek was educated at McGill University and Harvard University.

Chaviva M. Hošek, O.C., Ph.D., LL.D.

Age: 69

Toronto, Ontario, Canada

BOARD/COMMITTEE MEMBERSHIP ^[1]

Board
Audit Committee
Conduct Review Committee

2015 ATTENDANCE

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2 of 2

GREAT-WEST LIFE CO SECURITIES HELD AT FEBRUARY 23, 2016

Common Shares	DSUs ^[2]	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs ^[3]	Minimum Equity Ownership Requirement for Directors: Meets/On track to meet ^[4]
NIL	16,787	16,787	\$579,823	✓



Director Since May 2, 2013

Mr. Jackson retired as a Partner in the law firm Blake, Cassels & Graydon LLP in 2012, and currently serves as Senior Counsel to the Firm, providing advice primarily in the areas of mergers and acquisitions and corporate governance. He was the Chairman of Blakes from 1995 to 2001. Mr. Jackson is a Director of Great-West, London Life, CLFC and Canada Life. He is also a Director of Power and Power Financial. He served as a Director of Investors Group Inc. from 1991 to 2001 and has served as a Director of a number of public and private corporations. He was until June, 2011 a Director and the Vice-Chairman of the Board of Sunnybrook Health Sciences Centre, Toronto. He is recognized as a leading practitioner in the areas of mergers and acquisitions, corporate finance and corporate governance by numerous independent assessment organizations. He holds a Bachelor of Commerce degree from the University of Windsor and an LL.B. from Osgoode Hall Law School, and was called to the Bar of Ontario in 1974.

J. David A. Jackson

Age: 69

Toronto, Ontario, Canada

BOARD/COMMITTEE MEMBERSHIP ^[1]

Board
Compensation Committee
Executive Committee
Governance and Nominating Committee
Risk Committee
Investment Committee

2015 ATTENDANCE

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4 of 4
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GREAT-WEST LIFE CO SECURITIES HELD AT FEBRUARY 23, 2016

Common Shares	DSUs ^[2]	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs ^[3]	Minimum Equity Ownership Requirement for Directors: Meets/On track to meet ^[4]
NIL	4,314	4,314	\$149,006	✓



Paul A. Mahon

Age: 52

Winnipeg, Manitoba, Canada

Director Since August 1, 2013

Mr. Mahon is President and Chief Executive Officer of the Corporation, Great-West, London Life, CLFC and Canada Life, a position he has held since May, 2013. Prior to that he was President and Chief Operating Officer, Canada of the Corporation, Great-West, London Life, CLFC and Canada Life. Mr. Mahon has been with Great-West since 1986, and is a Director of Great-West, London Life, CLFC, Canada Life, Great-West Financial and Putnam. He is a member of the Canadian Council of Chief Executives. Mr. Mahon also serves on the Boards of the Canadian Life and Health Insurance Association, CancerCare Manitoba Foundation and the Misericordia Health Centre Corporation and is a member of the United Way Resource Development Standing Committee.

BOARD/COMMITTEE MEMBERSHIP ^[1]

Board
Executive Committee
Investment Committee

2015 ATTENDANCE

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GREAT-WEST LIFE CO SECURITIES HELD AT FEBRUARY 23, 2016

Common Shares	DSUs ^[2] [2a]	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs ^[3]	Minimum Equity Ownership Requirement for Directors: Meets/On track to meet ^[4]
138,778	104,288	243,066	\$8,395,500	✓



Susan J. McArthur

Age: 53

Toronto, Ontario, Canada

Director Since May 7, 2015

Ms. McArthur is a Managing Partner at GreenSoil Investments, a private equity firm focused on investing in real estate technology and Agro Food Technology. She has 25 years of international and domestic investment banking experience and has advised corporate clients on a broad range of transactions including acquisitions and divestitures, public and private equity and debt financing, capital restructuring and other strategic initiatives. Previously, Ms. McArthur was a Senior Investment Banker at Jacob Securities Inc., an investment banking firm specializing in renewable energy, oil and gas, mining and infrastructure. She has held positions with Rothschild Canada Limited in Toronto, Lazard Freres & Co. in New York and Paris and The First Boston Corporation in New York. Ms. McArthur is a Director of Great-West, London Life, CLFC and Canada Life. She also serves on the Board of Directors of First Capital Realty, KP Tissue Inc. and KPGP Inc. and is a trustee of Chemtrade Logistics Income Fund. She has previously served as a Director on a number of boards, including Chair of the Canada Revenue Agency Board of Management and Director of Globalive Wireless Management (Wind Mobile), UBS Bank Canada, Orvana Minerals Inc., Bonus Resources Services, the Canadian Club of Toronto, Les Jardins de Metis Inc., Luminato and the Toronto International Film Festival. Ms. McArthur is a graduate of the University of Western Ontario (now Western University).

BOARD/COMMITTEE MEMBERSHIP ^[1]

Board
Executive Committee
Risk Committee
Investment Committee

2015 ATTENDANCE

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GREAT-WEST LIFE CO SECURITIES HELD AT FEBRUARY 23, 2016

Common Shares	DSUs ^[2]	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs ^[3]	Minimum Equity Ownership Requirement for Directors: Meets/On track to meet ^[4]
1,000	963	1,963	\$67,802	✓



R. Jeffrey Orr

Age: 57

Westmount, Québec, Canada

Director Since July 30, 2002

Mr. Orr has been Chairman of the Boards of the Corporation, Great-West, London Life, CLFC and Canada Life since May, 2013 and of Great-West Financial since July, 2013. He is also President and Chief Executive Officer of Power Financial, a position he has held since May, 2005. From May, 2001 until May, 2005, Mr. Orr was President and Chief Executive Officer of IGM Financial Inc. Previously, he was Chairman and Chief Executive Officer of BMO Nesbitt Burns Inc. and Vice-Chairman, Investment Banking Group, Bank of Montreal. He is a Director of Great-West, London Life, CLFC, Canada Life and Great-West Financial, and is a Director and Chairman of Putnam. Mr. Orr is also a Director and Chairman of IGM Financial Inc., Investors Group Inc. and Mackenzie Inc., and a Director of Power Financial and Power. He is active in a number of community and business organizations.

BOARD/COMMITTEE MEMBERSHIP ^[1]

Board
Compensation Committee
Executive Committee
Governance and Nominating Committee
Risk Committee
Investment Committee

2015 ATTENDANCE

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GREAT-WEST LIFECO SECURITIES HELD AT FEBRUARY 23, 2016

Common Shares	DSUs ^[2]	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs ^[3]	Minimum Equity Ownership Requirement for Directors: Meets/On track to meet ^[4]
20,000	137,704	157,704	\$5,447,096	✓



Rima Qureshi

Age: 51

Westmount, Québec, Canada

Ms. Qureshi is not currently a Director

Ms. Qureshi is Senior Vice-President, Chief Strategy Officer, Head of M&A and Chair of Region Northern Europe, Russia and Central Asia at Ericsson, an international technology software and services company, positions that she has held since May, 2014 and January, 2012, respectively. She previously held other senior positions at Ericsson, including Senior Vice-President, Strategic Projects and Senior Vice-President and Head of Business Unit CDMA Mobile Systems. Ms. Qureshi has more than 30 years of global experience in the technology and communications industries. She holds Bachelor of Commerce (Computer Science) and Masters of Business Administration (International Business) degrees from McGill University. Ms. Qureshi is a director of MasterCard Inc. and Wolters Kluwer NV.

BOARD/COMMITTEE MEMBERSHIP ^[1]

N/A

2015 ATTENDANCE

N/A

GREAT-WEST LIFECO SECURITIES HELD AT FEBRUARY 23, 2016

Common Shares	DSUs ^[2]	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs ^[3]	Minimum Equity Ownership Requirement for Directors: Meets/On track to meet ^[4]
NIL	N/A	NIL	NIL	N/A



Henri-Paul Rousseau, Ph.D.
Age: 67
Montréal, Québec, Canada

Director Since May 7, 2009

Mr. Rousseau is Vice-Chairman of Power and Power Financial, positions he has held since January, 2009. He was President and Chief Executive Officer of la Caisse de dépôt et placement du Québec from May, 2005 until May, 2008 and Chairman and Chief Executive Officer from September, 2002 until April, 2005. He was President and Chief Executive Officer of Laurentian Bank of Canada from 1994 until 2002 and prior to that held senior offices with Boréal Assurances Inc. and the National Bank of Canada. Mr. Rousseau was an economics professor at Université Laval from 1975 until 1986 and at Université du Québec à Montréal from 1973 until 1975. He is a Director of Great-West, London Life, CLFC, Canada Life, Great-West Financial and Putnam. He is also a Director of IGM Financial Inc., Investors Group Inc., Mackenzie Inc. and Santander Bank, N.A. He was a member of the Board of GFMA (Global Financial Markets Association) until July, 2014. He received Doctorates *Honoris Causa* from Concordia University, Université Lumière Lyon 2 (France), Université Laval and Université de Sherbrooke. Mr. Rousseau is active in a number of community and non-profit organizations.

BOARD/COMMITTEE MEMBERSHIP ^[1]

2015 ATTENDANCE

Board
Executive Committee
Risk Committee
Investment Committee

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GREAT-WEST LIFECO SECURITIES HELD AT FEBRUARY 23, 2016

Common Shares	DSUs ^[2]	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs ^[3]	Minimum Equity Ownership Requirement for Directors: Meets/On track to meet ^[4]
2,800	18,049	20,849	\$720,124	✓



Raymond Royer, O.C., O.Q., FCPA, FCA
Age: 77
Montréal, Québec, Canada

Director Since May 7, 2009

Mr. Royer was President and Chief Executive Officer and a Director of Domtar Inc. from 1996 until December, 2008. He was previously President and Chief Operating Officer of Bombardier Inc. Mr. Royer is a Director of Great-West, London Life, CLFC, Canada Life, Great-West Financial and Putnam. Mr. Royer is also a Director of Power Financial. He was a Director of Shell Canada Limited until 2007. He is Chairman of the Board of the Research Institute of the McGill University Health Centre and a member of the International Advisory Board of École des Hautes Études Commerciales of Montréal. He is an Officer of the Order of Canada and an Officer of the National Order of Québec.

BOARD/COMMITTEE MEMBERSHIP ^[1]

2015 ATTENDANCE

Board
Audit Committee

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GREAT-WEST LIFECO SECURITIES HELD AT FEBRUARY 23, 2016

Common Shares	DSUs ^[2]	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs ^[3]	Minimum Equity Ownership Requirement for Directors: Meets/On track to meet ^[4]
15,000	55,843	70,843	\$2,446,917	✓



T. Timothy Ryan

Age: 70

Bal Harbour, Florida,
United States of America

Director Since May 8, 2014

Mr. Ryan served as Vice-Chairman of Regulatory Affairs at JPMorgan Chase from 2013 to 2014. Prior to joining JPMorgan, he was President and Chief Executive Officer of the Securities Industry and Financial Markets Association from 2008 to 2013. He is a Director of Great-West, London Life, Canada Life, CLFC, Great-West Financial, Putnam, Power and Power Financial. Mr. Ryan is also non-executive Chairman of the Board of Directors of Santander Holdings USA, Inc. and Santander Bank, N.A. He previously served as a Director of Markit and Lloyds Banking Group plc. He was a private sector member of the Global Markets Advisory Committee for the National Intelligence Council from 2007 to 2011. Mr. Ryan served from 2000 to 2004 as a Board Member and Chairman of the Audit Committee at Koram Bank in Seoul, Korea and served from 2001 to 2012 as a Board Member and Chairman of the Finance Committee for the US Japan Foundation.

BOARD/COMMITTEE MEMBERSHIP ^[1]

Board
Compensation Committee
Executive Committee
Governance and Nominating Committee
Risk Committee
Investment Committee

2015 ATTENDANCE

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GREAT-WEST LIFE CO SECURITIES HELD AT FEBRUARY 23, 2016

Common Shares	DSUs ^[2]	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs ^[3]	Minimum Equity Ownership Requirement for Directors: Meets/On track to meet ^[4]
NIL	11,616	11,616	\$401,217	✓



Jerome J. Selitto

Age: 74

Philadelphia, Pennsylvania,
United States of America

Director Since May 3, 2012

Mr. Selitto is the President of Avex Funding Corporation, a technology focused mortgage lender with offices in New York, California and operations in India. He has served in this capacity since April, 2015. Mr. Selitto served as a Director and as the President and Chief Executive Officer of PHH Corporation ("PHH"), a leading outsource provider of mortgage and fleet management services, from October, 2009 to January, 2012. Prior to joining PHH, Mr. Selitto worked at Ellie Mae, Inc., a provider of enterprise solutions, including an online network, software and services for the residential mortgage industry. While at Ellie Mae, Mr. Selitto initially served as a senior consultant beginning in 2007 and, later in 2007 through 2009, as Executive Vice-President, Lender Division. In 2000, Mr. Selitto founded and served as Chief Executive Officer of DeepGreen Financial, a privately-held, innovative web-based federal savings bank and mortgage company that grew to become one of the nation's most successful online home equity lenders. From 1992 to 1999, he served as co-founder and Vice Chairman of Amerin Guaranty Corporation (now Radian Guaranty), a mortgage insurance company. Mr. Selitto previously served as a Managing Director at First Chicago Corporation and PaineWebber Inc., and as a senior executive at Kidder, Peabody & Co., William R. Hough & Company, and the Florida Federal Savings and Loan Association. Mr. Selitto is a Director of Great-West, London Life, CLFC, Canada Life, Great-West Financial and Putnam. He is also Director and President of One Zero Mortgage.

BOARD/COMMITTEE MEMBERSHIP ^[1]

Board
Executive Committee
Conduct Review Committee
Risk Committee
Investment Committee

2015 ATTENDANCE

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GREAT-WEST LIFE CO SECURITIES HELD AT FEBRUARY 23, 2016

Common Shares	DSUs ^[2]	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs ^[3]	Minimum Equity Ownership Requirement for Directors: Meets/On track to meet ^[4]
NIL	7,282	7,282	\$251,520	✓



James M. Singh, CPA, CMA
Age: 69
Saint Léger, Vaud, Switzerland

Director Since August 1, 2012

Mr. Singh was the Executive Vice-President and Chief Financial Officer of Nestlé S.A. until his retirement in 2012. He was previously Senior Vice-President, Acquisitions and Business Development of Nestlé S.A. from 2000 to 2007 and Executive Vice-President and Chief Financial Officer of Nestlé Canada Inc. from 1995 to 2000. Mr. Singh is a Director of Great-West, London Life, CLFC and Canada Life. He holds a Bachelor of Social Science degree from the University of Guyana and Bachelor of Commerce (Hon) and Master of Business Administration degrees from the University of Windsor. He is the President and Secretary of JS Bravo Advisory Sàrl, a financial and strategic advisory services company. Mr. Singh is a Fellow of the Chartered Institute of Management Accountants, United Kingdom. He is also a member of the Chartered Professional Accounts of Canada. He is a Director of the RTL Group in Luxembourg and is also a Director of the American Skin Association. He is Chairman, CSM Bakery Supplies Limited. He previously served as Chairman of the Chief Financial Officers' Task Force of the European Roundtable of Industrialists and a member of the International Integrated Financial Reporting Standard Committee.

BOARD/COMMITTEE MEMBERSHIP ^[1]

2015 ATTENDANCE

Board	11 of 11
Audit Committee	10 of 10
Executive Committee	4 of 4
Conduct Review Committee	2 of 2
Risk Committee	9 of 9
Investment Committee	5 of 5

GREAT-WEST LIFECO SECURITIES HELD AT FEBRUARY 23, 2016

Common Shares	DSUs ^[2]	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs ^[3]	Minimum Equity Ownership Requirement for Directors: Meets/On track to meet ^[4]
10,500	NIL	10,500	\$362,670	✓



Emőke J.E. Szathmáry, C.M., O.M., Ph.D.
Age: 72
Winnipeg, Manitoba, Canada

Director Since May 4, 2006

Dr. Szathmáry is President Emeritus of the University of Manitoba as well as Professor Emeritus in the Department of Anthropology. She is also a member of the McMaster University Board of Governors and was previously Provost and Vice-President (Academic) of McMaster University, and prior to that Dean of the Faculty of Social Science of the University of Western Ontario in London (now Western University). Dr. Szathmáry is a Director of Great-West, London Life, CLFC and Canada Life. She is also a Director of Power Financial and Power. She also serves on the Boards of Directors of several provincial and national educational, research, and philanthropic not-for-profit organizations. She has received seven honorary doctorates and the Lieutenant Governor's Medal for Excellence in Public Administration in Manitoba. Dr. Szathmáry is a Fellow of the Royal Society of Canada. She is a member of the Order of Canada and the Order of Manitoba.

BOARD/COMMITTEE MEMBERSHIP ^[1]

2015 ATTENDANCE

Board	11 of 11
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GREAT-WEST LIFECO SECURITIES HELD AT FEBRUARY 23, 2016

Common Shares	DSUs ^[2]	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs ^[3]	Minimum Equity Ownership Requirement for Directors: Meets/On track to meet ^[4]
NIL	29,418	29,418	\$1,016,098	✓



Gregory D. Tretiak, FCPA, FCA
Age: 60
Westmount, Québec, Canada

Director Since May 3, 2012

Mr. Tretiak is Executive Vice-President and Chief Financial Officer of Power and Power Financial, positions he has held since May, 2012. From 1988 to May, 2012, he held various positions with IGM Financial Inc. and Investors Group Inc., most recently the position of Executive Vice-President and Chief Financial Officer of IGM Financial Inc. from April, 1999 to May, 2012. Mr. Tretiak is a Director of Great-West, London Life, CLFC, Canada Life, Great-West Financial, Putnam and PanAgora Asset Management, Inc. He also serves as a Director of IGM Financial Inc., Investors Group Inc. and Mackenzie Inc. He holds a Bachelor of Arts in Economics and Political Science from the University of Winnipeg and is a Chartered Professional Accountant, a Fellow of the Chartered Professional Accountants and has been a Certified Financial Planner. Throughout his career, Mr. Tretiak has been active in professional industry groups and associations including the Chartered Professional Accountants, Financial Executives International, the Certified Financial Planners, the Institute of Internal Auditors, the Investment Funds Institute of Canada, and the Canadian Chamber of Commerce Economic and Taxation Committee.

BOARD/COMMITTEE MEMBERSHIP ^[1]

2015 ATTENDANCE

Board
Executive Committee
Risk Committee
Investment Committee

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GREAT-WEST LIFECO SECURITIES HELD AT FEBRUARY 23, 2016

Common Shares	DSUs ^[2]	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs ^[3]	Minimum Equity Ownership Requirement for Directors: Meets/On track to meet ^[4]
NIL	9,979	9,979	\$344,675	✓



Siim A. Vanaselja, CPA, CA
Age: 59
Westmount, Québec, Canada

Director Since May 8, 2014

Mr. Vanaselja served as the Executive Vice-President and Chief Financial Officer of BCE Inc. and Bell Canada, from 2001 to 2015. From 1994 to 2001 he held other senior positions with BCE Inc. and its affiliates, and from 1989 to 1994 he was a Partner with KPMG in Toronto. Mr. Vanaselja is a Director of Great-West, London Life, CLFC and Canada Life. He is currently a Director and Chairman of the Audit Committees of TransCanada Corporation and Maple Leaf Sports & Entertainment Ltd., and previously served as a Director of several BCE Inc. subsidiary companies. He is a past Director of the Montreal Canadiens Hockey Club and of the National Ballet of Canada, and previously served on the Finance Minister's Federal Advisory Committee on Financing, on Moody's Council of Chief Financial Officers and on the Conference Board of Canada's National Council of Financial Executives.

BOARD/COMMITTEE MEMBERSHIP ^[1]


2015 ATTENDANCE

Board
Audit Committee
Executive Committee
Risk Committee
Investment Committee

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GREAT-WEST LIFECO SECURITIES HELD AT FEBRUARY 23, 2016

Common Shares	DSUs ^[2]	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs ^[3]	Minimum Equity Ownership Requirement for Directors: Meets/On track to meet ^[4]
NIL	7,073	7,073	\$244,301	✓

	Director Since May 7, 2009 Mr. Walsh is Partner and Chief Strategist of Titan Advisors LLC, an asset management firm, a position he has held since July, 2015. Prior to that, Mr. Walsh was Chairman and Chief Investment Officer of Saguenay Strathmore Capital, LLC, a money management and investment advisory company, a position that he held from September, 2011 to June, 2015. He was previously Managing Partner of Saguenay Capital, LLC from January, 2001 to September, 2011. Mr. Walsh has over 30 years of investment banking, international capital markets and investment management experience. He had a long career at Bankers Trust culminating in his appointment as Co-head of Global Investment Banking and as a member of the Management Committee. Mr. Walsh is a Director of Great-West, London Life, CLFC and Canada Life. Mr. Walsh also serves on the Board of Directors of Great-West Financial and Putnam, and serves on the International Advisory Board of École des Hautes Études Commerciales of Montréal.			
Brian E. Walsh Age: 62 <i>Rye, New York, United States of America</i>	BOARD/COMMITTEE MEMBERSHIP ^[1]	2015 ATTENDANCE		
	Board Compensation Committee Executive Committee Governance and Nominating Committee Risk Committee Investment Committee	11 of 11 6 of 7 4 of 4 3 of 3 6 of 9 3 of 5		
GREAT-WEST LIFECO SECURITIES HELD AT FEBRUARY 23, 2016				
Common Shares	DSUs^[2]	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs^[3]	Minimum Equity Ownership Requirement for Directors: Meets/On track to meet^[4]
NIL	60,029	60,029	\$2,073,402	✓

[1] Director served as a member of each Committee noted during all or part of 2015.

[2] Directors who are resident in Canada or the United States receive all or a portion of their annual retainer and attendance fees in the form of Deferred Share Units of the Corporation. For the purposes of these tables the value of a Deferred Share Unit is equal to the value of a Common Share.

[2a] This figure includes Executive Share Units awarded to Mr. Mahon pursuant to the Executive Share Unit Plans described below.

[3] Calculated based on the February 23, 2016 closing price of \$34.54 per Common Share on the TSX.

[4] The minimum equity ownership requirement for Directors is described below.

To further align the interests of the Directors with those of the shareholders of the Corporation, each Director is required to own a minimum of \$250,000 in Common Shares, Deferred Share Units, or a combination thereof, within five years from the date upon which he or she was elected a Director. All Directors meet, or are on track to meet, the Corporation's minimum equity ownership requirements.

To the knowledge of the Corporation, no proposed Director is, or has been within the last ten years, a director or executive officer of any company that, while that person was acting in that capacity or within a year of that person having ceased to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

DIRECTOR COMPENSATION

The Directors of the Corporation also serve as Directors of Great-West, London Insurance Group Inc. ("LIG"), London Life, CLFC and Canada Life. A number of them also serve as Directors of Great-West Financial, Putnam and other subsidiaries of the Corporation, and most of the Directors serve on Committees of the Boards of the Corporation and of its major subsidiaries. For serving in these capacities the Directors are paid, by the Corporation and certain of its subsidiaries, the amounts set out in the following table:

Description of Fee	Amount
Annual Board Retainer ^[1]	\$100,000
Annual Chair of the Board Retainer ^[2]	\$100,000
Annual Committee Chair Retainers:	
– Chair of the Executive Committees	\$50,000
– Chair of the Investment Committees	\$40,000
– Chair of the Audit Committees	\$40,000
– Chair of the Risk Committees	\$40,000
– Chair of the Conduct Review Committees	\$10,000
Annual Audit Committee Member Retainer	\$3,000
Board/ Committee per Meeting Attendance Fee	\$2,000
Non-resident Travel Fee ^[3]	\$2,000

- [1] \$50,000 of the Annual Board Retainer is paid to Directors who are resident in Canada or the United States in deferred share units of the Corporation ("Deferred Share Units") pursuant to the mandatory Deferred Share Unit Plans described below.
- [2] The Chair of the Board does not receive a retainer for also serving as Chair of any Committees.
- [3] Non-resident travel fees are paid to a Director attending in person at Board or Committee meetings for each travel day of overseas travel in recognition of time spent travelling to meetings.

In order to promote a greater alignment of interests between the Directors and the shareholders of the Corporation, the Corporation, Great-West, Great-West Financial and Putnam have established mandatory Deferred Share Unit Plans and/or voluntary Deferred Share Unit Plans (the "Mandatory DSU Plans" and the "Voluntary DSU Plans" respectively) in which Directors of the Corporation participate. Under the Mandatory DSU Plans, each Director who is a resident of Canada or the United States receives \$50,000 of his or her annual retainer in the form of Deferred Share Units. Under the Voluntary DSU Plans, each Director may elect to receive the balance of his or her annual retainer (including Board Committee fees) and his or her attendance fees entirely in the form of Deferred Share Units, entirely in cash, or equally in cash and Deferred Share Units. In both cases the number of Deferred Share Units granted is determined by dividing the amount of remuneration payable to the Director by the weighted average trading price per Common Share on the TSX for the five trading days preceding the date of grant (the five day weighted average trading price preceding the relevant event being the "value of a Deferred Share Unit"). Directors receive additional Deferred Share Units in respect of dividends payable on the Common Shares based on the value of a Deferred Share Unit at that time. Deferred Share Units are generally redeemable at the time that an individual ceases to be a Director by a lump sum cash payment, based on the value of the Deferred Share Units on the date of redemption. The redemption proceeds are fully taxable as income in the year received. In 2015, \$2,599,680 in directors fees were used to acquire Deferred Share Units.

The following table shows the compensation paid to each individual who served as a Director of the Corporation and its subsidiaries during 2015 (other than Mr. Mahon whose compensation for services as a Director is set forth in the Summary Compensation Table later in this Circular) for services in respect of the financial year ended December 31, 2015. The fees are annual retainer fees, meeting fees, non-resident travel fees, chair fees and committee fees in respect of Board and Committee services to the Corporation, Great-West, LIG, London Life, CLFC, Canada Life, Canada Life Capital Corporation Inc., The Canada Life Group (U.K.) Limited, Canada Life Limited, Irish Life Group Limited ("Irish Life"), Great-West Financial, Great-West Life & Annuity Insurance Company of New York and Putnam.

DIRECTORS' COMPENSATION ^[1]				
Name	Fees Earned (\$)		Mandatory DSU Awards (\$) ^[3]	Total (\$)
	Cash (\$)	Voluntary DSU Awards (\$) ^[2]		
Coutu, M.R.	109,000	93,000	50,000	252,000
Desmarais, A.	NIL	175,000	50,000	225,000
Desmarais, P., Jr.	136,000	6,000	50,000	192,000
Généreux, C.	21,555	93,000	32,555	147,110
Greene, M.M. ^[4]	52,110	41,000	NIL	93,110
Hepher, M.L. ^{[4] [5]}	131,222	NIL	NIL	131,222
Hošek, C.M.	109,000	NIL	50,000	159,000
Jackson, J.D.A.	148,000	NIL	50,000	198,000
McArthur, S.J.	84,555	NIL	32,555	117,110
Orr, R.J.	NIL	332,000	50,000	382,000
Plessis-Bélair, M.	83,000	NIL	50,000	133,000
Rousseau, H.-P.	168,000	14,000	50,000	232,000
Royer, R.	NIL	183,000	50,000	233,000
Ryan, T.T.	265,615	295,240	64,000	624,855
Selitto, J.J.	265,340	NIL	64,000	329,340
Singh, J.M. ^[4]	259,342	NIL	NIL	259,342
Szathmáry, E.J.E.	94,000	NIL	50,000	144,000
Tretiak, G.D.	262,342	27,000	50,000	339,342
Vanaselja, S.A.	209,293	117,000	50,000	376,293
Walsh, B.E.	105,430	128,330	64,000	297,760

[1] The table does not include any amounts paid as reimbursement for expenses.

[2] Represents the portion of the annual Board retainer and attendance fees elected to be received in Deferred Share Units pursuant to the Voluntary DSU Plans.

[3] Represents the portion of the annual Board retainer that is required to be paid in Deferred Share Units pursuant to the Mandatory DSU Plans.

[4] Messrs. Hepher and Singh and Ms. Greene did not participate in the Mandatory DSU Plans in 2015 as they were not residents of Canada or the United States.

[5] Mr. Hepher retired from the Board effective May 7, 2015.

The above amounts are generally paid in the currency of the country of residence of the Director except for Messrs. Ryan and Vanaselja who were paid in Pounds Sterling and/or Euros in respect of their service on the Corporation's European subsidiary Boards.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

This section describes the objectives of the Corporation's executive compensation programs, as well as the programs, practices and awards for any individual who served during 2015 as the Chief Executive Officer and as the Chief Financial Officer of the Corporation and the three other most highly compensated executive officers of the Corporation in 2015 (the "Named Executive Officers"):

- **Paul A. Mahon** – President and Chief Executive Officer of the Corporation, Great-West, London Life and Canada Life
- **William W. Lovatt** – Executive Vice-President and Chief Financial Officer of the Corporation, Great-West, London Life and Canada Life (until March 31, 2015, after which Mr. Lovatt remained in an advisory role until his retirement on July 1, 2015)
- **Garry MacNicholas** – Executive Vice-President and Chief Financial Officer of the Corporation, Great-West, London Life and Canada Life (appointed on March 31, 2015)
- **S. Mark Corbett** – Executive Vice-President, Global Chief Investment Officer of the Corporation
- **Arshil Jamal** – President and Chief Operating Officer, Europe of the Corporation, Great-West, London Life and Canada Life
- **J. Dave Johnston** – President and Chief Operating Officer, Canada of the Corporation, Great-West, London Life and Canada Life

The executive compensation programs adopted by the Corporation and its subsidiaries and applied to their executive officers have been designed to:

- support the Corporation's objective of generating value for shareholders and policyholders over the long term;
- attract, retain and reward qualified and experienced executives who will contribute to the success of the Corporation and its subsidiaries;
- motivate executive officers to meet annual corporate, divisional, and individual performance goals;
- promote the achievement of goals in a manner consistent with the Corporation's Code of Business Conduct and Ethics (the "Code of Conduct"); and
- align with regulatory requirements.

More specifically, the executive compensation programs reward:

- excellence in developing and executing strategies that will produce significant value for shareholders and policyholders over the long term;
- management vision and an entrepreneurial approach;
- quality of decision-making;
- strength of leadership;
- record of performance over the long term; and
- initiating and implementing transactions and activities that create shareholder and policyholder value.

The Compensation Committees of the Corporation, Great-West, London Life, Canada Life and Great-West Financial oversee their respective executive compensation programs. The Boards and the Compensation Committees recognize the importance of executive compensation decisions and remain committed to awarding compensation that reflects leadership's ability to deliver on the Corporation's strategic goals and to drive strong performance and sustainable value for shareholders and policyholders.

In designing and administering the individual elements of the executive compensation programs, the Compensation Committees strive to balance short-term and long-term incentive objectives and to apply prudent judgment in establishing performance criteria, evaluating performance, and determining actual incentive awards. Total compensation of each Named Executive Officer is reviewed by the Compensation Committees from time to time for market competitiveness, and reflects each Named Executive Officer's job responsibilities, experience and proven performance.

Components of Executive Compensation

The executive compensation programs consist of five primary components:

- base salary;
- annual incentive bonus;
- share units;
- options for Common Shares; and
- retirement and other benefits.

The Named Executive Officers do not receive any salary or bonus from the Corporation. The salary and bonus reported for them in the Summary Compensation Table (see page 23) was earned in their capacities as executive officers of major subsidiaries of the Corporation.

Base salary, incentive bonus, share units and retirement benefits are determined by the Compensation Committees of Great-West, London Life, Canada Life and Great-West Financial for their respective executive officers (including the Named Executive Officers) other than the President and Chief Executive Officer, whose base salary, annual incentive bonus and share units are recommended by the Compensation Committees for approval by their respective Boards of Directors. The long-term compensation component awarded in the form of options for Common Shares is determined and administered by the Corporation's Compensation Committee.

The primary purpose of each of the major components of compensation is summarized in the following table:

Component	Purpose
Base salary	Reflect skills, competencies, experience and performance of the Named Executive Officers
Annual incentive bonus	Reflect performance for the year
Share units	More closely align the medium-term interests of the Named Executive Officers with the interests of shareholders
Stock options	More closely align the long-term interests of the Named Executive Officers with the interests of shareholders
Retirement benefits	Provide for appropriate replacement income upon retirement based on years of service with the Corporation or one of its subsidiaries
Other benefits	Provide adequate protection in case of sickness, disability or death, as well as other competitive reward opportunities in the context of total compensation

(a) Base Salary

Base salaries for the Named Executive Officers are set annually, taking into account the individual's job responsibilities, experience and proven performance, as well as market conditions. These salaries are based on data gathered by the Corporation's subsidiaries or by external professional compensation consultants.

(b) Annual Incentive Bonus

To relate the compensation of the Named Executive Officers to the performance of the Corporation and its subsidiaries, an annual incentive bonus is provided. Target objectives are set annually, and are comprised of at least the following three elements:

- (i) earnings, expense and sales targets of the relevant subsidiaries and/or a business unit within them;
- (ii) earnings of the Corporation and/or its subsidiaries; and
- (iii) specific individual objectives related to strategic initiatives.

Bonus opportunities are established against each objective at the beginning of each year.

Bonus opportunities for the Named Executive Officers are expressed as a percentage of base salary and vary by office as set out in the following table:

Office Held	% of Base Salary if Targets are Met	Maximum % of Base Salary
President and Chief Executive Officer of the Corporation, Great-West, London Life and Canada Life	100%	200%
Executive Vice-President and Chief Financial Officer of the Corporation, Great-West, London Life and Canada Life	80%	120%
Executive Vice-President, Global Chief Investment Officer of the Corporation	100%	150%
President and Chief Operating Officer, Canada of the Corporation, Great-West, London Life and Canada Life; President and Chief Operating Officer, Europe of the Corporation, Great-West, London Life and Canada Life	90%	135%

Lower bonus amounts may be earned by the Named Executive Officers on partial achievement of bonus targets.

From time to time, special bonuses may be paid for significant projects such as acquisitions.

(c) Share Units

To provide a medium term component to the executive compensation program, the Named Executive Officers participate in either the Great-West, London Life and Canada Life Share Unit Plan for Canadian-based executives, or the Great-West Financial Share Unit Plan for U.S.-based executives (the “Executive Share Unit Plans”). Pursuant to the Executive Share Unit Plans, notional share units (“Executive Share Units”) may be awarded to the Named Executive Officers by the relevant Compensation Committee (the value of an Executive Share Unit on any particular date is based upon the price of the Common Shares on the TSX). The number of Executive Share Units awarded is generally related to the base salaries of the Named Executive Officers and to the contributions that the Named Executive Officers have made to the Corporation and to its major operating subsidiaries. Each Executive Share Unit has a three-year vesting period and is payable subject to continuous employment, satisfaction of the vesting conditions and to the adjustment of the number of Executive Share Units to reflect individual performance (or, in the case of Named Executive Officers who are employees of Great-West Financial, Great-West Financial’s business performance) and notional dividends. The Named Executive Officers who participate in the Great-West, London Life and Canada Life Share Unit Plan have the option of electing to receive all or a portion of their Executive Share Units in the form of deferred share units and also have the opportunity to elect to receive all or a portion of their annual cash bonuses in the form of deferred share units, in which event they cannot be redeemed until after the Named Executive Officer has retired.

(d) Stock Options

To provide a long-term component to the executive compensation program, the Named Executive Officers participate in the Corporation’s Stock Option Plan (the “Stock Option Plan”) which was approved by the shareholders at the Corporation’s annual meeting on April 24, 1996.

The Corporation’s Compensation Committee is responsible for the granting of options to participants under the Stock Option Plan. The Compensation Committee generally considers the granting of options on an annual basis. The duties, responsibilities and contributions of participants to the success of the Corporation and its subsidiaries are taken into account when the Committee determines whether, and how many, new option grants should be made. The granting of options is subject to the terms and conditions contained in the Stock Option Plan, and any additional terms and conditions fixed by the Compensation Committee at the time of the grant.

The Compensation Committee believes that long-term incentives in the form of stock options, with delayed vesting provisions, play an important part in retaining key executive officers and in aligning the interests of the executive officers with those of the Corporation's shareholders, and in contributing to the achievement of the results that have been attained by the Corporation and its subsidiaries.

(e) Retirement Benefits

Great-West, Canada Life and Great-West Financial offer retirement arrangements to the Named Executive Officers. The main provisions of these retirement arrangements are described on page 26. The purpose of these retirement arrangements is to:

- offer an adequate and competitive level of retirement income to the executive officers who have spent a significant portion of their career with the Corporation or one of its subsidiaries;
- provide an incentive for the Named Executive Officers to remain in service with the Corporation or one of its subsidiaries through the vesting provisions of the supplemental executive retirement plans and their benefit accrual formulas; and
- supplement registered pension plan benefits to assist in attracting executive officers.

(f) Other Benefits

Great-West, Canada Life and Great-West Financial offer healthcare, life, accident and disability insurance coverage to the Named Executive Officers as well as to all of their employees under the same program.

Great-West also offers a share purchase program to its employees, under which Messrs. Mahon and Johnston can purchase shares of the Corporation through payroll deductions. Mr. Lovatt was eligible to participate in the program until his retirement on July 1, 2015. Under this program, Great-West makes a contribution equal to 50% of the participant's contribution (subject to a maximum employee contribution of 5% of salary) which is used to purchase shares of the Corporation. All Great-West employees are eligible to participate in this program on similar terms and conditions.

The Named Executive Officers are also eligible to receive a limited number of perquisites provided by Great-West, Canada Life and Great-West Financial.

Compensation Policy Risk Management

In performing their duties, the Compensation Committees consider the implications of the possible risks associated with the Corporation's and its material subsidiaries' compensation policies and practices. This includes identifying any compensation policies or practices that may encourage executive officers to take inappropriate or excessive risks and identifying and mitigating any risks arising from such policies and practices that are reasonably likely to have a material adverse effect on the Corporation and its subsidiaries.

The Committees periodically review and assess their compensation policies and practices in relation to such risks, including assessing such policies and practices of the type that have been identified by the Canadian Securities Administrators as potentially encouraging executive officers to expose the Corporation and its subsidiaries to inappropriate or excessive risks. It is the Committee's view that the Corporation's and its material subsidiaries' compensation policies and practices do not encourage inappropriate or excessive risk-taking.

The Committee believes that the Corporation's status as a financial services holding company and the status of many of its major operating subsidiaries as regulated financial institutions that in each case have a controlling shareholder with a long-term focus, mitigate against executive officers exposing the Corporation or its subsidiaries to inappropriate or excessive risks. As described previously, the Corporation's and its subsidiaries' executive compensation policies and programs have been designed to support the Corporation's objective of generating long-term value for shareholders and policyholders.

As described on page 19, annual incentive bonuses are determined by reference to a number of factors, many of which relate to the overall financial performance of the Corporation and/or its major operating subsidiaries and which are beyond the capability of any particular Named Executive Officer to affect directly in a significant way. As such, the Committee believes that the annual incentive bonus program does not encourage potentially inappropriate short-term risk-taking behaviour. As described on page 20, the Executive Share Unit Plan requires executives to hold their Executive Share Units for at least a three year vesting period, and this also mitigates against executives taking inappropriate or excessive risks to improve short-term performance. In addition, a significant portion of the executive officers' (including the Named Executive Officers') compensation is in the form of stock options which typically have a ten-year term and are subject to annual vesting requirements over a five-year period. In the view of the Committee, as recipients only benefit under stock options if shareholder value increases over the long term, officers are not encouraged to take actions which provide short-term benefits and which may expose the Corporation over a longer term to inappropriate or excessive risks.

The Directors of the Corporation and the Named Executive Officers are also subject to the Corporation's Insider Trading and Reporting Policy (the "Insider Trading Policy"). The Insider Trading Policy prohibits a Director or a Named Executive Officer from purchasing financial instruments, including for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in the market value of equity securities (or equivalents such as deferred share units and performance share units, the value of which is derived from equity securities) granted by the Corporation or any of its subsidiaries as compensation. The Insider Trading Policy also prohibits these individuals from buying or selling any securities of the Corporation or of its public affiliates with the intention of reselling or repurchasing them within a six-month period in expectation of a short-term rise or fall in the market price of the securities, or generally selling such securities, directly or indirectly, if he or she does not own or has not fully paid for such securities.

Summary Compensation Table

The following table and footnotes describe all compensation paid to, awarded to, earned by or otherwise provided to each of the Named Executive Officers in 2015 for services provided or to be provided to the Corporation and its subsidiaries. Compensation is reported in this table in Canadian dollars. During 2015 Mr. Corbett was resident in the United States and was paid in United States dollars (the translation rate of United States dollars into Canadian dollars was \$1.28 which was the Corporation's average rate for the year).

Name and Principal Position	Year	Salary (\$)	Share - Based Awards (\$)	Option - Based Awards (\$) ^[3]	Annual Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$) ^[6]	Total Compensation (\$)
P.A. Mahon President and Chief Executive Officer of the Corporation, Great-West, London Life and Canada Life	2015	1,064,231	50,000 ^[1] 999,995 ^[2]	1,088,982	1,750,000 ^[4]	1,987,735	188,000 ^[7] 24,106 ^[8]	7,153,049
	2014	964,231	50,000 ^[1] 449,992 ^[2]	1,051,060	1,627,140 ^[4]	3,834,551	216,000 ^[7] 20,002 ^[8]	8,212,976
	2013	800,077	33,242 ^[1] 245,996 ^[2]	410,321	1,416,570 ^[4]	3,950,784	123,242 ^[7] 14,625 ^[8]	6,994,857
W.W. Lovatt Executive Vice-President and Chief Financial Officer of the Corporation, Great-West, London Life and Canada Life ^[9]	2015	369,865	437,388 ^[2]	496,571	368,081 ^[4]	(3,287)	8,848 ^[8] 109,350 ^[10]	1,786,816
	2014	707,838	212,413 ^[2]	185,130	612,651 ^[4]	(482,830)	17,109 ^[8]	1,252,311
	2013	684,358	206,110 ^[2]	180,544	594,789 ^[4] 350,000 ^[5]	1,598,876	16,675 ^[8]	3,631,352
G. MacNicholas Executive Vice-President and Chief Financial Officer of the Corporation, Great-West, London Life and Canada Life ^[9]	2015	571,804	343,186 ^[2]	389,350	597,521 ^[4]	5,295,980	NIL	7,197,841
	2014	554,885	166,485 ^[2]	145,299	461,136 ^[4]	448,788	NIL	1,776,593
	2013	505,673	118,755 ^[2]	91,520	423,541 ^[4]	948,127	NIL	2,087,616
S.M. Corbett Executive Vice-President, Global Chief Investment Officer of the Corporation	2015	831,162	521,527 ^[2]	284,394	1,072,606 ^[4]	(152,968)	8,471 ^[8]	2,565,192
	2014	741,000	304,141 ^[2]	197,999	916,329 ^[4]	162,695	7,410 ^[8]	2,329,574
	2013	656,734	258,783 ^[2]	186,662	812,125 ^[4]	276,305	6,566 ^[8]	2,197,175
A. Jamal President and Chief Operating Officer, Europe of the Corporation, Great West, London Life and Canada Life	2015	622,792	436,101 ^[2]	509,150	719,180 ^[4]	382,204	NIL	2,669,427
	2014	604,846	242,014 ^[2]	316,965	689,996 ^[4]	474,751	NIL	2,328,572
	2013	582,750	233,992 ^[2]	307,008	664,843 ^[4] 500,000 ^[5]	400,716	NIL	2,689,309
J.D. Johnston President and Chief Operating Officer, Canada of the Corporation, Great-West, London Life and Canada Life	2015	569,769	399,014 ^[2]	465,423	563,533 ^[4]	4,724	13,740 ^[8]	2,016,203
	2014	549,615	219,998 ^[2]	287,793	542,979 ^[4]	775,612	11,741 ^[8]	2,387,738
	2013	469,646	124,793 ^[2]	109,408	486,199 ^[4]	4,137,280	10,000 ^[8]	5,337,326

- [1] These Share-Based Awards represent the portion of annual Board retainers that are required to be paid to Mr. Mahon in Deferred Share Units pursuant to the Mandatory DSU Plans for services as a Director of the Corporation and its subsidiaries.
- [2] These Share-Based Awards represent Executive Share Units awarded to the Named Executive Officer pursuant to the Executive Share Unit Plans. The values shown are the values of the awards based on the average market value of the Common Shares determined in accordance with the Executive Share Unit Plans.
- [3] The Option-Based Awards reflect the grant date fair value of stock options granted under the Stock Option Plan. The grant date fair value of the option awards was calculated using the Black Scholes model adjusted for dividends. The volatility factor was estimated using a monthly historical value equal to the time period between actual grant date and the assumed future exercise date. The dividend yield was calculated by taking the last annualized dividend payment and dividing it by the option exercise price.
- [4] These are bonuses paid pursuant to the annual incentive bonus program.
- [5] This is a special bonus that was paid in 2013 in respect of the acquisition of Irish Life.
- [6] The aggregate of perquisites and other personal benefits provided to each Named Executive Officer in 2015 did not exceed the lesser of \$50,000 and 10% of total salary.
- [7] These amounts represent Board fees paid (other than the portion of annual Board retainers required to be paid in Deferred Share Units pursuant to the Mandatory DSU Plans which is disclosed in the Share-Based Awards column) to Mr. Mahon in his capacity as a Director of the Corporation and/or its subsidiaries, all of which he elected to receive in the form of Deferred Share Units under the Voluntary DSU Plans, other than \$20,242 which Mr. Mahon received in cash in 2013.
- [8] These amounts represent Great-West contributions to supplement contributions made by Messrs. Mahon, Lovatt and Johnston under the Great-West Employees Share Ownership Plan and a matching contribution made by Great-West Financial in respect of Mr. Corbett's 401(k) plan.
- [9] Mr. Lovatt was Executive Vice-President and Chief Financial Officer of the Corporation, Great-West, London Life and Canada Life until March 31, 2015, at which time Mr. MacNicholas assumed responsibility for the role. Mr. Lovatt remained in an advisory role to Mr. MacNicholas until his retirement on July 1, 2015.
- [10] This amount represents a retirement bonus paid to Mr. Lovatt.

Incentive Plan Awards

As described earlier in this Circular, the Corporation has a Stock Option Plan in which certain officers and employees of the Corporation and its subsidiaries participate. Non-employee members of the Board of Directors are not eligible to participate in the Plan. A maximum of 65,000,000 Common Shares, representing 6.55% of the Corporation's currently outstanding Common Shares, may be issued under the Stock Option Plan. To date, 41,046,176 Common Shares, representing 4.13% of the Corporation's currently outstanding Common Shares, have been issued under the Stock Option Plan. During 2015 the Corporation granted options to acquire 2,793,820 Common Shares, representing 0.28% of the currently outstanding Common Shares. A total of 14,522,652 Common Shares, representing 1.46% of the currently outstanding Common Shares, remain issuable under grants that have been made under the Stock Option Plan.

The number of Common Shares issuable to insiders (as defined under applicable TSX rules) at any time under options issued and outstanding pursuant to the Stock Option Plan and under any other security based compensation arrangements (also as defined under applicable TSX rules) of the Corporation cannot exceed in the aggregate 10% of the Corporation's total issued and outstanding Common Shares, and the number of Common Shares issued to insiders within any one year period under options issued and outstanding pursuant to the Stock Option Plan and under any other security based compensation arrangements of the Corporation cannot exceed in the aggregate 10% of the Corporation's total issued and outstanding Common Shares. Not more than 5% of the outstanding Common Shares may be reserved for issuance to any one person under the Stock Option Plan.

The Compensation Committee determines those persons to whom options are granted and sets the exercise price of the options, but under no circumstances can it be less than the weighted average trading price per Common Share on the TSX for the five trading days preceding the date of the grant. Options generally become exercisable at the rate of 20% per year commencing one year after the date of the grant and generally expire ten years following the date of the grant, except that if options would otherwise expire during a blackout period or within ten business days of the end of a blackout period, the expiry date for the options is extended to the tenth business day after the expiry date of the blackout period. In the event of the death of a participant or the termination of a participant's employment, then the period within which the options may be exercised is generally reduced depending on the circumstances surrounding the death or termination of employment. Options are not assignable by participants other than by will or pursuant to the laws of succession. The Corporation does not provide any financial assistance to participants to facilitate the purchase of Common Shares under the Stock Option Plan.

The Stock Option Plan provides that the Board of Directors may amend or terminate the Plan, except that the approval by a majority of the votes cast by the holders of Common Shares and First Preferred Shares is required for certain specified amendments to the Stock Option Plan (or to options granted under the Stock Option Plan), including increasing the number of Common Shares that can be issued under the Plan, reducing the exercise price of an outstanding option, extending the expiry date of an outstanding option, permitting the grant of an option with an expiry date of more than 10 years from the grant date, expanding the authority of the Corporation to permit the assignability of options, adding non-employee Directors to the category of eligible participants, or changing the percentage limits of Common Shares reserved for issuance to any one person or to insiders.

(a) Outstanding Option-Based and Share-Based Awards

The following table shows information for each Named Executive Officer, award by award, in respect of all unexercised options and in respect of all share-based awards as at December 31, 2015. The options have been granted under the Stock Option Plan and the share-based awards are Executive Share Units that have been awarded under the Executive Share Unit Plans, each as described on page 20.

Option-Based Awards					Share-Based Awards		
Name	Number of securities underlying unexercised options	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ^[1]	Number of Share Units that have not vested (#)	Market or payout value of Share Units that have not vested (\$) ^[1]	Market or payout value of vested Share Units not paid out or distributed (\$) ^[1]
P.A. Mahon	150,000	31.26582	May 12, 2018	489,627	46,565	1,607,878	698,892
	65,300	27.15750	February 28, 2021	481,424			
	88,500	23.16475	February 28, 2022	1,005,825			
	77,600	27.12800	February 28, 2023	574,395			
	21,500	28.36298	May 13, 2023	132,591			
	84,000	31.13600	February 29, 2024	285,096			
	109,400	30.33400	May 20, 2024	459,042			
	181,800	35.62000	February 28, 2025	NIL			
W.W. Lovatt	75,000	31.26582	May 12, 2018	244,814	NIL	NIL	1,525,811
	43,400	27.12800	June 30, 2020	321,247			
	37,400	27.15750	June 30, 2020	275,732			
	33,000	31.13600	June 30, 2020	112,002			
	82,900	35.62000	June 30, 2020	NIL			
G. MacNicholas	20,200	27.13407	February 29, 2020	149,398	16,385	565,781	526,541
	15,700	27.15750	February 28, 2021	115,748			
	24,800	23.16475	February 28, 2022	281,858			
	22,000	27.12800	February 28, 2023	162,844			
	25,900	31.13600	February 29, 2024	87,905			
	65,000	35.62000	February 28, 2025	NIL			
S.M. Corbett	90,000	37.22197	February 27, 2017	NIL	26,617	919,093	438,401
	50,000	31.26582	May 12, 2018	163,209			
	30,200	27.15750	February 28, 2021	222,650			
	47,800	23.16475	February 28, 2022	543,259			
	39,800	27.12800	February 28, 2023	294,600			
	32,300	31.13600	February 29, 2024	109,626			
	68,200	35.62000	February 28, 2025	NIL			
A. Jamal	64,000	35.36070	August 13, 2017	NIL	21,844	754,275	1,101,524
	25,000	31.26582	May 12, 2018	81,605			
	23,100	27.15750	February 28, 2021	170,305			
	82,500	23.16475	February 28, 2022	937,633			
	73,800	27.12800	February 28, 2023	546,268			
	56,500	31.13600	February 29, 2024	191,761			
	85,000	35.62000	February 28, 2025	NIL			
J.D. Johnston	21,300	27.13407	February 29, 2020	157,533	19,938	688,466	1,046,903
	22,400	27.15750	February 28, 2021	165,144			
	30,300	23.16475	February 28, 2022	344,367			
	26,300	27.12800	February 28, 2023	194,673			
	51,300	31.13600	February 29, 2024	174,112			
	77,700	35.62000	February 28, 2025	NIL			

[1] Calculated based on the December 31, 2015 closing price of \$34.53 per Common Share on the TSX.

(b) Value Vested or Earned During 2015

The following table summarizes for each of the Named Executive Officers the aggregate value that would have been realized if the stock options that vested in 2015 had been exercised on the vesting dates. The table also shows all non-equity incentive plan compensation earned during the financial year ending December 31, 2015 – these are the same amounts disclosed in the “Annual Non-Equity Incentive Plan Compensation” column in the Summary Compensation Table on page 23.

Name	Option-Based Awards – Value Vested During 2015 (\$)	Share-Based Awards – Value Vested During 2015 (\$)	Non-Equity Incentive Plan Compensation – Value Earned During 2015 (\$)
P.A. Mahon	894,034	549,914	1,750,000
W.W. Lovatt	1,264,662	1,205,715	368,081
G. MacNicholas	181,922	266,882	597,521
S.M. Corbett	329,299	438,401	1,072,606
A. Jamal	462,852	535,199	719,180
J.D. Johnston	238,395	255,955	563,533

Retirement Plan Benefits

Great-West, Canada Life and Great-West Financial maintain defined benefit pension plans for their respective employees, which provide pension benefits based on years of pensionable service and final average earnings. An employee's annual benefits under the Great-West and Canada Life registered defined benefit pension plans are subject to statutory limits. Canada Life maintains a defined benefit supplemental retirement plan for some of its employees whose benefits under a Canada Life registered defined benefit pension plan are capped at the statutory limits. Great-West maintains a defined benefit supplemental retirement plan for certain senior executives of Great-West, London Life and Canada Life, which provides pension benefits in excess of the statutory limits such that the total annual pension from all pension plans is two percent of final average earnings for all years of pensionable service (to a maximum of 32.5 years) reduced at age 65 by the maximum pension payable from the Canada Pension Plan at the time. Members of the Great-West defined benefit supplemental retirement plan are designated for membership by a resolution of the Compensation Committee of Great-West. The Compensation Committee may revoke a participant's membership at its discretion. An employee's annual benefit under the Great-West Financial qualified pension plan is subject to statutory limits. Great-West Financial also maintains a defined benefit supplemental retirement plan for certain of its employees. In addition, a member's pension payable from the Great-West Financial defined benefit supplemental retirement plan is reduced by the maximum annual social security benefit payable.

Messrs. Mahon, Lovatt and Johnston participate in the Great-West defined benefit registered pension plan and the Great-West supplemental retirement plan. Messrs. Jamal and MacNicholas participate in a Canada Life registered defined benefit pension plan, the Canada Life defined benefit supplemental retirement plan without future accrual of benefits, and in the Great-West defined benefit supplemental retirement plan. Final average earnings used to determine the aggregate pension benefits at retirement is the average of the highest three consecutive years of regular salary and bonus out of the last ten years of employment; however, for pension purposes the portion of a member's bonus that may be included in the final average earnings is limited to 125% of the member's salary. A member is entitled to receive an unreduced pension from the Great-West supplemental retirement plan upon the earlier of attainment of age 62 with at least 30 years of continuous service or upon attainment of age 65. If a member has not met these vesting requirements at their date of retirement, then no benefits are payable from the Great-West supplemental retirement plan, unless these vesting requirements are waived by the Compensation Committee. If the vesting requirements are waived, the pension payable will be reduced by 1/4 of 1% for each month actual retirement precedes the date the member would have been eligible for an unreduced pension, plus 1/6 of 1% for each month actual retirement precedes the date the member would have attained age 60. In addition, if the vesting requirements are waived for a member who retires prior to age 62, only 50% of pensionable bonuses paid from the Annual Incentive Plan will be reflected in the member's final average earnings. The normal form of pension for those with a spouse at retirement is payable for the lifetime of the member, with a guarantee that 60 payments will be paid. In the event of the member's death, and following the expiry of the guarantee period, the member's spouse at pension commencement, if then surviving, is entitled to a lifetime pension equal to 50% of the member's pension. Other optional forms of pension payment are

available on an actuarially equivalent basis with the approval of the Compensation Committee. Messrs. Jamal and MacNicholas are vested in their pensions accrued in the Canada Life supplemental retirement plan.

Mr. Corbett participates in both Great-West Financial defined benefit pension plans. The benefits payable to Mr. Corbett at retirement are based on 60% of the average of the highest 60 consecutive months of compensation during the last 84 months of employment. Earnings for pension purposes include salary and bonuses prior to any deferrals; however, for pension purposes the portion of Mr. Corbett's bonus that may be included in such earnings cannot exceed 125% of his salary. The normal form of pension is a life only annuity. Other optional forms of pension payment are available on an actuarially equivalent basis.

The following table presents information on the defined benefit pension obligations for the Named Executive Officers calculated as at December 31, 2015.

Name	Number of Years of Credited Service	Annual Benefits Payable (\$)		Accrued Obligation at Start of Year (\$) ^[1]	Compensatory Changes (\$) ^[2]	Non-Compensatory Changes (\$) ^[3]	Accrued Obligation at Year End (\$) ^[4]
		AT YEAR END	AT AGE 65				
P.A. Mahon	29.6	1,107,412	1,216,977	18,375,312	1,987,735	167,372	20,530,419
W.W. Lovatt	32.5	824,718	824,718	13,607,077	(3,287)	131,458	13,735,248
G. MacNicholas	30.8	576,613	608,577	6,586,730	5,295,980	10,558	11,893,268
S.M. Corbett	29.0	402,353	1,059,734	11,280,296	(152,968)	1,990,836	13,118,164
A. Jamal	17.4	477,792	870,812	5,833,891	382,204	9,707	6,225,802
J.D. Johnston	32.5	624,927	624,927	9,962,948	4,724	886,749	10,854,421

- [1] The accrued obligation at the start of the year is the value of the projected pension earned for service to December 31, 2014. The values have been determined, based on the 2014 actual pensionable earnings projected to reflect expected increases in pensionable earnings, using the same actuarial assumptions used for determining the pension plan obligations at December 31, 2014 as disclosed in the notes to the Corporation's 2014 consolidated financial statements.
- [2] Includes the value of projected pension earned for service in the year (reduced by the Named Executive Officer's contributions) plus the differences between actual and assumed compensation for the year.
- [3] Includes the impact of amounts attributable to interest accruing on the beginning-of-year obligation, changes in the actuarial assumptions, the Named Executive Officer's contributions, and any other experience gains and losses, including the impact of exchange rate changes.
- [4] The accrued obligation at year end is the value of the projected pension earned for service to December 31, 2015. The values have been determined, based on the 2015 actual pensionable earnings projected to reflect expected increases in pensionable earnings, using the same actuarial assumptions used for determining the pension plan obligations at December 31, 2015 as disclosed in the notes to the Corporation's 2015 consolidated financial statements.

Termination and Change of Control Benefits

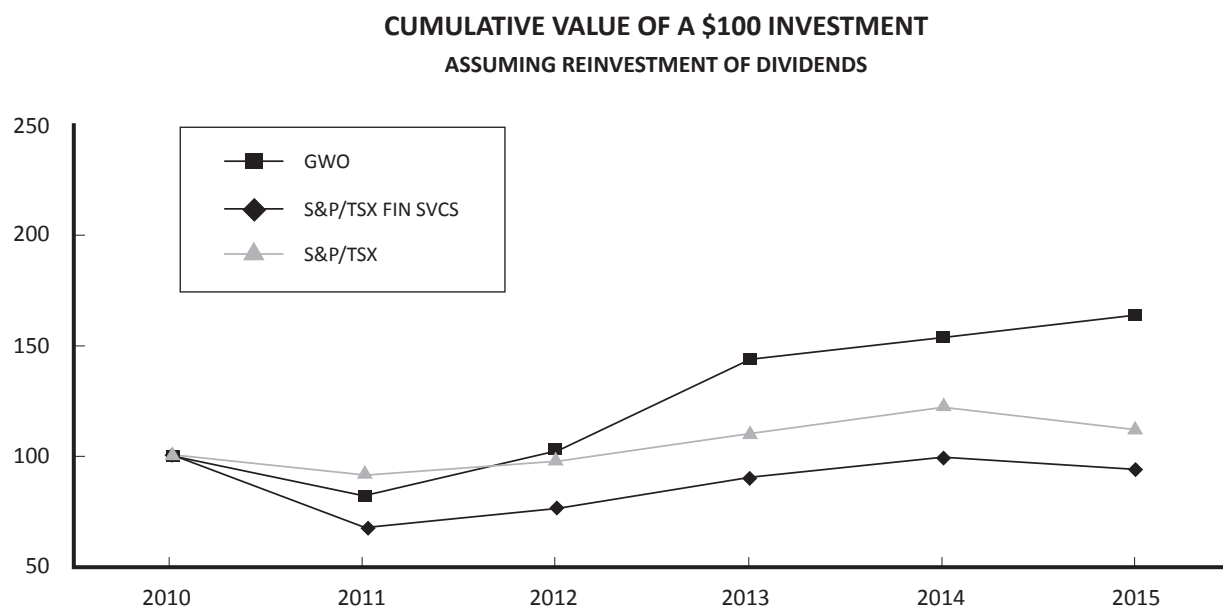
There are no change of control provisions in place for the Named Executive Officers. The Corporation does not have employment contracts with any of the Named Executive Officers, and in the event of termination, the different elements of compensation will be treated in accordance with the terms and conditions under each of their respective plans.

PERFORMANCE GRAPHS

The following Performance Graphs show the cumulative total shareholder return on the Common Shares compared with the cumulative total return of the S&P/TSX Composite Index and the TSX Financial Services Index over the five and ten-year periods ended December 31, 2015. The year-end values are based on share appreciation and assumes that dividends were reinvested on the date on which they were paid.

Five-Year Cumulative Total Returns

The following graph assumes that \$100 was invested on December 31, 2010 in Common Shares, in the S&P/TSX Composite Index and in the TSX Financial Services Index.



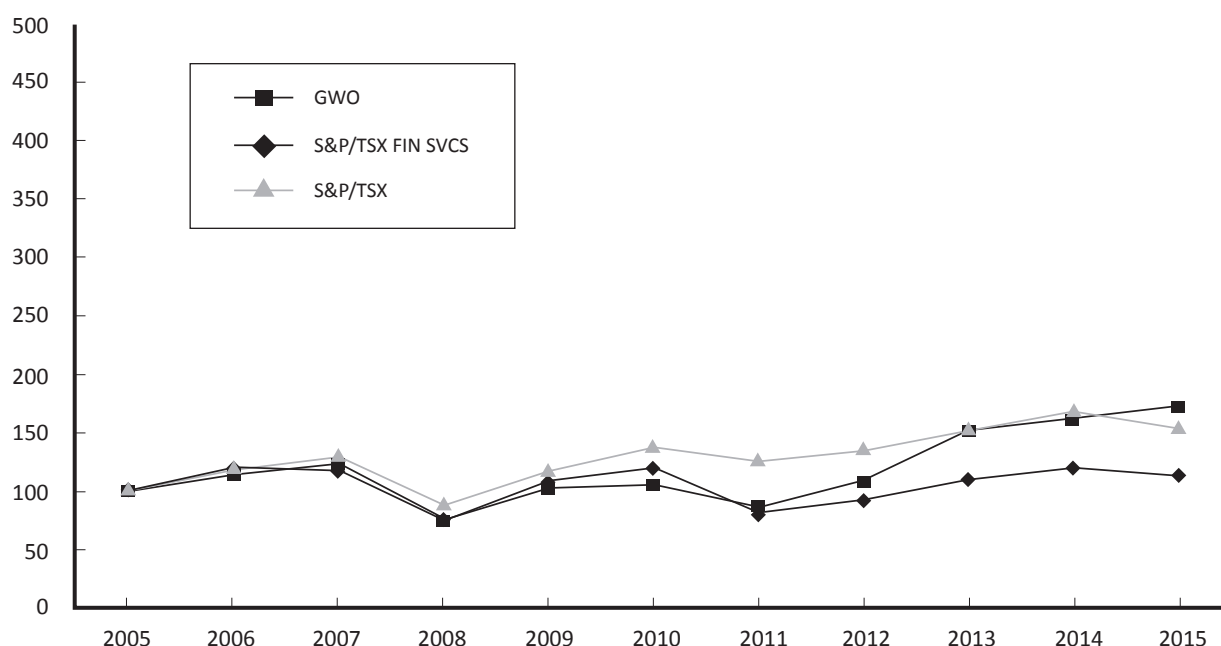
	2010	2011	2012	2013	2014	2015
GWO	100.00	81.49	102.51	143.71	153.23	163.51
TSX FIN SVCS	100.00	67.53	76.17	90.68	99.53	94.05
S&P/TSX	100.00	91.29	97.85	110.56	122.23	112.06

The trend line of Named Executive Officers' cumulative direct compensation has been compared with the trend line of the Corporation's shareholder return over the five year period ending on December 31, 2015, and such comparison shows that the trend of Named Executive Officers' cumulative total direct compensation has been consistent with the trend of cumulative value earned by the Corporation's shareholders over that period. However, the Corporation's determination of executive compensation is based upon the policies and procedures described above in this section and are not based upon the total return of the Corporation's shares relative to any particular stock index.

Ten-Year Cumulative Total Returns

The following graph assumes that \$100 was invested on December 31, 2005 in Common Shares, in the S&P/TSX Composite Index, and in the TSX Financial Services Index.

**CUMULATIVE VALUE OF A \$100 INVESTMENT
ASSUMING REINVESTMENT OF DIVIDENDS**



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
GWO	100.00	113.49	123.06	74.83	102.50	105.49	85.97	108.14	151.61	161.65	172.49
S&P/TSX FIN SVCS	100.00	119.21	117.27	74.53	108.53	119.91	80.98	91.33	108.73	119.34	112.77
S&P/TSX	100.00	117.26	128.79	86.28	116.53	137.05	125.11	134.10	151.53	167.52	153.58

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The only compensation plan under which equity securities of the Corporation are authorized for issuance is the Stock Option Plan. The following table sets forth, as at December 31, 2015, information regarding the Stock Option Plan.

Plan Category	Number of Common Shares to be issued upon exercise of outstanding options (a)	Weighted-average exercise price of outstanding options (b)	Number of Common Shares remaining available for future issuance under the Stock Option Plan (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	14,623,832	\$30.50	9,421,172
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	14,623,832	\$30.50	9,421,172

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES

The following table sets forth the aggregate indebtedness to the Corporation and its subsidiaries (including routine indebtedness within the meaning of applicable securities legislation) of current and former directors, executive officers and employees of the Corporation or its subsidiaries (no non-routine indebtedness is owed by the Directors or executive officers of the Corporation). This indebtedness consists of residential mortgage loans made by Great-West and London Life to employees of those companies.

AGGREGATE INDEBTEDNESS (\$) AS AT JANUARY 29, 2016		
Purpose	To the Company or its Subsidiaries	To Another Entity
Share purchases	Nil	Nil
Other	200,086,134	Nil

APPOINTMENT OF AUDITOR

Deloitte LLP or its predecessor firms have been the auditors of the Corporation since 1986. It is proposed that Deloitte LLP be reappointed at the Meeting, or at any adjournment thereof, as auditor of the Corporation to hold office until the close of the next annual meeting of shareholders. The reappointment of Deloitte LLP as auditor must be approved by a majority of the votes cast at the Meeting.

In 2015, Deloitte LLP was paid \$19,838,074 for corporate audit services, \$8,130,034 for segregated and other fund audit services, \$6,058,800 for audit-related services, \$2,504,283 for tax services, and \$6,332,945 for all other services.

CORPORATE GOVERNANCE

The Corporation believes in the importance of good corporate governance and the central role played by directors in the governance process. The Corporation believes that sound corporate governance is essential to the well being of the Corporation and its shareholders.

The Corporation is an international financial services holding company, with interests in life insurance, health insurance, asset management, investment and retirement savings, and reinsurance businesses. The Corporation has operations in Canada, the United States, Europe and Asia through Great-West, London Life, Canada Life, Great-West Financial, Putnam, Canada Life Limited and Irish Life. All of the Directors of the Corporation are also Directors of Great-West, London Life and Canada Life, and most of the Directors of Great-West Financial and Putnam are also Directors of the Corporation. Each of Great-West, London Life, Canada Life and Great-West Financial has adopted essentially the same Board and Committee mandates and other governance structures, processes and practices as the Corporation, and the Board of the Corporation monitors whether the mandates and other governance structures, processes and practices have been implemented and/or followed by these subsidiaries.

In 2005, the Canadian Securities Administrators (the “CSA”) adopted National Policy 58-201 - Corporate Governance Guidelines (the “Policy”) which sets forth a number of suggested guidelines on corporate governance practices (the “CSA Guidelines”). Under the Policy, issuers are encouraged to consider the CSA Guidelines in developing their own corporate governance practices.

In the Board’s view, no single corporate governance model is superior or appropriate in all respects. The Board believes that the Corporation’s governance system is effective and is appropriate to its circumstances, and that there are in place appropriate structures and procedures to ensure the Board’s independence from management and to ensure that actual or potential conflicts of interest between the Corporation and any of its affiliates are dealt with appropriately. Furthermore, any review of governance practices should include consideration of long-term returns to shareholders, as the Board believes this to be an important indicator of the effectiveness of a governance system.

Board of Directors and Board Committees

The mandate of the Board, which it discharges directly or through one of the seven Board Committees, is to supervise the management of the business and affairs of the Corporation, and includes responsibility for strategic planning, review of operations and the risks associated with the Corporation’s diverse businesses, disclosure policies, oversight of financial reporting and other internal controls, corporate governance, director orientation and education, senior management compensation and oversight, and Director compensation and assessment.

The primary mandate of the Executive Committee is, on an ongoing basis, to approve strategic goals and objectives for the Corporation, to review and approve, and to monitor the implementation of, the Corporation’s annual business, financial and capital plans, to review the risks associated with the Corporation’s diverse businesses, to approve disclosure policies, and to supervise the management of the business and affairs of the Corporation when the Board is not in session.

The primary mandate of the Audit Committee is to review the financial statements of the Corporation and public disclosure documents containing financial information and to report on such review to the Board, to be satisfied that adequate procedures are in place for the review of the Corporation’s public disclosure documents that contain financial information and to oversee the work and review the independence of the external auditor. The mandate also includes the responsibility to recommend to the Board the appointment and/or removal of the Chief Internal Auditor, the Chief Financial Officer and the Chief Compliance Officer, to review and approve their mandates, to assess their performance, to review the independence and assess the effectiveness of each of the oversight functions and to review and approve their organizational structures and resources. The Audit Committee is also responsible for reviewing, evaluating and approving the internal control procedures that are implemented and maintained by management. The Audit Committee is required to meet, at least annually, with the Risk Committee.

The primary mandate of the Risk Committee is to recommend to the Board the appointment and/or removal of the Chief Risk Officer and to approve the mandate of the Chief Risk Officer, to assess the performance of the Chief Risk Officer and the effectiveness of the risk management oversight function, to review and approve the organizational structure and resources of the risk management oversight function, to review the Enterprise Risk Management Policy (“ERM Policy”) and Risk Appetite Framework (“RAF”), to review and approve policies and controls to identify and manage the Corporation’s principal risks, to review compliance with, and the effectiveness of, the Corporation’s ERM Policy and RAF, risk management policies and controls, and to review the risk impact of business strategies, capital plans, financial plans and new business initiatives. The Risk Committee is required to meet, at least annually, with the Audit Committee and with the Corporation’s Chief Internal Auditor.

The primary mandate of the Compensation Committee is to approve compensation policies and guidelines, to approve compensation arrangements for senior officers of the Corporation, to recommend to the Board compensation arrangements for the Directors and for the President and Chief Executive Officer, to manage equity compensation plans, and to review succession plans for senior management.

The primary mandate of the Governance and Nominating Committee is to oversee the Corporation's approach to governance matters, to recommend to the Board effective corporate governance policies and processes, to assess the effectiveness of the Board of Directors, of Committees of the Board and of the Directors, and to recommend to the Board candidates for election as directors and candidates for appointment to Board Committees.

The primary mandate of the Conduct Review Committee is to require management to establish satisfactory procedures for the consideration and approval of transactions with related parties and to review and, if deemed appropriate, to approve related party transactions, and to recommend to the Board a code of business conduct and ethics applicable to directors, officers and employees of the Corporation.

The primary mandate of the Investment Committee is to oversee the Corporation's global investment strategy and activities, including reviewing and approving the Corporation's investment policy and related investment procedures, guidelines and limits. It also monitors the Corporation's compliance with the investment policy and ensures that it aligns with the Corporation's RAF. The mandate also includes reviewing and approving the Corporation's annual investment plan and monitoring the Corporation's consolidated performance and results against the annual investment plan, reviewing and approving the authority, mandate and effectiveness of the Corporation's Chief Investment Officer, and reviewing emerging risks, market trends and performance, investment regulatory issues and any other matters relevant to the oversight of the Corporation's global investment function.

The Great-West, London Life, Canada Life and Great-West Financial Boards and Committees have similar mandates except for their Investment Committees whose primary mandates are to review the investment of their respective funds and to monitor adherence to the investing and lending policies, standards, procedures and guidelines that have been approved by the Boards or by the appropriate Board Committees of those companies.

(a) Independence of Directors

The CSA Guidelines provide that a director is "independent" of an issuer if he or she has no direct or indirect relationship with the issuer which could, in the view of the issuer's board of directors, be reasonably expected to interfere with the exercise of the director's independent judgment. The Corporation's Board of Directors agrees with this approach to assessing director independence. However, the CSA Guidelines go on to provide that a director is considered to have such a direct or indirect relationship with an issuer (and thus not to be independent) if, among other things, the director is, or has been within the last three years, an executive officer or an employee of the issuer's parent corporation. In the view of the Board, the determination of director independence should be based upon whether or not the director is independent of the issuer's management, and whether or not the director has any other relationships with the issuer which could reasonably be expected to interfere with the exercise of the director's independent judgment. In the Board's view, that is a question of fact that should be determined by the issuer's board of directors on a case-by-case basis without reference to any presumptions such as those currently contained in the CSA Guidelines.

The most important function of a board of directors is to oversee management in the drive to achieve long-term shareholder returns. A financially strong and long-term oriented controlling shareholder can have a significant positive impact on a corporation's long-term returns, benefiting all shareholders and the corporation as a whole. The benefits can include the ability to encourage and support management in the pursuit of long-term strategies and the provision of directors who are experienced and knowledgeable about the business of the corporation. In the case of the Corporation, many of these attributes are provided through a governance model which has been developed over many years, and which includes a group of directors who are also officers of the controlling shareholder. The full-time job of a number of these directors is to focus on and become knowledgeable about the affairs of the controlling shareholder's subsidiaries, such as the Corporation. They have no other relationship with the Corporation other than as directors and shareholders.

The effect of the CSA's approach regarding director independence, if followed, would be to deny the Corporation and all of its shareholders the benefit of this governance model and to prevent the controlling shareholder from participating fully in the oversight of the Corporation.

Any concerns which may exist in a controlled company situation about conflicts of interest or self-dealing should, in the view of the Board of Directors, be resolved directly through a committee of directors who are independent of the controlling shareholder. The governance model at the Corporation includes such a committee, the Conduct Review Committee, which is discussed both earlier and below in the section entitled 'Resolution of Conflicts'.

The CSA has acknowledged the concerns expressed by some reporting issuers, including the Corporation, as to whether the CSA's view of director independence is appropriate to companies such as the Corporation which have a majority shareholder. On December 19, 2008, the CSA published for comment a revised version of the Policy which included, among other things, the replacement of the current prescriptive approach to independence with a more principle-based approach. Although the Board of Directors was encouraged by the new direction proposed by the CSA, the CSA has not yet proceeded with its proposed revisions. The CSA has indicated that it is still considering potential changes to the corporate governance regime. The Corporation encourages the CSA to continue its review of the "independence" definition as it relates to majority shareholders and to proceed with appropriate revisions at an early opportunity.

(b) Resolution of Conflicts

It is the duty of the Board to supervise the management of the business and affairs of the Corporation for the benefit of all shareholders. In discharging this duty, the Board identifies and resolves any conflicts that might arise between the interests of the Corporation and the interests of Power Financial and its affiliates. It has been a long-standing policy of the Corporation to have transactions between the Corporation and Power Financial (or its affiliates) reviewed by Directors who are neither officers nor employees of Power Financial or any of its affiliates. The Corporation is a holding company, and to the extent that transactions that may present a conflict arise they are more likely to arise at Great-West, London Life, Canada Life or Great-West Financial. Each of Great-West, London Life and Canada Life is a regulated financial institution that is required by law to have a conduct review committee that establishes procedures for the review of proposed related party transactions to ensure that any such transactions are on terms and conditions at least as favourable to those companies as market terms and conditions. These conduct review committees are composed of directors who are independent of the management of Great-West, London Life and Canada Life and who are neither officers nor employees of Power Financial or any of its affiliates. The Corporation and Great-West Financial have also established their own Conduct Review Committees composed entirely of Directors who are independent of management and who are neither officers nor employees of Power Financial or any of its affiliates. The Corporation's and Great-West Financial's Conduct Review Committees review proposed transactions with related parties and approve only those transactions that they deem appropriate.

Board Membership

The Board of the Corporation is currently comprised of 19 Directors. In the Board's view, 18 of the 19 current Directors, namely Marcel Coutu, André Desmarais, Paul Desmarais, Jr., Claude G  n  reux, Chaviva Ho  ek, David Jackson, Susan McArthur, Jeffrey Orr, Michel Plessis-B  lair, Henri-Paul Rousseau, Raymond Royer, Timothy Ryan, Jerome Selitto, James Singh, Em  ke Szathm  ry, Gregory Tretiak, Siim Vanaselja and Brian Walsh, are independent of management and have no other relationships that could reasonably interfere with the exercise of their independent judgment in discharging their duties to the Corporation. Paul Mahon, President and Chief Executive Officer of the Corporation, is not independent.

The following Directors of the Corporation are also independent within the meaning of the CSA Guidelines, namely Marcel Coutu, Chaviva Ho  ek, David Jackson, Susan McArthur, Raymond Royer, Timothy Ryan, Jerome Selitto, James Singh, Em  ke Szathm  ry and Siim Vanaselja.

The following Directors of the Corporation are considered not to be independent within the meaning of the CSA Guidelines, namely Andr   Desmarais, Paul Desmarais, Jr., Claude G  n  reux, Paul Mahon, Jeffrey Orr, Michel Plessis-B  lair, Henri-Paul Rousseau, Gregory Tretiak and Brian Walsh. With the exception of Paul Mahon, who is the President and Chief Executive Officer of the Corporation, all of these Directors are currently executive officers of Power or Power Financial or otherwise receive some compensation from Power affiliates, and on that basis are considered by the CSA Guidelines to be non-independent.

Mr. Doer and Ms. Qureshi, who are not currently members of the Board, will be nominated for election at the Meeting. In the Board's view, Mr. Doer and Ms. Qureshi are independent of management and have no other relationships that could reasonably interfere with the exercise of their independent judgment in discharging their duties to the Corporation.

A majority of the Corporation's current Directors are independent of the Corporation within the meaning of the CSA Guidelines, and if the proposed nominees are elected as Directors of the Corporation at the Meeting, a majority of the Corporation's Directors

will, following the Meeting, be independent of the Corporation within the meaning of the CSA Guidelines. Furthermore, as described earlier in this Circular it is the opinion of the Board that except for Paul Mahon, all of the Directors standing for election or re-election are independent of management, and have no other relationships that could reasonably interfere with the exercise of their independent judgment in discharging their duties to the Corporation.

Meetings of Independent Directors

The Directors on the Board and on most Board Committees who are independent of management periodically meet without members of management in attendance. The Audit Committee and Risk Committee meet at least four times a year without management present, the Compensation Committee meets at least three times a year without management present, and the Governance and Nominating Committee meets at least twice a year without management present. The Directors who are independent within the meaning of the CSA Guidelines do not hold regularly scheduled meetings at which the non-independent Directors and members of management are not in attendance.

Committee Membership

The Audit Committee and the Conduct Review Committee are composed entirely of Directors who are independent within the meaning of the CSA Guidelines. The Compensation Committee and the Governance and Nominating Committee are composed entirely of Directors who are independent of management and, in the Board's view, this ensures an objective process for determining compensation for the Corporation's Directors and officers and an objective process for the nomination of directors. However, some members of the Governance and Nominating Committee and some members of the Compensation Committee are considered not to be independent within the meaning of the CSA Guidelines only because they are currently executive officers of Power or Power Financial or otherwise receive some compensation from Power affiliates. All but one of the Directors on the Executive Committee and Investment Committee are independent of management and all of the Directors on the Risk Committee are independent of management.

Chairman of the Board

The Chairman of the Board is independent of management, and in the Board's view has no other relationships that could reasonably interfere with the exercise of his independent judgment or with his leading the Board to exercise independent judgment on matters that come before it. However, he is considered not to be an independent Director within the meaning of the CSA Guidelines only because he is President and Chief Executive Officer of Power Financial.

Director Affiliations

All of the current Directors of the Corporation are also Directors of Great-West, London Life, LIG, CLFC and Canada Life. A number of the current and proposed Directors of the Corporation are also directors of other companies that are reporting issuers (or the equivalent) in Canada or foreign jurisdictions. The information as to the other public companies on whose boards current and proposed Directors of the Corporation serve is disclosed with the Directors' biographical information earlier in this Circular.

Board and Committee Mandates

The Board has adopted a Charter for itself and for each of its seven Committees. The Board Charter is attached as Schedule "A". In addition to the Audit Committee, the Compensation Committee, and the Governance and Nominating Committee, the Board has established an Executive Committee, a Conduct Review Committee, a Risk Committee and an Investment Committee. The mandates of these committees are described earlier in this Circular.

Chair and President and CEO Position Descriptions

The Board has approved written position descriptions for the Chairman of the Board and for the Chair of each of the Board Committees. In general terms, the Chairman of the Board and the Chairs of the Board Committees are responsible for ensuring that the Board or Committee is able to fulfill its duties and responsibilities in an effective manner, for planning and organizing the activities of the Board or of the Committee, for ensuring that delegated Committee functions are carried out and reported as necessary, for facilitating effective interaction with management, and for engaging outside advisors where necessary.

The Board has approved a written position description for the President and Chief Executive Officer. In general terms, the President and Chief Executive Officer is responsible for managing the strategic and operational performance of the Corporation in accordance with the goals, policies and objectives set from time to time by the Board, including developing for the Board's

approval the Corporation's strategic plans and initiatives and developing sound operating strategies to implement such plans, managing the day-to-day operations of the Corporation, developing and implementing policies to identify and manage the risks inherent in the Corporation's businesses, creating an operational environment that is performance driven, assisting the Board with succession planning, and representing the Corporation to its major stakeholders.

Orientation and Continuing Education

The Governance and Nominating Committee is responsible for Director orientation and education. All newly elected 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 of the Board and its Committees. New Directors are provided with information concerning:

- The structure of the Board and its Committees including Charters and position descriptions
- The legal framework of the organization, including By-Laws and Articles of Incorporation
- Information on the management organization structure
- Current strategic, financial and capital plans
- The responsibilities of the oversight functions (Compliance, Finance, Internal Audit, and Risk)
- Board approved policies, including the Code of Conduct and the Insider Trading Policy
- Public disclosure documents including the Annual Report, Management Proxy Circular and Annual Information Form

In order to orient new Directors as to the nature and operation of the Corporation's business, they are also given the opportunity to meet with the Chairman of the Board, the Chairs of Board Committees, the Chief Executive Officer and each of the Chief Operating Officers, members of the Corporation's executive management team and members of the executive management teams of the Corporation's major operating subsidiaries to discuss their businesses and activities.

The orientation and continuing education program is designed to assist the Directors in fully understanding the nature and operation of the Corporation's business (and the businesses of its major operating subsidiaries), the role of the Board and its Committees, and the contributions that individual Directors are expected to make.

The Corporation's continuing education program is designed to ensure that Directors have opportunities to update their knowledge of regulatory developments, business initiatives, risk and risk management, new products and any matters affecting the Corporation's operations. To enhance the effectiveness of the Board, Directors participate in ongoing continuing education which includes the following:

- Regulatory development updates on governance matters and emerging governance trends globally.
- At Board and Committee meetings Directors receive presentations on, among other matters, the Corporation's RAF and risk management, key business segments, International Financial Reporting Standards, capital management, technology initiatives and cyber security, oversight function effectiveness, anti-money laundering and terrorist financing, reinsurance, and change management.
- For prompt dissemination of information to Directors, the Corporation maintains a secure electronic delivery system that includes a comprehensive Resource Centre. The Resource Centre contains corporate governance documents including By-Laws, Articles of Incorporation, Board and Committee meeting minutes, Board and Committee Charters and position descriptions, an overview of principal business units, Board approved policies and publications of interest.
- A sub-set of the Board attends education sessions in the United Kingdom and Ireland.

Strategic Planning

The Board sets the overall strategic direction, oversees progress against strategy, and reviews and approves strategic plans developed by management. One component of that strategic development process is an annual two day meeting of the Board with management to review matters across the Corporation and its three divisions (Canada, US and Europe & Reinsurance). The Board regularly discusses key strategic issues, opportunities and challenges, reviews execution against the Corporation's strategic agenda and provides guidance on priorities. The Corporation's RAF is integrated into its strategic plans and guides the development of strategy at the annual strategy session. The Board's feedback and input are incorporated into the Corporation's long-term strategic plan, an updated version of which is reviewed and approved by the Board annually.

Ethical Business Conduct

The Board has adopted the Code of Conduct that governs the conduct of the Corporation's Directors, officers and employees. A copy of the Code of Conduct is available at www.sedar.com, or may be obtained by contacting the Corporation's Chief Compliance Officer.

The Board oversees compliance with the Code of Conduct through the Corporation's Chief Compliance Officer who monitors compliance with the Code of Conduct and reports to the Audit Committee on such compliance at least annually. Officers and employees must report known and suspected breaches of the Code of Conduct to their local Compliance Officer or to the Chief Compliance Officer, and Directors must report known and suspected breaches to the Corporation's senior legal officer or to the Chairman of the Board. All reported breaches and results of investigations are reported to the Audit Committee by the Chief Compliance Officer.

All Directors, officers and employees of the Corporation (and of the Corporation's subsidiaries) are required to confirm annually their understanding of, and agreement to comply with, the Code of Conduct (which contains standards of business conduct regarding conflicts of interest). Pursuant to the Code of Conduct all employees must disclose any actual or potential conflicts of interest to their local Compliance Officer or to the Chief Compliance Officer and Directors must disclose any actual or potential conflicts to the Corporation's senior legal officer or to the Chairman of the Board.

There have been no material change reports filed that pertain to any conduct of a Director or executive officer that constitutes a departure from the Code of Conduct.

In order to help ensure that Directors exercise independent judgment in considering transactions and agreements in respect of which a Director or an executive officer has a material interest, the Director or executive officer having a conflict of interest must declare his or her interest and excuse himself or herself from the meeting during the consideration of and voting on that particular matter. If a conflict of interest arises on a non-material matter, the Director must declare his or her interest and abstain from discussion and voting.

Any potential conflicts that may arise between the Corporation and Power Financial or its affiliates are dealt with by the Conduct Review Committee as described earlier in this Circular.

Nomination and Assessment of Directors

The Board has established a Governance and Nominating Committee which is responsible for recommending to the Board candidates for Directors who possess the qualifications, competencies, skills, business and financial experience, leadership roles and level of commitment required of a Director to fulfill Board responsibilities. The Committee recognizes that each Director will contribute differently to the Board and that each will bring particular strengths in different areas of expertise.

The Governance and Nominating Committee maintains a matrix that identifies the qualifications, competencies, skills, experience and other attributes that the Board considers to be appropriate for the Board as a whole. The Governance and Nominating Committee annually reviews the skills, areas of expertise and qualifications of each member of the Board to determine whether there are any gaps in the required competencies, skills and experience of the Board as a whole. After considering the qualifications that existing Directors possess and that each new nominee will bring to the Board, and after considering the appropriate level of representation on the Board by Directors who are independent of management and who are neither officers nor employees of any affiliates of the Corporation, the Committee identifies candidates qualified for Board membership, and recommends to the Board nominees to be placed before the shareholders at the next annual meeting.

The Governance and Nominating Committee is responsible for reviewing and assessing the contributions and effectiveness of the Board and its Chairman, Board Committees and individual Directors. In 2014, the Governance and Nominating Committee retained an independent consultant to conduct an assessment of Board effectiveness and performance. The results of the assessment were presented to the Governance and Nominating Committee and the Board in late 2014. Throughout 2015, the Chairman and a Directors' Advisory group worked with the CEO and senior management to finalize the recommendations and develop priorities for improving Board effectiveness during the coming year. The Governance and Nominating Committee monitors opportunities for enhanced Board effectiveness and periodically apprises the Board on progress.

Board Diversity

While the Board is committed to recommending for nomination the best individuals to fill Director roles, it believes that diversity is important to ensure that Board members have the necessary range of perspectives, experience and expertise

required to achieve effective stewardship of the Corporation. Accordingly, on February 12, 2015 the Board adopted a Diversity Policy that recognizes the importance of diversity, including gender diversity.

The Diversity Policy, which includes provisions relating to the identification and nomination of women directors, provides that in fulfilling its role in recommending to the Board candidates for Director nominations, the members of the Governance and Nominating Committee (a) consider candidates that are highly qualified based on their experience, education, expertise, personal qualities, and general and sector specific knowledge, (b) consider diversity criteria, among other relevant criteria, when determining the optimum composition and balance for the Board, (c) review potential candidates from a variety of backgrounds and perspectives, having in mind the Corporation's diversity objectives, and (d) ensure that at least one woman is included in the short list of candidates being considered for nomination for a Board position in order to support the specific objective of gender diversity. The Policy provides that the Committee will assess the effectiveness of the Board nomination process in achieving the Corporation's diversity objectives on an annual basis.

The Board recognizes that gender diversity is a significant aspect of diversity, and acknowledges the important role of women in contributing to diversity of perspectives in the Boardroom. There are currently three women on the Board, representing 16% of the Directors of the Corporation. Four of the proposed nominees for election as Directors are women. If the proposed nominees are elected at the Meeting, women will constitute 20% of the Directors of the Corporation. The Corporation has not adopted a target regarding women on the Board as the Board believes that such an arbitrary target would not be in the best interests of the Corporation.

The Governance and Nominating Committee monitors the Corporation's progress in achieving the objectives of the Diversity Policy. Following the adoption of the Diversity Policy in February of 2015, the number of women Directors doubled at the Annual Meeting in May of 2015. The Governance and Nominating Committee measures the effectiveness of the Diversity Policy by ensuring that gender diversity is a consideration in the search process for new Directors and by monitoring the number of women on the Board.

Senior Management Diversity

While the Board and the President and Chief Executive Officer are committed to selecting the best people to fill senior management roles within the Corporation, they believe that diversity is important to ensure that the profiles of senior management personnel provide the necessary range of perspectives, experience and expertise required to achieve effective management of the Corporation. Accordingly, as noted above, on February 12, 2015 the Board adopted a Diversity Policy that recognizes the importance of diversity, including gender diversity.

The Diversity Policy sets forth the Corporation's approach to diversity on the Corporation's senior management team. The Policy provides that in considering candidates for senior management appointments, the President and Chief Executive Officer of the Corporation (a) considers candidates that are highly qualified based on their experience, education, expertise, personal qualities, and general and sector specific knowledge, and (b) endeavors to consider available and qualified potential candidates from a variety of backgrounds and perspectives, having in mind the Corporation's diversity objectives, including the general objective of gender diversity. While the availability of qualified candidates may at times be limited by geography or other circumstances, the President and Chief Executive Officer strives to ensure that recruitment efforts extend to as broad a pool of qualified diverse candidates as is reasonably practicable in the circumstances. The Policy provides that the President and Chief Executive Officer will assess the effectiveness of the senior management appointment process in achieving the Corporation's diversity objectives on an annual basis.

The Board and the President and Chief Executive Officer recognize that gender diversity is a significant aspect of diversity, and acknowledge the important role of women in contributing to diversity of perspectives in senior management roles. Five women currently occupy executive officer positions with the Corporation and its major subsidiaries, representing 20% of the total number of executive officer positions at such entities. The Corporation has not adopted a target regarding women in executive officer positions as the Board believes that such arbitrary targets are not in the best interests of the Corporation. In support of the Corporation's commitment to gender diversity, talent acquisition practices have been aligned to support the Diversity Policy and the Corporation and its major subsidiaries have launched various initiatives which are focused on the development and advancement of female employees.

Director Tenure

The Board has not adopted a policy imposing an arbitrary term or retirement age limit for Directors of the Corporation, as it does not believe that such limits are in the best interests of the Corporation. Such limits fail to take into account the special characteristics of issuers such as the Corporation and its subsidiaries that operate in a highly complex and technical environment. In such a context, the Corporation believes that a lengthy Board tenure, not limited by arbitrary limits, is important to the

Directors' understanding of the Corporation's diverse businesses and to their bringing a substantive contribution to the Board. The Corporation's Governance and Nominating Committee annually reviews the composition of the Board, including the age and tenure of individual directors. The Board strives to achieve a balance between the desirability to have a depth of institutional experience from its members on the one hand, and the need for renewal and new perspectives on the other hand. This approach has served the Corporation well, and this is reflected in the increased turnover rate of Directors over the past few years.

Compensation Committee

The Board has established a Compensation Committee which is responsible for approving (or, in the case of the President and Chief Executive Officer, recommending to the Board for approval) the compensation for the senior officers of the Corporation. The Compensation Committee also recommends to the Board for approval the compensation arrangements for the Directors, for the Chairman of the Board, for the Chairs of Board Committees and for members of Board Committees. The Compensation Committee also approves compensation policies and guidelines applicable to employees, it recommends for approval by the Board such incentive compensation plans, equity compensation plans, supplemental pension plans and other compensation plans for employees as it deems appropriate, and it manages the Corporation's incentive compensation plans and equity compensation plans. The Boards of the Corporation's major operating subsidiaries have also established Compensation Committees with similar mandates. Further particulars of the process by which compensation for the Corporation's Directors and officers is determined is set forth in this Circular under the headings "DIRECTOR COMPENSATION" and "EXECUTIVE COMPENSATION", respectively.

At the direction of the Compensation Committee, in 2014 and 2015 the Corporation retained Mercer Canada Limited ("Mercer") as a consultant to assist in the collection and analysis of executive compensation data for the purposes of considering future compensation policies and programs and to assist in a review of Chief Executive Officer and Chief Operating Officer compensation. Mercer also provides non-executive compensation related services to the Corporation and to certain of its subsidiaries. These services are comprised primarily of pension actuarial and consulting services, including for financial statement reporting and pension litigation purposes, and benefit consulting, administration, investment and human resources services. Neither the Board of Directors nor the Compensation Committee is required to pre-approve such services.

Mercer's fees for the 2014 and 2015 financial years were as follows:

	2014	2015
Executive Compensation-Related Fees	\$196,000	\$195,700
All Other Fees	\$5,004,000	\$5,256,000

If and as required by applicable securities legislation, fees paid to compensation consultants by the Corporation's affiliates Power, Power Financial and IGM Financial Inc. are disclosed in their respective 2016 Management Proxy Circulars.

The Corporation's Compensation Committee is comprised of Jeffrey Orr (Chairman), Marcel Coutu, André Desmarais, Paul Desmarais, Jr., David Jackson, Timothy Ryan and Brian Walsh. Although all members of the Compensation Committee are independent of the Corporation's management, only Messrs. Coutu, Jackson and Ryan are independent within the meaning of the CSA Guidelines. Messrs. Orr, A. Desmarais, P. Desmarais, Jr. and Walsh are not considered to be independent within the meaning of the CSA Guidelines only because they are executive officers of Power or Power Financial or otherwise receive some compensation from Power affiliates, and therefore the Corporation considers them to be independent. The members of the Compensation Committee have an extensive working knowledge of the financial services industry at a senior level. They are experienced in the financial management of large corporations and are knowledgeable regarding the impact of business risk on future profitability and on compensation structures and processes. They have knowledge of, and have participated on, other compensation committees, and their independence from management ensures an objective process for determining compensation for the Corporation's Directors and officers.

Prior to the establishment of the Compensation Committee in May, 2003, the Executive Committee and the Stock Option Plan Administration Committee considered compensation matters. Messrs. André Desmarais and Paul Desmarais, Jr. have served on one or more of these committees since 1997 and Mr. Orr has also been a member of the Executive Committee of the Corporation since 2005. In addition to their general business background, senior management experience and involvement with other companies (see biographical information under "Election of Directors"), each of the Compensation Committee members has many years of experience on compensation committees. The following is a description of the direct experience of each of the

members of the Compensation Committee that is relevant to his responsibilities in executive compensation. Through the positions described below, the members of the Compensation Committee have been involved in the design, implementation or oversight of compensation programs within the financial services industry or other sectors. The members of the Compensation Committee draw upon this experience to enable the Compensation Committee to make decisions on the suitability of the Corporation's compensation policies and practices.

Mr. Jeffrey Orr is the President and Chief Executive Officer of Power Financial and has been Chairman of the Compensation Committees of the Corporation, Great-West, London Life, CLFC and Canada Life since May, 2008, Great-West Financial since July, 2008, Putnam since January, 2008, and IGM Financial Inc., Investors Group Inc. and Mackenzie Inc. since August, 2005. Mr. Orr also has served on the Compensation Committees of Great-West Financial since June, 2005, the Corporation, Great-West, London Life, CLFC and Canada Life since May, 2006 and Putnam since January, 2008. Mr. Orr previously served as a member of the compensation committee of Investment Planning Counsel Inc. from July, 2005 to May, 2011. While at BMO Nesbitt Burns Inc. and Bank of Montreal (1981 to 2001), he obtained extensive experience in designing, implementing and overseeing the administration of various compensation plans and programs. He has over 30 years experience in the financial services industry and has held a number of senior executive positions within this sector, including his present position with Power Financial, and his previous positions as President and Chief Executive Officer of IGM Financial Inc., Chairman and Chief Executive Officer of BMO Nesbitt Burns Inc., and Vice-Chairman, Investment Banking Group, Bank of Montreal and various other senior executive positions with BMO Nesbitt Burns Inc. or its predecessors from 1985 to 1999.

Mr. Marcel Coutu is the former Chairman of Syncrude Canada Ltd. and is past President and Chief Executive Officer of Canadian Oil Sands Limited. During his tenure, he assisted in the design of their long-term incentive programs and served on their compensation committees for many years. Mr. Coutu is a member of the Brookfield Asset Management Inc. Management Resources and Compensation Committee and Enbridge Inc. Human Resources & Compensation Committee. He has served as a member of the Compensation Committees of the Corporation, Great-West, London Life, CLFC and Canada Life since May, 2009, of Power since May, 2012, and of Great-West Financial and Putnam since May, 2014. Mr. Coutu also served on the pension committee of the Calgary Exhibition and Stampede Board.

Mr. André Desmarais is Executive Co-Chairman of Power Financial and Deputy Chairman, President and Co-Chief Executive Officer of Power. He has served on the Compensation Committees of the Corporation, Great-West, London Life and Great-West Financial since May, 2003, CLFC and Canada Life since July, 2003, and Putnam since January, 2008. Mr. Desmarais also has been a member of the compensation committees of IGM Financial Inc. and Mackenzie Inc. since they were established in April, 2003, and Investors Group Inc. since it was established in April, 2004, and has been a member of IGM Financial Inc.'s executive committee since April, 1998. Mr. Desmarais has over 30 years experience in the financial services industry. Since joining Power in 1983, he has held a number of senior executive positions with the Power group of companies and served on many boards of directors.

Mr. Paul Desmarais, Jr. is Executive Co-Chairman of Power Financial and Chairman and Co-Chief Executive Officer of Power. He has served on the Compensation Committees of the Corporation, Great-West, London Life and Great-West Financial since May, 2003, CLFC and Canada Life since July, 2003, and Putnam since January, 2008. Mr. Desmarais has also been a member of the compensation committees of IGM Financial Inc. and Mackenzie Inc. since they were established in April, 2003, and Investors Group Inc. since it was established in April, 2004, and has been a member of IGM Financial Inc.'s executive committee since September, 1986. Mr. Desmarais has been a member of the compensation committee of GDF Suez since the July, 2008 merger between Gaz de France and Suez S.A. and prior to the merger had been a member of the compensation committee of Suez S.A. since May, 2001. He has also served as Chairman of the Nomination & Compensation Committee of LafargeHolcim since May, 2015. Mr. Desmarais was a member of the compensation committee of Imerys from June, 1993 to January, 2003. Mr. Desmarais has over 30 years of experience in the financial services industry. Since joining Power in 1981, he has held a number of senior executive positions with the Power group of companies and served on many boards of directors.

Mr. David Jackson retired as a Partner in the law firm Blake, Cassels & Graydon LLP in 2012, and currently serves as Senior Counsel to the Firm. He served as the Chairman of Blakes from 1995 to 2001, during which time he chaired the Firm's Compensation Committee and also participated in the review and implementation of the Firm's compensation program. He has served as a member of the Compensation Committees of the Corporation, Great-West, London Life, CLFC and Canada Life since May, 2015. He has also served on the compensation, executive or comparable committees dealing with executive compensation of several other public, private and not-for-profit corporations.

Mr. Timothy Ryan has served as a member of the Compensation Committees of the Corporation, Great-West, London Life, Canada Life, CLFC Great-West Financial and Putnam since May, 2014. He previously served as a member of the Compensation Committees of the Corporation, Great-West, London Life, CLFC and Canada Life from May, 2011 to May, 2013 and Putnam from May, 2009 to April, 2013. Mr. Ryan has served as a member of the compensation committee of Santander Holdings USA, Inc. and Santander

Bank, N.A. since December, 2015. He also served on the compensation committee of the investment banking arm of J.P. Morgan from 1993 to 2008 and the remuneration committee of Lloyds Banking Group plc from 2010 to 2013.

Mr. Brian Walsh is Principal and Chief Strategist of Titan Advisors LLC. He has served as a member of the Compensation Committees of Great-West Financial since May, 2003, of Putnam since January, 2008, and of the Corporation, Great-West, London Life, CLFC and Canada Life since May, 2009.

ADDITIONAL INFORMATION

Additional information relating to the Corporation may be found at www.sedar.com. Security holders may contact the Vice-President and Corporate Secretary, 100 Osborne Street North, Winnipeg, Manitoba, R3C 1V3 to request copies of the Corporation's financial statements and Management's Discussion & Analysis. Financial information is provided in the Corporation's comparative financial statements and Management's Discussion & Analysis for its most recently completed financial year.

The Corporation reserves the right to charge a reasonable fee if the request is made by a person who is not a security holder of the Corporation.

The information about the Corporation's Audit Committee required by Section 5.2 of Multilateral Instrument 52-110 may be found under the heading "Audit Committee Information" in the Corporation's 2015 Annual Information Form which has been filed at www.sedar.com.

PROPOSALS

The Corporation must receive a proposal for any matter that a person entitled to vote proposes to raise at next year's annual meeting of shareholders on or before November 25, 2016.

APPROVAL OF MANAGEMENT PROXY CIRCULAR

The contents and the sending of this Management Proxy Circular have been approved by the Board of Directors.

February 23, 2016



L.A. Speers,
Vice-President
and Corporate Secretary

SCHEDULE “A”

GREAT-WEST LIFECO INC. BOARD OF DIRECTORS 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 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.
4. **Secretary.** The Corporate Secretary or an Associate Secretary or such other person as may be designated by the Chairman (or, in the absence of the Chairman, the acting Chairman) 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 Chairman of the Board, by the Chairman of the Executive Committee, by such other Director as may from time to time be authorized by the Chairman 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 Chairman of the Board, the person[s] calling such meeting shall so advise the Chairman 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 such of the newly elected Directors as are then present, provided that they constitute a quorum, at which meeting the Directors may appoint officers, may appoint the Chairman of the Board, may appoint members to and the Chairman of each Board Committee, and may transact such other business as comes before the meeting.

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 approve strategic goals and objectives 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, it shall review the risks associated with the Corporation's diverse businesses, and it shall consider and approve management's strategic plans and initiatives. The Board shall also review and approve the Corporation's annual business, financial and consolidated capital management plans.
2. **Organizational Structure and Control Functions.** The Board shall approve the Company's organizational structure, and shall approve policies designed to support the independence of the internal audit, risk management, financial management, actuarial and compliance functions.
3. **Review of Operations.** The Board shall:
 - (a) monitor the implementation by management of the approved business, financial, and capital management plans, and shall monitor financial and operating results and other material developments;
 - (b) 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;
 - (c) approve significant acquisitions and dispositions, financings and other capital market transactions, capital management decisions, and other significant business and investment decisions and transactions and significant policies; and
 - (d) review and monitor those operational issues, including those of a regulatory 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. **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 specific disclosure documents; and
 - (b) approve appropriate communication policies respecting the communication of information to the Corporation's stakeholders and regulators.
5. **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;
 - (b) reviewing reports provided by management on material deficiencies in, or material changes to, internal controls;
 - (c) reviewing and approving the Corporation's annual and interim financial statements and Management's Discussion and Analyses, the Corporation's Annual Information Forms, and other public disclosure documents containing financial information; and
 - (d) overseeing compliance with applicable audit, accounting and reporting requirements.
6. **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.

- 7. Senior 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 review and approve the criteria relevant to the CEO’s compensation, evaluate the CEO’s performance relative to that criteria, and fix the compensation of the CEO based on such evaluation;
 - (b) approve the appointment of senior management, approve their compensation, and oversee the evaluation of their performance;
 - (c) approve incentive compensation plans, equity compensation plans and other compensation plans for senior management, and approve compensation policies and guidelines applicable to employees of the Corporation; and
 - (d) oversee the succession planning processes of the Corporation with respect to senior management.
- 8. Director Orientation and Education.** All newly appointed Directors shall be 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 existing Directors shall be periodically updated in respect of the foregoing.
- 9. Code of Conduct.** The Board shall support management in maintaining a culture of integrity throughout the Corporation. The Board shall adopt a code of business conduct and ethics (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), 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.
- 10. Chairman of the Board.** The Board shall approve a position description for the Chairman of the Board.
- 11. Board Committees.** The Board shall:
- (a) establish an Executive Committee, an Audit Committee, a Risk Committee, a Conduct Review Committee, a Governance and Nominating Committee and a Compensation 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 position descriptions for the Chairman of each Board Committee; and
 - (c) satisfy itself that each of its major operating subsidiaries has established, in addition to the Committees referred to in (a) above, an Investment Committee.
- 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 Chairman of the Board, and for the Chairmen and members of Board Committees; and
 - (c) assess, on a regular basis, the structure, composition, size, effectiveness and contribution of the Board, of all Committees of the Board, and of the Directors.

13. Subsidiary Oversight. In discharging its duties and responsibilities hereunder, the Board shall:

- (a) satisfy itself that each of its major subsidiaries has 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 are composed largely of 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 Chairman 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 necessary or advisable to permit it to carry out its duties and responsibilities.

SECTION 5. REVIEW OF CHARTER

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

GREAT-WEST
LIFECO INC.

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