

Great-West Lifeco subsidiary, Empower Retirement, closes acquisition of Personal Capital

Winnipeg, August 18, 2020. . . Great-West Lifeco Inc. today announced its Colorado-based subsidiary, Empower Retirement (Empower), has completed the previously-announced acquisition of Personal Capital.

With completion of the acquisition, Personal Capital became a wholly owned subsidiary of Empower, which acquired Personal Capital for up to US\$1 billion in enterprise value, including US\$825 million on closing and up to US\$175 million for planned growth.

“The close of this acquisition supports Empower’s objective of accelerating growth in retail advice and wealth management for participants and is complementary to its objective of scaling its Defined Contribution retirement business both organically and through M&A,” said Paul Mahon, President and Chief Executive Officer, Great-West Lifeco. “We are excited about adding the Personal Capital platform because of its standalone growth potential as well as its capacity to accelerate Empower’s retail and defined contribution growth.”

Empower is the second-largest retirement services provider in the US,¹ and Personal Capital is a digital-first registered investment adviser and wealth manager. Personal Capital will be branded as “Personal Capital, an Empower Company” and will continue to provide its award-winning financial tools and investment solutions to its clients.

For additional details on the transaction, please refer to the [news release dated June 29, 2020](#).

About Empower Retirement

Headquartered in metro Denver, Empower Retirement administers US\$680 billion in assets for more than 9.7 million retirement plan participants as of June 30, 2020. It is the nation’s second-largest retirement plan recordkeeper by total participants.¹ Empower serves all segments of the employer-sponsored retirement plan market: government 457 plans; small, midsize and large corporate 401 (k) clients; non-profit 403 (b) entities; private-label recordkeeping clients; and IRA customers. For more information please visit empower-retirement.com and connect with us on [Facebook](#), [Twitter](#), [LinkedIn](#) and [Instagram](#).

About Personal Capital

Personal Capital is a remote-delivery, industry-leading digital wealth management company that helps people transform their financial lives through technology and advisory services. The company’s state-of-the-art tools and technology provide investors with a complete financial picture, utilized by millions of users and tens of thousands of clients. Its investment advisor representatives provide expert guidance and customized strategies, based on a personal understanding of an investor’s financial picture and goals. Personal Capital currently manages more than US\$13 billion in assets as of July 31, 2020, virtually delivered from offices across the U.S. For more information, please visit www.personalcapital.com or connect with us on [Facebook](#), [Twitter](#) or [LinkedIn](#).

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About Great-West Lifeco

Great-West Lifeco Inc. is an international financial services holding company with interests in life insurance, health insurance, retirement and investment services, asset management and reinsurance businesses. We operate in Canada, the United States and Europe under the brands Canada Life, Empower Retirement, Putnam Investments, and Irish Life.

At the end of 2019, our companies had approximately 24,000 employees, 197,000 advisor relationships, and thousands of distribution partners – all serving our more than 31 million customer relationships across these regions. Great-West Lifeco and its companies have approximately \$1.7 trillion in consolidated assets under administration as of June 30, 2020 and are members of the Power Corporation group of companies. Great-West Lifeco trades on the Toronto (TSX) Stock Exchange under the ticker symbol GWO. To learn more, visit greatwestlifeco.com.

Cautionary note regarding Forward-Looking Information

This release may contain forward-looking information. Forward-looking information includes statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as “will”, “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates” and other similar expressions or negative versions thereof. Forward-looking statements are based on expectations, forecasts, estimates, predictions, projections and conclusions about future events that were current at the time of the statements and are inherently subject to, among other things, risks, uncertainties and assumptions about Lifeco, economic factors and the financial services industry generally, including the insurance and mutual fund industries. They are not guarantees of future performance, and the reader is cautioned that actual events and results could differ materially from those expressed or implied by forward-looking statements. Whether or not actual results differ from forward-looking information contained herein may depend on numerous factors, developments and assumptions, including, without limitation, customer behaviour, Lifeco's reputation, market prices for products provided, sales levels, premium income, fee income, expense levels, mortality experience, morbidity experience, policy lapse rates, reinsurance arrangements, liquidity requirements, capital requirements, credit ratings, taxes, inflation, interest and foreign exchange rates, investment values, hedging activities, global equity and capital markets (including continued access to equity and debt markets), industry sector and individual debt issuers' financial conditions (including developments and volatility arising from the current pandemic health event resulting from the novel coronavirus (COVID-19), particularly in certain industries that may comprise part of Lifeco's investment portfolio), business competition and other general economic, political and market factors in North America and internationally. Many of these assumptions are based on factors and events that are not within the control of Lifeco and there is no assurance that they will prove to be correct. Other important factors and assumptions that could cause actual results to differ materially from those contained in forward-looking statements include customer responses to new products, impairments of goodwill and other intangible assets, Lifeco's ability to execute strategic plans and changes to strategic plans, technological changes, breaches or failure of information systems and security (including cyber attacks), payments required under investment products, changes in local and international laws and regulations, changes in accounting policies and the effect of applying future accounting policy changes, unexpected judicial or regulatory proceedings, catastrophic events, continuity and availability of personnel and third party service providers, Lifeco's ability to complete strategic transactions and integrate acquisitions, unplanned material changes to Lifeco's facilities, customer and employee relations or credit arrangements, levels of administrative and operational efficiencies, and the severity, magnitude and impact of the COVID-19 pandemic (including the effects of the COVID-19 pandemic, and the effects of governments' and other businesses' responses to the COVID-19 pandemic, on the economy and Lifeco's financial results, financial condition and operations).

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The reader is cautioned that the foregoing list of assumptions and factors is not exhaustive, and there may be other factors listed in other filings with securities regulators, including factors set out in Lifeco's annual information form dated February 12, 2020 under "Risk Factors" and Lifeco's management's discussion and analysis for the year ended December 31, 2019 under "Risk Management and Control Practices" and "Summary of Critical Accounting Estimates", which, along with other filings, is available for review at www.sedar.com. The reader is also cautioned to consider these and other factors, uncertainties and potential events carefully and not to place undue reliance on forward-looking information. Other than as specifically required by applicable law, Lifeco does not intend to update any forward-looking information whether as a result of new information, future events or otherwise.

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¹⁾ Pensions & Investments 2020 Defined Contribution Survey Ranking as of April 2020.