

All figures are expressed in Canadian dollars

**Great-West Lifeco announces proposed sale of
GLC Asset Management Group Ltd. to Mackenzie Financial Corporation**

Company to increase focus on wealth management business in Canada

Winnipeg, MB, August 4, 2020. . . Great-West Lifeco Inc. (Lifeco) today announced that an agreement has been reached to sell its Canadian subsidiary, GLC Asset Management Group Ltd. (GLC), to Mackenzie Financial Corporation (Mackenzie). This transaction is expected to close in the fourth quarter of 2020 and is subject to regulatory approval.

“This transaction supports Canada Life’s strategic objectives of strengthening and growing its Canadian wealth management business. It leverages an already established and strong working relationship between our companies. By working together, we will have access to Mackenzie’s at scale investment management capability, while retaining control of our overall Canadian wealth management strategy, including our product shelf and solutions for our customers,” said Paul Mahon, President and Chief Executive Officer, Great-West Lifeco. “This access to industry-leading investment management capabilities will support strong distribution channels in both our Individual and Group businesses and benefit our customers.”

The Canada Life Assurance Company (Canada Life) is also in the process of establishing its own fund management company, Canada Life Investment Management Limited (CLIML), and, subject to first obtaining all necessary registrations and other regulatory approvals, is expected to commence operations in the fourth quarter of 2020. Subject to meeting applicable regulatory and fund securityholder requirements, CLIML will assume fund management responsibilities for the Quadrus Group of Funds and other Canada Life branded investment funds in 2021.

CLIML will enter into a long-term administration agreement with Mackenzie and Canada Life, and CLIML and Canada Life will also enter into a long-term distribution agreement with Mackenzie to provide them with access to Mackenzie’s investment management services at preferred rates.

Lifeco will receive cash consideration of \$175 million for the sale of GLC and Canada Life will acquire the fund management contracts relating to the Quadrus Group of Funds and other Canada Life branded investment funds from Mackenzie for \$30 million, resulting in Lifeco receiving net cash consideration of \$145 million as a result of the transaction.

“Last year, we brought together our three companies as one under the Canada Life brand, positioning us for future growth and to better enable us to continue to meet the needs of our customers and advisors,” said Jeff Macoun, President and Chief Operating Officer, Canada, Canada Life. “This transaction is an important strategic step as we continue to enhance and evolve our wealth business. With this transaction, we will continue to sharpen our focus on developing industry-leading products and solutions. It will help to strengthen relationships with our customers and advisors and make it easier for them to succeed with us.”

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Canada Life's Canadian investment subsidiary, GWL Realty Advisors Inc., is not included in this transaction.

The board of directors of each of Lifeco and Canada Life established a committee of directors independent of management and Mackenzie to assess, review and consider the proposed terms of the transaction and to make recommendations regarding the transaction to its board of directors. After extensive consideration of the transaction and based on, among other things, a fairness opinion from RBC Capital Markets, financial advisor to the committees, the committees unanimously determined that the transaction is in the best interests of Lifeco and Canada Life and that the consideration to be paid and received pursuant to the transaction is fair to Lifeco and Canada Life and recommended to the board of directors of each of Lifeco and Canada Life that the boards approve the transaction. Having received and considered the recommendations of its committee, the board of directors of each of Lifeco and Canada Life unanimously determined that the transaction is in the best interests of Lifeco and Canada Life and approved the transaction.

About Great-West Lifeco Inc.

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. Lifeco and its companies have over \$1.5 trillion in consolidated assets under administration as of March 31, 2020 and are members of the Power Corporation group of companies. Lifeco trades on the Toronto (TSX) Stock Exchange under the ticker symbol GWO. To learn more, visit www.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 "expects", "anticipates", "intends", "plans", "believes", "estimates" and other similar expressions or negative versions thereof. These statements include, without limitation, statements about the timing and completion of the sale of GLC Asset Management Group Ltd. (including the receipt of required regulatory approvals), the timing and establishment of a fund management company by Canada Life (including the receipt of required regulatory approvals and the obtaining of necessary registrations), and the growth of Lifeco's wealth management business in Canada. . 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). The reader is cautioned that the foregoing list of assumptions and factors is not exhaustive, and there may be other factors listed in 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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