GREAT-WEST
LIFECO INC.

November 25, 2021

Dear Shareholder:

RE: Redemption of Great-West Lifeco Series F First Preferred Shares ("*Series F Preferred Shares*")

On December 31, 2021, Great-West Lifeco Inc. (the "Company") will redeem all of its Series F Preferred Shares at a price of $25.00 per share. This letter addresses certain Canadian federal tax considerations in connection with the redemption. Also enclosed are a Notice of Redemption and Letter of Transmittal, which set forth the procedure to be followed with respect to the redemption. Note that you should read all three documents carefully as you are required to take certain steps.

Canadian Federal Income Tax Considerations

The following summary of certain Canadian federal income tax considerations applies only to shareholders who, for purposes of the *Income Tax Act* (Canada) (the "Tax Act") are resident (or deemed to be resident) in Canada and who hold their Series F Preferred Shares as capital property, deal at arm's length with the Company, and are not affiliated with the Company.

The summary does not apply to a shareholder who, for purposes of the Tax Act, is a "trust", "financial institution", "specified financial institution" or "restricted financial institution", or is exempt from tax. The following summary is general in nature and does not cover every situation that may exist. It does not purport to be legal or tax advice to any particular shareholder. All shareholders are urged to consult their own tax advisors for advice concerning the tax consequences of the redemption in their circumstances.

For most shareholders, for the purposes of the Tax Act the money received on the redemption of their Series F Preferred Shares will be considered partly a dividend and partly proceeds from the disposition of the shares.

Deemed Dividend

Shareholders will be deemed to have received a taxable dividend, for purposes of the Tax Act, equal to the amount by which the redemption price ($25.00 per share) exceeds the paid-up capital per share. For purposes of the Tax Act, the Company estimates the paid-up capital per share is $20.59. As a result, the deemed dividend for each redeemed Series F Preferred Share of a shareholder is $4.41.

The Company expects to designate the deemed dividends resulting from the redemption of the Series F Preferred Shares as an "eligible dividend" for purposes of the Tax Act.

For an individual shareholder (including certain trusts) the deemed dividend will be taxed in the same manner as the regular quarterly dividends on the Series F Preferred Shares, and thus will be subject to the gross-up and the enhanced dividend tax credit. The deemed dividend received by an individual (including certain trusts) may give rise to liability for alternative minimum tax under the Tax Act.

For a shareholder that is a corporation, the deemed dividend resulting from the redemption of their Series F Preferred Shares will be included in income but will generally be deductible in computing the corporation's taxable income. A private corporation, as defined in the Tax Act, and certain other corporations will generally be subject to a refundable tax under Part IV of the Tax Act on the deemed dividend to the extent it is deductible in computing taxable income. Further, in certain circumstances a corporation may be required to recognize all or a portion of the deemed dividend as proceeds of disposition (and not a dividend) in the computation of its capital gain or capital loss resulting from the redemption. Shareholders that are corporations should consult their own tax advisors for specific advice on these matters.

The Series F Preferred Shares are "taxable preferred shares" as defined in the Tax Act. The terms of the shares require, and the Company will make, the necessary Part VI.1 tax election so that a corporation holding the shares will not be subject to Part IV.1 tax on dividends received (or deemed to be received) on the shares.

Early in 2022 you will receive a T-5 tax slip reporting this deemed dividend. This will be mailed separately from the T-5 slip showing your regular quarterly dividends for 2021.

Capital Gain or Loss

In addition to the deemed dividend, the redemption of each Series F Preferred Share of a shareholder will also result in a taxable disposition of the share are the realization of a capital gain (or capital loss) for purposes of the Tax Act. The proceeds of disposition of each share will equal the redemption price per share less the amount of the deemed dividend. Accordingly, for individuals, the proceeds of disposition will equal $20.59 per share.

The capital gain is the amount by which the proceeds of disposition exceed the adjusted cost base of the shares to the shareholder. Adjusted cost base is generally the amount that one paid for the shares. If the proceeds of disposition are less than the adjusted cost base, the difference will be a capital loss to the shareholder. Further information regarding the adjusted cost base will be available at greatwestlifeco.com in advance of the 2022 Canadian federal tax filing deadline for individuals.

Generally, one half of a capital gain (a "taxable capital gain") is included in a shareholder's taxable income. One half of a capital loss (an "allowable capital loss") is generally deductible against taxable capital gains, subject to certain rules set out in the Tax Act. Capital gains realized by an individual (including certain trusts) may give rise to liability for alternative minimum tax under the Tax Act. Canadian-controlled private corporations may also be subject to an additional tax of 10 2/3% (refundable in certain circumstances) in respect of the amount of their taxable capital gains realized.

You will receive a T5008 tax slip early in 2022, showing the proceeds of disposition you received on the redemption of your Series F Preferred Shares.

Canadian Federal Taxation of Non-Resident Shareholders

The following information concerns Canadian federal tax applicable to shareholders who are not a resident of Canada for purposes of the Tax Act. The information is very general in nature and does not cover every situation that may exist. It does not purport to be legal or tax advice to any particular non-resident shareholder.

Non-resident shareholders may also be subject to taxation in their home jurisdiction as a result of the redemption of the Series F Preferred Shares. This summary does not address any tax that may be applied by your home jurisdiction.

All non-resident shareholders are urged to consult their own tax advisors for advice concerning the tax consequences of the redemption in their circumstances.

In the case of a non-resident shareholder, the deemed dividend (see above) will be subject to Canadian withholding tax at the rate of 25% of the gross amount of the deemed dividend, subject to any applicable tax treaty. For example, qualifying residents of the US, the UK and Ireland are subject to a 15% withholding tax rate.

A non-resident shareholder will generally not be subject to Canadian tax on any capital gain arising on the disposition of their Series F Preferred Shares (unless for the purposes of the Tax Act the Series F Preferred Shares count as "taxable Canadian property" because they are used in a business carried on in Canada).

Consideration of Sale before Redemption Date

FOR SOME SHAREHOLDERS THE DEEMED DIVIDEND TREATMENT DESCRIBED ABOVE ON THE REDEMPTION OF THEIR SERIES F PREFERRED SHARES MAY CREATE ADVERSE TAX CONSEQUENCES COMPARED TO THE CAPITAL GAIN OR LOSS TREATMENT THAT WOULD NORMALLY APPLY TO A SALE OF THEIR SHARES IN THE MARKET. ALL SHAREHOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS CONCERNING THE POSSIBLE BENEFITS IN THEIR PARTICULAR CIRCUMSTANCES OF SELLING THEIR SHARES IN THE MARKET PRIOR TO THE REDEMPTION DATE.

If you have any questions regarding the redemption of your Series F Preferred Shares, please contact Computershare Investor Services Inc. by e-mail at corporateactions@computershare.com or by telephone at:

1-866-721-7514 (Toll free in North America)
1-514-982-8726 (Other Countries).