



Quarterly Results Presentation

Q2 2020



Cautionary notes

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This document 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 Company's operations, business, financial condition, expected financial performance (including revenues, earnings or growth rates), ongoing business strategies or prospects, the expected benefits of the acquisition of Personal Capital (including statements regarding the impact of the acquisition on Empower's retail wealth management platform), the timing and completion of the sale of GLC Asset Management Group Ltd. (GLC) (including the receipt of required regulatory approvals), the establishment of a fund management company by Canada Life (including the receipt of required regulatory approvals and the obtaining of necessary registrations), the earnings impact of the GLC sale transaction and possible future actions by the Company, including statements made with respect to the expected benefits of acquisitions and divestitures, expected capital management activities and use of capital, expected dividend levels, expected cost reductions and savings, the impact of regulatory developments on the Company's business strategy and growth objectives and the expected impact of the current pandemic health event resulting from the novel coronavirus ("COVID-19") and related economic and market impacts on the Company's business operations, financial results and financial condition. 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 the Company, 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 may depend on numerous factors, developments and assumptions, including, without limitation, customer behaviour, the Company's reputation, market prices for products provided, sales levels, premium income, fee income, expense levels, mortality experience, morbidity experience, longevity 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 COVID-19 pandemic, particularly in certain industries that may comprise part of the Company'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 the Company 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, the Company'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, the Company's ability to complete strategic transactions and integrate acquisitions, the achievement or waiver of conditions to closing of the acquisition of Personal Capital and the sale of GLC, unplanned material changes to the Company'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 the governments' and other businesses' responses to the COVID-19 pandemic, on the economy and the Company'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 the Company's Q2 2020 MD&A under "Risk Management and Control Practices" and in the Company's annual information form dated February 12, 2020 under "Risk Factors", 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, the Company does not intend to update any forward-looking information whether as a result of new information, future events or otherwise.

CAUTIONARY NOTE REGARDING NON-IFRS FINANCIAL MEASURES

This document contains some non-IFRS financial measures. Terms by which non-IFRS financial measures are identified include, but are not limited to, "base earnings", "base earnings (US\$)", "base earnings per common share", "base return on equity", "core net earnings", "constant currency basis", "impact of currency movement", "premiums and deposits", "pre-tax operating margin", "sales", "assets under management" and "assets under administration". Non-IFRS financial measures are used to provide management and investors with additional measures of performance to help assess results where no comparable IFRS measure exists. However, non-IFRS financial measures do not have standard meanings prescribed by IFRS and are not directly comparable to similar measures used by other companies. Refer to the "Non-IFRS Financial Measures" section in the Company's Q2 2020 MD&A for the appropriate reconciliations of these non-IFRS financial measures to measures prescribed by IFRS as well as additional details on each measure.



SUMMARY OF RESULTS

Paul Mahon

President & CEO
Great-West Lifeco



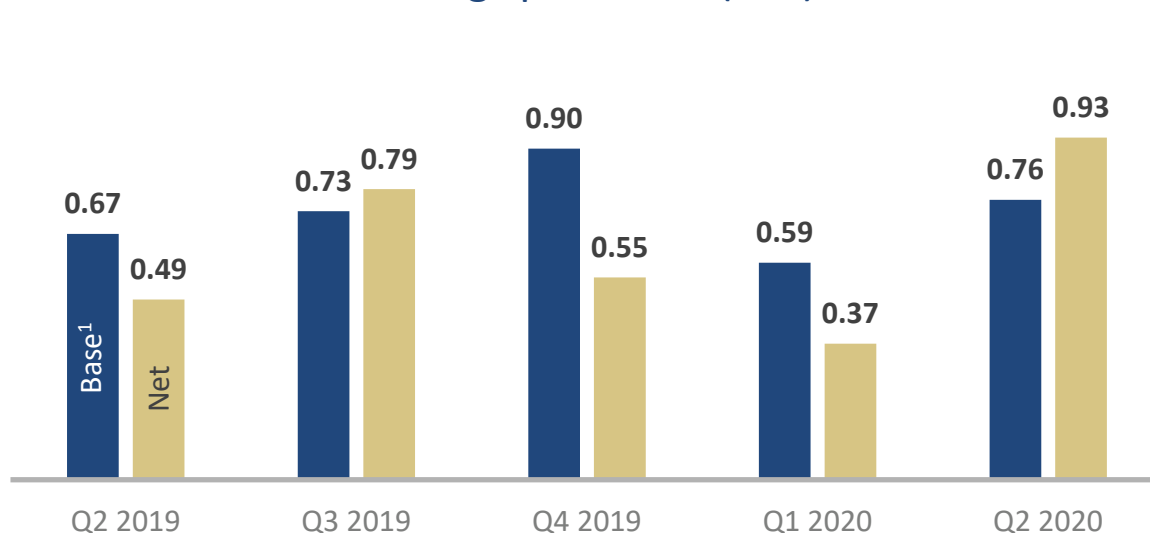
A strong second quarter driven by a resilient business model

Effectively navigating the COVID-19 crisis

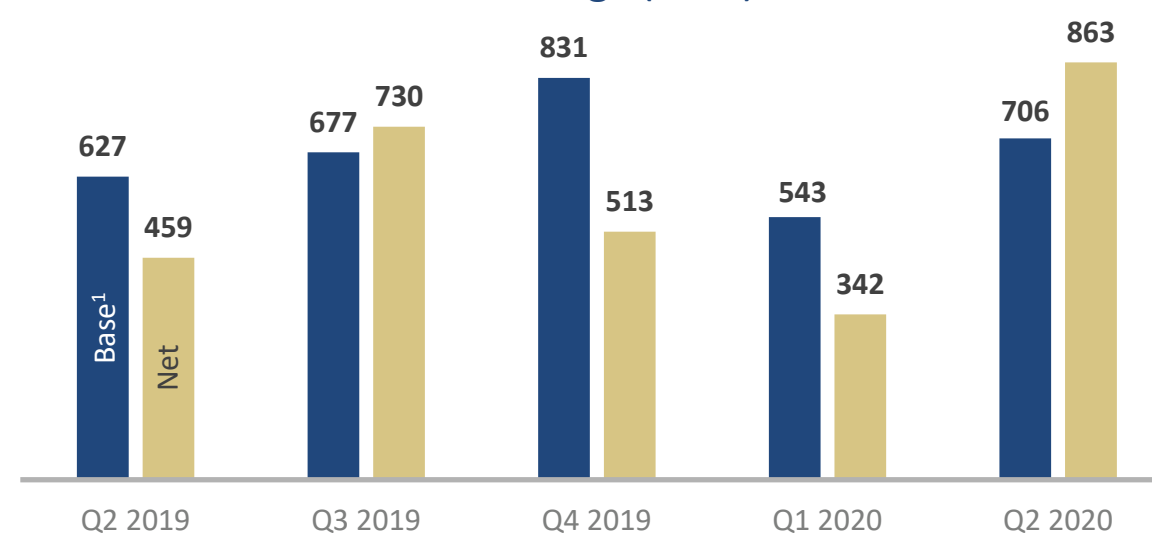
Successfully advancing strategic initiatives to drive growth

EARNINGS

Earnings per Share (EPS)



Earnings (C\$m)



Base Earnings and EPS

- Base EPS up 13% YoY, base earnings up 13% YoY
 - Strong investment gains, including seed capital gains
 - Modest COVID-related financial impacts
 - Good business growth, notably in Reinsurance

Net Earnings and EPS

- Net EPS up 90% YoY, Net Earnings up 88% YoY
 - Favourable basis changes and market related impacts
 - Q2 2019 included a net charge of \$199m related to the sale of U.S. Individual Markets business

1. Base earnings and base earnings per share (EPS) are non-IFRS measures. Refer to the reconciliations to net earnings and earnings per share, respectively, in the Company's Q2 2020 MD&A.

COVID-19: BUSINESS IMPACTS

	Q2 2020 IMPACTS	NEAR-TERM OUTLOOK
CANADA	<ul style="list-style-type: none"> • Lower health and dental claims during “lock-down” period; premium reductions for certain plans, and lower expense recoveries for ASO plans • Increase in disability claims and lower level of disability claim terminations • Very limited plan terminations due to business failures or bankruptcies partly due to government support programs; employee attrition in existing plans limited • Individual life insurance sales have been strong partly due to digital solutions (SimpleProtect, non-face-to-face capabilities), higher age / amount thresholds for medical underwriting and some complex cases submitted before “lock-down”. • Individual life premium and mortgage payment deferrals offered; limited financial impact 	<ul style="list-style-type: none"> • Claims levels approaching normal across Canada in June; premium reductions phased out in July • Some impact observed for group and individual disability; emerging experience being reflected into pricing / renewals where appropriate • Government support program for employers recently extended; continuing to monitor the situation closely • Paramedical services in the process of reopening but potential for lower sales in the short-term as capacity remains constrained; long-term demand for insurance remains strong • Client payment flexibility programs to be maintained
EMPOWER	<ul style="list-style-type: none"> • Plan participants staying invested; reactive movement to cash not prevalent; call center volumes and web traffic have returned to more normal levels • Uptake on hardship loans allowed by CARES act and impact of related fee waivers has been modest • Activity continued via calls/video; large/mega segment continues to have virtual wins; increased interest in Advisory offerings like Managed Account 	<ul style="list-style-type: none"> • Slightly softer sales expected for the year, but impact should be moderated by fewer plan terminations; increased interest in financial wellness offerings • Demand for hardship loans expected to be stable • Significant number of successful virtual sales wins with sales meeting activity approaching pre-pandemic levels
PUTNAM	<ul style="list-style-type: none"> • Outflows slowed by mid-April, with positive net flows for the remainder of the second quarter • Recovery in Q2 of over 80% of the seed capital losses sustained in Q1 due to market movements • Investment performance remained strong in June; increased sales opportunities • Activity continued via calls/video. High level of activity across all segments with total Q2 sales up 63% YoY with mutual funds up 15% YoY 	<ul style="list-style-type: none"> • Continued positive momentum expected on Putnam net flows • Seed capital performance likely to return to more normalized levels in the second half of the year • Investment performance expected to remain strong with active management and risk mitigation strategies • Sales momentum observed pre-Covid and during Q2 expected to continue.

COVID-19: BUSINESS IMPACTS

	Q2 2020 IMPACTS	NEAR-TERM OUTLOOK
EUROPE	<ul style="list-style-type: none"> • Slowdown in sales activity for wealth management in U.K. and Ireland as well as U.K. bulk annuities, but strong growth of pension sales in Ireland and Germany • Higher mortality claims, with offsetting mortality and longevity financial impacts, but lower income protection claims in U.K. • Good persistency across all books, with low take-up of customer accommodation measures • Disruption to Equity Release Mortgages (ERMs) origination in U.K. • Temporary nationalisation of private hospitals in Ireland leading to lower claims and premium reductions 	<ul style="list-style-type: none"> • Financial advisers adapting to remote environment • Activity resuming in the bulk annuity market • Mortality claims are returning to normal levels • ERM valuations switched from remote back to normal • Residential property values proved resilient • Hospitals released back to the private sector, but social distancing requirements have reduced capacity for operations
CAPITAL AND RISK SOLUTIONS	<ul style="list-style-type: none"> • Continued strong new business pipeline • Remaining in close contact with clients to ensure we are meeting their needs 	<ul style="list-style-type: none"> • Strong pipeline remains intact • Impacts from market volatility and increased mortality rates expected to be limited in duration • Strong demand for European longevity • Higher demand for life capital solutions in US and Europe • Decline in demand expected for pure mortality reinsurance cover due to lower underlying client sales • Pricing and demand solid for P&C reinsurance

INVESTED ASSETS PORTFOLIO

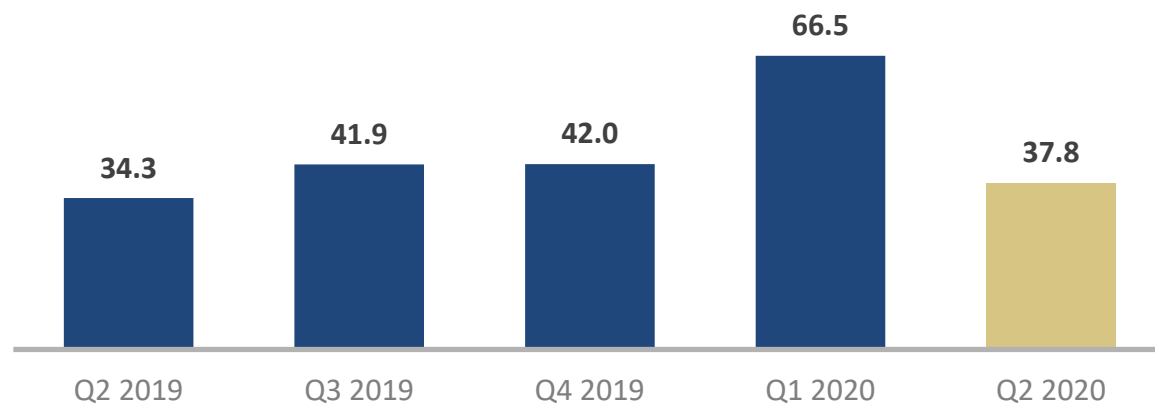
	Q2 2020 IMPACTS	NEAR-TERM OUTLOOK
Bond portfolio*	<ul style="list-style-type: none"> • Bond portfolio of \$126.6B, 79% of bonds rated A or higher; 99% rated BBB or higher; BBB holdings of \$25.3B are primarily higher quality with only \$2.9b rated BBB- • \$18m after-tax negative impact from corporate bond downgrades • Sectors most directly impacted by COVID-19 remain highly rated and continue to be monitored closely 	<ul style="list-style-type: none"> • Downgrade cycle expected to continue over the medium-term • High grade issuers have taken advantage of robust new issue market; expect issuance to slow over second half of year • Lifeco bond portfolio remains diversified and of high quality
Property-related investments	<p>Mortgage payment deferrals</p> <ul style="list-style-type: none"> • A small number of mortgage deferral requests received during the quarter • \$1.7m in payment deferrals on commercial mortgage loans <p>Rent payment deferrals</p> <ul style="list-style-type: none"> • \$5.2m in rent payment deferrals <p>U.K. property portfolio</p> <ul style="list-style-type: none"> • Limited impacts in the quarter 	<ul style="list-style-type: none"> • Limited impacts from deferrals to date; monitoring of asset book to continue as fiscal stimulus measures subside • Sub-sectors such as Industrial and Multi-Family remain more stable than Retail • Within Retail, grocers and distribution warehouses remain more stable than shopping centres or department stores • Mortgage loan portfolio remains diversified and of high quality

High-quality, well-diversified invested assets portfolio demonstrating great resilience through COVID-19 crisis.

*Includes certain funds held by ceding insurers

SALES

Sales^{1,2} (C\$b)



Sales By Segment (C\$b)^{1,2}

	Canada	U.S.	Europe	Lifeco
Q2 2020	2.4	28.2	7.1	37.8
Q1 2020	3.6	53.2	9.7	66.5
Q2 2019	2.9	24.2	7.1	34.3
YOY	(19%)	17%	0%	10%
Constant Currency ³	(19%)	12%	(2%)	7%

Muted sales activity due to COVID-19 balanced by fewer terminations, higher net cash flows and strong retention in group businesses

- Canadian individual insurance sales held up well due to pipeline, digital adoption; reduced industry activity led to YoY decline in Group Customer sales
- Higher institutional sales at Putnam; Empower sales lower on softer market activity
- U.K. had lower bulk and individual annuity sales; fund sales were higher in Ireland

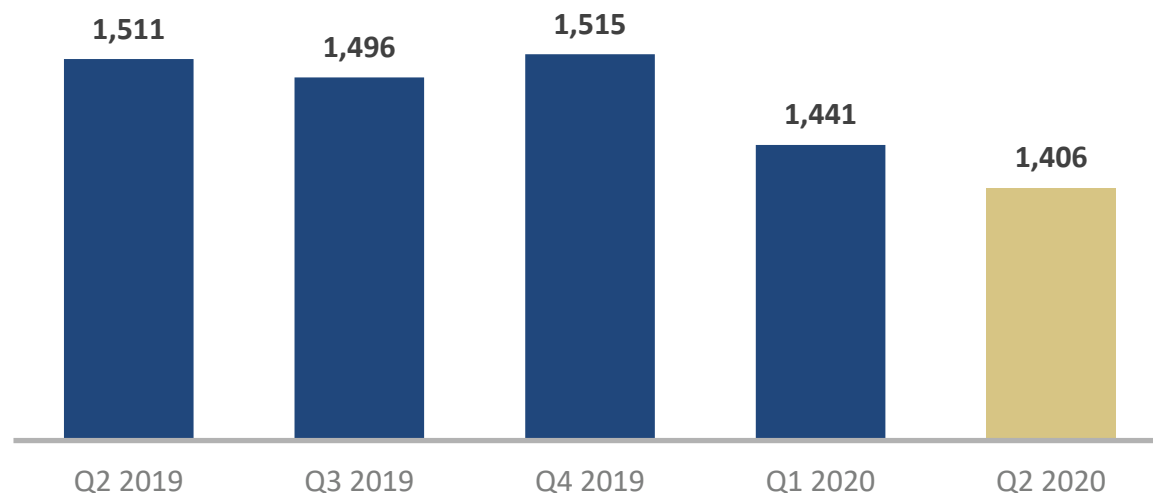
1. Sales is a non-IFRS measure. Refer to the discussion of this measure in the Company's Q2 2020 MD&A.

2. Sales is not a relevant measure for the Capital and Risk Solutions segment due to the nature of operations

3. Constant currency is a non-IFRS measure. Refer to the discussion of this measure in the Company's Q2 2020 MD&A.

FEE AND OTHER INCOME

Fee and Other Income (C\$m)



Fee and Other Income By Segment (C\$m)

	Canada	U.S. ²	Europe	CRS	Lifeco ²
Q2 2020	410	654	340	2	1,406
Q1 2020	440	665	333	3	1,441
Q2 2019	440	684	385	2	1,511
YOY	(7%)	(4%)	(12%)	0%	(7%)
Constant Currency ¹	(7%)	(8%)	(13%)	6%	(9%)

Lifeco fees down 5% YoY, excluding Q2 2019 fees related to the sold U.S. Individual Markets (IM) business

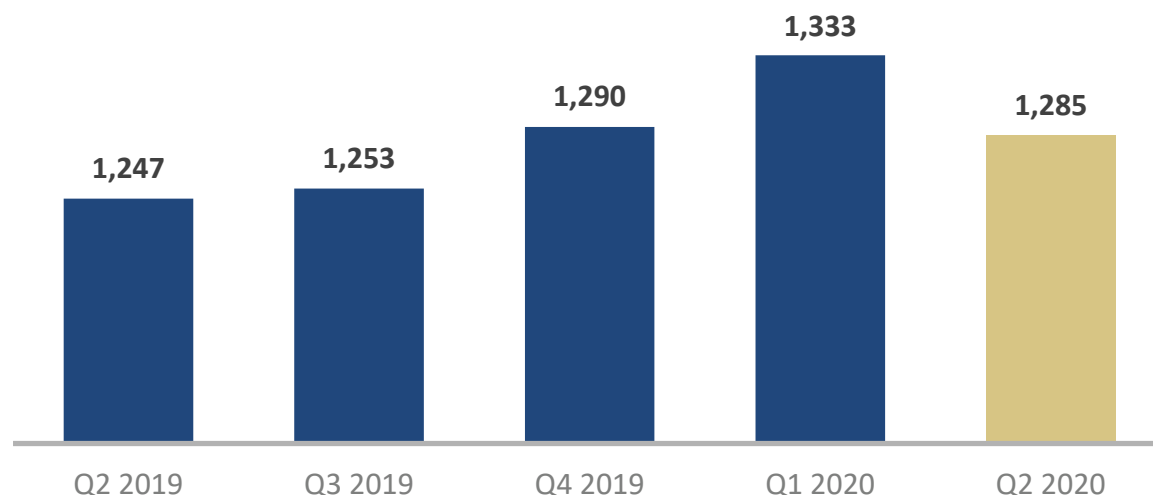
- Reduced ASO fees in Group Customer due to lower claims; impact of lower markets on fee income in Canada (partially offset by positive net cash flow)
- Fees flat to prior year at Empower; lower at Putnam due to lower average AUM
- Europe down due to Scottish Friendly sale in U.K. and a new reinsurance treaty in Ireland

1. Constant currency is a non-IFRS measure. Refer to the discussion of this measure in the Company's Q2 2020 MD&A.

2. U.S. and Lifeco Q2 2019 Fee and Other Income excludes ceding commission of \$1,080 million related to the sale of the U.S. individual life insurance and annuity business.

EXPENSES

Operating Expenses^{1,2} (C\$m)



Operating Expenses By Segment (C\$m)^{1,2}

	Canada	U.S. ²	Europe	CRS	Lifeco ¹
Q2 2020	411	560	283	24	1,285
Q1 2020	453	570	283	23	1,333
Q2 2019	417	539	262	21	1,247
YOY	(1%)	4%	8%	14%	3%
Constant Currency ³	(1%)	0%	6%	12%	1%

Strategic investments balanced by company-wide expense discipline

- Reduced travel and training expenses as a result of COVID-19 across segments
- Strategic investments largely maintained in Canada
- Higher strategic spend in Ireland and UK
- Business growth and transaction expenses in Reinsurance

1. Lifeco totals include Lifeco corporate expenses.

2. Q2 2019 excludes C\$120m of costs related to the sale of the U.S. individual life insurance and annuity business.

3. Constant currency is a non-IFRS measure. Refer to the discussion of this measure in the Company's Q2 2020 MD&A.



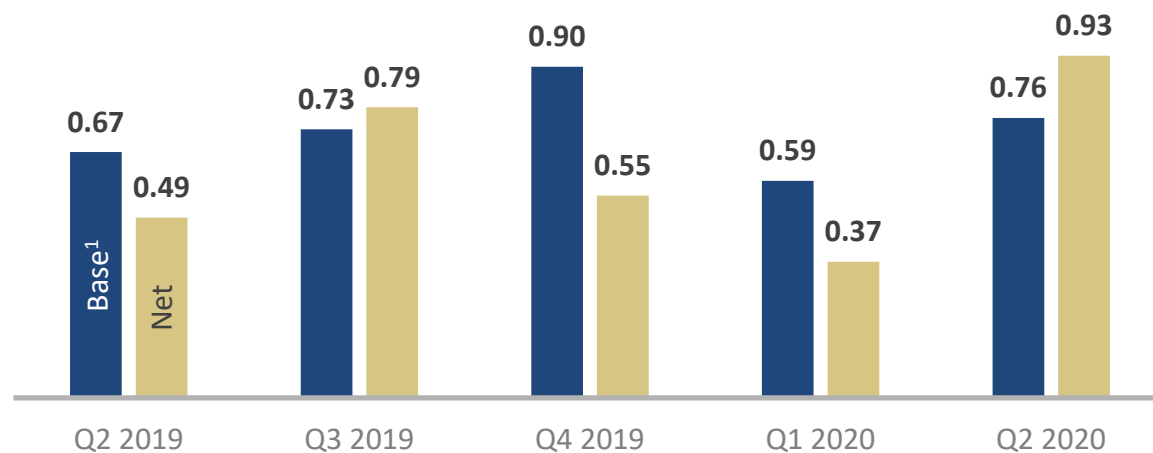
FINANCIAL HIGHLIGHTS

Garry MacNicholas

EVP & CFO
Great-West Lifeco

EARNINGS

Earnings per Share (C\$m)



Base Earnings¹ (C\$m)

	Canada	U.S.	Europe	CRS	(Base) ^{1,2} Lifeco	(Net) ² Lifeco
Q2 2020	315	83	179	137	706	863
Q1 2020	273	17	132	119	543	342
Q2 2019	292	101	155	84	627	459
YOY	8%	(18%)	15%	63%	13%	88%
Constant Currency ³	8%	(21%)	14%	60%	11%	86%

Canada

- Solid underlying business results and continued strong investment gains
- A more favourable tax rate

U.S.

- Up 16%, excluding sold U.S. Individual Markets business
- Empower ahead on business growth and Putnam on seed capital gains

Europe

- Improved investment experience from prior year
- Good insurance results with morbidity and longevity experience offsetting higher life claims

Capital & Risk Solutions

- Significant business growth, particularly in longevity solutions
- Longevity experience offsetting higher life claims

1. Base earnings and base earnings per share (EPS) are non-IFRS measures. Refer to the reconciliations to net earnings and earnings per share, respectively, in the Company's Q2 2020 MD&A.

2. Lifeco totals include Lifeco corporate earnings.

3. Constant currency is a non-IFRS measure. Refer to the discussion of this measure in the Company's Q2 2020 MD&A.

EARNINGS RECONCILIATION

For the three months ended (C\$m)	Q2 2020		Q1 2020	
	Post-Tax (m)	Per Share	Post-Tax (m)	Per Share
Base earnings¹	706	0.76	543	0.59
Items excluded from base earnings				
Actuarial assumption changes and management actions	122	0.13	(52)	(0.06)
Market-related impacts on liabilities	35*	0.04	(149)	(0.16)
Items excluded from base earnings ¹	157	0.17	(201)	(0.22)
Net earnings – common shareholders	863	0.93	342	0.37

- Base and net earnings reflect recovery in markets in Q2 2020
- Base earnings reflect improvements in seed capital and fee income and good underlying business growth
- Actuarial assumption changes include primarily market related changes and longevity updates

* Includes \$42m of experience gains and (\$7m) tax.

1. Base earnings and base earnings per share (EPS) are non-IFRS measures. Refer to the reconciliations to net earnings and earnings per share, respectively, in the Company's Q2 2020 MD&A.

SOURCE OF EARNINGS

(C\$m)	Canada	U.S.	Europe	CRS	Corp.	Q2/20 Total	Q1/20 Total	Q2/19 Total
Expected profit on in-force business ¹	303	90	189	155	(5)	732	729	734
Impact of new business	(12)	(32)	(29)	4	-	(69)	(86)	(17)
Experience gains and losses ²	69	5	33	(7)	(2)	98	(195)	37
Management actions and changes in assumptions ²	58	-	56	26	-	140	(81)	(10)
Other	-	-	-	-	-	-	-	(202)
Earnings on surplus (incl. financing charges)	24	47	21	13	(3)	102	4	44
Net earnings before tax	442	110	270	191	(10)	1,003	371	586
Taxes ²	(60)	(17)	(11)	(4)	2	(90)	2	(92)
Net earnings before non-controlling interests & preferred dividends	382	93	259	187	(8)	913	373	494
Non-controlling interests & preferred dividends	(29)	(15)	(6)	-	-	(50)	(31)	(35)
Net earnings – common shareholders	353	78	253	187	(8)	863	342	459
Base earnings	315	83	179	137	(8)	706	543	627

1. Includes expected profit of \$23m in Q2 2019 related to the U.S. Individual Market business sold in Q2 2019.

2. Items excluded from base earnings in Q2 2020 include +\$43m pre-tax in experience gains and losses, +140m pre-tax in management actions and changes in assumptions and -\$26m in taxes.

SOURCE OF EARNINGS – ADDITIONAL DETAIL

Experience gains and losses

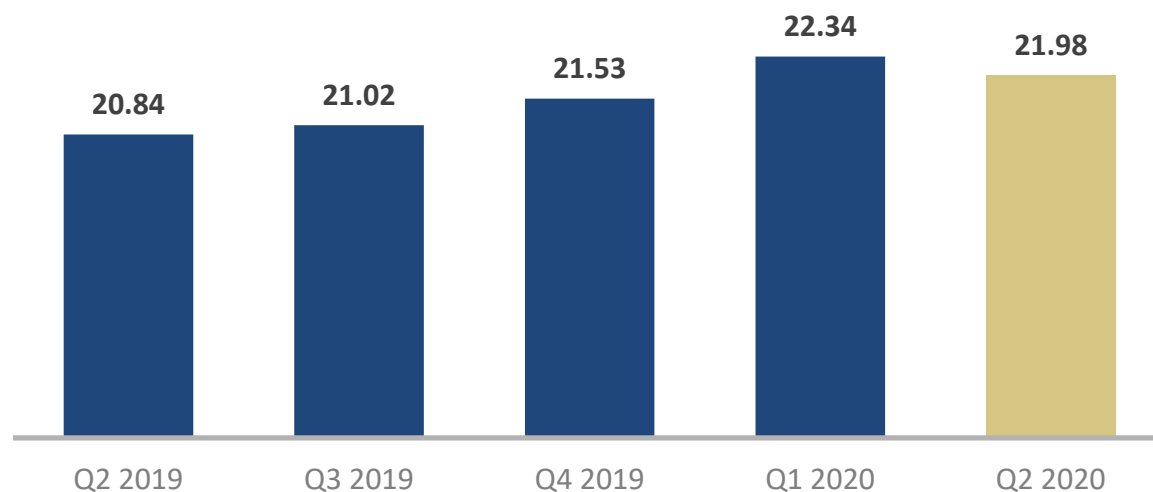
For the three months ended June 30/20 (C\$m)	Pre-Tax	Post-Tax
Yield enhancement	104	75
Market related impact on liabilities	43	42
Fee variances (market related)	30	23
Mortality / longevity / morbidity	1	11
Fee (non-market) and expenses	(54)	(42)
Credit related	(15)	(14)
Other	(11)	(5)
Total experience gains / losses	98	90

Management actions and changes in assumptions

For the three months ended June 30/20 (C\$m)	Pre-Tax	Post-Tax
Updated equity and real estate return assumptions in Canada	89	65
Canada morbidity	(35)	(26)
CRS and UK longevity assumptions	88	85
Other	(2)	(2)
Total management actions and changes in assumptions	140	122

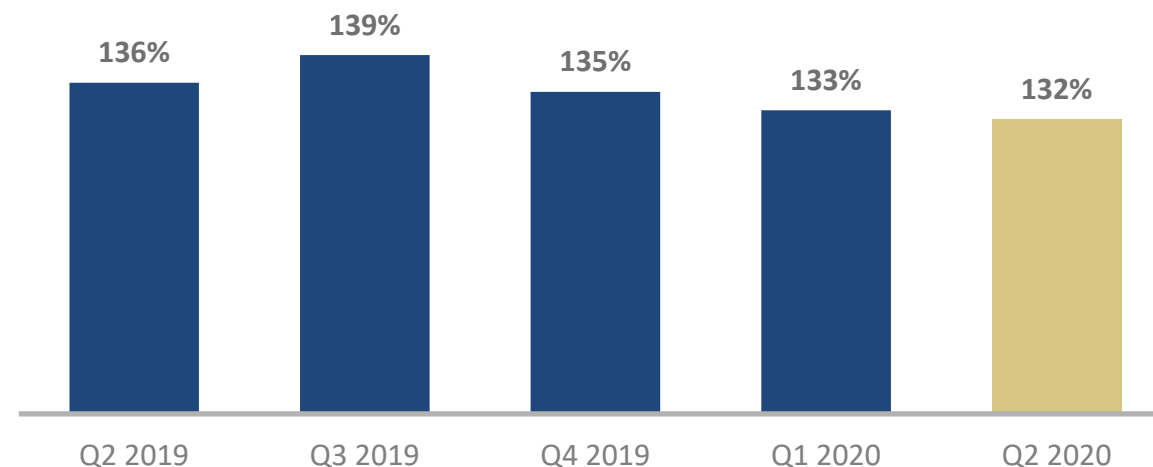
BOOK VALUE PER SHARE AND LICAT

Book Value per Share (C\$)



- Book value up 5% YoY, primarily due to retained earnings and currency translation
- Down 2% from Q1 2020, strong retained earnings more than offset by currency translation and pension remeasurement

LICAT



- LICAT at 132%, down 1 point from Q1 2020
 - Earnings contribution a strong positive, offset by impacts of currency movements and business growth
- Lifeco cash \$1.7b at Q2 2020 (not included in LICAT)

TRANSACTION WITH MACKENZIE FINANCIAL TO STRENGTHEN CANADA LIFE'S WEALTH MANAGEMENT BUSINESS



Great-West Lifeco has reached an agreement to sell its Canadian subsidiary, GLC Asset Management Group (GLC), to Mackenzie Financial (Mackenzie).



Canada Life will retain control of its overall Canada wealth management strategy, including its product shelf and customer solutions, while accessing Mackenzie's at-scale investment management capability.



Canada Life is establishing its own fund management company, Canada Life Investment Management Limited (CLIML), which, subject to regulatory and other approvals, will assume fund management responsibilities for the Quadrus Group of Funds and other Canada Life branded investment funds.



CLIML will enter into a long-term administration agreement with Mackenzie and Canada Life; Canada Life and CLIML will also enter into a long-term distribution agreement with Mackenzie to provide them with access to Mackenzie's investment management services.



Lifeco will receive net cash consideration of \$145 million on the transaction and expects to recognize a gain. The earnings impact to Lifeco is expected to be a decrease in the single-digit \$ millions range in the year following the transaction.



The transaction is subject to regulatory approval and expected to close in the fourth quarter of 2020.

PERSONAL CAPITAL ACQUISITION TO ACCELERATE EMPOWER'S GROWTH

*Accelerate
Empower's
Strategy by
Creating an
Integrated
Retirement and
Wealth
Platform*



Add best-in-class hybrid digital wealth management platform to Empower

- High growth direct-to-consumer wealth management business focused on large mass affluent market
- Profitable core business model with attractive new customer Lifetime Value / Customer Acquisition Cost (LTV / CAC)
- Strategic focus and investment in driving strong asset growth



Significantly accelerate the growth of Empower's existing DC-focused retail wealth management platform by integrating Personal Capital's technology and capabilities

- Increase rollovers, roll-ins, and share of wallet
- Strong synergies mean Empower does not have to build direct-to-consumer offering



Enhance Empower's successful Defined Contribution business with the addition of leading financial planning and financial wellness capabilities

- Increase DC plan sales
- Drive usage of managed accounts
- Grow participants' out-of-plan asset capture





Looking ahead...a focus on protecting, adapting and growing our business

Supporting employees and customers

Leveraging digital platforms

Advancing strategic priorities



QUESTIONS



APPENDIX

CANADA

(In C\$m)	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	YoY
Sales						
Individual Insurance	98	102	128	118	98	0%
Individual Wealth	2,125	1,918	2,590	2,784	1,679	(21%)
Individual Total	2,223	2,020	2,718	2,902	1,777	(20%)
Group Insurance	109	237	102	119	75	(31%)
Group Wealth	608	1,263	789	611	538	(12%)
Group Total	717	1,500	891	730	613	(15%)
Total	2,940	3,520	3,609	3,632	2,390	(19%)
Fee and Other Income						
Individual Customer	248	252	258	246	233	(6%)
Group Customer	175	179	184	179	163	(7%)
Corporate	17	16	15	15	14	(18%)
Total	440	447	457	440	410	(7%)
Operating Expenses						
Individual Customer	193	186	206	202	188	(3%)
Group Customer	216	205	225	230	208	(4%)
Corporate	8	26	20	21	15	88%
Total	417	417	451	453	411	(1%)

CANADA

(In C\$m)	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	YoY
Individual Customer						
Base Earnings	147	165	143	138	159	8%
Items excluded from Base Earnings	(12)	(80)	(56)	(126)	36	
Net Earnings	135	85	87	12	195	44%
Group Customer						
Base Earnings	161	181	144	143	195	21%
Items excluded from Base Earnings	-	25	(30)	4	2	
Net Earnings	161	206	114	147	197	22%
Corporate						
Base Earnings	(16)	9	(13)	(8)	(39)	
Net Earnings	(16)	9	(13)	(8)	(39)	
Canada Totals						
Base Earnings	292	355	274	273	315	8%
Items excluded from Base Earnings	(12)	(55)	(86)	(122)	38	
Net Earnings	280	300	188	151	353	26%

Note: Base earnings (loss) are defined as net earnings excluding the impact of actuarial assumption changes and management actions, direct equity and interest rate market impacts on insurance and investment contract liabilities, net of hedging, and related deferred tax liabilities, and items that management believes are not indicative of the Company's underlying business results. These items would include restructuring costs, material legal settlements, material impairment charges related to goodwill and intangible assets, legislative tax changes and other tax impairments, and gains or losses related to the disposition of a business.

UNITED STATES¹

(In US\$m)	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	YoY
Sales						
Empower Retirement	8,746	12,792	11,968	25,060	5,196	(41%)
Reinsured Insurance & Annuity Business	65	-	-	-	-	
Total	8,811	12,792	11,968	25,060	5,196	(41%)
Putnam Sales	9,258	10,879	12,108	14,664	15,111	63%
Fee and Other Income						
Empower Retirement	261	273	279	275	262	0%
Reinsured Insurance & Annuity Business	24	-	-	-	-	
Other	3	7	6	4	4	28%
Putnam	222	224	229	218	203	(9%)
Ceding Commission on sale of Ind. Insurance & Annuity Business	806	-	-	-	-	
Total	1,316	504	514	497	469	(64%)
Operating Expenses						
Empower Retirement	218	232	251	238	229	5%
Reinsured Insurance & Annuity Business	13	-	-	-	-	
Other ²	8	17	-13	11	11	38%
Putnam	163	160	167	176	163	0%
U.S. Corporate	-	8	1	-	-	
Total	402	417	406	425	403	0%

1. Reinsured Insurance & Annuity Business reflects business transferred to Protective Life Insurance on June 1, 2019. Other now includes Individual Markets retained business. Comparative figures have been adjusted to reflect current presentation.

2. Other expenses include a US\$28m credit resulting from a GWF pension buyout in Q4 2019

UNITED STATES¹

(In US\$m)	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	YoY
Empower Retirement						
Base Earnings	43	46	54	40	48	12%
Items excluded from Base Earnings	-	(1)	23	(9)	(4)	
Net Earnings	43	45	77	31	44	2%
Reinsured Insurance & Annuity Business						
Base Earnings	22	-	-	-	-	
Items excluded from Base Earnings ²	(148)	-	-	-	-	
Net Earnings	(126)	-	-	-	-	
Other						
Base Earnings	3	4	3	2	5	
Items excluded from Base Earnings	-	-	(4)	-	-	
Net Earnings	3	4	(1)	2	5	
Putnam						
Base Earnings	5	9	13	(31)	9	80%
Net Earnings	5	9	13	(31)	9	80%
Corporate						
Base Earnings	2	1	(2)	2	(1)	
Items excluded from Base Earnings	-	-	(179)	-	-	
Net Earnings	2	1	(181)	2	(1)	
U.S. Totals						
Base Earnings	75	60	68	13	61	(19%)
Items excluded from Base Earnings	(148)	(1)	(160)	(9)	(4)	
Net Earnings	(73)	59	(92)	4	57	

1. Reinsured Insurance & Annuity Business reflects business transferred to Protective Life Insurance on June 1, 2019. Other now includes Individual Markets retained business. Comparative figures have been adjusted to reflect current presentation.

2. Q2 2019 includes the loss on sale of the Insurance and Annuity Business.

Note: Base earnings (loss) are defined as net earnings excluding the impact of actuarial assumption changes and management actions, direct equity and interest rate market impacts on insurance and investment contract liabilities, net of hedging, and related deferred tax liabilities, and items that management believes are not indicative of the Company's underlying business results. These items would include restructuring costs, material legal settlements, material impairment charges related to goodwill and intangible assets, legislative tax changes and other tax impairments, and gains or losses related to the disposition of a business.

EUROPE

(In C\$m)	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	YoY
Sales						
U.K	1,748	1,238	1,027	1,102	1,059	(39%)
Ireland	5,313	5,784	5,393	8,480	6,001	13%
Germany	70	76	146	86	81	16%
Total	7,131	7,098	6,566	9,668	7,141	0%
Fee and Other Income						
U.K	52	54	63	39	44	(15%)
Ireland	225	238	229	189	185	(18%)
Germany	108	90	109	105	111	3%
Corporate ¹	-	-	(24)	-	-	
Total	385	382	377	333	340	(12%)
Operating Expenses						
U.K	78	80	80	79	83	6%
Ireland	149	146	152	166	160	7%
Germany	33	33	39	35	36	9%
Corporate	2	3	5	3	4	100%
Total	262	262	276	283	283	8%

1. Europe fee income includes (\$24m) in the corporate segment as a result of the Scottish Friendly transaction in Q4 2019.

EUROPE

(In C\$m)	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	YoY
U.K.						
Base Earnings	69	105	233	72	88	28%
Items excluded from Base Earnings	2	62	(27)	19	21	
Net Earnings	71	167	206	91	109	54%
Ireland						
Base Earnings	54	29	52	27	53	(2%)
Items excluded from Base Earnings	21	54	36	(43)	48	
Net Earnings	75	83	88	(16)	101	35%
Germany						
Base Earnings	34	31	34	36	41	21%
Items excluded from Base Earnings	15	5	1	(17)	5	
Net Earnings	49	36	35	19	46	(6%)
Corporate						
Base Earnings	(2)	(4)	(2)	(3)	(3)	
Items excluded from Base Earnings	-	-	8	-	-	
Net Earnings	(2)	(4)	6	(3)	(3)	
Europe Totals						
Base Earnings	155	161	317	132	179	15%
Items excluded from Base Earnings	38	121	18	(41)	74	
Net Earnings	193	282	335	91	253	31%

Note: Base earnings (loss) are defined as net earnings excluding the impact of actuarial assumption changes and management actions, direct equity and interest rate market impacts on insurance and investment contract liabilities, net of hedging, and related deferred tax liabilities, and items that management believes are not indicative of the Company's underlying business results. These items would include restructuring costs, material legal settlements, material impairment charges related to goodwill and intangible assets, legislative tax changes and other tax impairments, and gains or losses related to the disposition of a business.

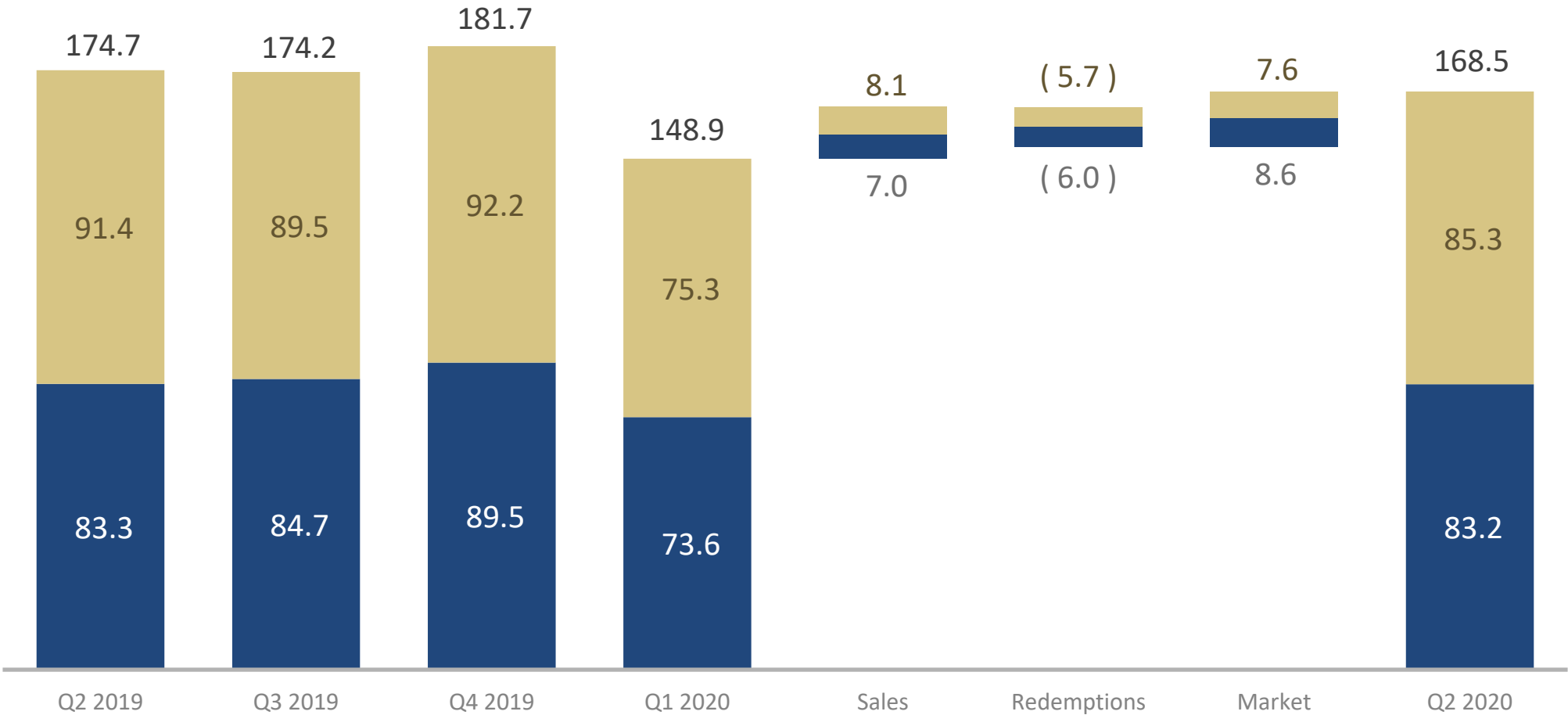
Capital and Risk Solutions

(In C\$m)	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	YoY
Fee and Other Income						
Reinsurance	2	2	2	3	2	0%
Operating Expenses						
Reinsurance	20	20	21	21	22	10%
Corporate & Par	1	1	1	2	2	
Total	21	21	22	23	24	14%
Reinsurance						
Base Earnings	84	85	162	120	138	64%
Items excluded from Base Earnings	5	(10)	(34)	(26)	50	
Net Earnings	89	75	128	94	188	111%
Corporate						
Base Earnings	-	1	(5)	(1)	(1)	
Items excluded from Base Earnings	-	(1)	(6)	-	-	
Net Earnings	-	-	(11)	(1)	(1)	
Capital and Risk Solutions Totals						
Base Earnings	84	86	157	119	137	63%
Items excluded from Base Earnings	5	(11)	(40)	(26)	50	
Net Earnings	89	75	117	93	187	110%

Note: Reinsurance premiums can vary significantly from period to period depending on the terms of underlying treaties . Earnings are not directly correlated to premiums received.

PUTNAM – AUM AND FLOWS

(US\$b)



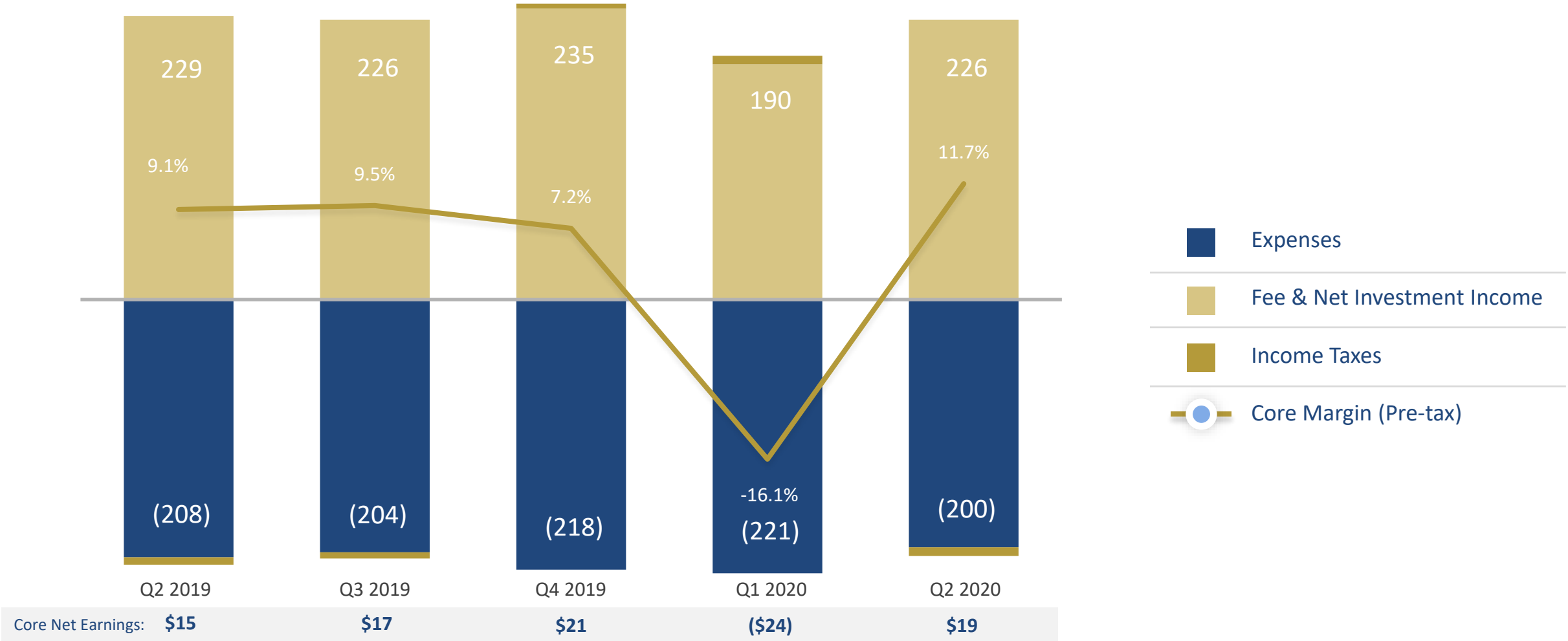
In-Qtr Avg. AUM:	172.0	174.3	178.0	172.4			160.2
------------------	-------	-------	-------	-------	--	--	-------

Mutual Funds

Institutional

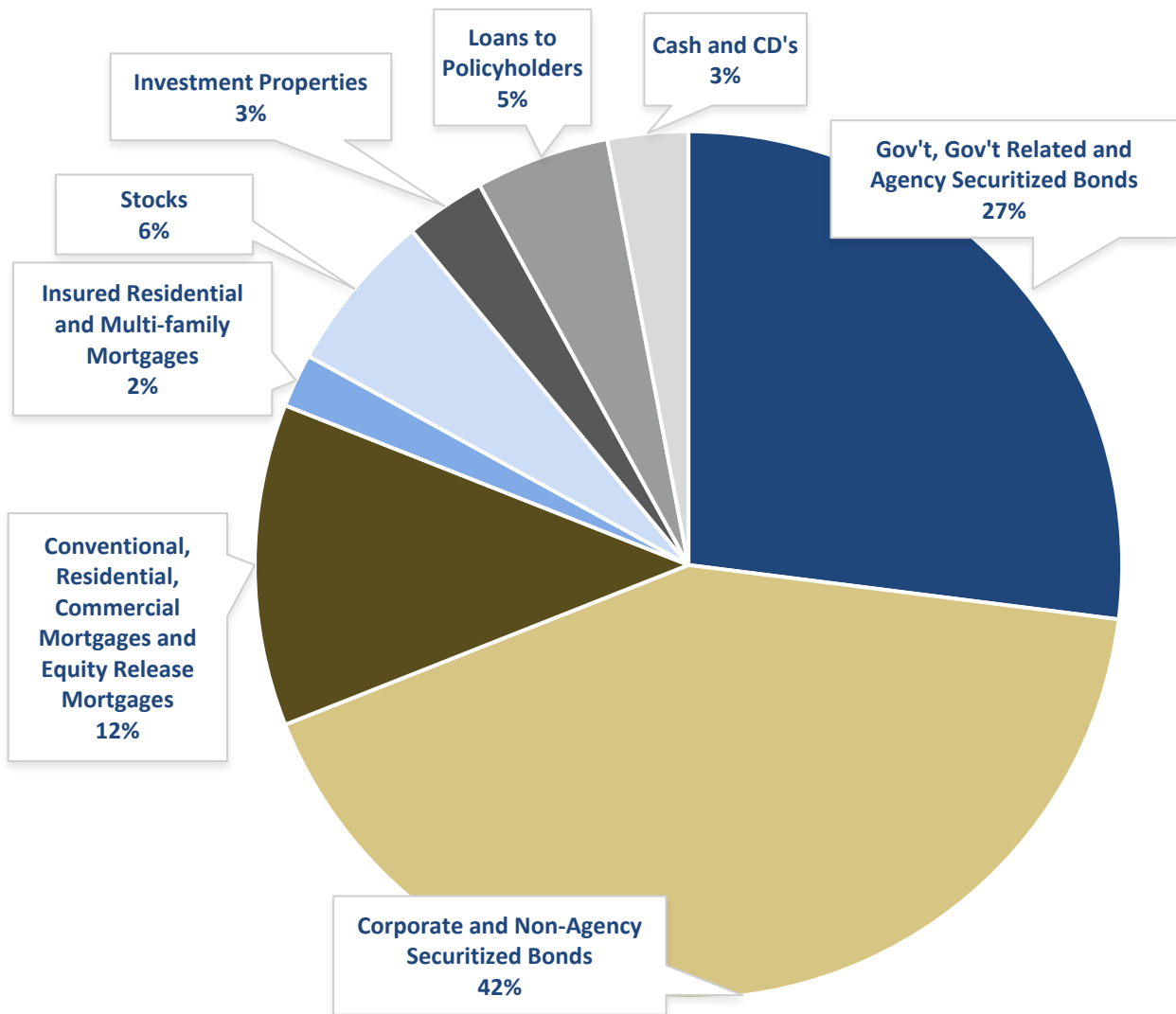
PUTNAM – CORE NET EARNINGS

(US\$m)



Note: Core net earnings (loss) (a non-IFRS financial measure) is a measure of the Asset Management business unit's performance. Core net earnings (loss) include the impact of dealer commissions and software amortization, and excludes the impact of corporate financing charges and allocations, certain tax adjustments and other non-recurring transactions. Please refer to Q2 2020 MD&A for reconciliation to net earnings (loss).

INVESTED ASSETS¹



Invested assets of \$182.3 billion

Diversified high quality portfolio:

Bonds represent 69%:

- 99% are investment grade
- 79% rated A or higher
- 85% of bond holdings are domiciled in Canada, the U.S. and the U.K.

Mortgage portfolio represents 14%:

- Well diversified by geography and property type
- Well seasoned, with minimal impairments; delinquencies > 90 days on non-impaired mortgages are negligible

Stocks represent 6%, mostly Canadian publicly traded

Investment Properties represent 3%:

- 55% in Canada / U.S.;
45% in U.K. / Europe
- Properties are unlevered
- U.K. / European properties benefit from long term lease contracts

1. At June 30, 2020; Includes certain funds held by ceding insurers (carrying value of \$6.2bln)

LIFECO CONSOLIDATED BOND PORTFOLIO*

Country of Domicile	% of Invested Assets		
	Gov't, Gov't Related and Agency Securitized Bonds	Corporate and Non-Agency Securitized Bonds	Total Bonds
Canada	11.8%	10.8%	22.6%
U.S.	2.9%	17.3%	20.2%
U.K.	8.3%	8.2%	16.5%
Germany	1.4%	1.0%	2.4%
Ireland	0.3%	0.2%	0.5%
	24.7%	37.5%	62.2%
Europe (excluding U.K., Germany & Ireland)	1.1%	3.3%	4.4%
All Other	1.2%	1.6%	2.8%
Total	27.0%	42.4%	69.4%

*Includes certain funds held by ceding insurers

LIFECO CONSOLIDATED BOND PORTFOLIO – BY RATING*

Rating	Carrying Value (C\$m)	% of Total
AAA	22,120	17.5%
AA	36,841	29.1%
A	41,447	32.8%
BBB	25,330	20.0%
BB or Lower	812	0.6%
Total	126,550	100.0%

- Bond portfolio quality remains high, with 99% rated investment grade and 79% rated A or higher.

*Includes certain funds held by ceding insurers

CORPORATE AND NON-AGENCY SECURITIZED BONDS – SECTOR DIVERSIFICATION*

Corporates	% of Invested Assets
Electric Utilities	7.2%
Consumer Products	5.3%
Banks	3.5%
Industrial Products	3.5%
Financial Services	3.1%
Transportation	2.8%
Energy	2.7%
Real Estate	2.1%
Communications	1.8%
Other Utilities	1.5%
Gas Utilities	1.5%
Technology	1.2%
Auto & Auto Parts	1.1%
Total Corporates	37.3%

Non-Agency Securitized	% of Invested Assets
CMBS	1.5%
RMBS	0.2%
Other ABS	3.4%
Total Non-Agency Securitized	5.1%
Total Corporate and Non-Agency Securitized	42.4%

*Includes certain funds held by ceding insurers

UNITED KINGDOM PROPERTY RELATED EXPOSURES

Mortgages

(C\$m) Carrying Value

City/Region	Property Type						Total	% of Lifeco IA
	Multi Family	Retail	Office	Industrial	Other	Equity Release		
Central London	388	932	944	34	78	221	2,597	1.4%
Other United Kingdom	290	531	415	813	465	1,487	4,001	2.2%
Total United Kingdom	678	1,463	1,359	847	543	1,708	6,598	3.6%
% of Total	10.3%	22.2%	20.6%	12.8%	8.2%	25.9%		
% of IA	0.4%	0.8%	0.7%	0.5%	0.3%	0.9%		

- Mortgage holdings in the United Kingdom totaled \$6.6 billion (3.6% of invested assets). Conventional mortgages, which exclude equity release mortgages, are well diversified by property type, with a weighted average LTV of 50%, a weighted average DSCR of 2.7, and a weighted average lease term exceeding 11 years. Equity release mortgages have a weighted average LTV of 26%.
- Central London mortgage holdings totaled \$2.6 billion (1.4% of invested assets), with office holdings totaling \$0.9 billion (0.5% of invested assets). Central London conventional mortgage weighted average LTV is 42% and Central London office weighted average LTV is 47%.

UNITED KINGDOM PROPERTY RELATED EXPOSURES

Investment Properties

(C\$m) Carrying Value

City/Region	Property Type					Total	% of Lifeco IA
	Multi Family	Retail	Office	Industrial	Other		
Central London	-	28	296	-	41	365	0.2%
Other United Kingdom	-	755	325	749	285	2,114	1.2%
Total United Kingdom	-	783	621	749	326	2,479	1.4%
% of Total	-	31.6%	25.1%	30.2%	13.1%		
% of IA	-	0.4%	0.4%	0.4%	0.2%		

- Investment property holdings in the United Kingdom totaled \$2.5 billion (1.4% of invested assets). Property holdings are well diversified by property type, with a weighted average lease term of 11 years.
- Central London property holdings are primarily office properties and totaled \$0.4 billion (0.2% of invested assets).

UNITED KINGDOM PROPERTY RELATED EXPOSURES

Retail Mortgages and Investment Properties

(C\$m) Carrying Value

Retail Property Category

Invested Asset Type	Warehouse, Distribution, and Other	Shopping Centres and Department Stores	Grocery	Total	% of Lifeco IA	Retail LTV
Pre-2009 Mortgages	138	99	122	359	0.2%	83%
Post-2008 Mortgages	643	380	81	1,104	0.6%	40%
Total Mortgages	781	479	203	1,463	0.8%	50%
Total Investment Properties	339	180	264	783	0.4%	
Total	1,120	659	467	2,246	1.2%	
% of Total	49.9%	29.3%	20.8%			
% of IA	0.6%	0.4%	0.2%			

- Retail mortgage and investment property holdings in the United Kingdom totaled \$2.2 billion (1.2% of invested assets). Retail mortgage weighted average LTV is 50%.
- Mortgage underwriting standards changed significantly after the financial crisis, with lower LTVs and a greater focus on asset diversification. Pre-2009 mortgage holdings totaled \$0.4 billion, with Shopping Centres and Department Stores totaling \$0.1 billion.
- High Street retailers, included under Shopping Centres and Department Stores, comprise 0.3% of invested assets

CURRENCY (RELATIVE TO C\$)

Income & Expenses				Balance Sheet		
	US\$	£	€	US\$	£	€
Q2 2020	1.39	1.72	1.53	1.36	1.68	1.52
Q1 2020	1.34	1.72	1.48	1.40	1.74	1.55
Q4 2019	1.32	1.70	1.46	1.30	1.72	1.46
Q3 2019	1.32	1.63	1.47	1.32	1.63	1.44
Q2 2019	1.34	1.72	1.50	1.31	1.66	1.49